

Boeing CEO Message to Employees: Taking Action to Strengthen Safety and Quality

Boeing President and CEO Dave Calhoun shared the following message with all employees today, as the company reported first-quarter results:

Team,

Although we report first quarter financial results today, our focus remains on the sweeping actions we are taking following the Alaska Airlines Flight 1282 accident.

This started with taking responsibility and immediately and transparently supporting the National Transportation Safety Board in their investigation and the Federal Aviation Administration on their audit and oversight actions. We supported our customers in safely returning their airplanes to service, and concurrently launched significant steps to strengthen quality and safety.

Importantly, the foundation of our work is listening to our people. Since Jan. 5, more than 70,000 of you have participated in Quality Stand Downs across more than a dozen Boeing sites. From those, we've received more than 30,000 ideas on how we can improve. And this year, we've seen more than a 500% increase in employee Speak Up submissions compared to 2023. We are taking all ideas collected and prioritizing them as we further enhance our factory disciplines and overall quality standards. Our people know better than anyone the actions we must take to improve, and we are listening and acting on their feedback.

We are leaving no stone unturned and are making significant progress. That includes training, tooling, factory equipment, work instructions, inspection procedures, compliance checks, travelled work controls, incentive structures, employee listening, culture improvement and much more. These are just some of the areas where we are driving enduring change, investing and taking comprehensive actions.

We are using this period, as difficult as it is, to deliberately slow the system, stabilize the supply chain, fortify our factory operations and position Boeing to deliver with the predictability and quality our customers demand for the long term. As these efforts begin to take hold, we're seeing early signs of more predictable, stable and efficient cycle times in our 737 factory, and expect this will continue to slowly improve.

Near term, yes, we are in a tough moment. Lower deliveries can be difficult for our customers and for our financials. But safety and quality must and will come above all else. We are absolutely committed to doing everything we can to make certain our regulators, customers, employees, and the flying public are 100 percent confident in Boeing. While I have shared my plans to step down as CEO around the end of this year, I will be focused every day on seeing that commitment through.

There is a lot of work in front of us, but we remain fully confident in our future. While this effort will slow our recovery timing, we are starting to see these proof points that we'll begin to stabilize and improve performance moving forward.

Demand across our portfolio remains incredibly strong. By the end of this year, we will have largely delivered our 737 and 787 inventory, effectively shutting down our two shadow factories. Our commercial business will be more stable. Our defense business will be progressing toward more historical levels of performance. And our services team will continue to deliver exceptional results for our customers. Most importantly, we will have embedded all of the important lessons we've learned this year.

So, despite the recent challenges, let's not lose sight of the progress we have made; of what we are capable of achieving together; and the important role we play in our world. A Boeing airplane safely takes off or lands just about every second of every day. Our men and women in uniform rely on Boeing when it matters most, and they depend on our products to help them come home safely every day. Next month, we'll be sending astronauts to the space station and returning them safely back to earth in our Starliner space capsule.

The work we do matters; it makes a difference. Over the last several months, I've had the opportunity to speak with many of our frontline team members. I continue to be impressed by the pride you take in your work; your commitment to getting things done the right way; and your willingness to raise your hands and offer ideas for how to do things better.

You are why I'm so confident in our future. Together we will ensure that Boeing is the company the world needs, and the one that we are all proud to work for every day.

Thank you,

Dave
