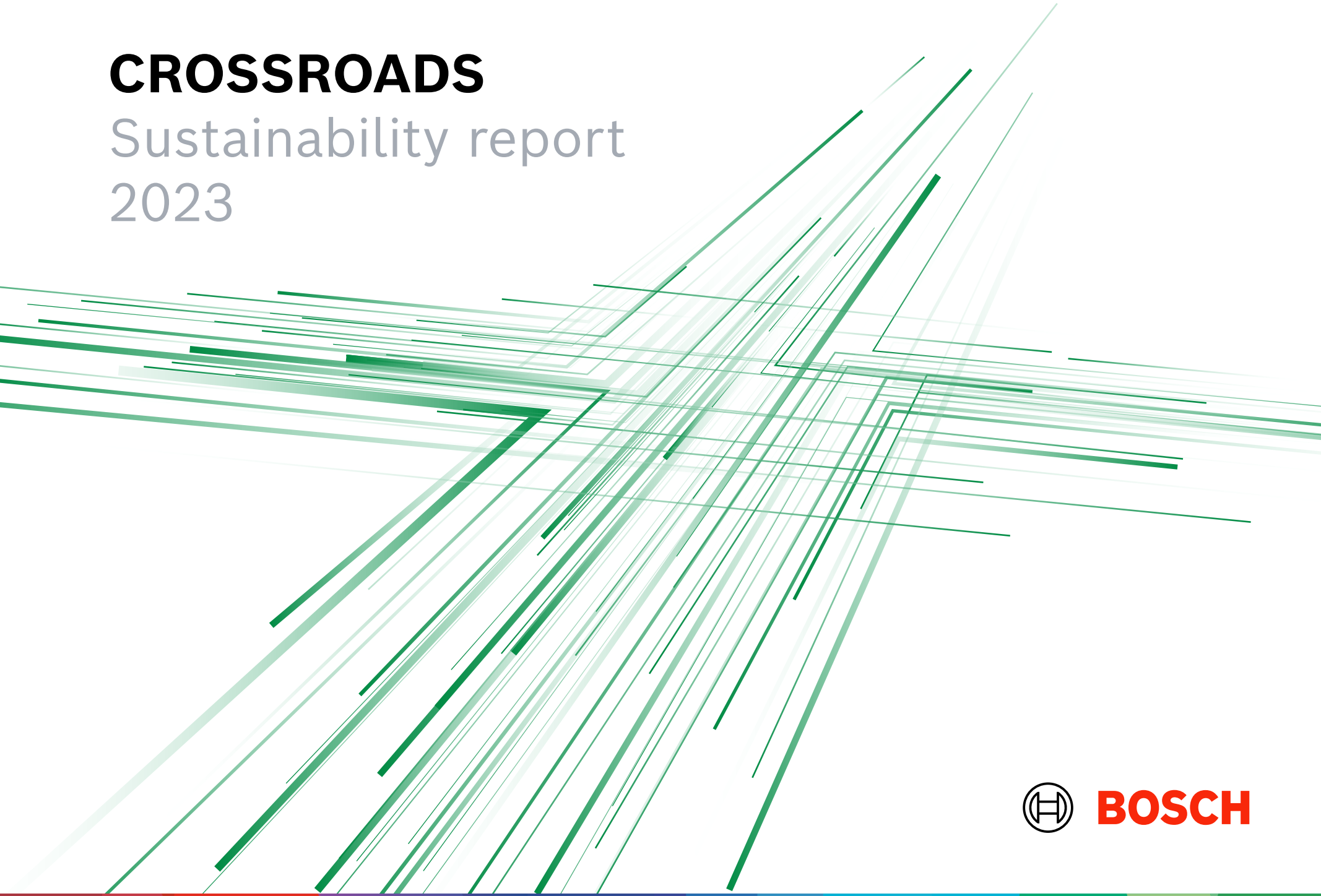
CROSSROADS

Sustainability report 2023



BOSCH

Contents

Foreword

Dear readers,

Anyone looking at our world today can see that it is by and large in a state of permanent crisis. But seeing only problems is not a basis for shaping the future.

If we want to flip the switch and encourage action that will safeguard our lives and the lives of future generations on Earth, we need to broaden our horizons and see the positives, too. The present is not just a time of major challenges, it also offers much cause for encouragement and optimism. The number of people living in poverty is steadily declining, for example, and we are prevailing in the fight against hunger. Global health is continuously improving and life expectancy along with it. People are living longer – around the world and despite all the current crises. This is not least thanks to technological achievements.

We are even making progress in how we deal with one of the greatest challenges facing humanity: mitigating climate change is now a global objective for all nations.

DR. STEFAN HARTUNG

The need to move away from fossil fuels, which have driven our mobility and our prosperity for centuries, is no longer up for debate. Are the decisions and measures already taken sufficient? Definitely not, but we are making progress. And there is a lot more we can do.

Industry has a major role to play here – it is part of the problem but also part of the solution. As an innovation driver and technology provider, industry must preserve our existing achievements, strive for further progress, and also transform itself. More than 20 percent of global CO_2 emissions are attributable to industry – to factories that form the basis for the ecological transformation of all sectors of the economy. This is where technologies are being developed for generating, storing, and distributing energy, for promoting careful use of resources and recycling, for electrifying mobility and alternative powertrains. The ecological transformation will only work if we start here. It hinges on industry – on technology companies like Bosch.

Sustainability is an integral part of corporate culture for Bosch. With its more than 400 locations worldwide, the Bosch Group has been carbon neutral overall since 2020 (scope 1 & 2).[1] Bosch creates technology that is “Invented for life.” Our solutions aim

STEFAN GROSCH

to fascinate, improve quality of life, and help conserve natural resources. Our operations must be ecological, economical, and socially sustainable. For us, sustainability is a non-negotiable part of doing business.

Bosch is continually striving for improvement in all its areas of activity as part of its commitment to the environment and climate. For example, we aim to

[1] For terms and details see the “Environment | Climate action” section.

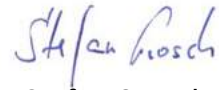
increase the proportion of recycled materials in household appliances. Our ambition is to use, repair, and reuse products and materials for as long as possible. We also focus on sustainability in the use phase of our products – such as in manufacturing, where innovative solutions such as connected hydraulics are enabling increased energy efficiency. There, for example, our variable-speed drive solutions have the potential to reduce energy consumption by up to 80 percent.

At the same time, Bosch is investing in new technologies – with an increasing focus on green tech for the ecological transformation. Taking energy generation as an example, by 2030 we plan to spend more than a billion euros on heat pump technology. Hydrogen is also a strategically important market where Bosch is playing a leading role. Few companies can offer such a broad portfolio: We are developing technologies for water processing as well as for the production, compression, storage, and use of hydrogen in a variety of sectors. Bosch is undertaking up-front investments in this regard: Between 2021 and 2026, we will invest roughly 2.5 billion euros in hydrogen technologies. Our electromobility business is beginning to bear fruit. In 2022, we were able to increase production of components for electric driving by a good 50 percent compared with the previous year, while our customer numbers doubled in the period from 2019 to 2023. In 2026, Bosch plans to generate sales of 6 billion euros with electromobility solutions. We are on the right track.

Key factors for sustainable action and establishment of new technologies include a sense of conviction, a clear strategy, practical implementation, and persistence. Under the right conditions, companies can thus successfully transform and even occasionally reinvent themselves, while helping to build interdependence between ecology and economy, and reconcile the discord between humans and our environment. At Bosch we want to play our part in creating a more climate-friendly world.

We wish you an enjoyable read and thank you for your interest.

Dr. Stefan Hartung
Chairman of the board of management



Stefan Grosch
Member of the board of management and director of industrial relations

06

Strategy and management

Strategy and management

By acting in an economically, environmentally, and socially responsible manner, we want to improve people's quality of life and safeguard the livelihoods of present and future generations.

Bosch Group profile

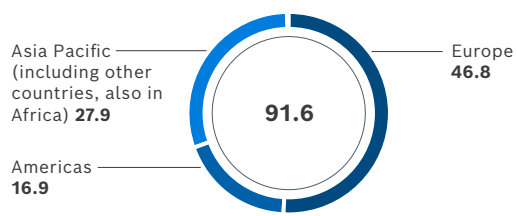
The Bosch Group is a leading global supplier of technology and services. It employs roughly 429,000 associates worldwide (as of December 31, 2023). The company generated sales of 91.6 billion euros in 2023. Its operations are divided into four business sectors: Mobility, Industrial Technology, Consumer Goods, and Energy and Building Technology. Universal trends such as automation, electrification, digitalization, and connectivity, as well as an orientation to sustainability, are increasingly determining the group's business operations. In this context, Bosch's broad footprint as a global and diversified technology company strengthens its innovativeness and robustness.

Bosch uses its proven expertise in sensor technology, software, and services to offer customers cross-domain solutions from a single source. It also applies its expertise in connectivity and artificial intelligence in order to develop and manufacture user-friendly, sustainable products. With technology that is "Invented for life," Bosch wants to help improve quality of life and conserve natural resources.

G 01

Sales revenue

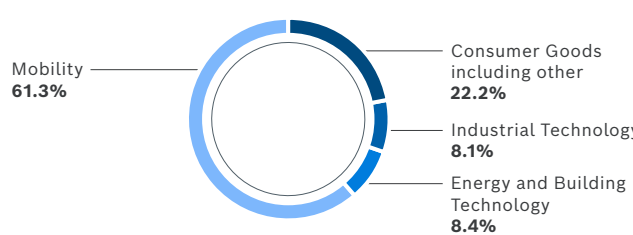
Bosch Group 2023 by region, in billions of euros



G 02

Sales revenue structure

Sales revenue Bosch Group 2023 by business sector



With its more than 400 locations worldwide, the Bosch Group has been carbon neutral overall (scope 1 & 2) since 2020. As part of this, residual emissions of some 581,000 metric tons of CO_2 were offset with carbon credits in 2023. Year on year, this is a decrease of roughly 136,000 metric tons of CO_2, or 19 percent.[2]

The Bosch Group comprises Robert Bosch GmbH and its roughly 470 subsidiary and regional companies in over 60 countries. Including sales and service partners, Bosch's global production, engineering, and sales network covers nearly every country in the world. Bosch's innovative strength is key to the company's further development. At 136 locations across the globe, Bosch employs some 90,000 associates in research and development, of which nearly 48,000 are software engineers. You will find further details on research and development at Bosch online and in the 2023 annual report, page 90 et seq.

The company was set up in Stuttgart in 1886 by Robert Bosch (1861–1942) as "Workshop for Precision Mechanics and Electrical Engineering." The special ownership structure of Robert Bosch GmbH guarantees the entrepreneurial freedom of the Bosch Group, making it possible for the company to plan over the long term and to undertake significant upfront investments in the safeguarding of its future. Ninety-four percent of the share capital of Robert Bosch GmbH is held by Robert Bosch Stiftung GmbH, a charitable foundation. The remaining shares are held by Robert Bosch GmbH and by a corporation owned by the Bosch family. The majority of voting rights are held by Robert Bosch Industrietreuhand KG. Further information on the organization of the Bosch Group, the activities of the business sectors and the company's economic situation can be found in the current annual report.

[2] Scopes 1, 2, and 3 are used in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. For further details about the Bosch Group's carbon neutrality (scope 1 & 2), see the "Environment | Climate action" section.

Bosch supports the Sustainable Development Goals (SDG) of the United Nations.

Sustainability management

To us, sustainability means striking a balance between the economic, environmental, and social dimensions of our business activities as part of responsible corporate governance. Back in 2018, we summarized the focus areas of our sustainability management in a vision that describes six dimensions. Each of these is specified and continually enhanced by reference to two focus activities with clearly defined, medium-term targets. Derived from market and competitor analyses, they set the framework for our actions. Our sustainability activities consider the entire value chain – from materials and goods purchasing or manufacturing operations at Bosch sites to the use phase of products sold and right through to their end of life.

Sustainability as a growth driver

We are convinced that sustainability can make a significant contribution to Bosch achieving its growth objectives. We therefore continually strive to create win-win situations by achieving economic success while enhancing sustainability at the same time. Our target vision for sustainability with its six dimensions defines the strategic focal points in this respect.

Compliance with legal parameters, social values, and norms, as well as good positioning on the market create the "license to operate" for our company, so to speak. Topics such as climate action, circular economy, and water offer further potential to stand out positively from the competition. Examples of this are energy-efficient or water-conserving products as well as recyclable packaging or repairable products. This is how our "Invented for life" mission statement becomes a reality: Bosch products aim to fascinate, improve quality of life, and help conserve natural resources.

Bosch uses value driver analysis as a methodology to systematically identify and assess the potential available on the market. Individual sustainability measures can thus be analyzed and their impact simulated – for example, substitution of natural gas with electricity from renewable sources and the resulting reduction in CO_2 emissions. Because the analysis not only describes the physical relationships – such as between energy sources, energy consumption, and the resulting CO_2 emissions – but also the financial effects of the measures, a comprehensive financial and non-financial evaluation can be produced. This means that we can create measurable economic, ecological, and social added value using just a limited number of levers and associated measures (see the "Environment" section).

G 03

Target vision

Our ambition: By acting in an economically, environmentally, and socially responsible manner, we want to improve people's quality of life and safeguard the livelihoods of present and future generations.

Climate action
1 | Reducing CO_2 emissions
2 | Energy efficiency and renewable energies

It is Bosch's ambition to become a climate action pioneer – advancing the expansion of renewables and striving continuously for energy efficiency.

Health
1 | Occupational health and safety
2 | Substances of concern

Bosch contributes to people's health – with innovative products and services and by ensuring that people and the environment do not come to harm through its production processes.

Human rights
1 | Responsibility
2 | Transparency

Bosch takes on responsibility and is sensitive to human rights being respected – along the entire value chain.

Water
1 | Water scarcity
2 | Water quality

For Bosch, water is a resource to be treated sparingly. Regions in which water is scarce are a special concern.

Circular economy
1 | Materials efficiency
2 | Second life

Bosch is reducing its ecological footprint and striving to create social benefit. In this endeavor, Bosch takes its lead from the circular economy principle.

Diversity
1 | Equity
2 | Inclusion

For Bosch diversity, equity, and inclusion are key to long-term success in business. In addition, Bosch contributes to the common good in the communities at its locations.

T 01

Goals and goal achievement

Dimension	Goals	2023 status	UN SDGs
Climate action	It is Bosch's ambition to be a climate action pioneer – advancing the expansion of renewables and striving continuously for energy efficiency.		
	Reducing CO_2 emissions Operating carbon neutral in scopes 1 and 2 and continuously improving the mix of measures by 2030	With its more than 400 locations worldwide, the Bosch Group has been carbon neutral overall since 2020 (scope 1 & 2).[3] Four levers were used to achieve carbon neutrality: increasing energy efficiency, generating our own energy from renewable sources (new clean power), purchasing electricity from renewable sources (green electricity), and – as the last resort – using carbon credits to offset residual CO_2 emissions. In 2023, residual emissions of some 581,000 metric tons of CO_2 were offset by carbon credits. This represents a decrease of 19 percent on the previous year's level (see the "Environment | Climate action" section).	
	Lowering absolute scope 3 CO_2 emissions by 15 percent by 2030 (baseline year 2018)	Since 2018, we have cut our scope 3 emissions by around 23 percent, down to 353 million metric tons of CO_2 in 2022. In this process, we are focusing on the categories that make up around 98 percent of our scope 3 emissions: Upstream emissions in the Bosch value chain primarily concern purchased goods and services as well as logistics. Downstream emissions are mainly caused by the use of our products (see the "Environment | Climate action" section).	
	Energy efficiency and renewable energies Saving 1.7 TWh through increased energy efficiency by 2030	Since 2019, we have initiated around 6,000 energy-efficiency projects worldwide, with roughly 1,300 new projects added in 2023 alone. With them, we have so far captured savings potential of 984 GWh in total. This corresponds to a goal achievement level of 58 percent.	
	Increasing own renewable generation at our sites to 400 GWh and 100 percent green electricity by 2030	In 2023, we generated 149 GWh of power from renewable sources in-house at our company sites. Accordingly, we have already reached 37 percent of our target value. In addition, around 99 percent of the Bosch Group's global electricity requirement was covered by green electricity (electricity purchased from renewable sources) (see the "Environment | Climate action" section).	
Water	For Bosch, water is a resource to be treated sparingly. Regions in which water is scarce are a special concern.		
	Water scarcity Reducing absolute water withdrawal at company locations in regions with water scarcity by 25 percent by 2025	Since 2019, we have launched more than 260 projects and reduced water withdrawal by 25.6 percent compared with 2017 at company locations in regions with water scarcity. The company locations were identified using the Water Risk Filter of the World Wildlife Fund for Nature (see the "Environment | Water" section).	
	Water quality Improving the quality of wastewater flows	In 2023, Bosch's wastewater volume decreased to 15.46 million m^3 (prior year: 16.98 million m^3). We have established standard processes in the company for monitoring local wastewater quality requirements and standards (see the "Environment | Water" section).	

Dimension	Goals	2023 status	UN SDGs
Circular economy	Bosch is reducing its ecological footprint and striving to create social benefit. In this endeavor, Bosch takes its lead from the circular economy principle.		
	Materials efficiency Improving materials efficiency	For years, materials efficiency has been a fixed criterion in the Bosch product development process, where it is anchored in our Design for Environment (DfE) principle (see the "Environment | Circular economy" section).	
	Second life Extending product life cycle and reusing materials and components	Our activities range from reusing products and their components to repairs and right through to remanufacturing – in each case with the objective of extending product and component life cycles. The individual divisions of Bosch each have their own objectives in this regard, depending on market and product-specific framework conditions (see the "Environment | Circular economy" section).	
Diversity	For Bosch diversity, equity, and inclusion are key to long-term success in business. In addition, Bosch contributes to the common good in the communities at its locations.		
	Equity Ensuring equitable opportunities and increasing the proportion of female executives to 25 percent by 2030	Globally, the proportion of female executives rose to 20.0 percent in 2023 (prior year: 19.2 percent) across all management levels (see the "Social | Bosch as an employer" section).	
	Inclusion Promoting inclusion at Bosch and in the communities around company locations	In 2023, the Bosch Group donated 26.6 million euros to charitable causes worldwide (prior year: 27.4 million euros). Some regional companies have established their own charitable institutions to carry out their CSR activities (see the "Strategy and management | Sustainability culture" section).	
Human rights	Bosch takes on responsibility and is sensitive to human rights being respected – along the entire value chain.		
	Responsibility Ensuring human rights are respected along the value chain	We contribute to improving human rights conditions worldwide by implementing due diligence obligations concerning human rights in our operational processes. At the same time, we actively demand respect for human rights in our global supply chains as well and take appropriate remedial action in the case of violations (see the "Social | Complying with due diligence obligations relating to human rights and the environment" section).	
	Transparency Increasing transparency about compliance with environmental and social standards	By the end of 2023, we had assessed around 76 percent of our relevant direct materials suppliers (excluding BSH Hausgeräte GmbH) for compliance with our requirements. We also assessed 85 percent of indirect materials suppliers who are particularly relevant in terms of country risk and field of materials risk (see the "Social | Complying with due diligence obligations relating to human rights and the environment" section).	

Dimension	Goals	2023 status	UN SDGs
Health	Bosch contributes to people's health – with innovative products and services and by ensuring that people and the environment do not come to harm through its production processes.		
	Occupational health and safety Reducing the accident rate to 1.45 accidents per 1 million hours worked or less by 2025	The accident rate was reduced to 1.49 accidents per 1 million hours worked (prior year: 1.62) (see the "Social | Bosch as an employer" section).	
	Substances of concern Continuously upgrading materials data management	Bosch handles substances of concern responsibly. To efficiently manage prohibitions and restrictions on materials, we are continuously upgrading our IT-based Material Data Management for Compliance and Sustainability (MaCS) system (see the "Environment | Circular economy" section).	

[3] Scopes 1, 2, and 3 are used here in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. We have taken into account the effects of CO_2 and of other greenhouse gases, as well as climate-relevant substances, to the extent that these are of relevance for the analysis. To enable comparability between the climate impact of the various greenhouse gases and substances of relevance for the climate, emissions are presented in CO_2 equivalents. For ease of reading, we use the terms CO_2 and CO_2 equivalents synonymously.

Responsibilities and regulations

Defined as a group-wide task within the Bosch Group, sustainability is coordinated by the Sustainability and EHS (Environment, Health, Safety) corporate department. The business sectors pursue the jointly set goals on the basis of systematic sustainability management. The contents, tasks, and related controlling are anchored in the company's processes. Internal company regulations define the organization and responsibilities for sustainability and EHS in the Bosch Group.

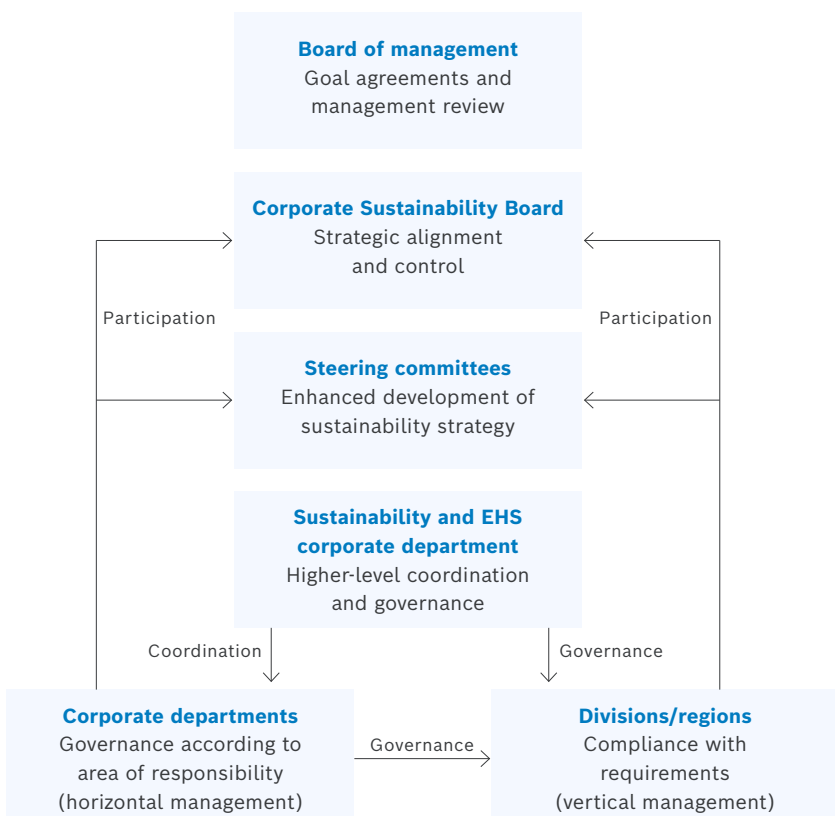
At Bosch, the highest technical committee for sustainability is the Corporate Sustainability Board (CSB) under the aegis of the chairman of the board of management of Robert Bosch GmbH and the board of management member responsible for sustainability. The Sustainability and EHS corporate department is responsible for the organizational and functional management of the CSB, which convenes twice a year.

The CSB members are the heads of the corporate departments responsible for the relevant matters: Research and Advance Engineering, Purchasing and Logistics, Real Estate and Facilities, HR, Legal, Compliance, Finance, as well as Corporate Communications and Governmental Affairs. The CSB also includes the executive management of various divisions and the presidents of the individual regions. Further members are included when required. The committee's main tasks are to define the sustainability strategy and targets for the Bosch Group, to adopt sustainability activities, to provide transparency and decide in the event of conflicting objectives, to monitor implementation of the sustainability strategy and activities, and to coordinate group-wide position papers on sustainability topics.

Goal agreements and management reviews for all sustainability-related issues are the responsibility of the chairman of the board of management and the board of management member responsible for sustainability. For information on Robert Bosch GmbH's board of management and supervisory board, see the 2023 annual report from page 10.

G 04

How sustainability is organized at Bosch



The Sustainability and EHS corporate department is responsible for sustainability management, which mainly entails setting and tracking goals, designing and accompanying programs, preparing concepts for further development, and sustainability reporting. It is accountable for governance in all matters concerning sustainability and EHS and coordinates implementation of regulatory requirements throughout the group. The Corporate Communications and Governmental Affairs corporate department is responsible for sustainability communications and interaction with stakeholders around the world.

