

**PRO-9**  
**Issue Date**  
June 15, 2007

## **Proper Relationships With Suppliers**

### **Purpose/Summary**

This procedure provides guidance for all employees who have contact with suppliers and prospective suppliers and for employees who are involved in the development of requirements, source selection, any source evaluation process, or inspection and acceptance processes. This procedure applies to all employees of The Boeing Company, including subsidiaries, contingent labor, consultants and others acting for the company unless otherwise approved by the vice president of Ethics and Business Conduct.

### **Supersedes**

April 2, 2004

### **Applies To**

All Boeing

### **Maintained By**

Vice President, Ethics and Business Conduct

### **Authority Reference**

Policy [POL-2](#), "Ethical Business Conduct"

**Approved By**

Martha Ries  
Vice President, Ethics and Business Conduct

**Summary of Changes to the Title Page**

The Issue Date and Supersedes date have changed. In addition, section 1.F has been revised to reflect an additional reference. There are no other changes.

**1. Requirements**

- A. Procurement decisions must be made on the basis of quality, service, price, delivery, best value, or other similar factors. Further explanation of this process is found in Boeing Policy [POL-15](#), "Supplier Management."
- B. Care must be taken to avoid actual conflicts and the appearance of partiality in all business transactions with suppliers.
- C. If U.S. Government contracts are involved and Boeing is in a contractor role, it is necessary to ensure that Boeing suppliers are aware of the special requirements of doing business with the Government. (Refer to [PRO-5](#), "Proper Marketing Practices – Marketing to the U.S. Government.")
- D. If international government contracts are involved and Boeing is a contractor, care may be necessary to ensure that special requirements for doing international business are followed. (Refer to [PRO-1788](#), "Industrial Participation.")
- E. Export and import of both commercial and military hardware; goods or commodities; data and services, including but not limited to, oral, visual, documentary, and electronic communications with suppliers will comply with laws and regulations in accordance with [PRO-2805](#), "Export and Import of Commodities, Software, Technology and Services."
- F. A supplier's or potential supplier's proprietary information and resources must be protected in accordance with Boeing Policy [POL-15](#), "Supplier Management," [PRO-2227](#), "Information Protection," and [PRO-10](#), "Proper Use of Company, Customer, and Supplier Resources." Employees are responsible for complying with supplier-imposed limitations governing the use of supplier information, including such items as documents and computer software.
- G. Boeing limited, proprietary, or sensitive information must not be disclosed to a supplier or potential supplier unless disclosure is authorized and in

accordance with [PRO-3439](#), “Release of Information Outside The Boeing Company.”

- H. Only individuals identified in accordance with Boeing Policy [POL-9](#), “Contracting”, [POL-14](#), “Consultants”, [POL-15](#), “Supplier Management” and [POL-1](#), “Delegation of Authority to Authorize Business Transactions and Agreements, and to Commit Company Resources,” may commit the company to contractual obligations.

## 2. Responsibilities

- A. Employees may not solicit gifts or courtesies from suppliers. Under certain limited circumstances, however, employees may accept gifts or gratuities from suppliers (see [PRO-8](#), “Acceptance of Business Courtesies”). Employees may offer gratuities to suppliers only in accordance with Boeing Procedure [PRO-6](#), “Offering of Business Courtesies.”
- B. Business and personal activities must be kept separate. Having both a personal and business involvement with a supplier or potential supplier may create a conflict of interest or appearance of partiality. See [PRO-7](#), “Conflict of Interest,” for further guidance.
- C. All company and subsidiary employees, contract labor, consultants, and others acting for the company are prohibited from the following actions:
1. Providing, attempting to provide, or offering to provide any kickback.
  2. Soliciting, accepting, or attempting to accept any kickback.
  3. Including, directly or indirectly, the amount of any kickback in the price charged under a U.S. Government contract, either as prime contractor or subcontractor.

The term “kickback” includes any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind that is provided directly or indirectly to anyone for the purpose of improperly obtaining or rewarding favorable treatment in connection with a contract.

Each operating group will adopt procedures to implement the Anti-Kickback Act of 1986.

If questions arise, employees can seek advice from their management, Ethics Advisor, or the Law Department.