

Four parallel white diagonal lines of varying lengths, positioned to the left of the main title.

**BOEING  
AUSTRALIA:  
MODERN  
SLAVERY  
STATEMENT  
2022**



## Introduction

Boeing Australia Holdings Pty Ltd (ACN 101 168 932) (“BAH”) is a wholly owned subsidiary of The Boeing Company (NYSE: BA), a global aerospace company headquartered in the United States that develops, manufactures and services commercial airplanes, defence products and space systems for customers in more than 150 countries. The Boeing Company and its wholly owned subsidiaries (“Boeing”), are committed to a set of core values that include transparency, integrity, accountability and respect. These values serve as guiding principles for all that we do at Boeing, while compliance, ethical behaviour, and sustainability serve as the foundation for Boeing and our supply chain. As a consequence, Boeing does not tolerate any form of modern slavery in its operations or supply chain, including servitude, forced labour, exploitation, human trafficking, debt bondage, and deceptive recruiting. Boeing is committed to raising awareness of, and taking steps to combat modern slavery across our global footprint and expect our partners and suppliers to do the same.

This Modern Slavery Statement (“Statement”) is in respect of the 12 months ended 31 December 2022 and is made jointly on behalf of BAH and all of its subsidiaries listed below:

- Boeing Aerostructures Australia Pty Ltd (ACN 103 165 466) (“BAA”);
- Boeing Defence Australia Ltd (ACN 006 678 119) (“BDA”);
- Boeing Distribution Australia Pty Ltd (ACN 006 224 764) (“BDAPL”);
- Insitu Pacific Pty Ltd (ACN 122 991 333) (“Insitu Pacific”); and
- Jeppesen Australia Pty Ltd (ACN 010 573 814) (“Jeppesen”), (collectively, “Boeing Australia” or “we”).

Only BAH, BAA and BDA qualify as reporting entities for the purposes of the Modern Slavery Act 2018 (Cth). This Statement is primarily focussed on the operations and supply chains of BAH, BAA and BDA but for completeness and to demonstrate its commitment to transparency and addressing modern slavery risks within Boeing Australia as a whole, this Statement also provides information about how the subsidiaries which are not reporting entities are managing modern slavery risk in their operations and supply chains.

## Our Structure, Operations and Supply Chain

### Structure

BAH is the holding company for Boeing in Australia. It is largely a corporate services entity which employs shared group functions including legal, information technology, global trade controls, environmental health and safety and human resources. It operates the corporate head office in Sydney.

Boeing’s history in Australia spans 96 years. Boeing Australia represents one of Boeing’s largest operational footprints outside the United States. Boeing Australia has the broadest portfolio in Australian aerospace and an extensive supply chain supporting our advance manufacturing of commercial aircraft composite components, defence systems design and development, modelling and simulation, research and development, support and training and uncrewed systems.

Boeing Australia has employees located in every state and territory in Australia with major operations located in Melbourne, Brisbane, Sydney, Adelaide and various Defence bases throughout the country including Townsville, Williamstown and Edinburgh.



## OUR VALUES

### HOW WE OPERATE

- Start with engineering excellence
- Be accountable – from beginning to end
- Apply Lean principles – eliminate traveled work
- Crush bureaucracy
- Reward predictability and stability – everywhere in our business

### HOW WE ACT

- Lead on safety, quality, integrity and sustainability
- Foster a Just Culture grounded in humility, inclusion and transparency
- Import best leadership practices
- Earn stakeholder trust and preference
- Respect one another and advance a global, diverse team

Our values are central to our identity. By instilling these behaviours within our team, Boeing Australia commits to creating a culture that fosters accountability, quality and the highest of ethical standards to enable us to deliver:



Trusted Customer and Supplier Relationships



Safe, happy people



Diverse and inclusive teams that listen and learn



Risk-based governance frameworks



Leading sustainable business practices



Targeted collaboration with Australian Industry



Execution on our commitments

## Operations

BAA and BDA are wholly owned subsidiaries of BAH and are the biggest businesses comprising Boeing Australia.

### Boeing Aerostructures Australia

BAA's manufacturing facility is based in Port Melbourne and currently has around 1,000 employees (with approximately 700 covered under an enterprise agreement). BAA produces flight control surfaces for Boeing commercial aircraft and is Australia's only designer and manufacturer of structural composite commercial aircraft components. BAA has developed a successful advanced manufacturing ecosystem involving hundreds of local suppliers, university research at the Royal Melbourne Institute of Technology, and the on-site support of Boeing Research and Technology-Australia engineers.

