

Boeing Settlement of Lawsuits Alleging Racial Discrimination Approved

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Today, in U.S. District Court in Seattle, the Honorable John C. Coughenour approved a settlement of lawsuits filed against The Boeing Company last year alleging racial discrimination. The \$15 million settlement, first announced in January, resolves two nationwide class action lawsuits in a fair and equitable manner.

"We are very pleased with today's court ruling," said Boeing Chairman and CEO Phil Condit. "The court's approval today allows Boeing to continue its movement forward not only on the commitments outlined in the settlement but toward the company's vision of a culture of inclusion, where diverse groups and ideas flourish."

In a ruling issued today, the court approved all monetary and non-monetary terms of the consent decree or settlement as proposed by Boeing and Class Counsel, attorneys Oscar Desper and Bruce Harrell, earlier this year. More than \$3.25 million of the \$15 million will be paid to 70 named plaintiffs in the lawsuit and 194 other specifically identified class members whose claims surfaced during the litigation. Another \$3.4 million will be distributed among approximately 3,400 members of the settlement class who filed claims for monetary awards.

In addition, \$3.65 million is reserved for the implementation of several system-wide process improvements, such as a revised process for the selection of first-line managers. The company is also developing an enhanced promotion process for hourly employees, which will increase hourly employees' understanding of the process and provide channels for those not selected for promotion to develop themselves to be more competitive for future opportunities. Finally, the company is implementing a new EEO complaint procedure to investigate and address employee concerns about matters pertaining to alleged racial discrimination, harassment or retaliation.

The terms of the non-monetary relief in the consent decree run for a full three years.

"The Boeing Company is fully committed to implementing all the changes as outlined in the consent decree which was approved today," said Jim Dagnon, Boeing senior vice president of People, whose organization is overseeing and is responsible for carrying out the system-wide process improvements. "We believe that ultimately the process enhancements will go a long way toward addressing the concerns raised by everyone in the course of this litigation."

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