Our global sustainability management is summarized in a central process that is based on the ISO standard process definitions, especially ISO 31000. The competent officers at corporate headquarters and in the divisions are responsible for implementing the sustainability strategy worldwide and for monitoring the achievement of goals. Coordinators offer professional support to the divisions, for example for implementing strategies and establishing processes and rules. In addition, we review the effectiveness of the respective measures.

The associates responsible in the regions and at the Bosch sites worldwide are tasked with ensuring that the relevant requirements are observed locally and that the defined framework conditions are complied with by means of established processes. In parallel, corporate headquarters regularly performs internal sustainability and EHS audits.

Steering committees, supported by topic-specific competence centers, have been established within the company for key sustainability topics. The steering committees are made up of experts from various corporate departments, divisions, and regions. They are responsible for the enhanced development of the sustainability strategy.

Risk management

The dimensions of the sustainability strategy are replicated in the Bosch Group's risk management system. Risk management encompasses the entire company, including all essential operations, functions, divisions, and business sectors.

The Bosch Group's risk management system is based on the ISO 31000 and COSO III (ERM) standards, as well as IDW PS 340. It comprises the systematic detection and tracking of relevant risks and, where necessary, identification and monitoring of measures to manage these risks. In this context, the corporate coordinating office for the risk management system is responsible for continuously refining the system.

For further information and a description of material risks, see the 2023 annual report (page 104 et seq.). The material antitrust and legal risks are also described there.

Materiality analysis

As a leading global supplier of technology and services, Bosch operates in a large number of markets around the world. Directly or indirectly, our operations affect the interests of a wide range of stakeholders. To parse out what these interests are and take account of them in our activities, we actively seek to enter into dialogue with our stakeholders. We address issues that are brought to our attention via the different communication channels and seek dialogue on those issues that we ourselves want to raise in the social discourse. As a result, we hold a continuous exchange on a broad range of highly diverse topics from which all participants benefit (see T 02).

Commitment and cooperation

We want to make a relevant contribution to overcoming global social challenges, which is why we are involved in numerous initiatives. For instance, Robert Bosch GmbH has been a member of the United Nations Global Compact since 2004 and is committed to its globally applicable principles concerning human rights, labor standards, environmental protection, and anti-corruption. With this publication, we satisfy the related requirement to report on relevant progress we made in 2023 in these areas. Bosch is also a founding member of UN Global Compact Netzwerk Deutschland e. V. We are active in a large number of further sustainability-related initiatives though memberships – including Transparency International Deutschland e. V. which we have been supporting as a corporate member since 1995. In addition, we are active on the executive board of econsense – Forum Nachhaltige Entwicklung der Deutschen Wirtschaft e.V. (Forum for Sustainable Development of German Business).

T 02

Overview of key stakeholder groups, forms of dialogue, and topics

Stakeholder groups	Forms of dialogue	Material topics
Associates	Dialogue with associates and executives, surveys, internal media, Bosch Business Dialog	• Reducing carbon emissions across the value chain, particularly with regard to the Bosch Group's carbon neutrality (scope 1 & 2) and its scope 3 target • Reducing water withdrawal in regions with water scarcity • Closing product and materials loops, using secondary materials and raw materials • Environmental and social standards in supply chains, particularly for high-risk raw materials • Health, including occupational health and safety and substances of concern • Diversity, equity, and inclusion • Implications of the mobility transformation • Responsible corporate governance
Customers	Surveys, social media, trade fairs, media	
Suppliers and partners	Supplier days, training programs, supplier awards, supplier assessments, dialogue as part of industry initiatives	
Associations	Participation in committees and working groups, initiative and association memberships	
Universities and research institutes	Presentations, dialogue events, trade fairs	
Policymakers	Contact for questions from policymakers; involvement in committees organized by governments or ministries; dialogue events; one-on-one talks	
Media	Press releases, site visits, information events, trade fairs	
Local stakeholders	Local community talks, plant visits	
Civil society and NGOs	Dialogue events, answering questions	

Bosch also supports the United Nations Sustainable Development Goals (SDGs) adopted in 2015. Accordingly, we regularly benchmark our sustainability activities against the 17 SDGs (see T 01). Bosch's diverse activities also support other UN goals.

Sustainability culture

The Bosch value "responsibility and sustainability" has always characterized our entrepreneurial activity and is an integral part of our mission statement "We are Bosch." For Bosch, it is key to involve as many associates as possible in sustainability management. Each and every one at Bosch is called upon to contribute and advance sustainability in their individual sphere of influence. The aim is for sustainability to become a shared mindset within the company – shouldered by each associate through their conduct. Specific impetus is provided in seven action areas (see G 05).

The following measures are examples of our activities in 2023:

Sustainability multipliers

At Bosch, executives are role models and, as such, multipliers for sustainability. They are required to attend web-based training to familiarize themselves with the sustainability strategy and the targets set. Since the training program's launch in 2014, around 33,000 executives with and without team management responsibilities have already completed the course.

Sustainability days at Bosch locations worldwide

A live stream event entitled "Word Tour of Sustainability" was held for the first time in 2023. The one-day event focused on a total of 35 sustainability initiatives, activities, and projects, which were promoted by teams from around the globe. Apart from project presentations and information on Bosch's sustainability strategy, a special item featured on the agenda was the announcement of the winning teams of the "Sustainability, Environment, Health, and Safety Awards." The award

G 05

Seven action areas for embedding sustainability culture

Graphic based on: Network for Business Sustainability (2010) and Majka Baur (2016)

honors outstanding projects each year in the categories "CO_2 and energy efficiency," "resource efficiency," "occupational safety," "sustainable products," and "sustainability culture."

Events took place again at various locations in 2023 to put the spotlight on the topic of sustainability in the company. For example, Bosch Japan hosted a sustainability week in October during which around 900 associates took the opportunity to find out about sustainability at Bosch by taking part in 18 online sessions. The event focused on sustainable mobility solutions such as battery electric and fuel cell electric drives.

On-site events and virtual sessions marked the "Sustainability and EHS Week" at the Mexican site in San Luis Potosí, with an attendance of roughly 2,200 associates. The goal was to raise awareness of sustainable action among associates. Attention focused primarily on topics ranging from occupational health and safety to energy efficiency and environmental protection.

Social involvement

We see ourselves as a corporate citizen and engage actively in society, also beyond the scope of our own business activities. Through our charitable donations, for example, we chiefly support initiatives in the following areas:

- **Living sustainably:**
  Citizen projects promoting climate action in everyday life
- **Education for the high-tech world:**
  Projects to develop socially disadvantaged children's and young people's skills for technological change
- **Social cohesion:**
  Projects strengthening democracy and tolerance, especially at Bosch sites
- **Emergency aid in disaster situations:**
  Donations to aid organizations and people on the ground, especially when catchment areas around Bosch sites are affected

Our social involvement in the form of donations is handled by the operating units in the countries in question. In the reporting year, the Bosch Group donated 26.6 million euros worldwide (prior year: 27.4 million euros) to charitable causes, including donations in kind. Internal company regulations set out corresponding principles, assessment criteria, and responsibilities. Depending on the amount involved, either the management of the operating units or the members of Robert Bosch GmbH's board of management decide how the funds raised should be spent. All donation transactions must be documented in writing. In addition, the persons responsible keep an annual ledger of donations that is accessible for audit purposes. At a minimum, this ledger must indicate the group of recipients and the amount of the donation, along with the reasons for the donation and the date on which confirmation of receipt was received.

One focus of global donation activities in 2023 was on emergency aid in the event of a disaster. This included aid for the people affected by the earthquake in Turkey and Syria. Robert Bosch GmbH provided one million euros to the German Red Cross in this instance. In addition, Bosch supported the earthquake victims in Turkey with donations in kind and cash to the value of half a million euros. The

Turkish subsidiary of BSH Hausgeräte GmbH also donated home appliances worth in excess of one million euros for the people affected and for children's aid organizations working locally.

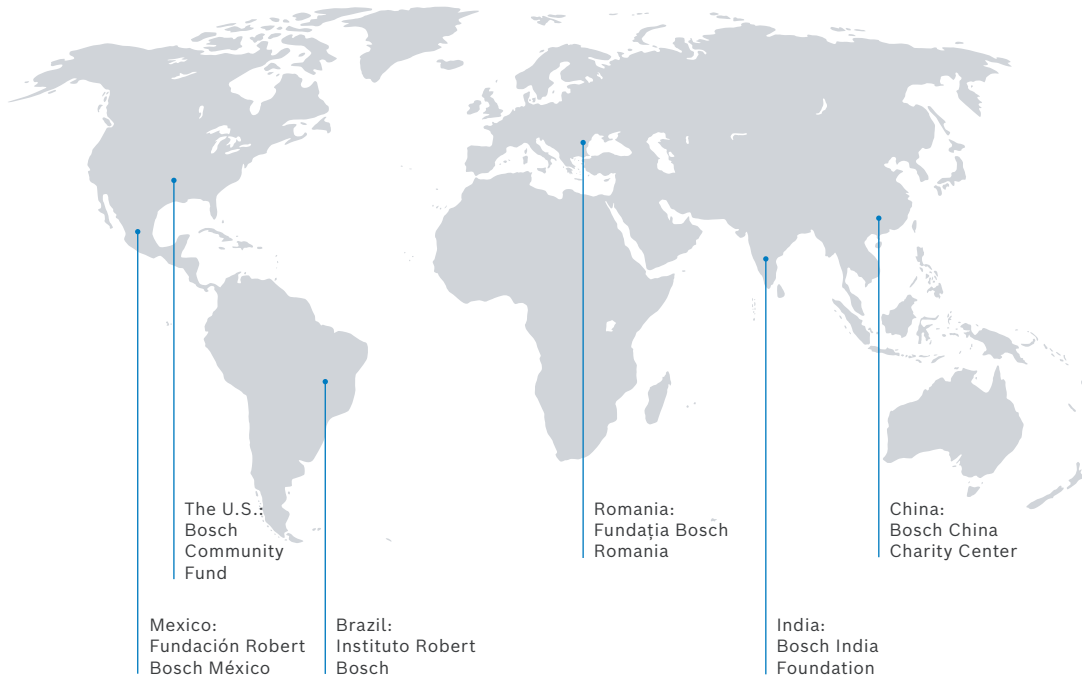
In view of developments in Israel and the Middle East, Bosch donated one million euros in emergency aid to the German Red Cross for humanitarian purposes to support its local sister organizations in the affected regions.

Bosch is not only financially active at many of its locations, but also through the volunteer work of its associates locally. In some countries, dedicated non-profit institutions engage in corporate social responsibility activities. Such institutions are usually active in the vicinity of company locations and concentrate on country-specific priorities.

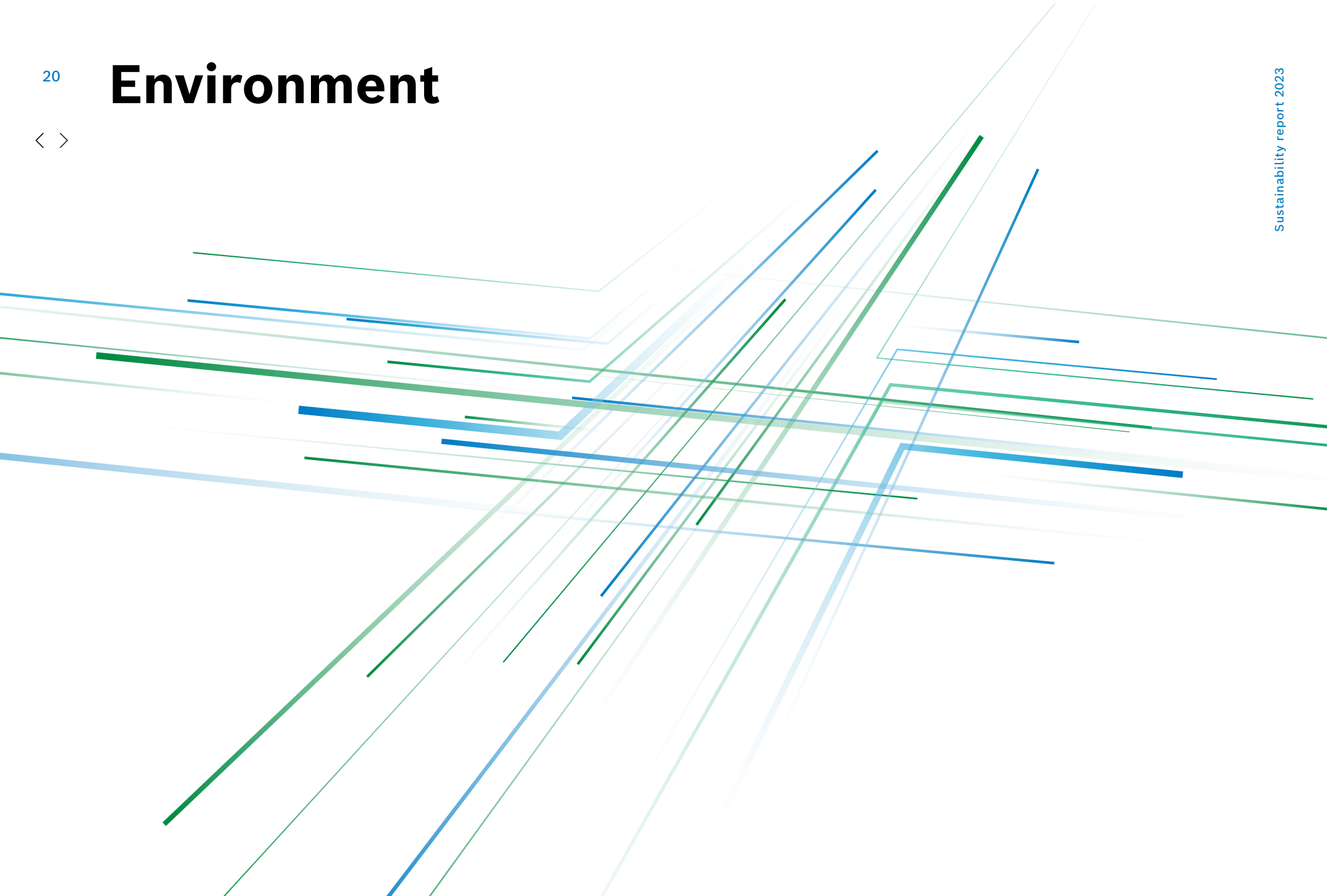
As an independent, not-for-profit foundation, Robert Bosch Stiftung GmbH demonstrates its commitment to society worldwide by supporting or implementing innovative and lighthouse projects.

G 06

Bosch's non-profit institutions



Environment



Environment

Bosch's activities should have as little impact on the environment as possible. We are working to fulfil this aspiration with a Group-wide environmental management system and specific targets. In particular, we want to use targeted strategies to protect the climate, save water, especially where it is scarce, and strengthen the circular economy.

Organization and responsibilities

Internal company regulations define the principles and requirements for sustainability and EHS in the Bosch Group and specify the organization and responsibilities. Occupational safety and environmental protection policy is framed in the publicly accessible Guidelines of Work Safety and Environmental Protection.

Bosch has clearly defined environmental criteria for the design, planning, and acquisition of facilities, machinery, and manufacturing equipment, for example with regard to energy efficiency, the use of renewable energy sources, and water consumption in regions with water scarcity. These criteria also play a role in the decision-making process when choosing new company locations.

Audits on environmental topics

Regular briefings, workshops, and internal audits are held at the company locations on topics of relevance for the environment in order to verify compliance with requirements. Locations are selected based on risks or specific events, while their size, measured by headcount or the proportion of resources consumed in the Group, also plays a role. Audit findings are documented in Bosch's company-wide database. As a result, it is also possible to track corrective actions in the event of deviations. Any deviations detected, their causes, and improvement opportunities identified are taken into account in the following year's audit program. The results of the analyses are also considered in determining the content and focus of our environmental protection campaigns.

At production locations, relevant environmental issues are audited on a risk basis by company headquarters as part of corporate audits. The auditors have in-depth knowledge of ISO 19011 audit methodologies as well as external and internal EHS requirements. In 2023, the EHS audit team performed a total of 94 corporate audits.

In total, 97 percent of our relevant production and development locations[4] operate an environmental management system, which in most cases (98 percent) is certified to the ISO 14001 standard. Similarly, 91 percent of the energy management systems used are certified to ISO 50001 (also see T 03). In general, we intend to have all relevant locations operating with certified environmental management systems.

T 03

Environmental and energy management systems

Bosch Group 2023

Production and development locations[4]	**247**
Environmental management system implemented according to ISO 14001	240
Environmental management system certified according to ISO 14001	235
Energy management system implemented according to ISO 50001	66
Energy management system certified according to ISO 50001	60

[4] The following applies to information on environmental and energy management systems: production locations and development locations (with material responsibility) with more than 50 associates that have been included in the scope of consolidation for more than three years.

Competence development and training

In web-based training and classroom courses, we promote the methodological and technical competence of our associates, thereby creating the conditions for safe and environmentally compatible work processes. We therefore ensure that those responsible for environmental protection, for instance, are specifically familiarized with the relevant regulations and standards in training programs that have been standardized worldwide. In supplementary training sessions, we address the specific requirements of individual business units, locations, and regions. In addition, we also train and brief associates of external companies and visitors to our locations on health, safety, and environmental protection at Bosch.

Uniform sustainability methodology enables systematic control

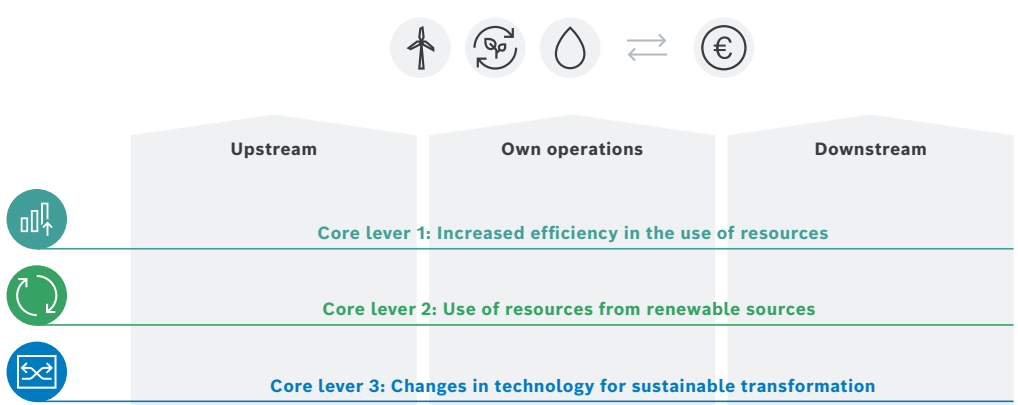
In the course of enhancing our sustainability methodology in 2023, we extended our systematic approach to achieving carbon neutrality (scope 1 & 2) by including additional sustainability topics and value creation stages (see the "Strategy and management" section). As a result, it has become apparent that the environmental dimensions of our vision for sustainability are underpinned by the same logic. This is characterized by three core levers: increasing efficiency, purchasing resources from renewable sources, and changing the technology used. The three core levers can be applied to all value creation stages – from purchasing materials and goods (upstream) to subsequent processing at our plants (own operations) through to use of the products by our customers (downstream). In this way, we create transparency with regard to the impact of the different measures, we show the relationships and interactions between the various influencing factors – and we thus provide the basis for in-depth scenarios in order to capture and control the effects of decisions in their entirety. This also reveals the additional differentiation potential of sustainability topics that will be of particular importance to Bosch in the future – as illustrated by trend and market analyses.

The next sections on the dimensions of climate, circular economy, and water already follow the new methodology. The assignment of the different measures and action fields to the relevant core levers and value creation stages is presented uniformly to provide a complete picture of our activities and our potential to exert influence.

G 07

Sustainability methodology

Core levers for improving sustainability performance along the value chain



Climate action

Opportunities and risks of climate change

Counteracting climate change is a task for society as a whole. We see this not only as an obligation for our company, but also as an opportunity to contribute to protecting the climate with innovative solutions and technologies. Bosch's growing self-sufficiency and energy efficiency will also reduce its dependence on volatile energy markets and, in turn, its exposure to price fluctuation risks.

When analyzing the opportunities and risks that climate change poses for Bosch, we are guided by the specifications of the Task Force on Climate-related Financial Disclosures (TCFD) to help us identify transitory and physical risks in particular. The time horizon for our analysis stretches to 2050. The focus is on both acute risks (such as those related to flooding) and permanent climate risks (such as those that arise on account of global warming).

The analysis is based on the scenarios of the International Energy Agency and the energy scenarios of the Bosch corporate sector for Research and Advance Engineering. A central role in this context is played by the internal climate change report: Prepared by our experts every two years, it highlights fundamental climate change developments and their significance for our company and for society.

When assessing climate-related issues and suitable measures, we distinguish between measures to mitigate impacts (mitigation) and activities that serve to adapt the company to the changed framework conditions (adaptation). We also include our products in these considerations. Climate aspects also play a role in the choice of company locations. This is something that demands Bosch's adaptability, for example, with respect to water and energy supply. To manage the respective risks and opportunities, the individual divisions use the results of the risk assessment for market forecasts and incorporate them in specific plans.

The risks posed by climate change include water scarcity and extreme weather events, which are occurring with increasing frequency and causing ever greater damage. They can jeopardize production at our locations and the stability of the supply chain.

Other risks include the shortage of raw materials and changes in the regulatory framework, such as bans on certain technologies or the tightening of CO_2 emissions standards for vehicles. Also important in this context are the increasing variety of customer preferences, which can change rapidly – often in response to political decisions. Increasingly, the focus is also on the processes upstream of our production and the use of materials. For example, we are increasingly receiving inquiries about the proportion of green electricity (purchased electricity from renewable sources) in our energy mix or recyclates in materials (see "Circular economy").

We address these challenges with our climate action strategy and systematic research and development. At the same time, we are convinced that we must work together if we are to successfully counter the effects of climate change. That is why we take an active role in the relevant associations and committees (see the "Governance" section).

Climate action strategy

Bosch wants to make a contribution to climate action, an aspiration it has anchored in its sustainability vision. We support the United Nations 2015 Paris Agreement on climate action and the goal formulated therein of limiting global warming to as close to 1.5 degrees Celsius as possible. By making our company's activities carbon neutral (scope 1 & 2)[5], we are making a measurable contribution to this goal.

As early as 2020, the Bosch Group with its more than 400 locations worldwide has been carbon neutral overall (scope 1 & 2). Four levers were used to achieve carbon neutrality: increasing energy efficiency, generating our own energy from renewable sources (new clean power), purchasing electricity from renewable sources (green electricity), and – as the last resort – using carbon credits to offset residual CO_2 emissions. In 2023, residual emissions of around 581,000 metric tons of CO_2 were offset by carbon credits.

[5] Scopes 1, 2, and 3 are used here in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. We have taken into account the effects of CO_2 and of other greenhouse gases, as well as climate-relevant substances, to the extent that these are of relevance for the analysis. To enable comparability between the climate impact of the various greenhouse gases and substances of relevance for the climate, emissions are presented in CO_2 equivalents. For ease of reading, we use the terms CO_2 and CO_2 equivalents synonymously.

At the same time, we also want to reduce emissions produced outside Bosch's direct sphere of influence (scope 3), for example at suppliers, in logistics, or when our products are used. Our aim is to reduce these upstream and downstream emissions by 15 percent in absolute terms by 2030, compared with the baseline year 2018 – irrespective of our company's growth.