Additional capabilities at BAA's site in Fishermans Bend include design and analysis, materials and process technology, testing, structural bonding, resin infusion, non-destructive testing, automated assembly and paint.

### Boeing Defence Australia

BDA currently has around 3,600 employees (with approximately 250 covered under an enterprise agreement). Building on a foundation of successful execution of development and sustainment programs for the Australian Defence Force, BDA has forged a reputation as a trusted partner and leader in Defence aerospace innovation and growth.

With its headquarters in Brisbane, BDA provides capabilities in the areas of engineering, product support, training and maintenance and supply chain management. BDA's business is broken down into the following divisions: commercial derivative aircraft, joint systems, and sustainment operations. Phantom Works Global supports BDA with advanced research, development and prototyping.

### Non-reporting Entities

Insitu Pacific, BDAPL and Jeppesen Australia are also wholly owned subsidiaries of Boeing. These entities fall below the revenue threshold so are not reporting entities for the 2022 reporting period.

Insitu Pacific delivers industry-leading uncrewed aerial system services to Australia and the Asia Pacific region. Insitu Pacific currently has approximately 100 employees mainly based in its head office in Brisbane which serves as a base for warehousing, logistics, engineering, production, maintenance and repairs and training. It also has two other sites in Brisbane for training.

BDAPL is an Australian-based warehouse and distributor of aviation parts and consumables and currently has approximately 40 employees across Melbourne, Perth, Brisbane and New Zealand.

Jeppesen Australia provides digital aviation technology solutions and flight planning software. It is largely a sales office for the main Jeppesen business based in the United States and has only three employees who work remotely.

## Supply Chain

Due to the nature of the industries in which they operate, both BAA and BDA cultivate long-term strategic relationships with their suppliers (which include small or medium enterprises (“SMEs”) as well as larger corporations). The goods and services procured range from commercial off-the-shelf software through to bespoke, highly technical solutions.

As shown in the table below, BAA and BDA recognise the importance of a reliable and local supply chain and source more than 50% of their supplies (by value) from suppliers based in Australia. Suppliers are engaged through various types of arrangements, including one-off purchases under standard purchase order terms and conditions, through to high value strategic and longer-term agreements reflective of the often-long product lifecycles and the specialist nature of many goods and services.

**Table 1: 2022 spend analysis**

2022	No. tier one direct suppliers	Location of suppliers by % of total spend	Top categories of total spend
<b>BAA</b>	470	Australia - 52% USA/Canada -20% Asia – 19% Europe – 9%	Metallic parts - 23% Composite materials -10% Facilities and management services – 10% Composite parts – 8% Fasteners – 6% Engineering services – 5% Professional Services 5%
<b>BDA</b>	840	Australia – 65%* USA – 31% Europe – 4%	Aviation maintenance, repair and operations – 33% Research and development – 10% Electrical components – 7% Engineering services – 6% Software – 5%
<b>Insitu</b>	The primary supplier for Insitu Pacific is Insitu, Inc., a wholly owned subsidiary of The Boeing Company in the United States. Increasingly however, Insitu Pacific is sourcing directly from Insitu, Inc.’s suppliers in the United States or from Australian suppliers. Insitu Pacific does not engage in any significant procurement outside Australia or the United States.		
<b>BDAPL</b>	The primary supplier for BDAPL is Boeing Distribution Inc, which is a wholly owned subsidiary of The Boeing Company in the United States. A small percentage of supplies are sourced from other suppliers in the United States, Australia, United Kingdom and Singapore.		
<b>Jeppesen Australia</b>	Jeppesen Australia is a sales office for products manufactured by Jeppesen Inc. so with the exception of mobile phone services, does not procure any goods or services of its own.		

\*40% of Australian spend is directly with Australian SMEs.

All Boeing Australia entities have their own supplier management function which is responsible for sourcing goods and services. This includes the full end to end procurement lifecycle with support from subject matter experts within business units that ensure procured goods and services are consistent with the specifications and requirements needed.

## Mitigation Activities

In order to reduce the risk of modern slavery in its operations and supply chains, Boeing Australia employs a number of mitigation activities. Some of these activities are specific to the business unit, whilst others derive from controls that exist at the Boeing global enterprise level.

### Due Diligence

As part of a Boeing global enterprise-wide process, Boeing Australia has access to third party due diligence tools for the assessment of various supply chain risks. Boeing Australia utilises a third-party supply chain risk management software to provide 'high risk' alerts if a supplier is identified as potentially or actually engaging in modern slavery practices.

