

Whereas, we believe in full disclosure of Boeing’s direct and indirect lobbying activities and expenditures to assess whether Boeing’s lobbying is consistent with its expressed goals and in the best interests of shareholders.

Resolved, the shareholders of Boeing request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by Boeing used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. Boeing’s membership in and payments to any tax-exempt organization that writes and endorses model legislation.
4. Description of management’s and the Board’s decision making process and oversight for making payments described above.

For purposes of this proposal, a “grassroots lobbying communication” is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. “Indirect lobbying” is lobbying engaged in by a trade association or other organization of which Boeing is a member.

Both “direct and indirect lobbying” and “grassroots lobbying communications” include efforts at the local, state and federal levels.

The report shall be presented to the Audit Committee or other relevant oversight committees and posted on Boeing’s website.

Supporting Statement

We encourage transparency in the use of corporate funds for lobbying. Boeing spent \$137,675,000 from 2010 – 2017 on federal lobbying. These figures do not include state lobbying, where Boeing also lobbies but disclosure is uneven or absent. For example, Boeing’s lobbying over state tax breaks has drawn attention (“Boeing Got \$7,250 in Tax Breaks for Every \$1 It Spent Lobbying,” *Huffington Post*, March 27, 2014).

Boeing’s trade association involvement remains opaque. Boeing does not disclose its memberships in, or payments to, trade associations, or the amounts used for lobbying. Boeing prohibits its trade association payments from being used for political contributions, but this does not cover payments used for lobbying. This leaves a serious disclosure gap, as trade associations generally spend far more on lobbying than on political contributions. Without disclosure and accountability, lobbying efforts could jeopardize Boeing’s reputation and business interests.

For example, Boeing is on the board of the National Association of Manufacturers, which spent \$79,550,014 on lobbying from 2010 – 2017 and helped found the Main Street Investors Coalition (MSIC). MSIC has been described as “a Washington organization that purports to represent the little guy . . . And yet . . . The group is actually funded by big business interests that want to diminish the ability of pension funds and large 401(k) plans . . . to influence certain corporate governance issues” (“What’s Behind a Pitch for the Little-Guy Investor? Big Money Interests,” *New York Times*, July 24, 2018). We believe that MSIC’s advocacy objectives conflict with shareholder interests and Boeing’s MSIC affiliation poses reputational risks.