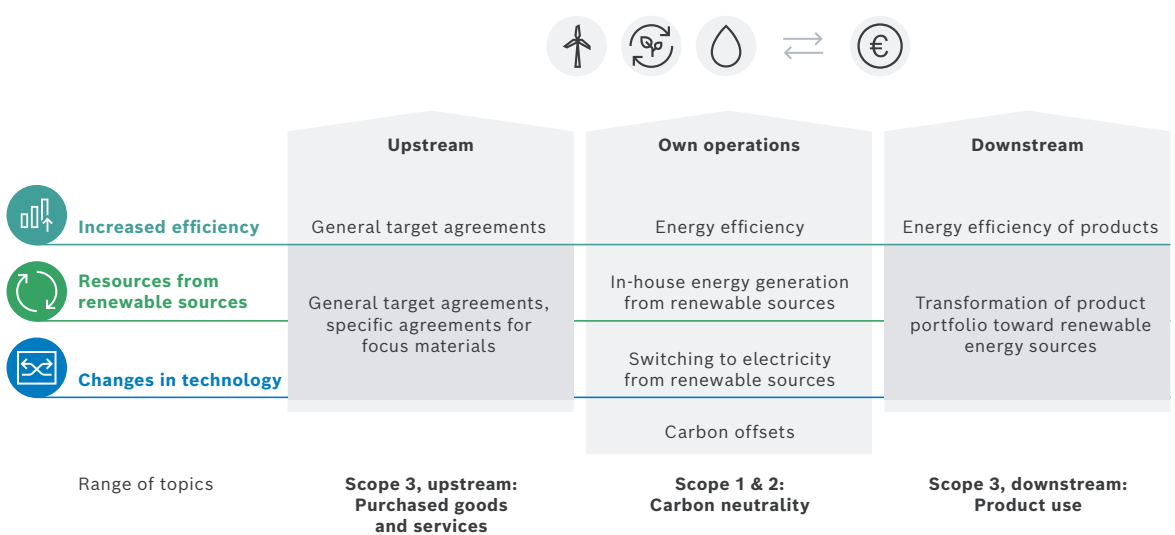
As early as 2020, the Science Based Targets initiative (SBTi) endorsed our climate targets for the 1.5 degree pathway.[6] Bosch now has science-based climate targets for the entire value chain – from purchasing to the product use phase.

[6] Robert Bosch GmbH's entry in the SBTi's target dashboard

G 08

Sustainability methodology, focus on climate action

Measures for improving sustainability performance along the value chain



Four levers for carbon neutrality (scope 1 & 2)

In 2023 also, we continued to improve the mix of levers by increasing energy efficiency, generating our own energy from renewable sources, and purchasing green electricity. This is reflected in the further reduction of CO_2 emissions to be offset.

Around 72 percent of the total energy demand stems from renewable energy sources including purchased green electricity (prior year: 67 percent). While the consumption of purchased energy (scope 2) accounts for most of our energy demand, the majority of CO_2 emissions are generated by stationary combustion, primarily through heat generation (scope 1). Bosch requires energy primarily in the form of electrical power for manufacturing plants and machinery, and in the form of thermal energy to heat and air-condition buildings and to operate foundry furnaces.

T 04

Energy demand

Bosch Group 2021–2023, in GWh

	2021	2022	✓ 2023
Bosch Group	**8,042**	**7,696**	**7,537**
Natural gas	1,587	1,325	1,132
Heating oil	55	49	57
LPG	39	34	36
Coke/coal	98	100	101
Renewable energy	102	128	156
Other (inter alia gasoline, diesel)	451	482	512
Direct energy (own combustion)	**2,332**	**2,118**	**1,993**
Electricity	5,437	5,334	5,323
thereof green electricity	4,817	5,049	5,250
District heat, steam, cooling energy	273	244	221
Indirect energy (purchased)	**5,710**	**5,578**	**5,544**

T 05

Greenhouse gas emissions

Bosch Group 2021–2023, in 1,000 metric tons of CO_2e

	2021	2022	✓ 2023
Bosch Group with carbon offsets	**0**	**0**	**0**
Carbon offsets	907	717	581
Bosch Group	**907**	**717**	**581**
Manufacturing	383	328	295
Vehicle fleet	109	117	129
Volatile GHG	76	78	77
Scope 1	**569**	**523**	**501**
Electricity	248	119	15
District heat, steam, cooling energy	90	75	65
Scope 2	**338**	**194**	**80**

Energy intensity

in MWh/million euros of sales revenue

	2021	2022	✓ 2023
Bosch Group	**102.2**	**87.3**	**82.3**

Emissions intensity

in metric tons/million euros of sales revenue, without carbon offsets

	2021	2022	✓ 2023
Bosch Group	**11.53**	**8.13**	**6.34**

Lever 1: Energy efficiency

By 2030, we want to substantially increase our energy efficiency and implement measures at our company locations with savings potential totaling 1.7 terawatt hours (TWh). An annual budget has been available for this purpose since 2019. Overall, Bosch plans to invest one billion euros in increasing energy efficiency by 2030. Since 2022, we have been using part of the energy efficiency budget to fund CO_2 reduction measures, such as the electrification of the heat supply or the use of district heating. An internal CO_2 pricing mechanism is used to determine the rate of return of the individual measures.

Already today we have achieved roughly 58 percent of our efficiency target: Since 2019, we have initiated around 6,000 projects worldwide, capturing savings potential of 984 GWh. In 2023 alone, more than 1,300 new projects with savings potential of 179 GWh were introduced.

Lever 2: New clean power

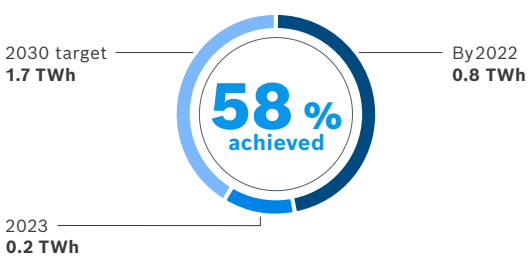
By 2030, we want to generate 400 GWh of the annual energy demand in-house at our company locations from renewable sources. We are placing particular emphasis here on photovoltaics (PV). A total of 114 Bosch sites were already using solar power for their energy supply at the end of 2023. We also operate a hydroelectric power station at our site in Blaichach, Germany.

In total, we generated around 149 GWh of renewable energy at Bosch in 2023, which means that as of year-end we have already achieved 37 percent of the target. Locations in India accounted for around 28 percent of the volume of renewable energy generated at Bosch, followed by China (24 percent), and Germany (23 percent).

G 09

Goal achievement for energy efficiency

Savings potential captured with measures to increase energy efficiency



G 10

Goal achievement for new clean power

In-house energy generation from photovoltaics and hydroelectric power

In 2023, we carried out a number of projects that allowed us to further increase energy efficiency at our company locations and improve the potential to generate our own energy from renewable sources. These are some examples.

Worcester: Testing on site rather than in the lab – and making direct use of the input energy

Efficiency increases in qualitative endurance testing of gas heating appliances at the Worcester site in the UK have resulted in annual energy savings of more than 3 GWh and a corresponding reduction in CO_2 emissions by 576 metric tons. The improvements were achieved on the one hand by shortening internal tests while, on the other hand, the majority of laboratory tests were replaced by field tests with a number of British households. The input energy will therefore no longer be consumed in the laboratory, but in the households for heating and hot water preparation.

Braga: From natural gas to electricity from renewable sources

In the city of Braga in Portugal, a two-year decarbonization project was concluded in 2023, which involved substituting natural gas with electricity from renewable sources. The project involved the installation of a geothermal heat pump, efficient cooling units with heat recovery systems, and a comprehensive building management system. Since November 2023, Bosch has ceased using natural gas in Braga and switched instead to electrical energy. The company generates some of this energy directly on site using around 6,000 newly installed photovoltaic modules, which cover roughly 10 percent of the site's annual electricity demand.[7]

Further increase in the use of solar power

Bosch expanded its photovoltaic capacity in 2023 through a number of projects. In China, for example, the existing facilities at sites in Wuhan and Nanjing were extended by additional solar modules. This increased the capacity of the facility in Nanjing by 1.5 MW_{Peak} to a total of 4.1 MW_{Peak}, which means that roughly 23 percent of the site's annual electricity demand[7] can be covered in the future. An additional 3.89 MW_{Peak} will be available in the future in Wuhan, thus increasing the capacity of the facility to 4.99 MW_{Peak} and covering around 17 percent of the annual electricity demand[7] on site.

Existing photovoltaic systems were also extended at various locations in Germany in 2023. For example, a total of 5,550 solar modules with a capacity of 2.1 MW_{Peak} were installed in Salzgitter, thus increasing the total output of the photovoltaic system locally to 4.85 MW_{Peak}. In the future, around a quarter of the annual electricity demand[7] locally will therefore be generated from solar power.

[7] Calculation based on electricity consumption in 2023.

Lever 3: Green electricity

Bosch has concentrated on purchasing green electricity from existing plants and has been greatly expanding its purchase volume from green electricity with corresponding guarantees of origin since 2019. In total, around 99 percent of the Bosch Group's global electricity demand was already covered using green electricity in the reporting year. We have therefore already reached our interim target for 2025 and are set to exclusively source green electricity by 2030. Bosch has already successfully made the transition in a number of countries – Japan, Malaysia, Singapore, and South Korea followed in 2023.

At the same time, we have been involved in long-term agreements with our energy suppliers (Power Purchasing Agreements, PPAs) since 2020 and in 2023 concluded new agreements in Germany and the Netherlands. All told, Bosch purchased around 426 GWh in 2023 through long-term power purchasing agreements.

Lever 4: Carbon offsets

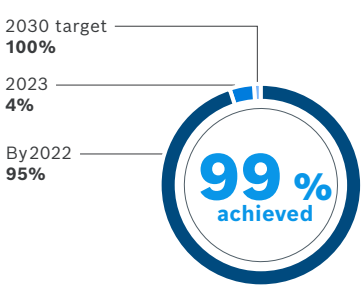
At present, we use carbon credits to offset residual CO_2 emissions, such as those from combustion processes (heating, process heat). In addition, we refer to carbon credits to offset electricity sourced in countries with only limited availability of green electricity.

As we make progress with levers 1 to 3, we want to further reduce the share that we offset to achieve carbon neutrality (scope 1 & 2) to no more than 15 percent by 2030 (baseline year 2018). In 2023, we came another step closer to achieving this target – especially as a result of progressively switching from gray to green electricity (gray electricity: electricity from fossil fuels). We cut the volume of emissions to be offset to some 581,000 metric tons of CO_2 in the reporting year. This is around 136,000 metric tons of CO_2 or 19 percent less than in the previous year (see T 05).

G 11

Goal achievement for green electricity

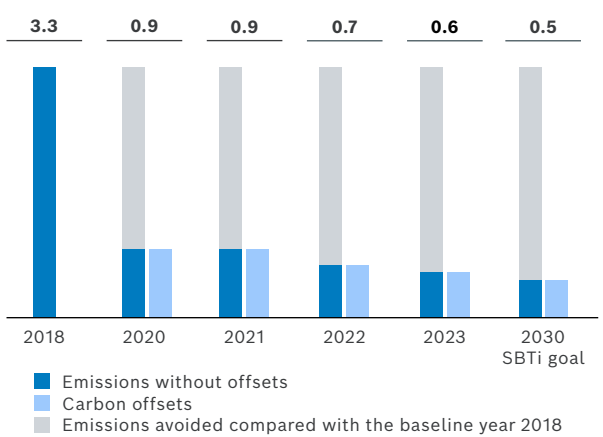
Global electricity demand covered by green electricity



G 12

Climate action at Bosch – the path to 2030

CO_2 emissions (scope 1 & 2) in millions of metric tons



When selecting carbon offset projects, we are guided by internationally recognized and independent certifications, such as the Gold Standard. In the future we want to focus our carbon offset measures even more intensively on nature-based removals. The relevant projects involve sequestering CO_2 in biomass, for example by afforestation.

Bosch calculates the emissions it needs to offset using the standards of the International Energy Agency (IEA, Emission Factors 2022) and the Intergovernmental Panel on Climate Change (IPCC). In 2020, we switched to a market-based presentation. Previously, we had used the location-based approach (up to and including 2019). In the calculation, we focus on the greenhouse gas CO_2 as well as on emitted process gases and hydrofluorocarbons (HFCs). An internal analysis has shown that Bosch does not produce or emit any other greenhouse gases to any material extent that would be subject to disclosure requirements.

Air emissions

Air pollutants can affect people's health and should therefore be reduced. In 2019, Bosch launched a project to analyze which air pollutants are produced and at what levels in the relevant business processes in manufacturing, such as surface treatment, foundry processes, and building heating. The results show that air pollutant emissions have no significant impact on people and the environment and are therefore not subject to disclosure requirements.

Outlook: Climate action strategy extends beyond 2030

Bosch has set itself clear climate action targets for 2030, but is already looking beyond this date. Since Bosch is aiming to use green electricity exclusively by then, the relevant potential must be leveraged in particular through changes in technology – such as in the area of mobility and heating of buildings. In addition, increases in energy efficiency and the measures pursued with the "New clean power" lever can deliver further climate action improvements. An analysis of all 430 locations in 2023 showed that further advances in climate action can still be achieved beyond 2030 – with a wealth of relevant projects already in the pipeline. However, the fact that the cost effectiveness of the energy efficiency projects will decrease over time must be considered. In other words, further improvements will require increasing effort. We are therefore striving to enhance the cost-effectiveness of the projects in partnership with customers so that we can contribute as best as possible to climate action with the resources available to us.

Goal management and implementation

The Corporate Sustainability Board is the central body for goal management in climate action and convenes twice a year. It makes decisions on implementing the climate action strategy (scope 1, 2, 3) and manages implementation of the adopted action plans (see the "Strategy and management" section).

To achieve the group-wide targets set for 2030, all Bosch divisions are pursuing staggered annual targets. These targets are set based on energy demands and the savings achieved so far. Targets are cascaded down to individual company locations at the discretion of the respective divisions and the degree to which targets are met is tracked centrally. On this basis, those responsible at the divisions and company locations make decisions to implement measures to improve energy efficiency or to initiate projects to generate their own energy.

As the availability and quality of green electricity and the legal conditions for the expansion of renewable energy differ between countries, the regional organizations are responsible for green electricity and new clean power projects. Carbon offsets are regulated centrally to ensure the quality of projects. The sites themselves order and transact the measures.

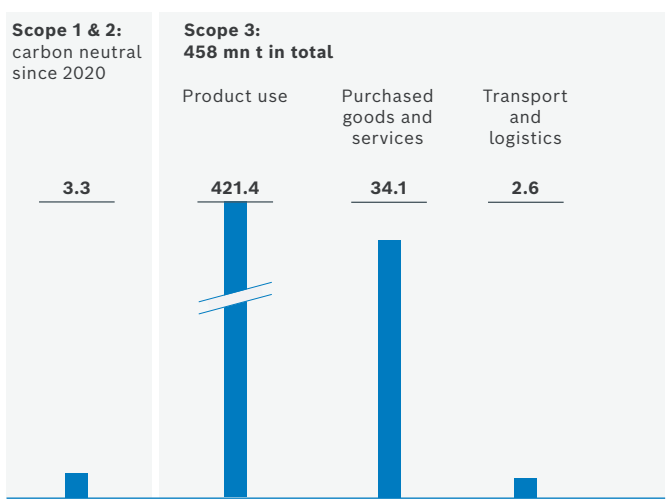
Upstream and downstream emissions (scope 3)

We want to shape climate action beyond our immediate sphere of influence (scope 1 & 2) and also systematically reduce upstream and downstream emissions (scope 3). We aim to cut these by 15 percent in absolute terms by 2030 compared with the baseline year 2018. In this process, we are focusing on the categories that make up around 98 percent of our scope 3 emissions: Upstream emissions in the Bosch value chain primarily concern purchased goods and services as well as logistics. Downstream emissions are mainly caused by the use of our products.

G 13

Main scope 3 categories in baseline year

Bosch Group 2018, in millions of metric tons of CO_2



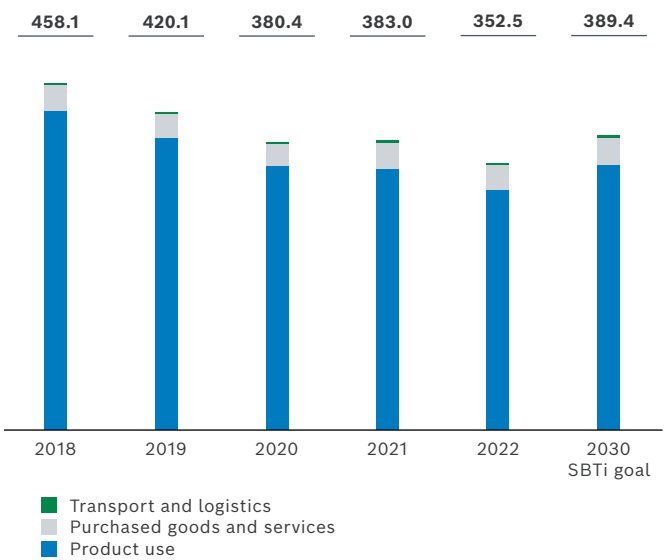
To improve data quality further, the calculation of scope 3 emissions was revised in 2023. In the process, we have included additional business activities in the calculation in the "product use" category and are using primary data increasingly in the "purchased goods and services" category.

At 458 million metric tons of CO_2 in the baseline year 2018, upstream and downstream emissions exceeded those in scopes 1 and 2 several times over (see G 13). Since 2018, we have cut our scope 3 emissions by around 23 percent, down to 353 million metric tons of CO_2 in 2022 (see G 14). The main challenge now is to mitigate future emissions relating to the anticipated sales growth by 2030. This is because the percentage target value for reducing emissions was purposefully set independently of sales growth, which means that the absolute amount to be mitigated will increase steadily as the company grows in future. We can directly influence the achievement of targets through more efficient products. On the other hand, there are also a large number of external factors that Bosch can only influence indirectly, such as suppliers' success in reducing CO_2 emissions, the speed of transformation processes in the energy and mobility sector, or general economic development (see G 15).

G 14

Development of scope 3 emissions

Bosch Group 2018–2022, in millions of metric tons of CO_2



The corresponding scope 3 figures for 2023 were not available before publication of this report, but will be published without delay in the key figures tool at sustainability.bosch.com.

G 15

Key levers for achieving the scope 3 target

Calculation base and main direct and indirect levers

Scope 3 categories	Calculation base	Key levers for reducing CO_2 (Direct → Indirect)		
		Realign top-down	**Refine status quo**	**Transform energy sector**
Upstream emissions **Purchased goods and services** (including machinery and equipment) **Transport and logistics** (also downstream)	• Purchasing volume • Goods categories • Source region • Mode of transport	• Supplier selection • Sourcing of secondary raw materials • Mode of transport (sea, land, air)	• Supplier development • Route optimization	• Green electricity • Hydrogen • Biogas
		Energy efficiency	**Transformation and portfolio optimization**	
Downstream emissions **Product use**	• Volume • Sales revenue • Efficiency • Energy source • Emissions factors • Product life	• Increased efficiency • Digitalization • Optimized use	• Investment in growth areas (e-mobility, heat pumps) • Phaseout of products with lowest energy efficiency	

In order to achieve our goal, we are taking a step-by-step approach. Having identified the main scope 3 categories, we increased the granularity of our calculations. This allows us now to identify significant drivers for emissions within purchasing and logistics as well as in the use of our products, and to derive measures that make a measurable contribution to climate action.

Scope 3, upstream: Purchased goods and services

To reduce upstream CO_2 emissions in purchasing, we drew up a steering concept in 2022 that is mandatory for all divisions. The individual instruments fit seamlessly into Bosch's higher-level sustainability methodology system.

We want to make sure that suppliers can use their resources as efficiently as possible. With this in mind we do not influence the measures they choose to reduce CO_2 emissions, rather we aim to enter into target agreements with our suppliers.

General target agreements

We use general target agreements with suppliers to improve CO_2 performance, based on valid and transparent data on carbon emissions and preferably in combination with a specific SBTi commitment.[8] More than 450 of our suppliers had already committed to specific CO_2 targets by 2023 (prior year: 232 suppliers) and are thus following the path Bosch has also taken with its climate targets (scope 1, 2, 3).

[8] The SBTi commitment refers to the voluntary commitment by companies to set science-based targets for reducing greenhouse gas emissions. Through this commitment, companies demonstrate their willingness to contribute actively to climate action and to align their business practices with the goals of the Paris Climate Agreement.

Individual ambition levels were developed with all relevant Bosch divisions in 2023, which cover the period from 2024 to 2030. We are collaborating with our suppliers on this basis to obtain detailed information and data on group-wide CO_2 emissions (scope 1, 2, 3) for around 80 percent of our purchasing volume by 2030. This figure stands at 60 percent at the moment. At the same time, we intend to source more than 50 percent of our purchasing volume from suppliers that have already committed to the Science Based Targets initiative (SBTi) and set themselves targets in line with the Paris Climate Agreement. We will track the progress made centrally in the coming years.

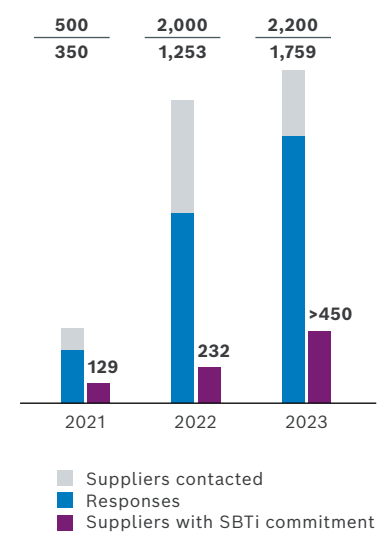
Following the successful completion of a number of pilot projects, many of the Bosch divisions have taken account of the sustainability performance of potential suppliers in the purchasing process since 2023, in order to support the achievement of targets in the award process. Apart from the direct effects on our upstream CO_2 emissions (scope 3), this approach gives Bosch a multiplier effect, which exceeds the effects in its own supply chain many times over. This is because the improvements initiated by Bosch in the CO_2 performance of the suppliers also impact their other products and business relationships.

Specific agreements for focus materials

We also use specific agreements with our suppliers for focus materials such as steel, aluminum, copper, and plastics as these materials are responsible for a significant portion of CO_2 emissions in the supply chain. To purchase materials that are as low-carbon as possible in the future, we carried out a number of measures in 2023, including analyzing the specific CO_2 reduction potential and identifying reduction paths, as well as launching initial pilot projects in some divisions.

G 16

Results of surveys via the CDP platform



Approach and methodology for improving scope 3 data quality

Clear rules and targets require uniform definitions and calculation standards because this is the only way to make performance transparent and comparable. This is particularly true when it comes to advancing sustainability issues overall across supply chains. As there is still no international standardization and the information currently available is sometimes of poor quality, we rely on a combination of approaches to obtain supply chain data and try in this way to improve the quality and comparability of the data collected.

We prefer to use primary data that we request our suppliers to provide. Through these direct requests, for example via the CDP platform, we obtain specific data on our suppliers' individual emissions profile and make their specific development transparent. If no primary data is available, we use secondary data from established databases. In that case, for example, emissions for specific products are recorded using industry averages that also take account of the technology used in the manufacturing process and geographical factors. The corporate carbon footprint (CCF) is calculated on this basis. The CCF is the share of the supplier's emissions that is attributed to Bosch as the buyer on the basis of sales. At present, we mainly use secondary data that we obtain using input/output models at company level. This enables us to benchmark all suppliers based on comparable standards and to manage them strategically. We plan to use primary data largely in the future so that our calculations are as precise as possible. We continued to follow this approach in 2023 too by carrying out a comprehensive CDP survey (see figure).

The product carbon footprint (PCF) is a means for us to record those emissions caused during a product's manufacturing and production process. Here, too, primary data is preferable to secondary data because they are of greater informative value, as directly requested product-related information provides the greatest possible transparency and accuracy. A lack of international standards is still making data comparisons difficult at present. Bosch therefore supports cross-company standardization along the complex value chains in the automotive sector and is involved in initiatives such as Catena-X. In addition, we are working with external partners on a software solution to obtain primary data on the PCF from our suppliers. At the same time, existing database structures will continue in parallel for recording product-related primary data.

Determining the corporate carbon footprint or product carbon footprint

Improving data quality in two stages, scope 3, upstream

Stage 1 →

Stage 2 ↓

	Secondary data (sources)	Primary data (sources)
Corporate carbon footprint (CCF)	Databases	Supplier survey, e.g. via the CDP platform
Product carbon footprint (PCF)	Databases	Development of standards, e.g. in initiatives such as Catena-X

Scope 3, upstream: Transport and logistics
In logistics, we primarily aim to reduce CO_2 emitted during the transport of goods. We have a variety of instruments at our disposal here:

Optimizing freight

Transport management centers (TMC) have been established worldwide to manage shipments between suppliers, Bosch plants, and customers. We have already achieved a high degree of standardization in this area and can guarantee efficient transport – also with respect to environmental criteria – by pooling freight. To secure even higher capacity utilization, especially for road shipments, a new transport management system was introduced at Bosch in 2023. This system enables cyclical strategic planning of the transport network and short-term operational planning of routes, modes of transport, and load quantities.

Our goal is to increase transport capacity utilization by truck from its current level of 65 percent to 80 percent in 2025 and thus reduce carbon emissions with this mode of transport by up to 10 percent.