Both BAA and BDA undertake localised due diligence and evaluation assessments and monitor suppliers on an ongoing basis. This can include desktop evaluations, supplier questionnaires and also on-site supplier audits. Factors considered when assessing the suitability of a supplier include the supplier's industry and safety certifications, organisational structure and relationships, employment practices (e.g. turnover and training) and diversity credentials where relevant. BDA and BAA also undergo regular external audits as part of maintaining their own quality management certifications.

### Supplier Contracts

Each of Boeing Australia's specialised supplier management teams implement stringent procurement policies and codes of conduct (as discussed above), and use standardised contracts which specifically address safety, employment conditions and compliance with applicable legislation. The standard contracts require suppliers to comply with Boeing's Supplier Code of Conduct which obliges suppliers to engage in fair, impartial and ethical conduct in their delivery of goods and services to Boeing Australia.

### Strong Governance, Risk and Compliance

As part of the Boeing global enterprise, Boeing Australia benefits from a strong governance framework which includes annual risk assessments on anti-human trafficking, enterprise wide training (including social responsibility awareness training for supply chain teams, and anti-retaliation awareness training), and as mentioned above, internal and supplier Codes of Conduct which are maintained for the Boeing group as a whole. Boeing has also established an Ethics hotline which allows any Boeing employee or external party to raise an ethical concern or question either by phone, or online (and anonymously if preferred).

To supplement the Boeing global enterprise measures above, Boeing Australia has formed a Modern Slavery Compliance Committee ("Committee"). This Committee is comprised of key supply chain leaders from every business unit (including non-reporting entities) and is led by the Modern Slavery Compliance Officer (currently Boeing Australia's Regional Legal Counsel). The Committee meets on a monthly basis and is responsible for driving a collaborative approach and actively

engaging with business units and functions (including supply chain and compliance) to drive awareness about modern slavery, assess and manage identified modern slavery risks, and promote modern slavery compliance across the organisation.

### Quality Management Certifications

To complement the internal review of specific modern slavery controls undertaken by the Committee, the external quality management system audits (i.e. AS9100) of BDA, BAA, Insitu Pacific and BDAPL will identify if there have been deviations from accepted supplier engagement processes. Whilst these audits do not expressly address modern slavery, they will highlight if any further training or other improvements are required to ensure approved procurement practices (e.g. onboarding and due diligence) are followed consistently across those businesses.

### Recruitment Practices

The risk that Boeing Australia causes modern slavery practices in its operations is low due to a combination of highly centralised recruitment practices, standard employment contracts (where 19% of employees are on enterprise agreements), high entry requirements and having a culture of compliance and ethics where employees are held to the highest standard of conduct in the way they do their work, and how they treat each other. The Boeing Code of Conduct which applies across the global enterprise reflects a commitment to the values of safety, quality, integrity and transparency, and a belief that compliance and ethical behaviour are everyone's responsibility. Boeing leadership encourages employees to proactively seek out issues, speak up and report concerns, and engage with transparency.

Boeing's Global Compliance and Ethics function drives compliant company performance across all geographic locations, encourages integrity and transparency, and demonstrates Boeing's commitment to compliant and ethical business practices. Every year, Boeing employees are required to reaffirm their commitment to do their work in a compliant and ethical manner, and respect one another by reading and signing the Boeing Code of Conduct which includes commitments regarding compliance with laws, and reporting of unethical conduct.

To supplement the Boeing Code of Conduct, Boeing also has its Code of Basic Working Conditions and Human Rights which represents the commitment of the Boeing global enterprise to fundamental standards that make Boeing a good place to work.

## Risk of Modern Slavery Practices

Boeing Australia operates in sophisticated and advanced technology industries with highly skilled workforces. No business can definitively certify that it is free of modern slavery, but Boeing Australia considers the risk that it causes, contributes to, or is directly linked to modern

slavery through its operations and supply chains to be 'Low'. An assessment of the nature of the risks that may be present in the operations and supply chains of Boeing Australia is set out below.

