Boeing Chairman, President and CEO Dennis Muilenburg and Boeing Board of Directors Reaffirm Company's Commitment to Safety

Board establishes permanent Aerospace Safety Committee, announces recommendations following independent review

CHICAGO, Sept. 25, 2019 /PRNewswire/ -- Boeing Chairman, President and CEO Dennis Muilenburg and the Boeing Board of Directors today reaffirmed the company's longstanding commitment to aerospace safety and the safety of its products and services. Muilenburg and the board announced the establishment of a permanent Aerospace Safety Committee of the Board of Directors. The board also delivered to Muilenburg and senior company leaders the recommendations of its specially-appointed Committee on Airplane Policies and Processes, which also were adopted by the full board.

The board formally approved the **creation of the new Aerospace Safety Committee** at its August 2019 meeting. The committee's primary responsibility is to oversee and ensure the safe design, development, manufacture, production, operation, maintenance and delivery of the company's aerospace products and services.

Adm. Edmund Giambastiani, Jr., (Ret.), former vice chairman, U.S. Joint Chiefs of Staff, and a career nuclear-trained submarine officer, was appointed chairman of the Aerospace Safety Committee. The board also appointed to the committee current Boeing Board members Lynn Good, chairman, president and CEO, Duke Energy Corporation, and Lawrence Kellner, president, Emerald Creek Group and former chairman and CEO of Continental Airlines. These board members each have extensive experience leading companies and organizations in regulated industries and government entities where safety is paramount.

Separately, the board amended the company's Governance Principles to include safety-related experience as one of the criteria it will consider in choosing future directors.

The board also announced today its recommendations from the five-month independent review of the company's policies and processes for airplane design and development by the Committee on Airplane Policies and Processes, formed in April 2019 following the Lion Air Flight 610 and Ethiopian Airlines Flight 302 737 MAX accidents. Reaffirming Boeing's commitment to the safety of the global aerospace ecosystem and to the safety of its products and services, the board recommends that the company:

-- Create a Product and Services Safety organization: The board recommends that a new Product and Services Safety organization be created and report directly to senior company leadership and the board's Aerospace Safety Committee. The organization's responsibilities would include reviewing all aspects of product safety, including investigating cases of undue pressure and anonymous product and service safety concerns raised by employees. The organization also would maintain oversight of the company's Accident Investigation Team and the company's safety review boards. The committee believes the work of this organization should increase awareness and reporting of, and accountability for, safety issues within the company, further improving enterprise-wide product and services safety.

It is recommended that the enterprise Organization Designation Authorization, the company's engineering and technical experts who represent the Federal Aviation Administration in airplane certification activities, report to the Product and Services Safety organization and vice president for Product and Services Safety.

The board further recommends that the Accident Investigation Team as well as the teams responsible for military aircraft certification and mission assurance for space and launch systems report to the vice president for Product and Services Safety.

-- Realign the Engineering function: The board recommends that engineers throughout Boeing, including the new Product and Services Safety organization, report directly to the chief engineer, who in turn reports directly to the company's chief executive officer. The company's chief engineer should focus his or her attention primarily on the Engineering function and the related needs of the company, supported by a senior leader who is responsible for developing, implementing and integrating new technology, tools, processes and digital systems. The board believes the recommended realignment would strengthen the company's Engineering function, promote continued companywide focus on customer, business unit and operational priorities, and result in an even greater emphasis on safety.

-- Establish a Design Requirements Program: The board recommends that the realigned Engineering function create a formal Design Requirements Program that would incorporate historical design materials, data and information, best practices, lessons learned and detailed after-action reports. The board believes this will reinforce Boeing's commitment to continuous improvement and a culture of learning and innovation.

-- Enhance the Continued Operation Safety Program: The board recommends that the company amend its Continued Operation Safety Program to require all safety and potential safety reports be provided to the chief engineer for his or her review. This requirement would increase transparency and ensure safety reports from all levels of the company are reviewed by senior management.

-- Re-examine flight deck design and operation: The board recommends that Boeing partner with its airline customers and others in the industry to re-examine assumptions around flight deck design and operation. Design assumptions have evolved over time, and the company should ensure flight deck designs continue to anticipate the needs of the changing demographics and future pilot populations. Additionally, the company should work with all aviation stakeholders to advise and recommend general pilot training, methods and curricula – where warranted, above and beyond those recommended in a traditional training program – for all commercial aircraft manufactured by the company.

-- Expand the role and reach of the Safety Promotion Center: The board recommends that the Safety Promotion Center's role and reach be extended beyond Boeing's engineering and manufacturing communities to the company's global network of employees, factories, facilities and offices. This expansion would serve to reinforce Boeing's longstanding safety culture and remind employees and the flying public of the company's unyielding commitment to safety, quality and integrity.

"The safety of the global aviation industry is rooted in its dedication to continuous improvement and learning," said Giambastiani, former chairman of the Committee of Airplane Policies and Processes and newly-appointed chairman of the Aerospace Safety Committee.

"The independent committee review was extensive, rigorous and focused on delivering specific recommendations to ensure the highest levels of safety in Boeing airplanes and aerospace products and services and for all who fly on Boeing airplanes," Giambastiani added. "The committee and the board believe these recommendations, along with actions already taken by the board, will strengthen engineering at the company, bolster the safety policies and procedures for the design, development and production of Boeing products and services, and further improve board and management oversight and accountability for safety not only at Boeing, but throughout the global aerospace industry."

The board's recommendations are currently being addressed by Muilenburg and senior company leadership, and it is expected the company soon will announce specific actions that will be taken in response to the board's independent work.

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