At the same time, we are working on moving freight transport from road to rail. BSH Hausgeräte GmbH has been operating what it calls a “Vierecks-Zug” since 2023, which supplies the four locations in Giengen, Łódź, Nauen, and Wrocław with components and finished appliances. The annual reduction in carbon emissions compared with the previous road transport is around 1,200 metric tons of CO_2, which corresponds to a saving of 36 percent.

Alternative drives and fuels

In the future, alternative drives and fuels will play an ever-greater role in reducing carbon emissions. The availability of vehicles with alternative drives is increasing all the time. In ongoing projects, Bosch is already today evaluating further potential to curb CO_2 in delivery traffic. Attention is focused here on strategic cooperation with logistics service providers in a bid to achieve short- and medium-term CO_2 emissions reductions by using biofuels or alternative drive technologies.

The first applications worldwide were launched in 2023. For example, Bosch is already using trucks powered by fuel cell technology in China. Meanwhile, battery-electric powered trucks are used for shuttle traffic at sites in Anderson in the USA and Wernau in Germany. In addition, some of our parcel services have been using battery-electric powered vans and have provided us with evidence of the CO_2 savings compared with diesel vehicles.

Following an initial successful pilot project for introducing HVO100 (Hydrotreated Vegetable Oils) with two logistics service providers the previous year, in 2023 we managed to convince additional logistics service providers to use HVO100 and BioLNG (a mix of liquefied natural gas (LNG) and liquefied biomethane). As a result, we are now using alternative fuels on 20 routes in Europe and are thus saving around 1,500 metric tons of CO_2 annually compared with the use of diesel fuel. We are counting on the fact that HVO100 will also be available on the open market in Germany from 2024, so that we can also switch further routes here from diesel to HVO100.

Reducing air transport

Air cargo remains economically viable for parts such as electronic components or smaller and lightweight parts and is practically irreplaceable for reducing turnaround times in international production networks. As a general rule, however, we want to avoid air cargo and only use it in exceptional cases, since roughly 70 percent of all of Bosch's transport-related CO_2 emissions are attributable to this mode of transport. Whenever possible, we therefore switch shipments destined for Bosch from air to sea or rail freight. The corresponding potentials are reviewed continuously.

Improving packaging design

In a joint initiative with the divisions, work is also under way to increase packing density in a bid to use less packaging material, storage space, and transport capacity – in turn, reducing CO_2 emissions. Packaging design centers have been set up in Europe and North America to improve and standardize packaging. At the same time, we want to use packaging material with a higher recycling content.

In 2023, this led us to develop optimized packaging for around 350 components as well as the finished product for one of our future products, the mobile fuel cell. This was achieved as part of an interdisciplinary team under the leadership of one of the packaging design centers. Plastics with a 25 percent recycling content and steel with a 50 percent recycling content were chosen as materials for packaging the finished product. In addition, a comparative sustainability calculation was carried out to determine the lowest emission packaging concept for each mode of transport (road, sea, air).

Consistent use of the total cost of ownership (TCO) approach

The TCO approach considers all costs incurred when purchasing a component or a product. These costs include freight, customs, and packaging costs. In addition, risk and location factors are assessed, which likewise contribute to the decision to buy. An example of this is the proximity to our site. The corresponding potentials are reviewed continuously.

Reduction in transport-related CO_2 emissions

A team made up of representatives from purchasing, central logistics, the divisions, and plants is working on developing key measures for reducing CO_2 emissions. Moreover, the individual divisions and plants devise local measures that are implemented on site.

In 2023, the stabilization of supply chains led to a decline in the number of unplanned shipments, which in turn resulted in a significant reduction in CO_2 emissions. Together with other transport optimizations and individual measures, such as the use of alternative drives and fuels, initial calculations show a decrease in transport-related CO_2 emissions by 17 percent compared with 2022.[9]

Since 2020, we have also been offsetting the CO_2 emissions generated by the business air travel of all associates and are supporting climate action too with our worldwide principles on company car usage. In addition to reducing CO_2 emissions, for example, through a defined CO_2 cap or a bonus/penalty scheme linked to a vehicle's CO_2 emissions, the country-specific regulations also provide for a range of alternative forms of mobility to the classic company car.

[9] The final scope 3 figures for 2023 were not available before publication of this report, but will be published without delay in the key figures tool at sustainability.bosch.com.

Scope 3, downstream: Product use

Although energy efficiency in product development has a high priority for Bosch, around 90 percent of scope 3 emissions are generated during the product use phase. We currently see the greatest potential for lowering CO_2 emissions in those divisions in which products require a relevant amount of energy, that is above all mobility, thermotechnology, industrial drive and control technology, and household appliances. The focus is on three leverage points in each case:

▸ Boosting energy efficiency

The energy efficiency of products can increase from one product generation to the next. That said, we keep an eye on the average energy efficiency of a product portfolio.

For example, Bosch Rexroth leverages energy efficiency potential by improving design parameters (e.g. weight reduction) and through the type and quality of the materials used. By offering more energy-efficient electric motors as part of active portfolio management, Bosch Rexroth was able to increase the proportion of electric motors with the highest efficiency to roughly 50 percent of the total sales of electric motors in 2022.

▸ Market transformation and portfolio optimization

Far-reaching structural changes in markets or industries, for example as a result of technological innovations, changes in consumer patterns, regulations, or globalization, require fundamental adjustments to a company's strategies and business models. These transformation processes can be used to deliver improvements in climate action.

A current example of this is the transformation of heat supply to renewable energy sources. The Home Comfort division is driving this development through expansion of the electric portfolio and is investing in particular in development and production capacity for heat pumps. This strategy is beginning to bear fruit in the form of higher sales figures in recent years and the resulting reduction in emissions from product use (scope 3). In the area of Home Comfort, these scope 3 emissions were 21 percent lower in 2022 compared with the baseline year (2018), which is attributable largely to the shift in the portfolio from fossil fuel heating systems to electric solutions.

As one of the largest suppliers to the automotive industry, Bosch is pressing ahead with the transition to electromobility and utilizing the available opportunities. The company wants to generate sales of six billion euros in this area in 2026. Our customer numbers doubled in the period from 2019 to 2023. As early as 2022, Bosch was able to increase the production of components for electric cars by 50 percent year on year. By the end of 2023, Bosch had manufactured more than 4.5 million electric motors and more than four million inverters.

▸ Transformation of the energy sector through the use of green electricity, hydrogen, and biogas

Because many of Bosch's products, systems, and facilities operate on the basis of electricity, an increased proportion of green electricity in the power grids has a direct positive effect on our carbon footprint downstream, so during the product use phase. The corresponding transformation of the energy sector is therefore highly relevant for achieving our scope 3 target – even if it can only be influenced in a small way by Bosch.

To achieve the overarching SBTi target, the relevant divisions are pursuing specific CO_2 targets and targeted action plans. The plans are based on currently available findings and market development scenarios in the coming years. The progress toward goal achievement as well as the underlying scenarios and framework conditions are reviewed annually. If any changes occur, we make adjustments accordingly.

Reduction in CO_2 emissions in the product use phase

Up until 2022, we were able to significantly reduce scope 3 emissions resulting from the use of our products – from 421 million metric tons of CO_2 in the baseline year 2018 to 314 million metric tons of CO_2. The main drivers underlying this reduction include the shift initiated within the product portfolio toward higher energy efficiency classes, more energy-efficient motors and pumps, the supply of heat pumps and solar collectors, as well as the transformation toward e-mobility.

Circular economy

With our circular economy strategy, we want to enhance the sustainability of our products over their entire life cycle – from procurement and production to use, return, and remanufacturing, right through to recycling and reuse of materials. To this end, we endeavor to either create loops directly within Bosch or close them outside the company using established recycling processes. This way, we reduce the amount of materials used and our products' carbon footprint[10] and contribute toward achieving our scope 3 target.

[10] Unless otherwise stated, carbon footprint takes into account all greenhouse gas emissions ranging from raw material extraction to transport, production, sales, and use through to disposal of the product (cradle to grave) (see DIN EN ISO 14067).

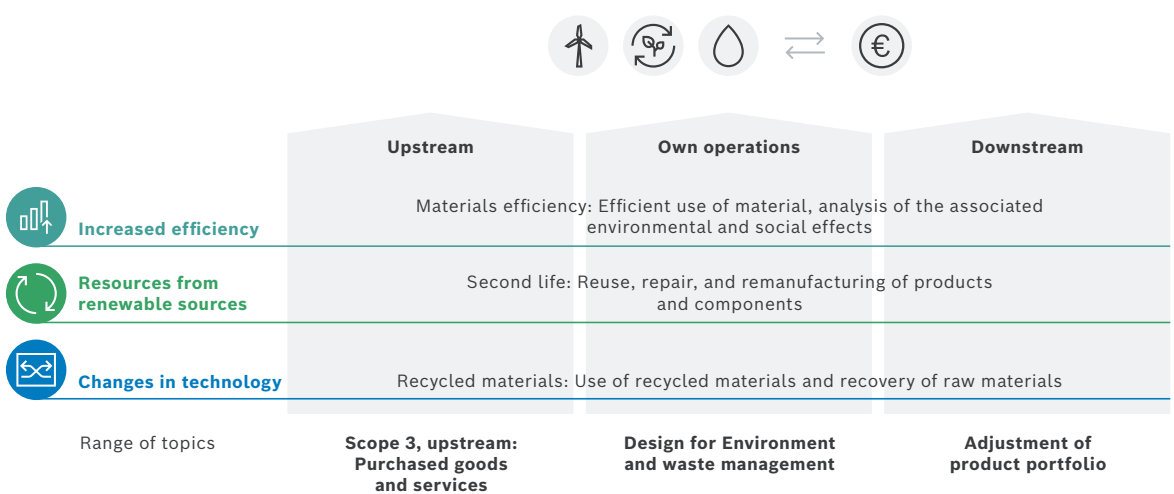
At the same time, we also avoid potential risks relating to compliance with environmental and social standards. Building a closed-loop system for materials has the particular advantage of eliminating parts of the value chain that are subject to risks, such as extraction of raw materials.

As with climate neutrality (scope 1 & 2), in our circular economy strategy we use a model comprising levers that can be applied across the entire value chain and that is based on the core levers of our higher-level sustainability methodology (see G 17). Depending on the markets in which our divisions operate, however, the levers differ in their degree of effectiveness, are not equally applicable across the board, and

G 17

Sustainability methodology, focus on circular economy

Measures for improving sustainability performance along the value chain



therefore offer different development potential. This was evident from an analysis we carried out in 2022 of around 80 product groups, which collectively account for roughly 80 percent of Bosch's sales revenue. It is therefore vital for Bosch to develop a market-specific circular economy strategy for each division and find the optimum mix of the three levers in each case.

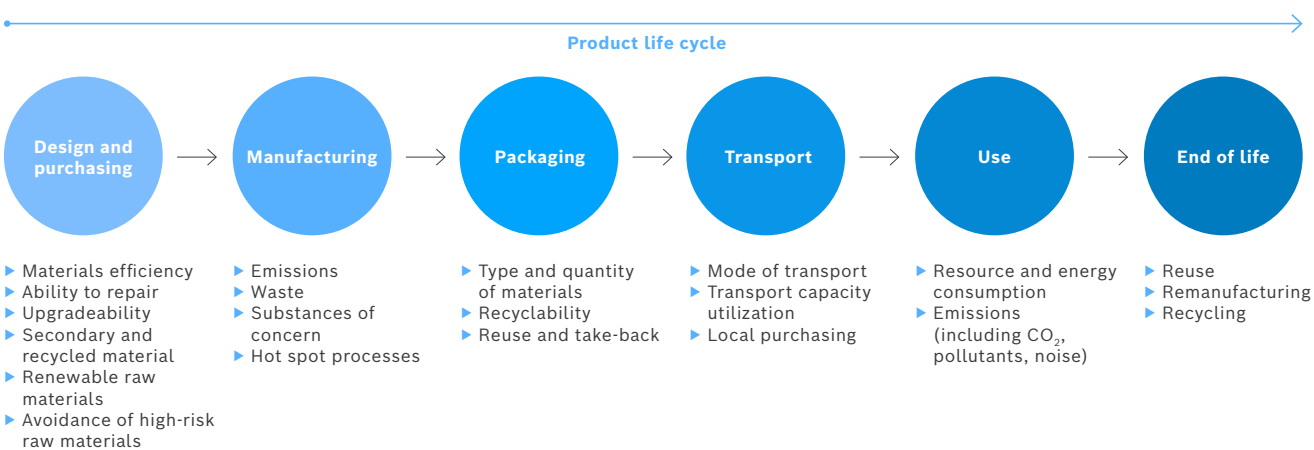
By organizing the material flows according to the concept of the circular economy, we also impact the corresponding CO_2 emissions directly. This relationship is also illustrated by our new sustainability methodology. This means that by using material more efficiently and taking advantage of recycled material, fewer resources are consumed in general and the related CO_2 emissions are also reduced. With remanufacturing of products and parts, the product is rebuilt and only defective parts are replaced. This extends the product life cycle.

Life cycle assessments

Based on the idea of a closed-loop or circular economy, we have been systematically conducting life cycle assessments (LCAs) for major product groups since 2017. This entails evaluating product-specific environmental aspects in each phase of the product life cycle – from purchasing to production and use right through to disposal. Depending on the use case, we distinguish between two assessment methods: the full-scale LCA, performed in compliance with ISO 14040 and 14044, and the streamlined LCA, allowing faster assessment of specific issues and drawing on standard database values.

G 18

Environmental aspects of Design for Environment



Lever 1: Materials efficiency

Improvements in materials utilization can reduce resource consumption and also cut the manufacturing cost of a product. Bosch can also directly influence the corresponding measures.

For years, improvements in materials efficiency in production processes and the materials efficiency of our products have therefore been an essential element of our product development process, where it is anchored in an internal standard via the Design for Environment (DfE) principle. Objectives such as the efficiency of powertrains are formulated here for the specific product and tracked using appropriate indicators if required. The environmental and social effects of using certain raw materials are also considered in order to keep the environmental impact of materials utilized as low as possible, while at the same time taking into account social aspects.

A comprehensive web-based training program was established in 2023 to increase awareness among developers, in particular, of aspects of the circular economy. Split into four modules, the program provides training on sustainable product development, materials efficiency, second life, and recycling-compliant development. In addition, a document was prepared as a guide with design tips, example solutions, and background knowledge, in order to provide developers with specific information for developing products with greater awareness for the circular economy. Also in 2023, a cross-divisional and interdisciplinary project was launched with the central sustainability and research departments. Based on the example of a product group, the objective of the project was to develop specific strategies and implementation options for developing products in line with the circular economy.

Bosch Green Collection fridge-freezer combination

The new Bosch Green Collection fridge-freezer combination not only has low energy consumption with energy efficiency class B but is also manufactured with more environmentally friendly materials. Low-CO_2 steel is used for the side panels and other metallic paneling of the appliance which, in terms of its production, delivers a 70 percent reduction in CO_2 emissions compared with the conventional steel used previously.[11] In addition, bio-based, carbon neutral insulating foam and plastic are used in part during manufacturing. These measures have made it possible to reduce the carbon footprint of the appliance's production materials by 33 percent to approximately 200 kilograms of CO_2.[12]

[11] Unlike conventional steel, low-CO_2 steel is produced with low-CO_2 raw materials and with the aid of biomethane.

[12] Comparison between the Bosch Green Collection fridge-freezer combination (KGN39OXBT) and a comparable fridge-freezer combination with conventional production material (KGN39VXBT). Calculation of the carbon footprint of the production material (without packaging) based on ISO 14040. During manufacturing, the more eco-friendly material is mixed to an extent with conventional material but allocated to the Bosch Green Collection fridge-freezer combination according to the mass balance approach (ISO 22095).

Lever 2: Second life

In the second lever, we have grouped together those measures that allow us to improve material flows or to close loops within the company. The concepts and activities of the divisions range from reusing products and their components to repairs and right through to remanufacturing – in each case with the objective of extending product and component life cycles. Bosch can reduce negative effects – which arise, for example, during the extraction of raw materials – by closing the materials and products loop. The effectiveness of the measures also depends on there being sufficient demand. This places strict requirements on product development.

The individual divisions of Bosch each have their own objectives in this regard, depending on market and product-specific framework conditions. Take, for example, the Mobility Aftermarket and Bosch Rexroth divisions, which each serve the Remanufacturing and Repair and Remanufacturing business lines. Both divisions are focused in this respect on successively extending their activities in these segments.

Bosch eXchange

For over 50 years, the Bosch eXchange program has been offering customers the option to have defective vehicle components replaced with remanufactured products at specialist workshops.[13] Many customers take advantage of this offer, making the program a significant factor in Bosch's automotive aftermarket product portfolio today. Around two million components are remanufactured here every year, thereby reducing the number of new products needed accordingly. This saves roughly 3,100 metric tons of material, which is the equivalent of around 8,600 metric tons of CO_2.[14] At the same time, the program helps to reduce Bosch's dependency on the international raw materials market.

[13] Bosch eXchange can be supplemented by new material, if necessary, in order to ensure a high degree of market coverage and delivery capability.

[14] Savings are calculated based on the avoided purchase of steel, aluminum, and copper using 2022 consumption values (source of CO_2e-emissions factors: ecoinvent).

Lever 3: Recycled materials

The third lever of our circular economy strategy – recycled materials – covers all measures to close the loop by established recycling processes for materials such as steel, aluminum, and plastics. This way, we can reduce the use of primary materials and lessen our environmental impact – as well as mitigate human rights risks associated with the extraction of raw materials. Our use of recycled materials also means that we are supporting the achievement of our scope 3 target.

For this reason, two divisions have focused their activities on the use of recycled materials. For example, the Bosch Power Tools division has set quantitative targets for the use of recycled materials, which extend through 2025. By then, the division also wants to have life cycle assessments available for each product family. Specific targets have also been set for packaging materials. BSH Hausgeräte GmbH is aiming to increase the proportion of recycled material used in all products and at the same time improve the recyclability of the products.

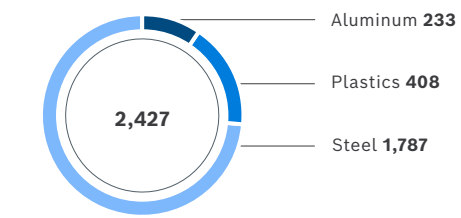
Key factors determining how effective the measures are include whether high-quality materials are available, as well as whether the percentage of recycled materials used can be verified, and whether they can be purchased cost-effectively (see also "Scope 3, upstream: Purchased goods and services").

Across all our products, the average percentage of recycled steel used is around 56 percent. At 35 percent, the proportion of recycled aluminum matches the average level in the industry. For plastics, the percentage of recycled material that we purchase as raw material is around 5 percent. We intend to increase this share further in the coming years.

G 19

Key materials used

Bosch Group 2023, in 1,000 metric tons



The ways of achieving material recycling targets are as varied as the markets addressed by our divisions. The following are some examples:

More sustainable design of measuring instruments in the DIY sector

The Bosch Power Tools division is systematically working toward increasing the sustainability of the product portfolio of measuring instruments in the DIY sector. Experience gained during the development of the Quigo Green cross-line laser shows how this might work. The carbon footprint was reduced in this case by 35 percent compared with the predecessor product across the board from the product to the accessories through to the packaging.[15]

In 2023, the division converted its portfolio of measuring instruments in the DIY sector to more eco-friendly packaging. This means, for example, that plastic bags are no longer used. At the same time, the instruction manuals are now made 100 percent from recycled paper.

Recovering platinum from fuel cells

Bosch's fuel cell powertrain system has been in series production since fall 2023. This date also heralded the start of the Power Solutions division's recycling plan. Platinum group metals[16] (PGM) are valuable raw materials processed in fuel cells. Circular economy models are particularly worthwhile for recovering these materials. For example, platinum can be recovered at a rate of at least 95 percent from fuel cell stacks, the central element of the fuel cell system. Bosch is therefore planning to buy back stacks at the end of their operational life. This makes the stacks more economical and carbon emissions generated during the mining of platinum can be effectively reduced. That's because more than 95 percent of carbon emissions caused by platinum mining can be eliminated by recycling platinum.

Fully automated system for discharging battery modules

As electromobility continues to gather pace, recycling of the raw materials contained in the batteries, such as lithium, cobalt, or nickel, is increasingly coming into focus. Bosch has developed special machinery, equipment, and software for this purpose. In 2023, Bosch Rexroth supplied Battery Lifecycle Company with one of the first fully automated systems for discharging battery modules in Europe, which is set to go into operation in 2024 – and is thus supporting the development of a European recycling infrastructure with projects like this. Experts predict that by 2030, Europe will require recycling capacity for up to 420,000 metric tons of battery material each year (source: Fraunhofer ISI, 2023).

[15] Comparison between Bosch Quigo Green cross-line laser (0.603.663.C00) and a current reference appliance (0.603.663.C02); calculated based on life cycle assessments (LCA) pursuant to ISO 14067:2013, cradle to gate (material, transport, production).

[16] The platinum group metals include platinum, palladium, rhodium, ruthenium, osmium, and iridium.

Waste

The previously discussed instruments are also relevant for our own activities. This is especially the case with waste management.

"Avoid, then reuse, then dispose" – that is the principle we apply at Bosch with respect to waste management. As part of its circular economy strategy, Bosch continues to work systematically on reducing waste generation and, in particular, on recycling. A guideline applicable group-wide ensures that the legal requirements for the transport and disposal of waste are complied with locally. All production locations have a clearly designated organizational unit responsible for sorting, classifying, and handing over waste to disposal companies. Ten incidents in which substances were released were reported via our incident management system in 2023. Only a small number caused effects on the environment, though these were categorized as low.

In 2023, Bosch generated 666,028 metric tons of waste (prior year: 678,260 metric tons), a decrease of 1.8 percent. Of the amount of waste, it was possible to recycle 86 percent. In relation to the development of sales revenue, the waste volume decreased by around 5 percent year on year (see also T 06).

An analysis of waste at a number of production locations, which together account for around 80 percent of our total amount of waste, has shown that roughly 45 percent of our waste consists of metals, 24 percent is packaging waste, and around 11 percent is hazardous waste. In addition, as the analysis also revealed, there is potential to lower the volume of hazardous waste and therefore not only reduce disposal costs, but make an important contribution to protecting people and the environment. In 2019, we decided to pursue two priorities in response to these findings: reducing hazardous waste and minimizing the amount of waste going to landfills.

At Bosch, hazardous waste occurs mainly in the form of cooling lubricants, washing water, oils, and fuels. In 2023, their volume increased by 0.8 percent to 76,436 metric tons compared with the previous year (75,807 metric tons). Specific measures are being implemented at sites with relatively large quantities of hazardous waste to reduce the amount of

T 06

Waste volume and disposal

Bosch Group 2021–2023, in 1,000 metric tons

	2021	2022	2023
Bosch Group	**689.5**	**678.3**	**666.0**
Recycled waste	602.0	584.4	569.9
Waste for disposal	87.4	93.9	96.1
thereof hazardous waste	70.1	75.8	76.4
Material-based recycling	30.9	35.4	36.7
Thermal recycling	8.2	7.0	7.6
Other recycling	7.9	7.7	7.9
Landfill disposal	3.5	3.0	3.3
Disposal through incineration	8.2	7.9	7.5
Other disposal	11.3	14.8	13.4

Waste intensity

in metric tons/million euros of sales revenue

	2021	2022	2023
Bosch Group	**8.8**	**7.7**	**7.3**

waste. Use of vacuum distillation and ultrafiltration is leading to a reduction in the quantity of cooling lubricants that need to be disposed of, while the volume of washing water is likewise decreasing. Centrifugal treatment leads to a decrease in the quantity of oil to be disposed of.

A positive step toward further reducing hazardous waste was made at the Bosch site in Wuxi in China in 2023. The volume of waste generated as a result of the electrochemical machining of injector enclosures was reduced by 30 percent year on year thanks to improvements in centrifugal treatment. At the same time, the consumption of raw materials was also reduced, without negatively impacting the product quality.

In order to reduce the amount of waste going to landfills, we want to increase the recycling ratio. With this in mind, we implemented the “Zero Waste to Landfill” campaign in 2019.

