

Basic Working Conditions and Human Rights in Boeing's Supply Chain

Boeing takes the following actions to reduce the risk of human trafficking and modern slavery in Boeing's supply chain:

- (1) Boeing engages in verification by evaluating the risk of human trafficking and modern slavery in Boeing's direct (first tier) supply chain as described herein.
 - Boeing participates in an industry voluntary program for supplier sustainability assessments governed by the International Aerospace Environmental Group. These assessments include evaluating supplier policies, actions and impact with respect to supply chain human rights risk management practices. Suppliers are selected for sustainability evaluations using a risk-based approach informed by type of good or service provided and global operating region. Furthermore, by participating in an industry approach, it provides Boeing insights on human rights risk management practices maturity at different levels of the supply base.
 - If such evidence of human trafficking and modern slavery is discovered, Boeing personnel will report those findings to their management and/or through other Boeing channels such as the [Ethics Reporting Process](#) or the Law Department.
- (2) Boeing does not conduct independent, unannounced physical inspection of suppliers' operations for signs of human rights concerns as a standard practice.
- (3) Boeing requires suppliers to submit certifications where required by the Federal Acquisition Regulation. Boeing also includes a Compliance with Law clause in its subcontracts with its direct suppliers requiring supplier compliance with applicable statutes and government rules, regulations, and orders, which necessarily include compliance with applicable laws or regulations pertaining to human rights and eradicating human trafficking and modern slavery.
 - Specifically with regard to human rights, Boeing also includes a separate and distinct clause in contracts with its suppliers entitled "Supplier Code of Conduct." This clause further encourages the suppliers to adopt and enforce values and behaviors consistent with those embodied in Boeing's [Supplier Code of Conduct](#). Finally, this clause must be flowed down to its Supply Chain.
 - Boeing includes FAR clause 52.222-50, Combating Trafficking in Persons, in its subcontracts, including commercial item subcontracts, which are placed with direct suppliers in support of Boeing's U.S. Government prime contracts. This clause must also be flowed down to sub-tier suppliers that support those U.S. Government prime contracts and contains a reporting obligation to notify the Contracting Officer and the agency Inspector General immediately of any credible information we receive from any source that alleges an employee or subcontractor has engaged in conduct that violates the policy in FAR 52.222-50 paragraph (b).
 - In the event that the suppliers commit any material violation of law relating to basic working conditions and human rights in their performance of work with Boeing, Boeing has the right to terminate those contracts for default.
- (4) Boeing maintains internal accountability standards and procedures for employees or contractors failing to meet company standards regarding modern slavery and trafficking.
 - Boeing has adopted and enforces a Boeing Code of Conduct, found at https://www.boeing.com/resources/boeingdotcom/principles/ethics_and_compliance/pdf/english.pdf, and requires that its employees annually certify to their commitment to honor that code in their performance of their responsibilities for Boeing.

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- Boeing has adopted and enforces a similar “Non-Employee Code of Conduct” for contract hires who perform work for Boeing.
 - Compliance with the requirements of these codes is expected behavior for Boeing employees. Violation of these requirements will result in appropriate corrective action.
- (5) Boeing provides awareness training on human trafficking and modern slavery to employees and management who have direct responsibility for supply chain management. The training provides an overview of human trafficking and identifies suspect behaviors our personnel should be mindful of when visiting suppliers. The training further describes reporting responsibilities when there is credible information that an employee, subcontractor, or supplier has engaged in conduct inconsistent with relevant Boeing policies and compliance obligations.
- (6) Boeing employees are directed to contact their managers and/or the [Ethics Reporting Process](#) for any concerns they have with the risk of human trafficking and modern slavery in Boeing's supply chain. Suppliers, or other external stakeholders, are provided a link to anonymously report concerns to Boeing's Ethics organization through the Boeing Supplier Code of Conduct.