COO Focus

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Vice Chairman, President and Chief Operating Officer

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Boeing Strategic Imperatives

- Deliver BCA growth and business continuity on a significantly larger scale
- Speed BDS repositioning, extend existing platforms
- Expand our international advantage
- Leverage and grow Services
- Drive innovation through focused enterprise R&D
- Aggressively manage financial strength
- Empower and deploy new generation of leaders

Accelerate change, deliver results
One-Boeing Advantage

**Growth**

- International markets
- Derivative products
- Services synergy
- Leadership development
- Partnership opportunities

**Productivity**

- Lean+, PFS CVQ, DPE
- First-time quality
- Supply-chain leverage
- Safety, Go4Zero
- R&D leverage

Differentiation through global scale, One-company approach
Productivity Framework

One-Boeing Focus
Aggressive Enterprise-wide Targets

<table>
<thead>
<tr>
<th>Partnering for Success</th>
<th>Double-digit savings (across supply chain)</th>
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</thead>
<tbody>
<tr>
<td>Lean+</td>
<td>9,000+ new projects; Working capital actions</td>
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<tr>
<td>Value of quality (CVQ)</td>
<td>First-time quality</td>
</tr>
<tr>
<td>Development excellence</td>
<td>Re-use, Flow, Disciplined gate process</td>
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<tr>
<td>Infrastructure cost</td>
<td>Overhead, IT &amp; facilities</td>
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Employee-level accountability

Aggressive targets; significant opportunity; fuel growth
Partnering for Success

Companies: >500
Pipeline: >1,000
Captured: ~1,900
Employees: 400

Programs Benefiting:
- 737/737 MAX
- F/A-18
- 777 / 777X
- 787
- F-15
- AH-64
- 747
- 702SP
- KC-46A
- AH-6
- P-8A
- CH-47

Development
- Investing in Franchise Programs
- Requirements Quality & Stability

Support
- One Boeing – Services Synergy
- Commodity / Supplier Team Leverage

Production
- Leverage One Boeing
- Velocity Teams; Competition

Capturing lifecycle opportunities to drive growth and productivity
Lean+/CVQ Deployment

Improving productivity, quality, safety...

A multi-billion dollar long-term opportunity

Align to top business values

Incorporate into daily work flow

Drive break-through improvements

Create affordability advantage and fuel growth

Operational

Tactical

Driving Cultural Change

Strategic

787 Tanker
777 Factory
LRS Development
777X Production

Define Value
Define Quality
Utilize Tools
Make a Difference

Production System
First-Time Quality
Production Support
Supply Chain Stabilization
Optimizing Data to Value

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# Boeing Product Development System

## BOEING PRODUCT DEVELOPMENT SYSTEM

<table>
<thead>
<tr>
<th>Optimize Value</th>
<th>Control Demand</th>
<th>Accelerate Flow</th>
<th>Prevent Traveled Risk</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1.png" alt="Diagram" /></td>
<td><img src="image2.png" alt="Diagram" /></td>
<td><img src="image3.png" alt="Diagram" /></td>
<td><img src="image4.png" alt="Diagram" /></td>
</tr>
</tbody>
</table>

- **Design for Value**
- **Design for Producibility**
- **Systems Engineering**
- **Reuse, Commonality, and Modularity**
- **Technical and Manufacturing Maturity**
- **Operationalize Product Development**
- **Geographic Diversity**
- **Full Kit**
- **Gated Process**

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**Affordable solutions that increase customer and shareholder value**
Executing on our Strategic Imperatives

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Key enablers to revenue, earnings and cash generation growth