Use of substances of concern

At Bosch, substances of concern (SoC) are all substances in production aids or products that are prohibited by law, classified as prohibited under customer agreements or pursuant to in-house requirements, or are subject to declaration duties. We are continuously working to identify permissible SoC in our products and processes, adopt substitutes, and reduce or altogether avoid hazardous substances in the long term wherever possible. For example, where technically feasible, we intend to dispense with substances on the EU’s REACH candidate list in new developments. Our mandatory internal Design for Environment standard N33-6 defines the requirements for handling SoC in the product development process. If permissible SoC are unavoidable in the production process for technical reasons, we conduct hazard assessments to ensure suitable protective measures are taken for safe handling of such substances.

Systematic management of materials data

At present, there are more than 15,000 statutory, industry-specific, and customer-specific regulations worldwide governing materials restrictions and declaration duties, which are continually changing and becoming more extensive. Around 1,800 of these regulations are currently relevant for Bosch worldwide, including the European Regulation on Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) or the Toxic Substances Control Act (TSCA) in the United States. The resulting requirements are monitored centrally as well as at division level so that any adjustment measures needed in response to any changes can be initiated in a timely manner.

We have built a central IT system – MaCS (Material Data Management for Compliance and Sustainability) – to efficiently manage materials prohibitions and restrictions, in particular for products. The Sustainability and EHS corporate department is responsible for the technical coordination and continuous development of the IT system and processes. All substances of concern are rendered in the MaCS system using distinct identifiers such as Chemical Abstracts Service (CAS) numbers. This approach takes into account the intended use and the respective sales market as well as information on materials restrictions or defined limits. MaCS currently covers more than 30,000 identification attributes. Algorithms that map the relevant materials restrictions and

declaration regulations automate the process of matching bills of materials and associated supplier declarations against the pertinent requirements. To enable checks, MaCS maps the individual components of a product in the form of a bill of materials.

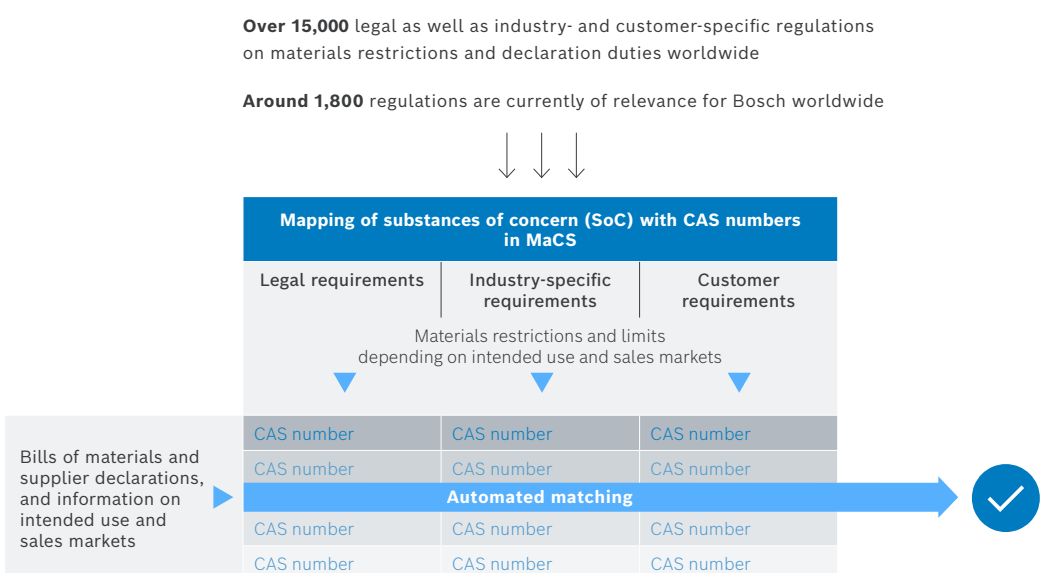
MaCS also includes information from the supplier declarations that is made available to us via systems such as the International Material Data System (IMDS), Compliance Data Exchange (CDX), and Bosch's declaration format.

This information indicates the substances contained in the individual components as well as their concentration levels. By linking bills of materials and supplier declarations, it is possible to make accurate statements about the substances contained in each component.

The nature and scope of declaration requirements Bosch has to fulfil with regard to SoC in materials are regulated uniformly and bindingly for all suppliers in Bosch's standard N 2580-1.

G 20

MaCS – Material Data Management for Compliance and Sustainability



Water

Conscientious use of water is a major priority for Bosch. We especially focus on counteracting the increasing scarcity of water. Interdependencies arise in this case also with our activities in the areas of climate action and the circular economy. This became apparent when developing the sustainability methodology. Energy, material, and water consumption frequently exhibit similar patterns. For example, less water is required to produce green electricity than to produce electricity from fossil fuels (gray electricity), due to the associated high cooling water demand.[17] This means that water withdrawal can also be reduced in the supply chain by sourcing materials that have been produced with green electricity. When it comes to manufacturing steel, the water withdrawal can thus be reduced by just under 19 percent by using renewable energy in the supply chain.[18]

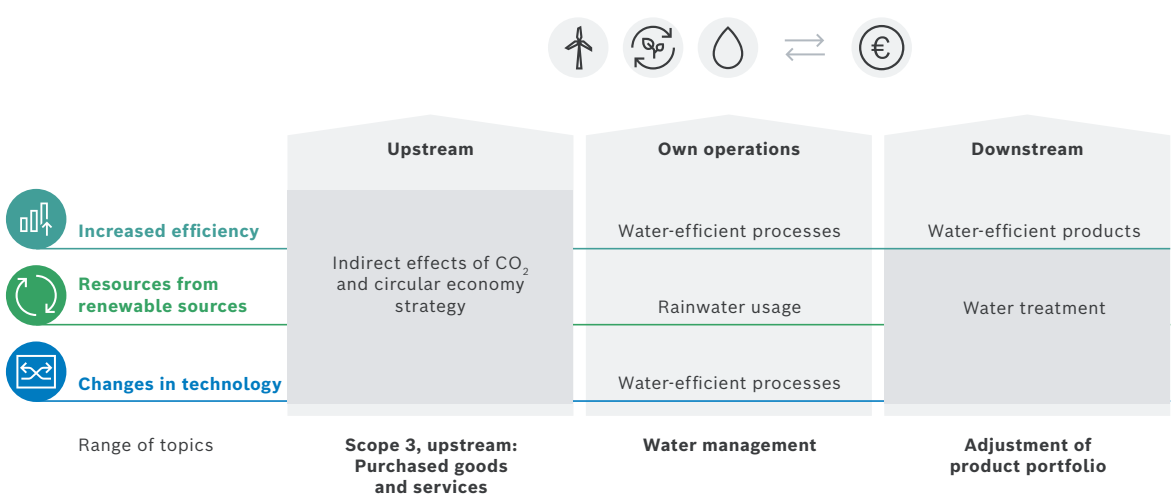
[17] Grubert and Sanders (2018): Water Use in the United States Energy System: A National Assessment and Unit Process Inventory of Water Consumption and Withdrawals; Environ. Sci. Technol. 2018, 52, 11, 6695–6703.

[18] Internal calculation: Production of steel with green electricity compared with production of steel with gray electricity based on Grubert and Sanders (2018).

G 21

Sustainability methodology, focus on water

Measures for improving sustainability performance along the value chain



Water targets for company locations in regions with water scarcity

We analyzed our company locations using the Water Risk Filter provided by the World Wide Fund for Nature (WWF). According to this analysis, 72 of our sites are located in areas of severe or severest water scarcity (see G 22).

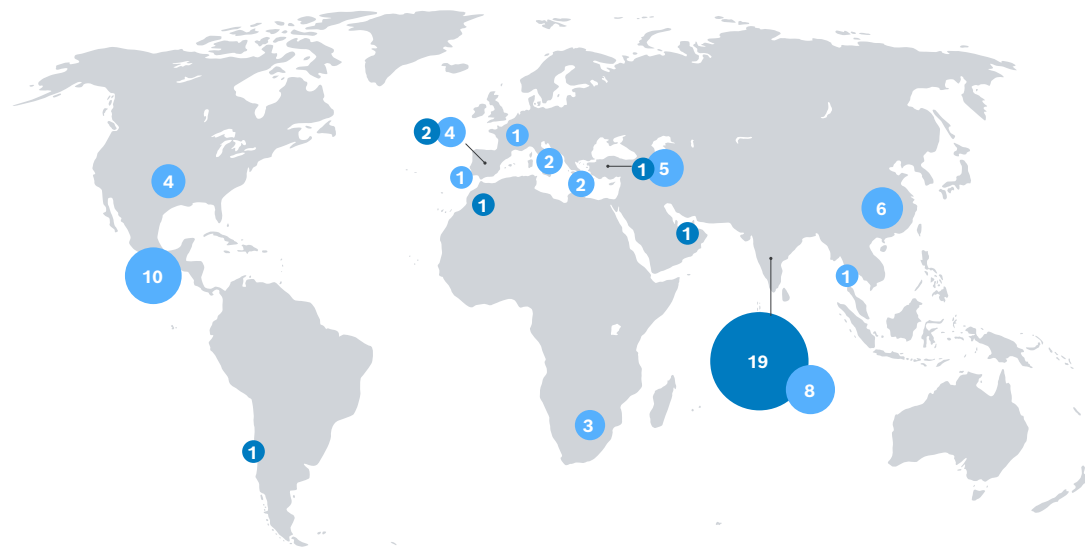
We have set ourselves a target of reducing absolute water withdrawal at the 72 sites identified by 25 percent by 2025 compared with our 2017 baseline year – and in 2023, we achieved this goal. Over the past few years, water withdrawal at the respective company locations has fallen by around 25.6 percent (prior year: 24.2 percent). In 2023, company locations in regions with water scarcity accounted for around 2.32 million m^3 of water (prior year: 2.37 million m^3) or 11.9 percent of Bosch's total annual water withdrawal.

Total water withdrawal by the Bosch Group increased to 19.5 million m^3 (prior year: 19.1 million m^3) in 2023. In relation to sales revenue, this constitutes a relative decrease of around 2 percent year on year (also see T 08 and G 23).

Fresh water is used in many processes at Bosch, in particular for cooling purposes. In regions with strained water supplies, recycled water or rainwater is already used wherever possible.

G 22

Company sites in regions with water scarcity



	Number	Withdrawal in millions of m^3	Share of total water withdrawal	Affected regions
Sites with the severest water scarcity	25	0.4	2.0%	Chile, India, Morocco, Spain, Turkey, United Arab Emirates
Sites with severe water scarcity	47	1.9	9.9%	China, France, Greece, India, Italy, Mexico, Portugal, South Africa, Spain, Thailand, Turkey, USA

T 07

Water withdrawal in regions with water scarcity

Sites in regions of severe or severest water scarcity
2017–2023, in millions of cubic meters

2017	2018	2019	2020	2021	2022	2023	2025 target
3.1	3.0	2.8	2.4	2.5	2.4	2.3	2.3

Identifying and realizing water saving potential

To ensure that the funds for achieving water targets are used efficiently, water coordinators in the Bosch divisions identify local savings potential and implement suitable measures together with those responsible at the sites concerned. Since 2019, we have launched more than 260 projects that enable us to save up to 700,000 m³ of water at our sites each year. Our efforts to systematically collect rainwater and therefore reduce the amount of groundwater we extract and the amount of water we withdraw from the public water supply contribute significantly to the responsible use of water as a resource. In 2023, we were able to nearly double the quantity of rainwater used company-wide year on year to 140,000 m³ (prior year: 74,000 m³).

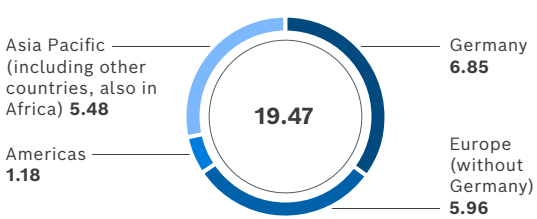
Collection systems for monsoon rains

A new rainwater collection system was put into operation in Bidadi in India in 2023, which has a storage capacity of 10,000 m³. Rainwater collection and use began with the first monsoon rains in May 2023. Around 45,000 m³ of rainwater had been collected and used at the site by the end of 2023. This covered roughly 50 percent of the total volume of water needed at the site in the period. Rainwater is also used at the site in Naganathapura in India. Around 6,500 m³ of rainwater was treated and used at the plant in 2023, covering roughly 19 percent of the total water demand at the site in this period.

G 23

Water withdrawal

Bosch Group 2023 by region, in millions of cubic meters



T 08

Water withdrawal

Bosch Group 2021–2023, in millions of cubic meters

	2021	2022	2023
Bosch Group	**18.81**	**19.13**	**19.47**
Surface water	3.44	3.71	3.51
Groundwater	2.32	2.22	2.99
Public/private waterworks	13.00	13.16	12.94
Fresh water[19]	**18.75**	**19.09**	**19.44**
Public/private waterworks	0.05	0.04	0.03
Other sources[20]	**0.05**	**0.04**	**0.03**

[19] < 1,000 mg/l total dissolved solids
[20] > 1,000 mg/l total dissolved solids

Water intensity

in cubic meters/million euros of sales revenue

	2021	2022	2023
Bosch Group	**238.9**	**216.9**	**212.6**

Wastewater

Wastewater at Bosch is mainly produced in sanitary facilities and canteens (45 percent) and also in connection with cooling water (30 percent). Manufacturing accounts for 25 percent of the wastewater produced. Water is used here in electroplating as well as in washing systems and machining centers, among other areas. In 2023, Bosch's wastewater volume decreased to 15.46 million m³ (prior year: 16.98 million m³).

Negative impacts from wastewater are mainly caused by foreign substances or excessive temperatures. Within the strategic core topic of water, we are therefore working on further reducing wastewater flows and continuously improving quality. In 2019 we recorded centrally where which quantities are generated, how they are treated, and where they are discharged (see G 25). We have established standard processes in the company for monitoring local wastewater quality requirements and standards.

At some sites, we carry out wastewater treatment in-house, using processes such as ultrafiltration to separate solids and liquids or physical-chemical treatment methods such as precipitation or distillation, depending on local conditions.

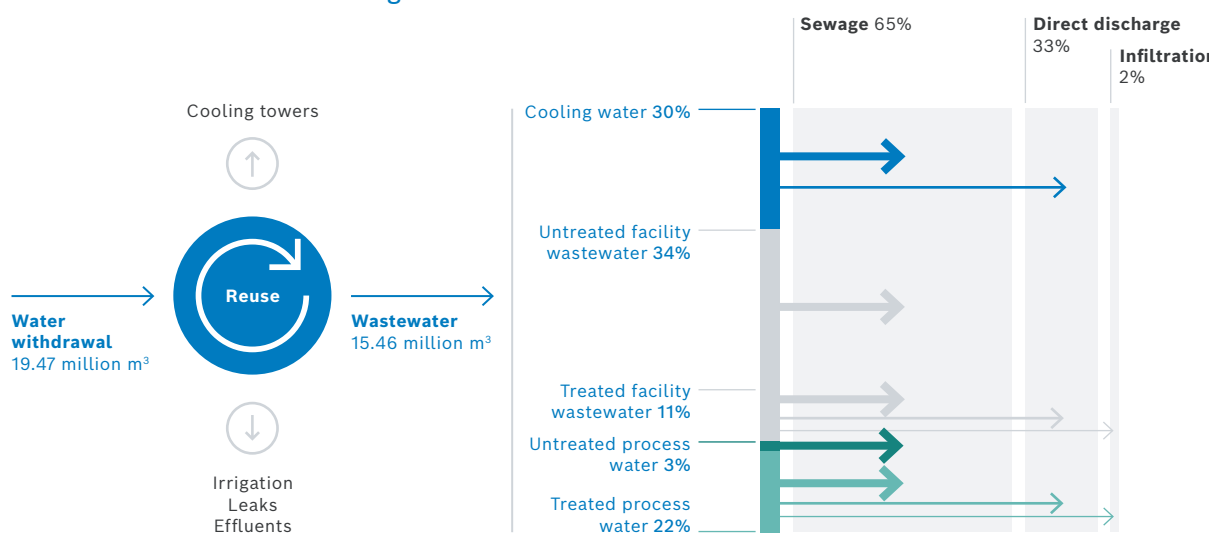
G 24

Wastewater

Bosch Group 2021–2023,
in millions of cubic meters

G 25

Wastewater flows and discharge routes



In line with our principle “Invented for life,” Bosch products contribute to using water responsibly – in private households as well as in industrial environments.

Automatic detergent dosing

Bosch technology helps households to use water sparingly. For example, Bosch washing machines with i-DOS can avoid unnecessary rinsing cycles due to manual over-dosing by automatically dosing detergent.[21] Bosch dishwashers likewise help to reduce water consumption. They allow a household to save up to 15,700 liters of water annually compared with washing dishes by hand.[22]

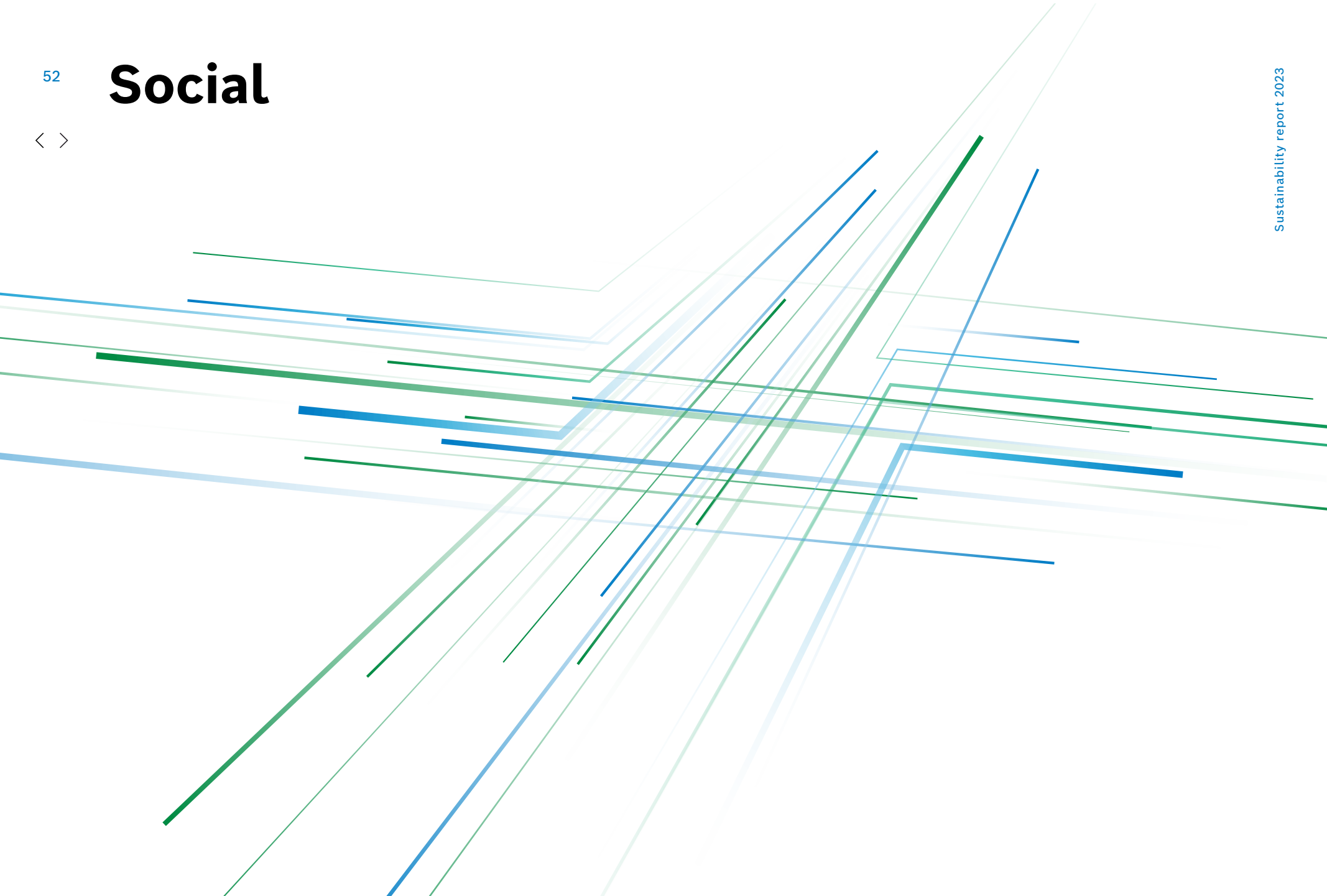
[21] Manual over-dosing of liquid detergent is on average 38 percent in Germany (see A. Kruschwitz et al., Consumer Laundry Practices in Germany, International Journal of Consumer Studies 38 (2014), from page 265).

[22] Savings from use of a Bosch dishwasher with water consumption of 9.5 liters/rinsing cycle in the Eco 50°C program (e.g. SMD8TC00D) compared with washing dishes manually. Water consumption for the corresponding amount of dishes in Germany when washed manually is estimated at 65.7 liters (see P. Berkholz, Laboratory Investigation of Manual Dishwashing Habits and its Resource Consumptions: A Study of Consumer Panels in Seven Regions, 2016, pages 5, 48). Calculation of annual saving based on an assumed number of 280 rinsing cycles per year.

Environmentally friendly water treatment

On an industrial scale also, Bosch products contribute to the sustainable use of water. A new business field will be established in 2024 to develop and market water treatment systems to provide electrolyzers all over the world with high-purity water for the production of hydrogen. Green hydrogen production can be found where the wind blows strongly or the sun mostly shines – for example in Africa, South America, or Northern Europe. The challenges are especially demanding offshore or in the desert, where water treatment is made more difficult owing to salty water, extreme water hardness, and significant distances to the technical facilities. In this harsh environment, the Bosch systems use thermal and electrochemical processes to extract minerals from the water in order to produce high-purity water. As a result, operators can dispense completely with the use of chemicals thanks to the absence of filter media used in the treatment process.

Social



Social

As a globally operating company, Bosch takes its social responsibility seriously. We respect human rights and actively demand this in our global supply chains as well. At the same time, we are focused on strengthening diversity, equity, and inclusion as well as on ensuring a safe working environment.

Bosch as an employer

Bosch is transitioning from a manufacturer of technology hardware to a provider of connected hardware, software, and services. To actively shape this transformation, we are purposefully developing our corporate culture on an ongoing basis and are empowering our associates to acquire new competencies. At the same time, we are creating the conditions to win new talent for innovative, high-growth areas.

Regulations and organization

In the Basic principles of social responsibility at Bosch, which have been made publicly available, the board of management of Robert Bosch GmbH and the employee representatives undertake, among other things, to comply with human rights, equal opportunities, fair working conditions, and global standards in occupational health and safety. The eleven principles are based on the core labor standards of the International Labour Organization (ILO). Our associates are familiar with the basic principles and are required to report violations. The same applies to violations of our Codes of Conduct, such as the Code of Business Conduct (see the "Governance | Compliance" section).

The HR corporate sector is responsible for defining the content-related parameters for HR management in the countries where Bosch operates, with the respective regional HR management reporting to central HR management.

Employment at Bosch

Bosch employs more than 429,400 people worldwide. To enable flexible staffing, around 9 percent of the workforce have time-limited employment contracts. As a rule, they have the same training opportunities as associates with permanent contracts.

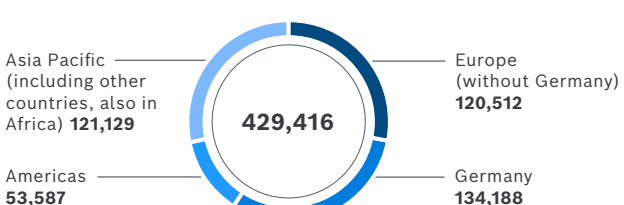
In addition, the company employs roughly 12,500 subcontracted workers. Bosch uses subcontracted workers when there is a need for personnel that cannot otherwise be met. There is no restriction on the use of subcontracted workers, for instance, in direct functions such as manufacturing and logistics. Whenever the company draws on subcontracted workers, Bosch gives due regard to compliance with legal frameworks, such as the German Temporary Employment Act (*Arbeitnehmerüberlassungsgesetz*) and any collective bargaining agreements. When there are vacant positions to fill within the company, we give preference to candidates with time-limited employment contracts or subcontracted workers – in accordance with the applicable legal requirements and provided they are equally suited.

In an increasingly competitive labor market, it is vital that we attract the best talent and make sure they remain enthusiastic about Bosch in the long term. We offer career-entry opportunities at Bosch for high school graduates (internships, vocational training, and dual study programs) and students (internships, student traineeships, final theses, and talent programs). Bosch also offers graduates and experienced professionals access to diverse fields of work.

