

Boeing's Oversight and Compliance Procedures for Political Activities

Boeing's engagement in the political process is subject to an extensive framework of laws and regulations, Company policies and procedures, and internal controls, all grounded in our Code of Conduct and informed by our values. This engagement is overseen by senior management of our Government Operations organization and, ultimately, the Governance & Public Policy (GPP) Committee of our Board of Directors, as well as the full Board itself. Further, our compliance with these laws, regulations, policies, procedures, and controls is enforced by a robust compliance program managed by our Law and Global Compliance Department, itself overseen by the Board's Audit Committee, in consultation with the rest of the Board.

Our robust compliance program comprehensively addresses the Company's public policy advocacy—including lobbying—and political contributions. This program is based upon our Code of Conduct and our shared Boeing values, which include our commitment to quality, safety, and integrity.

Board Oversight

As required by Boeing's internal policies and procedures on political activities, PRO-43, oversight starts at the top with our Board of Directors. Annually, our Board reviews Government Operations' proposed political activities and budget as well as all Company memberships in trade associations and other organizations engaged in public policy advocacy on Boeing's behalf.

In addition, the Board's GPP Committee reviews and monitors the Company's public policy advocacy activities and political contributions and, where appropriate, makes recommendations to the Board with respect to such activities and contributions. The Executive Vice President of Government Operations briefs the GPP Committee at least annually on public policy advocacy efforts and memberships in trade associations and other groups that advocate on Boeing's behalf. In addition, in between these formal reviews, members of the GPP Committee and other members of the Board consult with and oversee certain significant public policy relationships—including management's engagement with key government customers, trade associations, and regulatory bodies—in order to further Boeing's strategy and ensure that all such engagements reflect our values.

Compliance Procedures

Annually, Government Operations and Boeing's Law Department report to the Company's Compliance Risk Management Board—led by our Vice President & Chief Compliance Officer and Senior Vice President, Controller with oversight by our Chief Legal Officer & Executive Vice President, Global Compliance—on the Company's lobbying activities and political contributions and the effectiveness of our internal controls, including our policies and procedures. If there were to be particular risks with respect to, or significant violations of, these policies and procedures, those would be reported to the Audit Committee and full Board, as appropriate, as part of its regular reviews of the Compliance Risk Management Board's activities, as described in PRO-7097 (internal controls).

Lobbying

A vast array of federal, state, and local laws govern corporate public policy engagements, and they regulate direct lobbying, grassroots advocacy, and interactions with government officials. Based on this legal framework and our organizational values, PRO-43 sets forth the requirements for our employees who engage in direct and indirect lobbying activities. The procedure also sets the standard for Boeing's memberships in trade associations and other groups who advocate on our behalf. Without first obtaining Government Operations' approval, after review by Boeing's Law Department, as necessary, no Boeing employee is permitted to:

- engage in lobbying of government officials or have any contact with public policy institutes or embassies,
- conduct grassroots activities to influence the general public, or
- make any corporate contribution to non-profit organizations engaged in lobbying or political activities, including trade associations.

Additionally, PRO-43 and PRO-1626 (accounting for lobbying activity) require our employees who are registered lobbyists to file lobbying activity reports pursuant the Lobbying Disclosure Act as well as applicable state and local laws. Annually, the company trains its lobbyists on applicable registration and disclosure requirements to ensure they accurately report lobbying costs and expenses. Government Operations instructs non-lobbyist employees who support lobbying contacts on proper compliance and timekeeping processes. In addition, Boeing's Law Department and Finance organization review and approve all lobbying disclosures to confirm they are accurate and complete. Under PRO-13 (consultants), Government Operations senior leadership must approve the retention of our outside government affairs consultants, after approval by Boeing's Law Department. Boeing must also review and approve our consultants' lobbying activity reports before they are filed.

Campaign-related Activities

Boeing does not use any corporate dollars to support federal, state, or local campaign activities. Indeed, federal, state, and local laws restrict or limit the campaign activities and contributions of defense contractors, corporate PACs, and our employees. Given these rules, together PRO-6 (business courtesies), PRO-7 (conflicts of interest), and PRO-43 set the requirements for:

- visits to Boeing facilities by elected officials and candidates for elected office,
- all employees, restricting them from providing political contributions in anticipation of, to reward, or in return for an official act, or seeking reimbursements for personal political contributions or expenses, and
- those employees who seek elected or appointed public office, or wish serve on public advisory boards, commissions, or committees, which requires obtaining advance approval by Boeing's Law Department and Government Operations' senior leadership.

Additionally, PRO-43 prohibits the use of corporate funds to:

- contribute to committees that contribute to candidates and Super PACs, or
- make electioneering communications or independent expenditures.

PRO-43 further prohibits trade associations and other organizations from using Boeing funds for any election-related political purpose.

Political Action Committee Contributions

The Boeing Political Action Committee (BPAC) operates under the direction and supervision of a 12-member board, comprised of a diverse group senior Boeing leaders, which reports to the Executive Vice President of Government Operations, as described in Boeing's internal process instruction (BPI-4470). The Government Operations Vice President, National Strategy & Engagement, and the Vice President and Assistant General Counsel for Government Operations serve as its other officers. BPAC is funded solely from contributions of eligible employees and retirees in compliance with the Federal Election Campaign Act.

After an evaluation, BPAC contributes to candidates across the political spectrum, in a bipartisan manner, and at every level of government who:

- Demonstrate integrity, character, and commitment to good government and the rule of law in their leadership;
- Share our values in defending freedom, democracy, and our armed forces in their words and actions;
- Support our business and/or demonstrate leadership on aerospace-related issues;
- Support our policy priorities; and
- Work to advance the interests of our customers, workforce, and the communities in which they live and work.

BPAC reviews the budget for all federal candidates who are in-cycle on a bi-annual basis under these criteria as well as guidance from an outside consultant, which adds layers of objectivity and scrutiny focused on candidates' integrity and ethics, commitment to diversity and inclusion, personal conduct, and affiliations to organizations who may not share our values. Proposed state and local campaign contributions must be approved by Boeing's Law Department for pay-to-play and other compliance considerations. All contributions are made on a nonpartisan basis without regard to the personal political preferences of individual employees, executives, or board members. BPAC files all required reports with the Federal Election Commission, Internal Revenue Service, states, and localities. Under the supervision of Boeing's Law Department, BPAC regularly undergoes audits by an outside law firm and independent auditor.