Category of Risk	Type of Risk
Sector and industry risks	<ul style="list-style-type: none"> <li>Risk of being directly linked to modern slavery practices through third party suppliers of electronics, construction and fit-out services, cleaning services, clothing and merchandise, or personal protective equipment.</li> </ul>
Product and services risk	<ul style="list-style-type: none"> <li>Risk of being directly linked to modern slavery practices through labour practices of downstream raw materials suppliers or cleaning services providers.</li> <li>Risk of contributing to modern slavery practices through arrangements with suppliers to minimise production costs or use of contingent labour.</li> </ul>
Geographic risks	<ul style="list-style-type: none"> <li>Risk of causing modern slavery from having operations in countries with a higher prevalence of modern slavery such as India, China, Africa, and South East Asia.</li> </ul>

## Effectiveness of Controls

The main mechanism Boeing Australia has for assessing the effectiveness of its control environment against modern slavery resides within our first line business functions with oversight provided by the Committee.

If a modern slavery incident is suspected or identified, our Modern Slavery Compliance Officer would be notified and investigate the report in conjunction with the relevant supply chain focal in accordance with Boeing Australia's modern slavery risk management and remediation plan.

## Progress Against Commitments Made in 2021 Statement

Commitment	Action
Implement a more robust governance process to track our performance against commitments made within the modern slavery statements.	During the 2022 reporting period, the Modern Slavery Compliance Committee met on a monthly basis to assess and manage modern slavery risk across all business units. A recurring agenda item in Committee meetings is the tracking of performance against prior commitments.
Perform a self-assessment for modern slavery risk in Boeing Australia's business operations.	BAA and BDA requested a number of their high-risk suppliers (based on industry and geography) to complete a questionnaire specifically regarding modern slavery risk and the resulting supply chain risk profile is being developed based on responses.
Review our supply chain risk profile and methodology to explore the potential for integration of more comprehensive data sources.	The Committee recognises that there is space for improving the robustness and consistency of supply chain due diligence processes across the business. Boeing's Enterprise Supply Chain Sustainability team is working towards implementing a Boeing wide corporate sustainability tool which aims to enable a more comprehensive due diligence exercise to be undertaken by all Boeing subsidiaries. Until this global solution is implemented, the Committee will continue to enhance modern slavery mitigation, identification and remediation processes at a local level.
Where identified, follow up on any high-risk suppliers to implement an action plan to remediate any identified risks.	There were no actual or suspected incidents of modern slavery during the 2022 reporting period.
Raise awareness of modern slavery risk within our supplier community and within Boeing Australia.	An optional awareness raising session was run in conjunction with International Justice Mission for all Boeing Australia employees. Key supply chain team members completed social responsibility awareness training which was developed internally.

## Areas of Focus in 2023

Boeing Australia has zero tolerance for modern slavery in its operations and supply chain. It recognises the need to continually improve its mitigation, identification and remediation activities in respect of modern slavery and intends to undertake the following activities during the 2023 reporting period:

- Awareness and education – offer targeted training to procurement teams and more general education to all Boeing Australia employees.
- Supplier due diligence – the International Aerospace Environmental Group (IAEG) has formed a strategic partnership with EcoVadis (one of the world's largest providers of business sustainability ratings) to create a voluntary standard approach to sustainability assessment for the global aerospace and defence industry and build a more transparent and sustainable supply chain for its members. The Boeing Company was a founding member of IAEG and through The Boeing Company's Supply Chain Sustainability team is spearheading the project on behalf of Boeing's worldwide operations which is expected to deliver tools and resources to make supplier due diligence and risk assessments more robust and industry specific.
- Supplier engagement – improve supplier awareness of modern slavery, and implement more targeted and comprehensive modern slavery assessments in existing due diligence, onboarding and auditing processes.

## Consultation Process

This statement was circulated to the Committee and supply chain focals from each of Boeing Australia's business units (including the non-reporting entities) were provided with an opportunity to comment on the contents of the statement.

The board of directors of each of the reporting entities, being BAH, BAA and BDA approved this statement.



## Board approval

This Modern Slavery Statement 2022 is made on behalf of Boeing Australia Holdings Pty Ltd and its subsidiaries and was approved by the board of directors of Boeing Australia Holdings Pty Ltd, on 20 June 2023, in accordance with the requirements of the Modern Slavery Act 2018 (Cth).

**Maria Fernandez**

Chair of Boeing Australia Holdings and President, Boeing Australia, New Zealand and South Pacific

**Scott Carpendale**

Director of Boeing Australia Holdings

**Peter Johnson**

Director of Boeing Australia Holdings

**Andrew Duggan**

Director of Boeing Australia Holdings

**Michael Sorrenson**

Director of Boeing Australia Holdings

**Jonathan Carbines**

Director of Boeing Australia Holdings