G 26

Associates

Bosch Group by region, as of December 31, 2023



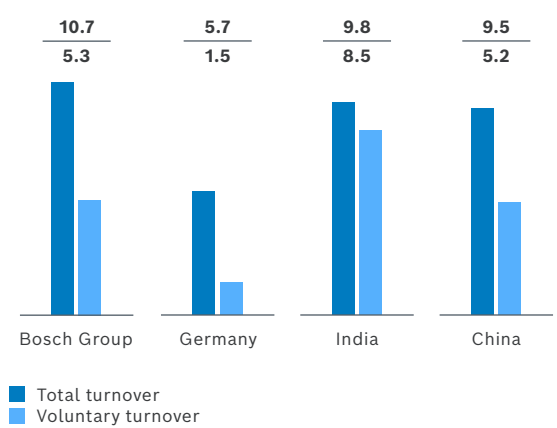
Our personnel recruitment activities are guided by Bosch's group strategy, the requirements of the specialist departments, and the expectations of the target groups. We use a variety of formats to reach out to potential applicants. Depending on the target group, these range from online career channels to national and international career fairs, through to social network events.

We benchmark our turnover rate against the respective market average as an indicator of how attractive we are as an employer. As a result, we are able to make any adjustments necessary at an early stage, for example in our employment conditions. Our objective is to always keep voluntary turnover at Bosch below the average for each respective country. The fact that our associates rarely terminate their employment relationship speaks for itself. However, there are regional differences (see G 27).

G 27

Turnover

Bosch Group 2023, selected countries, in %



HR work in the transformation

The automotive industry is going through fundamental disruption that also presents considerable challenges for Bosch. The following comparison illustrates the implications of technological change in the context of more sustainable mobility: If it takes ten associates to manufacture a diesel injection system, only three are needed to manufacture a gasoline injection system, and only one for an electric drive. Economic trends also leave Bosch with no choice but to adjust its workforce.

Our objective is to make this transition in a manner that is as socially acceptable as possible. This commitment is enshrined in collective bargaining agreements with employee representatives, for example, and in a combined works agreement governing how crisis situations are dealt with. As a responsible employer, we want to cooperate with the employee representatives in the interest of our associates to find constructive solutions to save jobs.

As the various business units and locations are affected in different ways by current developments, we create targeted solutions. One example is the dedicated platforms that have been specifically set up for Bosch to refer associates internally (potentially after training) or externally to other employers. Beyond that, we prioritize adjustments based on natural turnover, early retirement, and voluntary redundancy on the basis of severance pay.

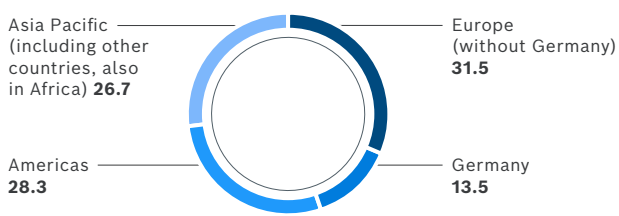
Aiming to keep as many people – and their skills and expertise – on board as possible, we also offer the opportunity to reduce weekly working hours. We also create the basis for offering our associates part-time work arrangements.

In 2023, several programs were initiated or continued with the aim of transforming company locations, both in direct and indirect units. For example, the agreements made in 2020 with works councils at the Bamberg, Feuerbach, Homburg, and Nuremberg sites remain in effect, with redundancies ruled out for the duration of the agreements. In all cases, participation by associates in these programs is voluntary.

G 28

New hires

Bosch Group by region, in %, as of December 31, 2023



In 2023, collaboration with the employee representatives in the Mobility business sector was placed on a new footing in Germany with the conclusion of a new works agreement for the future. In particular, this involved detailed agreements to give practical shape to participation by the employee representatives and individual committees in the transformation of the business sector. In addition, a supporting collective bargaining agreement provides for implementation of target vision processes at the Mobility locations in Germany that are bound by collective bargaining agreements. Social partnership at Bosch will be further intensified by the agreements made – after all, industrial transformation in the mobility sector can only succeed with the cooperation of all partners.

Collaboration with employee representatives

Bosch has a tradition of maintaining open and constructive dialogue with employee representatives. We are convinced that it is only with their cooperation that we can implement the change processes needed to secure our competitiveness. We therefore continuously seek to consult and involve the employee representatives in the process at the earliest possibility. As part of a transparent and open information and communication policy, briefings are provided in a timely manner and with due regard to the relevant facts and national regulations.

The framework for cooperation with employee representatives as well as the corresponding agreements are defined by internal company policies. Among other matters, they lay down regulations in accordance with ILO conventions 87 and 98, which guarantee workers' freedom of association and the right to collective bargaining. They also provide for the appointment by the company of a negotiating partner for existing employee representatives. The person appointed must have wide-ranging powers of representation for the unit concerned, is appointed through a formal process, and is responsible for collaborating with the relevant employee representative body.

Particularly the colleagues responsible in the regions engage locally with employee representatives and the relevant organizations. In this process, we relentlessly strive to improve conditions in the respective countries. Any restrictions on the rights of employee representatives are identified in particular in cooperation with the combined works council and the European and international employee representatives. If there are obstacles at local level to implementing our standards, the HR corporate department deals with the issue and works toward finding a solution that achieves the greatest possible consensus according to our principles.

An established process is in place for handling complaints by the international network of employee representatives. Individual cases are handed over, for example, by the chair of the European works council of the Bosch Group to the responsible corporate office, the board of management, or the supervisory board.

Collective bargaining agreements

Practically all Bosch sites in Germany have a works council and the associates are subject to works agreements. Only a few small units are the exception to the rule. Collective bargaining agreements are in effect for practically all units at Bosch in Germany, covering approximately 120,000 associates, or roughly 80 percent of the workforce.

On account of the general validity of original national or combined works agreements, even for locations without a works council, all associates of the Bosch Group in Germany are also covered by collective agreements. The only exception to this rule are senior executives.

Bosch has also concluded collective bargaining agreements in numerous countries outside Germany, both within the EU and elsewhere, including Turkey, Malaysia, Serbia, Japan, and India. European works councils provide institutionalized cross-border employee representation in Europe. In accordance with the respective national regulations, there are local employee representatives in many other countries, such as China and India, for example.

Regular surveys of associates

If Bosch's transformation process is to be mastered successfully, it is essential that the corporate culture also evolves. We are convinced that clear and purpose-driven feedback from associates is the key to lasting improvement. Our impact: feedback landscape gives associates the opportunity to express their opinions and initiate change (see G 29).

Bosch extended the feedback landscape in fall 2023 and put the spotlight on the well-being of its associates when it included the new "wellbeing" element in the survey and concluded a corresponding combined works agreement. The intention is to ensure the health and performance of associates and therefore secure the long-term success of the company.

Results of the Executive Pulse Check and Bosch Pulse Check

Once a year, Bosch surveys its executives on current strategic topics in the context of the Executive Pulse Check. The survey results are elaborated together with recommended actions for the board of management. They are also shared with all participating executives and are used as a basis for dialogue between executives and associates.

In the Executive Pulse Check in October 2023, the main topics included the current business situation, strategic issues shaping the future, as well as collaboration and corporate culture. The survey revealed high approval ratings once more, with a total of 97 percent of executives supporting Bosch's profitable growth strategy and 91 percent reporting that they felt well-informed about the business situation. In

G 29

Elements of the "impact:" feedback landscape

addition, 85 percent of participants are of the opinion that group-wide carbon neutrality and corresponding sustainability activities will prove a competitive advantage for Bosch.

The Bosch Pulse Check, which is also part of the impact:strategy element, is a representative survey of about a fifth of the workforce that was carried out in late 2022. Twelve questions relating to leadership, collaboration, prospects, and general well-being were formulated to capture the mood among associates – especially in light of the current global crises. The survey revealed encouragingly high approval ratings on the topics of satisfaction, meaningful work, collaboration, work-life balance, opportunities for learning, and management support. The picture concerning personal outlook was somewhat more bleak, reflecting the uncertainties in the economy as a whole.

The next Bosch Pulse Check is planned for April 2024 and will be a full survey that is focused more strongly on external benchmarks.

Remuneration and social benefits

Bosch sees itself as a hands-on social partner that actively helps shape agreements, sets attractive framework conditions, and offers its associates pay that reflects performance and market conditions.

Basic principles of the remuneration system

Bosch has established principles applicable worldwide governing fair pay in line with market conditions. The basic principles of the remuneration system are defined in internal company regulations. We want to ensure an attractive remuneration level in line with market conditions for all associates and strengthen our competitive position, while enabling the adjustment of remuneration systems to local conditions in response to the increasing volatility of markets. As a consequence, within the framework of the defined basic principles, differences can arise in the remuneration systems of individual operating units, regions, countries, and locations.

If the requirements and tasks are comparable, Bosch makes no distinction in the remuneration of male and female associates. Individual remuneration arrangements comprise fixed and variable components and typically reflect the requirements of the given job. Performance-related or market-specific aspects are additionally taken into account for some groups of associates. In the case of groups of associates subject to rules comparable with collective bargaining agreements, remuneration models are adapted to local and regional regulations. All statutory minimum wage regulations in individual countries are complied with in full.

Worldwide standards also apply to management remuneration at Bosch. Individual bonuses were replaced by a collective profit participation model for management back in 2016.

Basic principles for company pension promises and other social benefits

Bosch makes commitments to its associates worldwide in relation to occupational benefits, such as company pension schemes. The basic principles for granting, arranging, and financing these pension benefit promises are laid down in internal company regulations. Pension benefit promises are structured consistently for all income groups within a company or for all companies in a country. In addition, we offer our associates other social benefits, such as a company healthcare scheme (see also the “Occupational health and safety” section).

Work-life balance

Bosch supports its associates in striking a balance between their individual career goals, personal lifestyle, and private goals. With this in mind, we are working on further flexibilization of working hours and locations in compliance with legal requirements.

Our guidelines for a flexible and family-friendly working culture cover, among other aspects, a fast return to work after a period of leave, job sharing, or part-time leadership. These guidelines have meanwhile been introduced in many countries or adapted to country-specific requirements. Various working time models have also been introduced in this context (especially mobile working and part-time models), for example in China, India, Mexico, and the United States.

Flexible working conditions

Bosch wants to empower its associates to structure their working time individually while addressing business requirements in the best possible way. Accordingly, many different working time models are used in the Bosch Group across all hierarchy levels, including part-time work or job sharing.

Mobile working is now standard practice at Bosch. Associates in all countries can and should benefit from the increased flexibility, assuming their particular role permits this. Associates can decide where to do their work upon arrangement with their team and as long as the place of work is suitable for the task.

Other agreements and benefits

We help our associates strike a work-life balance by creating a work environment that is as flexible as possible. Furthermore, we offer childcare at specific locations as well as the option to take parental leave or leave of absence to care for family members. In addition, they can take sabbaticals, special leave, or paid leave in special circumstances. In principle, the aforementioned offers are also available to associates with time-limited employment contracts.

T 09

Part-time associates

Bosch Group, by region and by gender, as of December 31, 2023

	2023
Bosch Group	**25,875**
By region	
Europe (without Germany)	5,686
Germany	18,905
Americas	626
Asia-Pacific (incl. other countries, also in Africa)	658
By gender	
Female	14,842
Male	11,033

Diversity, equity, and inclusion

At Bosch we value the uniqueness of each individual and consider diversity to be critical for our business success. Each and every individual in the company should feel welcome, respected, and appreciated, regardless of factors such as gender, origin, age, personal background, or individual life path.

We are convinced that teams with a range of vantage points, educational and cultural backgrounds, as well as personal qualities, often produce better results and that mutual appreciation of each team member is beneficial for the work climate. That is why diversity, equity, and inclusion are firmly anchored in our mission statement "We are Bosch" as one of our values and fostered and encouraged as part of our corporate strategy under the motto "Diversity is our advantage."

Bosch became a signatory to the Diversity Charter as early as 2007. Our Code of Business Conduct, too, underscores that Bosch respects and protects the personal dignity of each individual, tolerates neither discrimination nor harassment, and promotes diversity, equity, and inclusion.

Dimensions of diversity

In order to do justice to the different dimensions of diversity, we are actively involved in various topic areas.

▸ Gender

We want to further increase the proportion of women in our total workforce, which is currently 28.8 percent (prior year: 28.8 percent). We also want to further increase the proportion of women in leadership positions, which – across all management levels – is currently at 20.0 percent (prior year: 19.2 percent). The aim is that by 2030 at least one in four leadership positions at Bosch worldwide is held by a woman.

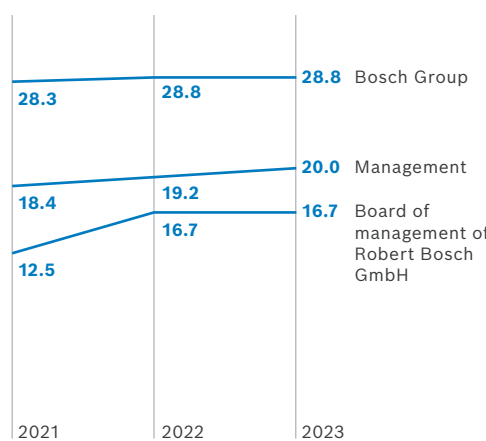
On account of legal requirements in Germany, targets apply for the proportion of women on the supervisory board, on the board of management, and in the first two management tiers below the board of management at Robert Bosch GmbH and the co-determined subsidiaries based in Germany. For further details, see the 2023 annual report (page 42 et seq.).

We offer comprehensive seminar and mentoring programs for women who hold or would like to hold specialist, project, and executive positions. They can also exchange views and ideas in networks like women@bosch and the heratec network of female engineers and gain inspiration for their everyday professional lives.

G 30

Proportion of women

Bosch Group 2021–2023, in %



Generations

We create a work environment that fosters successful, cross-generational collaboration adapted to the different life stages. In this way, we want to seize the opportunities that the combination of diverse experiences, competencies, and perspectives of the different age groups can provide. We create the conditions for this through our lifelong learning concepts, occupational health management system, and systematic sharing of experience and know-how through the BestAger@Bosch associate network.

Cultural diversity

People from around 150 nations work together for Bosch. This diversity allows us to successfully cooperate with our customers, partners, and suppliers worldwide. Intercultural competencies are demanded every day. We therefore reinforce international collaboration and use our cultural diversity to further advance Bosch as a company. Our associates show their commitment too through their involvement in numerous networks around the world, such as Afric@Bosch, Asians@Bosch, Hispanics@Bosch, For Bosch abroad, and the Turkish Forum.

People with restricted abilities

We increase our innovative strength by focusing on our associates' individual potential – not on their limitations. We therefore create an inclusive work environment that considers and appreciates individual needs and skills, in the realization that inclusion can only succeed if prejudices and reservations are overcome and the issue is addressed continually. We are actively committed to inclusion in internal (e.g. BeAdept@Bosch) and external networks and acknowledge our social responsibility in this area.

At 5.5 percent, the proportion of people with severe disabilities in the Bosch Group in Germany in 2023 remained at a level comparable to previous years (prior year: 5.6 percent).

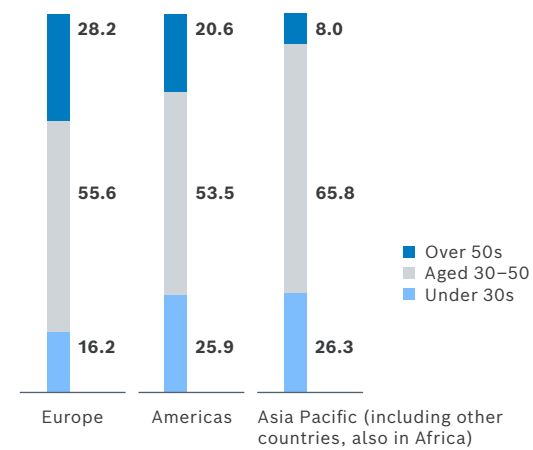
LGBT*IQ

At Bosch, all associates are valued – irrespective of their sexual orientation or gender identity. Our b:proud associate network helps create an open corporate culture. In 2017, it launched the LGBT*IQ Ally initiative. Allies are associates from all business sectors whose role is to openly address possible incidents of bias or discrimination to help shape the transition to an open work culture.

G 31

Total workforce by age group

Bosch Group by region, in %, as of December 31, 2023



Goal management and implementation

Back in 2011, Bosch established a central project team to promote diversity within the company and embed the related commitment within the organization. Project management reports directly to the member of the board of management with responsibility for human resources and social welfare.

The project team contributes to Bosch becoming more diverse, equitable, and inclusive. To achieve this, the team sets the framework by providing a global strategy and launches relevant initiatives. Throughout the group, the team members advise, support, and network people and initiatives and are also actively engaged outside of the company (see www.bosch.com/diversity).

The project team cooperates closely with the Booster Board, which includes colleagues representing different countries, organizations, and hierarchy levels. It serves as a sparring partner for the project team and as a multiplier. More than 140 coordinators worldwide as well as the numerous members of internal company networks also support the project team in embedding topics of diversity, equity, and inclusion within the organization and making them visible.

Bosch Diversity Days

Bosch organizes Diversity Days each year in order to raise awareness of diversity, equity, and inclusion throughout the company and to demonstrate the strength the company and its associates can derive from these topics. More than 190 online and in-person events took place worldwide in 2023 with the motto “Let’s celebrate our uniqueness.” Not only did this create a shared sense of belonging across all career stages and borders, it also raised awareness of the perceived realities of marginalized groups in the company, while also encouraging associates to actively promote cohesion within the company.

Qualification and training

New business models, new technologies, or the challenges of demographic change – all of this requires the systematic transformation of our company. Our associates are called upon in this regard to continually acquire new competencies and skills and to adapt their qualifications and training to current and future requirements.

As a “learning company,” Bosch supports this ongoing process with forward-thinking, motivational, and easily accessible learning programs that allow associates to quickly and flexibly acquire the necessary knowledge. We strengthen the employability of our associates in this way, help shield Bosch from the shortage of available skilled labor, and secure the company’s competitive position into the future.

Associate development

Competence management at Bosch is a systematic process for identifying professional and methodological competences and helping associates to develop. In this way, we want to ensure that the required competencies, in other words the attributes, skills, and behavior, which are key to successfully dealing with current and future tasks, are available in the right place at the right time. Our competence model sets the framework for recruitment, feedback talks, assessment of potential, and support programs. It comprises four competence areas: entrepreneurial competence, leadership competence, interpersonal competence, and professional competence.

The competence model is applied in different formats that support our associates in their personal development:

- Goal and performance dialogue

As part of the annual goal and performance dialogue, executives and associates look back over what was achieved in the past year, and jointly discuss targets for the year ahead. Around 262,300 such dialogues were held in 2023.

- Individual development dialogue

To better reflect the requirements of agile working, in 2021 the individual development dialogue was introduced in units that apply agile methods. In this format, associates talk to a person of their choice about their personal development. It can replace the goal and performance dialogue in these units.

- Career and development dialogue

The career and development dialogue takes place between associates and their line manager, the next higher executive, and their HR business partner. It deals with the associate's medium- to long-term development goals and sets out the course for their achievement. Around 3,600 development talks were held in 2023.

- Talent and associate review

Once a year, executives, experts, and HR business partners discuss the potential of their associates in order to identify and advance talent at an early stage.

- Talent pool

Talent pool members take part in training programs to prepare for the requirements of the next-higher level and have the opportunity to network across sectors. In 2023, the talent pool included roughly 9,000 associates, the largest number yet since the platform was established.

Lifelong learning strategy

Based on the underlying principles of the "learning company," a project was initiated in 2023 to prepare our associates for the digital transformation and to establish a global learning, leadership, and collaboration culture that enables self-determined, lifelong learning. The project focuses on the following topics:

- Digital learning

We invest in digital learning platforms and harness the possibilities of artificial intelligence to constantly offer our associates suitable learning opportunities. This allows them to acquire new knowledge faster than before at a time and place that suits them and at their own pace.

Online learning platforms (e-universities) meanwhile offer our associates access to a variety of learning content and the means to obtain knowledge from external science and business experts in a self-managed and flexible format. Since the corresponding licenses were introduced in 2019, around 52,800 have been used by associates.

Self-managed learning and mutual learning

There are a variety of learning formats, some informal or self-managed by associates, in which participants can share their knowledge in a network. The Bosch Club was established in this context in 2022 and provides an internal learning platform for informal learning that leverages the expert knowledge available at Bosch anywhere and anytime. Around 73,100 associates worldwide shared their knowledge in this way in 2023 in more than 1,800 online events. In addition, the Bosch Club also serves as a platform for the “Days of Learning” event that takes place each year in various business sectors, offering a wealth of additional learning opportunities.

In 2023, Bosch invested 277 million euros (prior year: 280 million euros) in training for its workforce. Our associates attended a total of 827,968 training days in 2023 in the form of seminars and webinars (prior year: 821,778 training days).

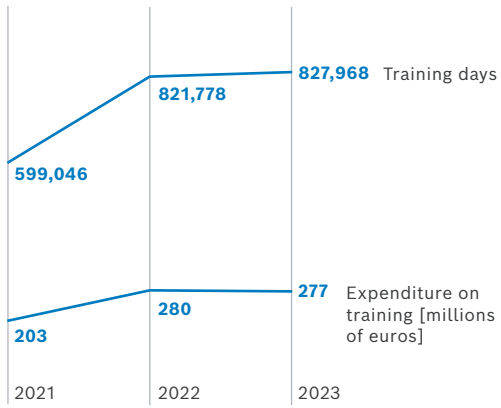
These training measures are based on target group-specific curricula set for associates with standardized profiles. At present, there are around 3,500 (prior year: 3,500) target group-specific curricula, while roughly 174,400 (prior year: 156,000) associates use at least one such learning curriculum for their training.

All training measures are systematically evaluated. The associate feedback is made available to the providers and taken into account in revisions. In addition, the Learning Management System permits effectiveness audits in accordance with ISO for all formal training measures. Target group-specific curricula aligned to the competencies required by specific groups of associates are revised each year by so-called subject owners and adapted accordingly as requirements change.

G 32

Training activities

Bosch Group 2021–2023



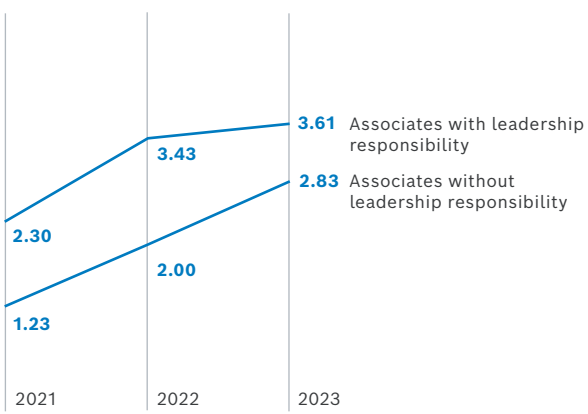
Adapting individual training

To keep pace with the transformation in the automotive industry, Bosch provides targeted training for associates through its “Mission to Move” program in preparation for new positions in the areas of electrification, software qualification, and big data. Since 2018, we have raised the qualification level of more than 1,760 associates with this program. We proactively support the digital transformation as well through various initiatives, such as “LernWerk,” “Digital Talent Academy,” and “Wissensfabrik,” and enable various target groups in manufacturing and occupational training to acquire the corresponding skills.

G 33

Average training days

Bosch Group 2021–2023, without BSH Hausgeräte GmbH



Occupational health and safety

Measures to protect and promote associates’ health and provide a safe working environment at all times are a top priority for Bosch.

Occupational safety

Company-wide regulations define the principles, organization, and responsibilities for occupational safety in the Bosch Group. Occupational safety and environmental protection policy is framed in the Guidelines of Work Safety and Environmental Protection.

The Sustainability and EHS corporate department manages occupational health and safety at Bosch using a group-wide process. The heads of the organizational units and company locations are responsible for compliance with the centrally defined requirements and goals. Designated EHS officers support them in this task. Current progress toward goal achievement is reported regularly to all executives as well as the board of management of Robert Bosch GmbH, also on an ad hoc basis in the event of particularly serious incidents.

As of the end of 2023, 237 out of the 247 relevant production and development locations[23] had already implemented an occupational health and safety management system according to ISO 45001, of which 95 percent had been certified (see T 10). As a result, 99 percent of the workforce currently work at production and development locations that have an implemented occupational health and safety management system. Our approach remains to use certified occupational health and safety management systems at all relevant locations.

