## Boeing Chairman, President and CEO Dennis Muilenburg Announces Changes to Sharpen Company Focus on Product and Services Safety

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Company implements and builds upon recommendations from Boeing Board of Directors independent review

New Product and Services Safety organization unifies company approach to safety

Additional actions elevate Engineering function, strengthen Boeing's culture and will advance safety across the aerospace ecosystem

CHICAGO, Sept. 30, 2019 / PRNewswire / -- Boeing Chairman, President and CEO Dennis Muilenburg today announced several immediate actions he is taking to strengthen the company's enduring commitment to product and services safety.

The actions follow recent recommendations from the Boeing Board of Directors that were the result of a five-month independent review of the company's policies and processes for the design and development of its airplanes by a specially appointed committee, initiated by Muilenburg following the Lion Air Flight 610 and Ethiopian Airlines Flight 302 737 MAX accidents. Recommendations from the Committee on Airplane Policies and Processes—supported by extensive outreach to internal and external experts—focused on further improving safety throughout the company and the broader aerospace ecosystem.

"Safety is at the core of who we are at Boeing, and the recent 737 MAX accidents will always weigh heavily on us. They have reminded us again of the importance of our work and have only intensified our commitment to continuously improve the safety of our products and services," said Muilenburg. "My team and I embrace our board's recommendations and are taking immediate steps to implement them across the company in partnership with our people, while continuing and expanding our ongoing efforts to strengthen safety across Boeing and the broader aerospace industry. We thank our board and the committee members for their thorough work and ongoing support. Boeing is committed to always being at the forefront, proactively leading and advocating for continuous improvements in global aerospace safety."

In addition to the previously announced permanent Aerospace Safety Committee of the Boeing Board of Directors, Muilenburg shared that Boeing is standing up a new Product and Services Safety organization that will further strengthen the company's safety-first focus. This organization will unify safety-related responsibilities currently managed by teams across several Boeing business and operating units.

The team will be led by Vice President of Product and Services Safety Beth Pasztor, who will report jointly to the Boeing Board of Directors Aerospace Safety Committee and Greg Hyslop, Boeing chief engineer and senior vice president of Engineering, Test & Technology. The organization will bring together teams across Boeing—and external talent where needed—to elevate awareness and reporting of, and accountability for, safety issues within the company, further improving enterprise-wide product and services safety.

Pasztor, a 34-year Boeing veteran, previously served as vice president of Safety, Security & Compliance for Boeing Commercial Airplanes, where she was responsible for integrating product safety and regulatory compliance actions and initiatives.

The organization is responsible for reviewing all aspects of product safety, including investigating cases of undue pressure and anonymous product and service safety concerns raised by employees. Pasztor also will oversee the company's Accident Investigation Team and safety review boards, in addition to the enterprise Organization Designation Authorization—the company's engineering and technical experts who represent the Federal Aviation Administration in airplane certification activities.

With input from the specially appointed committee, Muilenburg also announced that engineers throughout the company, including the new Product and Services Safety organization, will report directly to Hyslop, whose focus will be on health and capability of the Engineering function and related needs of the company. This realignment will help strengthen engineering expertise, encourage a companywide approach to meeting customer, business unit and operational priorities, and further emphasize the importance of safety. It also places an even greater emphasis on creating professional growth opportunities for engineers across the enterprise.

"These changes will enhance our team and amplify our focus on safety, while benefiting our customers and operational performance, and intensify our focus on learning, tools and talent development across the company," said Muilenburg.

The company also is establishing a Design Requirements Program to strengthen a culture of continuous improvement, learning and innovation; enhancing the Continued Operation Safety Program to raise visibility and transparency of all safety and potential safety reports; partnering with commercial and defense customers,

and other stakeholders, to ensure flight deck designs continue to anticipate the needs of future pilot populations; and expanding the role and reach of the company's Safety Promotion Center to reinforce Boeing's long-standing safety culture.

Concurrently and in addition to the board's recommendations, Muilenburg announced further steps Boeing is taking to strengthen how it manages safety across the company and its supply chain, focusing on operational excellence, investing in its people and, in partnership with others across the aerospace community, working to improve global aviation safety.

That includes expanding companywide use of a comprehensive safety management system and safety review boards to standardize safety policy and objectives, share best practices, manage risk, assess performance, increase visibility and further strengthen the company's safety culture. An anonymous reporting system, born in Commercial Airplanes and expanded across the company, is encouraging employees to bring forward potential safety issues that will be reviewed by the Product and Services Safety organization. Also, safety review boards have been expanded and are now led by senior company leadership, including Boeing's chief engineer and business unit CEOs, resulting in enhanced visibility. Early gains and lessons learned are being applied—today—across a range of development and established programs. Additionally, investments in enhanced flight simulation and computing capabilities have increased the company's ability to proactively test a wide range of scenarios, resulting in improved product safety. For example, over the past several weeks, software engineers have run 390,000 flight hours on the 737 MAX—the equivalent of flying 45 years. Advanced R&D efforts in future flight decks also are underway, leveraging leading-edge work in human factors science and design.

"At this defining moment, Boeing must take an expanded leadership role with a heightened focus on safety — and reach even higher," said Muilenburg. "In addition to our focus on a common safety management system, we're creating new leadership positions with the authority, accountability and transparency needed to make measurable progress; addressing the growing need for talent, pilot and maintenance technician training, and STEM education; as well as investing in areas such as product design, future flight decks, infrastructure, regulation and new technologies. We will have more to share on these additional efforts soon.

"Ensuring the safety of the flying public, pilots and crew is our top priority as we work to return the 737 MAX to service," he continued. "We'll keep learning from the recent accidents, share what we learn with the broader aviation community, and emerge better and stronger as a company and industry."

Boeing is the world's largest aerospace company and leading provider of commercial airplanes, defense, space and security systems, and global services. As the top U.S. exporter, the company supports commercial and government customers in more than 150 countries. Boeing employs more than 150,000 people worldwide and leverages the talents of a global supplier base. Building on a legacy of aerospace leadership, Boeing continues to lead in technology and innovation, deliver for its customers and invest in its people and future growth.

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