By 2025, we aim to lower the number of work-related accidents at Bosch to 1.45 accidents per 1 million hours worked. In the year under review, the accident rate was 1.49 accidents per 1 million hours worked (prior year: 1.62). Regrettably, two fatal accidents occurred in 2023 in which associates of external companies lost their lives.

Every year, we identify and assess potential occupational safety risks and classify them by priority. For this purpose, we refer to accidents reported in the Incident Management System and use findings from internal audits under ISO 45001 or the audits of the internal audit department. On this basis, we develop specific risk mitigation programs and define the focal points for subsequent audits. We carry out an in-depth analysis of any occupational accidents causing at least one day of downtime, irrespective of whether Bosch associates or third-party staff are involved. In the event of serious accidents, special analysis methods are used to perform a detailed investigation of the root causes and to derive specific measures.

Based on internal regulations, workplace or activity-related hazard assessments are also carried out regularly. These are used as a basis for determining any preventive and protective measures needed, and our associates are instructed accordingly.

Clearly defined regulations governing responsibilities and processes apply to occupational safety also when we use external companies at our sites. These apply right from the outset when we select a service provider. In this regard, we have set down key EHS requirements for suppliers in our Terms and Conditions of Purchase. Our service providers also agree to name a person in charge of ensuring compliance with the supervision and control duty. As part of internal audits, we check whether the requirements and defined protective measures are being complied with. In the event of discrepancies, appropriate remedial action must be taken before proceeding with the work.

T 10

Occupational health and safety management systems (OHSMS)

Bosch Group 2023

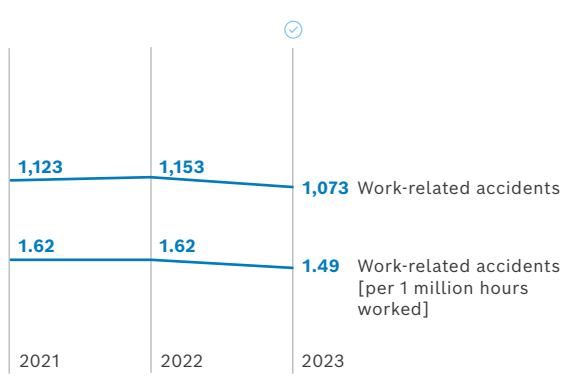
Production and development locations[23]	**247**
OHSMS implemented according to ISO 45001	237
OHSMS certified according to ISO 45001	225

[23] The following applies to information on the occupational health and safety management systems: production locations and development locations (with material responsibility) with more than 50 associates and that have been included in the scope of consolidation for more than three years.

G 34

Work-related accidents

Bosch Group 2021–2023



Training and awareness-raising

It is our conviction that occupational safety begins with each individual's awareness of deficits and their behavior. This is where we see the greatest potential for improvement, which is why we are focusing on measures to raise the awareness of associates for occupational health and safety matters. To do this, we organize campaigns with a different focus each year in addition to our EHS competence management and regular instructions and training. As in the past few years, in 2023 we again focused on the early detection of dangerous situations and hazards (hazard recognition).

We also established a working group in 2023 to focus on accidents involving associates in customer support. This group develops measures aimed at preventing accidents that occur during activities at the customer's premises. In the coming year, we intend to focus additionally on accident prevention at external companies.

Bosch in Hemaraj: six years accident-free

Production at the Bosch plant in Hemaraj in Thailand has maintained a perfect record for six years without a single work-related accident resulting in a day's absence. A variety of measures have contributed to this exemplary run of success. The weekly "Safety Walks" are one example of this. These involve cross-functional and interdisciplinary inspection rounds of the plant to identify accident risks such as tripping hazards. What is special about these "Safety Walks" is that a different department head is responsible for each one. Occupational safety is therefore not only a matter for EHS officers, but is the responsibility of a number of associates at the site.

In addition, campaigns are organized with a different focus each month to raise awareness of the different aspects of occupational safety among associates. The workforce gets involved in the activities through surveys or a quiz where there are small prizes to be won.

Prevention and health promotion

Each individual's health is of vital importance both for our associates' motivation and satisfaction and thus for Bosch as a responsible employer. As a person's health depends on many factors, associates and the company work together to ensure a comprehensive approach to occupational health. We have integrated occupational health additionally in our fundamental principles of work and made them a fixed element of our corporate culture.

Occupational health management at Bosch covers a broad range of topics under the title "befit." These range from preventive medical care and physical and mental fitness to mental health and right through to tips on a healthy diet and workplace layout. An important role is also played by our reintegration management, leadership, training, and competence development in relation to individuals' health, as well as the integration of people with reduced capacity to work and severe disabilities. In Germany and other countries, medical care is provided in the workplace by an internal network of occupational health services with the support of external providers. In addition, many company locations have specialists on workplace layout, in-house social services, and health management to answer health-related questions.

As part of our integrated approach to health management, strategic guidelines were published to better meet the needs and tackle the challenges in the individual regions and company locations. The goal is for all health experts to work together as part of a network and to establish a central point of contact for health issues at the company locations.

Occupational health measures and projects at the individual company locations are tailored to their size and respective needs. As the challenges differ from one country to the next, we manage the activities locally – for example in Brazil, China, India, Great Britain, or Romania. Regular online network meetings enable the leveraging of synergies between locations and also across borders in order to offer associates the broadest and most attractive range of services possible. In countries without full medical coverage, associates at many Bosch sites have the option of visiting clinics located directly on-site.

BSH Hausgeräte GmbH operates its own occupational health management globally with “Health@BSH,” which is based very closely on “befit” in terms of its approach.

World Mental Health Week – focus on mental health

The first worldwide Mental Health Week took place at Bosch in October 2023, with the aim of counteracting prejudices associated with mental disorders and highlighting the importance of mental health. More than 80 online events were held, attracting in excess of 22,000 participants around the globe. A large number of associates also took advantage of the opportunity to participate in one of the many in-person events that took place at Bosch sites in more than 20 countries.

OncoCure – cancer support

Bosch works in collaboration with the Robert Bosch hospital in Stuttgart in the framework of the OncoCure program to offer associates diagnosed with cancer the possibility of getting a second, independent opinion from specialists at the Robert Bosch Center for Tumor Diseases (RBCT) and, if appropriate, a genetic diagnosis. Associates in Germany, Spain, Austria, and Switzerland can currently avail of the new offer.

Occupational health focal points

In order to reduce the number of absentees due to sickness, occupational health management at Bosch sets specific priorities based on the experience of the medical service and safety engineers as well as the health report issued by the Bosch company health insurance fund. Insights from occupational reintegration management and hazard assessments are also considered. As a result, medical conditions affecting the musculoskeletal and respiratory systems as well as mental illnesses were identified as focus areas. Findings from the impact:wellbeing surveys can also serve in the future as a further basis for health-related action planning. So-called health working groups are responsible for implementation at the individual company locations.

Complying with due diligence obligations relating to human rights and the environment

Because protecting the environment and the climate is inextricably linked with exercising human rights and ensuring sustainable living conditions, we at Bosch understand respect for human rights to mean compliance with our due diligence obligations to protect people and the environment in line with social and environmental standards. This is because as an industrial company with production locations and supply relationships in many countries and regions, we influence the situation of people and the environment in a variety of different ways.

Bosch has supply relationships in around 60 countries. From a total of around 35,500 suppliers worldwide, the Bosch Group procured materials and services worth 50.9 billion euros in 2023 (prior year: 50.4 billion euros). A large proportion of the resources used in our supply chain are purchased components – mostly semi-finished products or finished components. We only procure a small proportion directly as raw material.

As a globally operating company, we recognize our corporate responsibility to respect human rights. We contribute to improving human rights conditions worldwide by implementing due diligence obligations concerning human rights in our operational processes. At the same time, we actively demand respect for human rights in our global supply chains as well and take appropriate remedial action in the case of violations.

Our business activity is aligned to the United Nations Guiding Principles on Business and Human Rights and we comply with the requirements of the National Action Plan for Business and Human Rights applicable in Germany. We implement the requirements of the German Act on Corporate Due Diligence Obligations in Supply Chains (*Lieferkettensorgfaltspflichtengesetz, LkSG*).

We likewise expect our business partners to commit to respect human rights, to establish appropriate due diligence processes, and to oblige their own suppliers and other third parties to comply with corresponding principles to the best of their ability.

Risk management for implementing corporate due diligence obligations

The Bosch Group has established a risk management system for the implementation of corporate due diligence obligations in accordance with the German Act on Corporate Due Diligence Obligations in Supply Chains to ensure compliance with human rights and environment-related due diligence obligations. The system is directed both at the actions of the Bosch Group in its own operations and the activities of our suppliers, and is described clearly and bindingly in internal company regulations.

Responsibilities

The basic principles of the Bosch Group's risk management system are laid down in an overarching set of rules that was adopted by the board of management of Robert Bosch GmbH in 2022. Implementation of the requirements is audited regularly. With its own governance system, BSH Hausgeräte GmbH plays an independent role within the Bosch Group. It has accordingly drawn up its own set of rules for implementing corporate due diligence obligations. In terms of broad guidelines, however, the risk management system defined therein corresponds to the risk management system described below, which otherwise applies to the Bosch Group.

The internal implementation of corporate due diligence obligations is the responsibility of the competent corporate departments of Robert Bosch GmbH and the organizational units concerned in each case. The requirements for fulfilling the due diligence obligations are prescribed centrally and the organizational units concerned implement these requirements in their processes.

The responsible corporate departments enhance their own management systems, if necessary, within the scope of the obligations placed on them. This includes defining implementation and control requirements, monitoring the controls, performing annual or event-driven risk analyses, conducting training, and supporting the organizational units in developing preventive and remedial measures. If necessary, the corresponding regulations also have to be enhanced. The organizational units concerned implement the requirements of the corporate departments, develop preventive measures, and establish remedial measures in the event that a breach of human rights or environment-related obligations is sufficiently probable or has already occurred.

The human rights committee convenes twice a year under the chair of the human rights officer. It is made up of the heads of the responsible corporate departments and other corporate departments with an advisory role (compliance, risk management, legal affairs, communication). The committee evaluates the effectiveness of the risk management system and contributes to its further development.

The responsible corporate departments report proactively to the committee on the risk situation and the resulting measures in their respective functional area. In addition, they report on a regular and, if required, ad hoc basis to the human rights officer on the status of the management system, the risks identified, and the measures taken.

Overarching responsibility for the risk management system was transferred to the member of the board of management of Robert Bosch GmbH responsible for sustainability. The relevant information for exercising this role is made available to the board member, in particular, by the human rights committee as well as by the human rights officer, who reports directly to the board member. The board member attends the committee's meetings regularly. Moreover, the individual members of the human rights committee each have direct

reporting lines to the board of management. All compliance officers are furthermore obligated under the Bosch Group's compliance management systems to inform the board of management once a year concerning the implementation of the due diligence obligations in their own functional area.

Exchange with stakeholders and right holders

Bosch engages in regular exchanges with German and international employee representatives, takes part in joint initiatives with NGOs (e.g. Sector Dialogue Automotive Industry), and actively participates in public events. The company's views are taken into account in preventive and remedial measures through its dialogue with suppliers and direct exchanges with associates of suppliers within the scope of assessments. At the same time, we are continuously working to raise awareness of our reporting systems and complaints procedures both in our own operations and in the supply chain through targeted campaigns.

Complaints procedure

Our complaints procedure allows critical issues to be identified at an early stage and thus potential human rights or environment-related risks and violations to be uncovered, counteracted, or remediated. We therefore regard our complaints procedure as an important element of our human rights strategy, which helps us to continuously improve our processes for respecting human rights.

Our suppliers are made aware of our reporting system in the Code of Conduct for Business Partners[24], among other means. By acknowledging this Code of Conduct, they agree, in particular, to establish a reporting system or to participate in an industry-wide system. They also agree to inform their associates accordingly.

Further details on the complaints procedure, our reporting systems, and the number of reports received can be found in the "Governance | Compliance" section.

Responsible supply chain management

We regularly audit our suppliers both preventively and when the situation demands. Such an audit is generally carried out when we commence new supplier relationships, with the findings of our risk analyses then determining the type, scope, and frequency of the audits. Different methods are used depending on the prevailing framework conditions and the specific risk situation: verifications performed by Bosch itself (quick scans and drill-deep assessments), third-party audits, and self-declarations by suppliers.

Compliance with human rights and environment-related requirements already plays a crucial role when selecting new suppliers and is a prerequisite for subsequently entering into a contractual relationship. The corresponding timing and the audit methodology used are determined by the respective purchasing organizations according to the risk. As part of the sanctioned party list screening, a check is additionally carried out prior to the conclusion of a contract to determine whether potential business partners are included in sanction lists or affected by embargo regulations.

[24] BSH Hausgeräte GmbH has developed its own Code of Conduct for Suppliers and operates its own reporting system.

If there is reasonable suspicion or concrete evidence of a violation of human rights or environment-related obligations by a supplier, we systematically investigate the facts of the matter. If we discover breaches of duty, we work to ensure that these are rectified immediately. Should this not be possible in the foreseeable future, we expect the supplier to present a plan and a specific time schedule for ending the breach and minimizing its effects. We track and monitor implementation of the measures – also by consistently requesting documented proof or by performing reassessments on site. If a supplier does not appear willing to fulfil our requirements or introduce corresponding measures, Bosch reserves the right to terminate the contractual relationship in extreme cases. Active suppliers found to be engaged in unlawful conduct or whose sustainability performance is deemed inadequate, such as a lack of effort in dealing with human rights or environment-related requirements, may be excluded by Bosch from any further awarding of contracts.

If there is reasonable suspicion of misconduct on the part of an indirect supplier, we initiate targeted preventive measures within the scope of our possibilities, such as controls and, if necessary, appropriate remedial actions through our business partners.

Risk analyses

The responsible corporate departments perform annual and, if necessary, event-driven risk analyses in order to improve understanding of human rights and environmental implications, identify potential vulnerabilities, and develop suitable preventive measures. This is done using standard evaluation methods to ensure comparability between the different functional areas. The risk analysis comprises four steps:

- Risk identification

The responsible corporate departments identify areas where risks might occur (risk commodity). This could be a country, a plant, or a supplier.

- Risk assessment

Risks are assessed using a uniform model and presented according to a standardized scale at Bosch in order to ensure the comparability of the results. Assessment criteria include the potential severity and impact of a potential violation, the irreversibility of consequences, and the likelihood of a risk occurring. In addition, we also consider any indications of risks we receive from internal processes, such as the internal control system or internal audits, as well as from the public realm, from our partners in the supply chain, or through our reporting systems.

We adhere to clearly defined principles when assessing risks. The corporate departments assess the risks relating to their own business activities in a top-down or bottom-up approach (e.g. through questionnaires), depending on the

processes in question. We developed a grading system for risks in the supply chain and use international indexes such as the Global Slavery Index or the ITUC Global Rights Index to assess the respective supplier's potential risk. A supplier's sustainability performance – such as audit results, acceptance of the Code of Conduct for Business Partners, or external certifications – is likewise included in the assessment and used to substantiate the results.

Prioritization

Risks are prioritized in each functional area with the aim of targeting the use of preventive measures and enhancing existing processes. The results of the risk assessment determine the prioritization within Bosch's direct sphere of influence. Additional factors are considered in the supply chain such as the extent to which each supplier contributes to causing a risk and the possibilities Bosch has to exert influence.

Measures

Should deficiencies arise in the risk management system, adjustments must be made and relevant measures introduced in the corporate departments to counter these directly in the risk field concerned. In addition, risks that affect a number of functional areas or risk fields are managed by the human rights committee for the entire Bosch Group so that comprehensive measures can be developed.

We systematically review reports we receive through our reporting systems, for example, or that arise within the context of media monitoring and decide on the need for an event-driven risk analysis depending on the particular findings.

Potential risks for human rights

Potential risks for human rights in the company's own operations and at direct suppliers

Essential employee rights are derived from human rights, which is why we also pay special attention to people's situations at the workplace. First and foremost, we consider the risks associated with forced labor within our own operations and at direct suppliers (tier 1), in line with the definition of the International Labour Organization (ILO Convention 29, Article 2).

In 2023, we took a closer look at the topic of recruitment fees, that is payments by employees to their employer or to third parties during the course of the recruitment process (e.g. agents) to secure a position. This was done as part of our annual risk analysis and considered both in our own operations and those of direct suppliers. In our efforts to ensure a high level of protection for our associates, we identified the need for a group-wide, substantiating policy to express Bosch's rejection of such practices by third parties, which may be an indication of forced labor. The plan is to publish the policy in 2024. Future risk analyses should also focus on this topic.

Potential risks for human rights further down the supply chain

Raw materials extraction and its circumstances are often particularly risk-sensitive from an ecological and social point of view. While Bosch itself only sources very few raw materials directly, potentially high-risk raw materials are processed in primary products and materials.

In an analysis of raw materials, we identified 15 high-risk raw materials that Bosch uses and launched specific risk-mitigating programs (see G 35). These programs are managed by the Supply Chain Management and Sustainability and EHS corporate departments and implemented in the divisions. A standard process was established in 2023 for the identified raw materials, which is binding upon the purchasing divisions. Following analysis of the material-specific risks, specific target visions are defined accordingly for each high-risk raw material along its generic value chain. These visions reflect Bosch's expectations of its suppliers, such as a desired level of certification, and will be the focus of further corporate activities in the future.

G 35

15 High-risk raw materials

Cassiterite (tin)	Lead	Lithium
Coltan (tantalum)	Graphite	Manganese
Tungsten	Natural rubber	Nickel
Gold	Cobalt	Platinum
Aluminum	Copper	Rare earth elements

Preventing and mitigating risks

We develop reasonable measures and implement these consistently in order to counter identified risks and their impact on human rights or the environment. The effectiveness of preventive measures is checked regularly, for example through audits, and adjustments are made if necessary. In the event that human rights or environment-related obligations are violated within the company's own operations or at a supplier, we immediately seek an appropriate remedy.

Uniform principles are applied throughout the Bosch Group to prevent and mitigate risks. Individual elements of prevention are organized slightly differently in order to take account of the range of business models and supplier relationships within the Bosch Group.

Preventing and mitigating risks within the company's own operations and at direct suppliers

Bosch's Code of Business Conduct[25] applies to all associates and requires them to comply with the relevant laws and internal regulations. This is especially the case in relation to ensuring respect for human rights. We provide regular training for associates on the content of the Code of Conduct. Clearly defined requirements for our security personnel, training on human rights, and far-reaching supervision measures aim to prevent behavior that violates human rights vis-à-vis our associates and third parties.

Bosch's Code of Conduct for Business Partners[25] requires that our suppliers comply with social and environmental standards and is therefore critical for collaboration between our suppliers and Bosch. We also expect our suppliers to use their best efforts to require their own suppliers and other third parties to comply with the appropriate principles. Further information on the Bosch Group's Code of Conduct and the Bosch Code of Conduct for Business Partners can be found in the "Governance | Compliance" section.

[25] BSH Hausgeräte GmbH has developed its own Code of Conduct for Associates and its own Code of Conduct for Suppliers.

Since the Bosch Group's updated Code of Conduct for Business Partners was published in 2022, current suppliers of direct materials are asked to actively confirm the Code of Conduct – by the end of 2023, around 71 percent of suppliers contacted had already acknowledged the Code of Conduct (prior year: 47 percent). We are seeking a further increase in 2024 as well.

Regarding indirect materials (materials and goods that are not directly related to products), we endeavor to have the Code of Conduct acknowledged each time a contract is awarded. The confirmation rate is currently 97 percent and remains unchanged since the previous year. Considering the number and diversity of our suppliers, should it happen that confirmation is outstanding in some cases, we address these cases in the context of our risk management.

In terms of environmental protection, we expect our suppliers to set up and continuously refine, within reason, an environmental management system certified to ISO 14001. In 2023, around 69 percent of our relevant direct materials suppliers (excluding BSH Hausgeräte GmbH) had such a certificate. Suppliers without manufacturing operations are not required to adopt an environmental management system of their own, but they do have to implement corresponding measures.

Supplier assessments

Four methods are used in the Bosch Group in our regular assessment of our suppliers' sustainability performance. Self-declarations by suppliers and third-party audits are used to complement the quick scans and drill-deep assessments that Bosch performs itself.

- **Quick scans** are based on a checklist of specific criteria relating to the environment, occupational health and safety, and human rights. Supplementary questionnaires are used, for example, for selected material groups and logistics services. Quick scans are carried out by qualified Bosch associates from purchasing or quality functions, frequently as part of regular on-site visits to suppliers. In 2023, we conducted around 3,200 quick scans (prior year: 3,300). From 2024, we intend to increasingly align the intensity and the focal areas of the quick scans to the results of the annual supplier risk analysis.

- **Drill-deep assessments** are used mainly in potentially high-risk regions or industries, or when there are any specific indications of non-compliance. Irrespective of any other visits to suppliers, drill-deep assessments are carried out by internally licensed assessors and take between one and two days. They are announced so as to ensure that the required experts – such as environmental or safety officers – are on-site. Besides an in-depth assessment of the three areas covered by the quick scan – the environment, occupational health and safety, and human rights – they also comprise an analysis of working conditions and compliance management. The assessment covers the practical implementation as well as system-based requirements, such as in the form of guidelines, which allow conclusions to be drawn about the maturity of the organization. Bosch conducted around 120 drill-deep assessments at suppliers in the 2023 reporting year (prior year: 100).

▸ **Self-declarations** are eligible as a means of checking suppliers where the risk is assumed to be low and there have been no issues in the past. The prerequisite is that the assessed risk of the group of suppliers or of the material group is queried and trustworthy documentation is provided to substantiate that the questions have been truthfully answered. To ensure uniform and high standards, new questionnaires must be approved by a group of experts before they are introduced.

▸ If there is a heightened risk for a supplier, **third-party audits** can be initiated for checking the supplier. Performed by external third parties, such audits must at a minimum satisfy the requirements of a drill-deep assessment in terms of content and process. Together with automotive manufacturers, suppliers, and other associations, an audit standard was developed in the "Responsible Supply Chain Initiative" (RSCI), which is to be used at plant level in the automotive industry. The roll-out phase commenced in 2023 following pilot audits with the nomination of suppliers based on the annual risk analysis.

On aggregate, we assessed around 76 percent of our relevant direct materials suppliers (excluding BSH Hausgeräte GmbH) using the various methods by the end of 2023. We also assessed 85 percent of indirect materials suppliers who are particularly relevant in terms of country risk and field of materials risk. Most of these were on-site assessments.

The insights we have obtained from the various assessments show that suppliers meet our requirements for the most part. Improvements were required in individual cases, and Bosch expects these to be implemented. Priority areas in 2023 also concerned aspects of environmental protection as well as occupational health and safety, such as preventing hazards in transport and high-bay warehousing processes.

G 36

Selected in-scope content of drill-deep assessments

- Environmental management system
- Water treatment
- Waste management

- Handling of hazardous substances
- Hygiene
- Fire safety

- Employee representation
- Complaints procedure

- Observance of work hours
- Equal pay

- Violations of antitrust law
- Current legal disputes

Training

Our associates in the purchasing function receive web-based as well as classroom training. In 2022, a new training video was published that will become a mandatory part of the learning curriculum for all purchasing associates in 2023. It provides an overview of the current strategy in purchasing and the requirements for suppliers in terms of climate action and human rights. More than 4,000 associates took part in this training in 2023.

Another training module that has already been in place for several years provides associates who manage suppliers not only with a general overview of topics, but also with information on the requirements expected from suppliers and the procedure for the quick scans in particular.

We offer training courses for suppliers so that they can further consolidate their knowledge of our expectations in relation to compliance with human rights and environment-related standards. In 2023, the webinar on the topic of sustainability was accessed more than 2,600 times.

Stakeholder dialogue and involvement in associations

Bosch regularly presents awards to its best suppliers around the world in recognition of their performance. The Bosch Global Supplier Award is bestowed every two years. 46 suppliers from 11 countries were distinguished in 2023. The Supplier Award in the special “Sustainability” category was also awarded for the second time. Finalists in this category have at least an “A” rating from CDP and make an exemplary contribution to climate neutrality.

Bosch is involved both in the VDA Sustainability Committee, the Responsible Supply Chain Initiative RSCI, and the “Sector Dialogue Automotive Industry“ of the German Federal Ministry of Labor and Social Affairs. We are also active at a cross-company level in “econsense – Forum Nachhaltige Entwicklung der Deutschen Wirtschaft e.V.” (Forum for Sustainable Development of German Business). Within the forum’s “Human rights and supply chain” cluster, we work together with other partners on how to responsibly design global supply chains.

Preventing and mitigating risks further down the supply chain

We want to mitigate risks related to human rights and the environment that are inherent in raw materials extraction through our involvement in various programs and measures. In the case of raw materials that can have adverse effects on people and the environment, we also regularly review the risk exposure and counteract potential risks, taking into account the corresponding OECD guidelines and the legal parameters.

We drew up a social study on human rights risks in the reporting year to complement the results of an environmental study conducted in 2022. The study creates transparency in relation to the generic supply chains of the 15 high-risk raw materials identified as well as the associated process-related and country-specific risks.

This resulted in the creation of a matrix of the identified raw materials and their weighted risks along their generic supply chains. Based on the resulting risk areas identified, the existing target visions for the materials 3TG[26], cobalt, and rare

[26] 3TG: Cassiterite (tin), Coltan (tantalum), Tungsten, Gold

earth elements were examined in 2023 and, where necessary, adapted or confirmed. We are therefore continuing to pursue the vision of establishing 100 percent certified smelters in our supply chains in the future and have also begun to communicate the associated ambition to our suppliers.

Material-specific target visions were likewise defined for aluminum, graphite, and lithium, which were the focus materials in 2023. In 2024, we will devote ourselves to the materials copper, manganese, nickel, and platinum. As scarcely any certification standards exist on the market as yet for many materials, we will continue to closely monitor the situation so that we can take emerging standards into account in our strategy in due course.

In the case of lead, virtually 100 percent of direct suppliers and one tier-n supplier for every supplier were audited in 2023 using a specific CSR quick scan.

Conflict minerals policy

As early as 2019, we issued the Bosch Group Policy for Conflict Raw Materials, which describes our approach to the conflict minerals cassiterite (tin), coltan (tantalum), tungsten, and gold. It is integrated in specific agreements for relevant suppliers.

Bosch participates in conflict minerals reporting and in cobalt reporting in accordance with the Responsible Minerals Initiative (RMI). In addition, we are working toward ensuring that suppliers of materials containing conflict minerals or cobalt have the smelters in their supply chains certified by the RMI.

In 2023, the certification rate among smelters was 91 percent for tantalum (prior year: 97 percent). At the same time, 67 percent (prior year: 87 percent) of tungsten smelters are certified, while the rate for tin smelters lies unchanged at 80 percent (prior year: 80 percent). The rate for gold was lower at 55 percent than in the previous year (60 percent). We want to reverse this negative trend in 2024. The reported certification rate for cobalt was increased to 81 percent from 69 percent the previous year.

With respect to BSH Hausgeräte GmbH's suppliers, the certification rate among smelters is 92 percent for tantalum (prior year: 80 percent), 83 percent for tungsten (prior year: 79 percent), and just under 84 percent for tin (prior year: 69 percent). A proportion of 80 percent of gold smelters (prior year: 64 percent) are certified, for cobalt the rate is 77 percent (prior year: 74 percent).

On request, Bosch provides customers with the RMI's Conflict Minerals Reporting Template, which is recognized by authorities such as the U.S. Securities and Exchange Commission. It can be obtained via established platforms, such as iPoint and HP CDX, or it can be sent to individual requesting parties.

Responsibility to customers

Bosch products aim to impress thanks to their safety, quality, and reliability – regardless of where they are produced or used. In developing and manufacturing these products and in rendering services, we stay true to our “Invented for life” mission statement beyond compliance with the law.

Our quality policy

Due to our wide-ranging product portfolio, we apply a large number of different laws and regulations worldwide governing quality assurance. Internal company policies create a binding framework for setting quality objectives and commit the organization to continuously work to improve the quality management system.

Quality management is coordinated and steered by the corporate department for quality. Officers in the operating units and at the company locations are responsible for operational implementation.

The majority of our development and production sites have a quality management system certified according to ISO 9001. All sites that manufacture vehicle components are certified according to the IATF 16949 standard, which is based on ISO 9001 and was developed by the International Automotive Task Force (IATF).

Product safety

The safety of our products is a key element of our quality policy. The corresponding responsibilities are clearly defined in internal company regulations. In addition, these regulations set out rules for the delivery of safe products. At every stage of the product development process, attention is paid to product safety. Starting with product development, we attach great importance to product safety and satisfy relevant standards, such as ISO 12100 for the safety of machinery, ISO 26262 for the functional safety of systems in passenger vehicles, or IEC 61508 for the functional safety of electrical and electronic systems. Products are not released for series production until all safety aspects have been fully clarified. In addition, compliance with pertinent specifications must be established and demonstrated by appropriate tests.

We perform analytics of safety-relevant products to the required extent covering the end-to-end product life cycle. Comprehensive training establishes the preconditions for ensuring that everyone in the company is committed to, and puts into practice, Bosch’s quality standards – especially with regard to the provision of safe products. For associates whose activities directly influence product quality, we provide training on product safety and product liability. To deepen their knowledge, the product safety and product liability officers of the various divisions have access to more in-depth classroom and online training courses.

Information and documentation

In addition to the existing information and documentation obligations, we offer learning opportunities for users to help them to use the product correctly and operate it safely. For example, Bosch Mobility Aftermarket offers learning opportunities for workshop associates, while Power Tools provides appropriate opportunities for consumers.

Cybersecurity, information security, and data protection

Cybersecurity, information security, and data protection are elementary components of our quality policy at Bosch. We see trust in the security of products, systems, and data as well as their resilience to attacks involving manipulation as a crucial determinant of success in realizing our digitalization strategy. This also means managing user data in a responsible manner.

Bosch uses a combined information and data protection management system that is continuously maintained and updated. The system is aligned with international standards, such as ISO 27000, and also takes account of legal requirements such as those pursuant to the General Data Protection Regulation (GDPR).

Related policies and internal company regulations cover all relevant areas of cybersecurity, information security, and data protection at Bosch. They include binding instructions for developing products and services, the operation of servers and other IT systems, as well as basic principles relating to company information security and data protection.

A cross-functional steering committee, which includes the Data Protection Officer, the Chief Information Security Officer, and the Chief Cybersecurity Officer reports directly to the board of management twice a year. Furthermore, we have set up a separate corporate office that is responsible for the cybersecurity of our products.

A clearly documented process as well as a growing network of experts ensure that cybersecurity, information security, and data protection are widely integrated in the development of our products. The associates regularly take part in specialist training programs, workshops, and information events on current topics as part of their duties.

Digital trust

At Bosch, digital trust involves transferring our “traditional” quality and value proposition to the digital world. With this in mind, Bosch established the Digital Trust Forum in 2019. In 2022, it merged with the Charter of Trust founded by Siemens. The international initiative has set itself the objective of fundamentally increasing the trust placed in digital solutions. Above all, we are working with our partners to define trust-building guidelines and possible certification and conformity labels.

In an effort to ensure that AI is used responsibly in our products, we developed a code of our own back in 2019. This groundwork is now being drawn on in developing a European trust seal for AI products that also satisfies the requirements of the planned European AI Act.

Bosch Product Security Incident Response Team

Despite all precautionary measures, however, there is no such thing as a foolproof security system in information technology. That is why we have established the Bosch Product Security Incident Response Team (PSIRT). The team serves as a central point of contact for security researchers, partners, or customers should they detect any vulnerabilities in our products. Security gaps can also be notified through our reporting systems (see the "Governance | Compliance" section). When a solution has been found, we make it transparent for our customers.

Responsible advertising

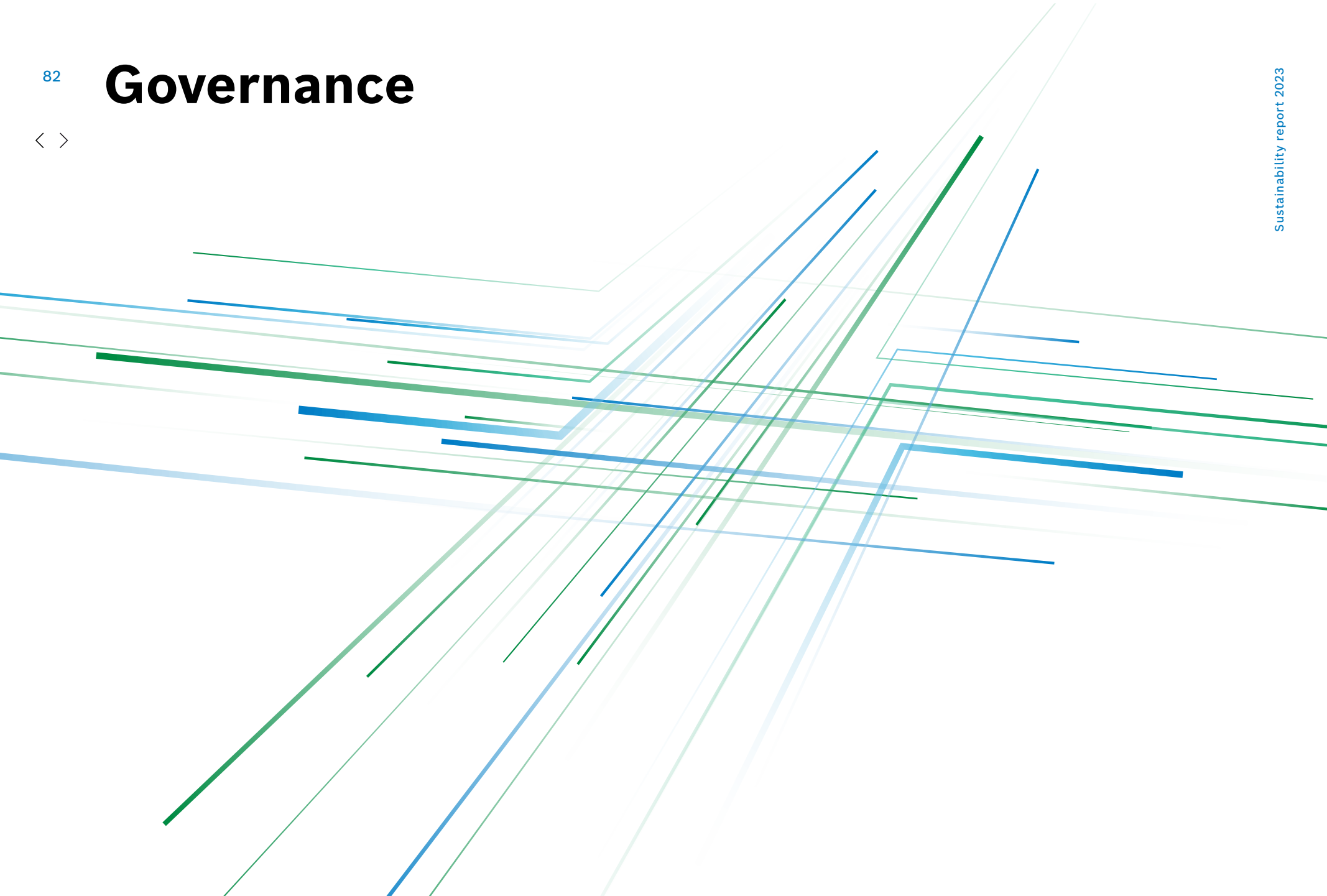
The trust of our customers in our services and in the quality of our products is our highest priority. The diverse customer services offered by our divisions range from knowledge databases with interactive learning programs as well as repair and maintenance services through to a service portal for energy-related refurbishment and advice on subsidy rates and climate action programs relating to heating systems. At the same time, we make use of various opportunities to engage in direct and indirect dialogue with customers, for example through our service hotlines, by e-mail, or in direct talks. In fact, we view our customers' feedback as a reliable yardstick against which we can measure our actions.

Marketing and sponsorship

When we market our products, we refer to our Bosch values for guidance as well as four central principles: value cultural diversity, make reliable and credible statements, be fair, and respect national rules. In addition, we are committed to maintaining a quality level in all our marketing activities that matches our products' performance standards. In this respect, advertising can be humorous, creative, and competitive, but not unprofessional or untrue. To ensure that these principles are applied and messages are consistent across the complete media mix worldwide, overarching marketing communication is organized centrally and closely coordinated with the regional organizations and divisions. Sales-oriented product communication is mostly organized locally by the respective divisions, but it also follows the same principles.

Our sponsorship activities mainly serve promotional purposes, including strengthening our brand. They are governed by a central directive. This stipulates, among other things, that sponsorship measures must be integrated into an overall communications strategy or concept. The objective of measures also has to be clearly defined and focused on increasing brand recognition and reputation, promoting sales, or attracting qualified talent. Corporate headquarters must be consulted for sponsorship measures in excess of 30,000 euros.

Governance



Governance

Bosch has traditionally regarded compliance with the principle of legality as well as responsible and fair business practice as a top priority and firmly anchored this in our company's values.

Compliance

Compliance refers to the observance of legal requirements and internal corporate policies and rules. The global compliance management system (CMS) is an integral element of the measures for implementing corporate governance in the Bosch Group and comprises structures and processes for ensuring compliance at an organizational level. It is based on auditing standard IDW PS 980 and is described in an internal regulation.

In addition to rule-based compliance, we are continuing to develop the values-based approach. Our ambition is that our associates not only regard values-based conduct as an obligation, but that they act accordingly of their own volition. The CMS is preventive in nature and is designed to encourage all associates in the Bosch Group to identify compliance risks and violations at an early stage and to respond appropriately. This should also ensure a reduction in risks for the Bosch Group, its associates, and its corporate bodies. At the same time, we want to protect and cultivate the reputation of the Bosch Group, which is the basis of our business partners' trust.

BSH Hausgeräte GmbH operates an independent compliance management system, which is likewise based on the IDW PS 980 methodology and is supported by a global compliance organization.

Organization and regulations

Internal regulations set out the responsibilities for each area of compliance. Compliance specialists are responsible for implementing corporate governance in their respective areas.

The compliance committee supports the implementation of the Bosch Group's CMS and coordinates compliance issues. In addition, it contributes to the risk-based further development of the CMS. The compliance committee comprises the heads of the Compliance Management, Legal, Internal Auditing, HR, Risk Management, and Quality Management corporate departments. It is chaired by the chief compliance officer.

In 2022, the compliance committee set up a sanctions committee that decides on recommendations for disciplinary measures in the event of serious compliance incidents.

The chief compliance officer also heads the Compliance Management corporate department, which is responsible for the specialist area of anti-corruption as well as for information security and data protection, and for overarching key elements of the Bosch Group's CMS (e.g. compliance training, operating and further developing Bosch's reporting system, serving as a point of contact for reports of misconduct, and conducting internal investigations). The chief compliance officer sets the goals for the Compliance Management corporate department and reports directly to the member of the board of management of Robert Bosch GmbH responsible for compliance. If necessary, the chief compliance officer is also entitled to contact the chair of the supervisory board directly.

In the Bosch Group's regions, compliance offices have been set up as part of the Compliance Management corporate department. One of their tasks is to support the regions to which they are assigned in fulfilling their obligations under the CMS and in conducting internal investigations. For this purpose, they have unrestricted authority to demand information and perform audits, are independent in exercising their duties, and bound only by the instructions of the Compliance corporate department. In Germany, the divisions are supported directly by the Compliance Management corporate department. Internal investigations are carried out by an organizing body within the Compliance corporate department.

Implementation of corporate governance within the framework of the CMS is reviewed in the course of internal audits performed by the Internal Auditing corporate department. In addition, we review our CMS in the context of external audits and consulting engagements and take the results as an opportunity to further develop and optimize our CMS.

Risk-based compliance checks

According to our regular cycle, we repeated our global analysis of corruption risks in 2021, combining it with the analysis of risks relating to antitrust law. The analysis covered 253 legal entities that were selected based on certain criteria such as headcount, sales revenue, and specific risk indicators (e.g. the current Corruption Perception Index published by Transparency International). In addition, we performed further in-depth analyses in selected divisions, corporate sectors, and service units.

The findings were evaluated and appropriate measures were initiated in 2022. These include, for example, activities to raise awareness among associates regarding individual risks, supplementary training programs for specific target groups, or even random checks of compliance with rules and processes. To document and track the measures, we use a central database. We plan to repeat our global analysis of corruption and antitrust law risks in 2024 and to additionally include money laundering risks to take account of the fundamental restructuring in the Mobility division.

Our business partners are likewise regularly subject to a standardized and risk-based compliance check. This encompasses both customers and suppliers, potential acquisition and takeover targets, as well as possible partners in the establishment of joint ventures.

The depth and scope of the checks depend on various factors, such as the nature of the business relationship. Corporate and personnel structures can also play a role. Checks focus in particular on non-compliance with the law or official regulations such as applicable penal laws, environmental regulations, and human rights. We refer to information in the public domain for this purpose. The findings are assessed using a standard process and appropriate measures are defined and introduced to the extent necessary. These can range from a more in-depth assessment right through to withdrawal from the business relationship or project.

Codes of conduct

The Code of Business Conduct provides guidance for all Bosch associates on values-based, ethical, and legally irreproachable conduct. It defines basic rules of conduct in the company and provides guidance on issues such as accepting gratuities or avoiding conflicts of interest. The Code of Business Conduct also describes our social responsibility, including respecting human rights. BSH Hausgeräte GmbH has its own code of conduct, which was republished in September 2023 and includes additional guidelines and content.

The basic principles of the Code of Business Conduct are specified in further central policies and in local regulations. These also set out specific requirements with respect to gratuities. In Germany, for example, the acceptance and issue of gratuities exclusively constituting a personal benefit is permissible up to a limit of 35 euros, net, per year and recipient. So-called facilitation payments – payments made to officials to expedite an administrative service to which the payer is generally legally entitled – are explicitly not permitted.

The Code of Business Conduct is available to associates in more than 30 languages and upon publication was additionally communicated in a letter from the chairman of the board of management of Robert Bosch GmbH to all associates exempt from collectively bargained agreements worldwide. They have to confirm their acknowledgment of the document. An abbreviated version containing the key messages is also available.

We are in the process of revising our Code of Business Conduct to reflect new priorities and increase user-friendliness, for example by giving it a new structure, making it more practical, and presenting it in a more interactive form. Publication is planned for 2024 and will be accompanied by a worldwide communication campaign.

Additionally, we are in the process of preparing a new Anti-Corruption Policy as an umbrella regulation for further compliance rules on anti-corruption, focusing especially on gifts and invitations, sponsorship, donations, staff rotation, and conflicts of interest. This regulation is also set to come into force in 2024, accompanied by corresponding training programs.

We feel that responsible and lawful conduct is important beyond company boundaries and have clearly formulated our expectations in our Code of Conduct for Business Partners. In this way we require suppliers to the Bosch Group to comply with human rights and environment-related principles and to put in place appropriate due diligence processes. We likewise require them to pass on this expectation to their

own suppliers (see also the "Social | Complying with due diligence obligations relating to human rights and the environment" section). Referenced in the Terms and Conditions of Purchase, this Code is generally made an integral contractual element and is sent to all suppliers at the beginning of the business relationship. BSH Hausgeräte GmbH has its own Code of Conduct for Suppliers, which is comparable in content.

Compliance training

We use various training programs and communication measures to make our workforce sensitive to compliance issues. The compliance training program is available to our associates in the form of web-based training (WBT) or offered as in-person events or webinars (see T 11). Participation is mandatory for certain groups of associates, who are selected via a risk-based approach. For example, these include exempt associates due to their special responsibility as specialists or managers, but also numerous other associates in selected areas or in special functions. The training content must be repeated regularly, usually at two- to three-year intervals. Our training programs are regularly refined and updated to accommodate new content and developments, as well as feedback from participants.

The minimum compliance training currently held worldwide has been completed over one million times to date. Around 85 percent of associates in indirect functions have one or more minimum compliance training courses assigned to their learning curriculum. Compliance at Bosch is also an integral part of the annual goal and performance dialogue. Associates actively confirm in the related documentation that they have taken due note of the Code of Business Conduct and the internal regulations of relevance to them and will act accordingly.

Participation in the minimum compliance training courses is tracked using a dashboard, which also reflects participants' feedback as a basis for improving the quality of the training programs. Particular attention is paid to checking that training has been completed on time. In the event that training programs are overdue, reminders are automatically sent to the associates, executives, and HR business partners to complete the outstanding training.

T 11

Areas covered by the global minimum compliance training program

Area	Topic	Format
Business ethics	Code of Business Conduct	WBT, document
	Dealing with classified information	WBT
	Software license management	WBT
Anti-corruption	Anti-corruption	WBT, classroom training/live online training
Product compliance	Product compliance	WBT
	Product safety and product liability	WBT
Antitrust law	Antitrust law	WBT, classroom training/live online training
Export control	Export control	WBT

The Product Compliance web-based training module was published in 2023. It involves further development of the content of existing training measures relating to the product development code.

An optional course entitled “General compliance awareness” was integrated in all curricula for the first time in 2023 in order to raise awareness among non-exempt associates and other associates who, by definition, do not belong to the target group for mandatory minimum compliance training. This course explains the basics of compliance at Bosch using concise and easy-to-understand information (e.g. videos).

Reporting systems

Where potential misconduct is suspected within the Bosch Group or at suppliers, associates and business partners as well as other third parties can make a disclosure via the Bosch Group’s reporting system. NGOs can also contact us with their concerns at any time. Reports can be submitted – also anonymously – using the appropriate IT tool, by e-mail, or phone.

Bosch’s reporting system and its reporting points support a number of languages. Associates and suppliers are actively made aware of the possibility of submitting a report. The objective is to make it as easy as possible for whistleblowers to submit reports and to ensure the widest possible accessibility. All reports are processed independently, impartially, autonomously, carefully, and confidentially. The principle of objectivity and the protection of whistleblowers are our top priority. Our rules of procedure set out the details of the different channels and principles, as well as the processing procedure.

We rolled out a group-wide campaign in 2022 to raise awareness and increase use of the reporting system, as well as strengthen trust and confidence in the internal investigation process. This campaign was continued in 2023. BSH Hausgeräte GmbH operates its own, broadly similar reporting system.

In 2023, 1,528 reports (prior year: 1,283) were recorded via Bosch’s reporting systems. We have seen a steady increase in the number of reports over the last few years, a development we primarily attribute to the comprehensive measures in the field of compliance and the resulting increased awareness of compliance issues. Reports have increased significantly especially since the summer of 2022, in tandem with the launch of our global awareness campaign.

Political lobbying

As a supplier of technology with global operations, we believe it is our responsibility to put our technology expertise to work for the common good and to demonstrate specific solutions to current challenges in society. With this in mind, we help shape opinions at a government policy level, for example in associations and in various social forums. This commitment is driven by our "Invented for life" ambition.

Organization and regulations

Responsibility for political lobbying at Bosch is set out in an internal company policy. The Bosch Group's government relations are assigned to a corresponding corporate department, together with group-wide corporate communication. Activities include representing the company's interests at policymaker, association, and organization level; they are designed to make our technology know-how available in regulatory processes, strengthen the company's reputation, build trust and relationships, and support the company's profitability.

Headquartered in Berlin, our Corporate Governmental and Stakeholder Affairs department has offices around the world. A total of 49 associates represent the political interests of the Bosch Group worldwide vis-à-vis institutions, ministries, governments, parliaments, and society.

Transparency as a matter of principle

Transparency is a central principle for the political lobbying of Bosch's interests. Consistent with this understanding, the company is registered in the relevant transparency registers worldwide, including in the United States, in Germany, or at European Union level. Depending on the respective legislation, the entries represent the scope and content of political advocacy.

At a glance

Bosch is registered in the relevant transparency registers under the following identification numbers:

German Lobby Registry:
- Robert Bosch GmbH: R000999
- Bosch Thermotechnik GmbH: R003224
- Bosch Healthcare Solutions GmbH: R004462

EU Transparency Register:
- Robert Bosch GmbH: 8999533555-91
- Bosch Thermotechnology GmbH: 269619148071-01
- BSH Hausgeräte GmbH: 416456120129-02

USA Lobbying Disclosure:
- Robert Bosch LLC: Senate ID# 40008054-12; House ID# 401320000

Clear policy in the political arena

Internal company regulations at Bosch define the framework for engaging with politicians. These regulations define proper conduct, for example, in the run-up to elections, during visits to Bosch locations, or when Bosch associates come into contact with representatives and members of the political bodies of the EU. They also set out how to comply with the requirements of the EU Transparency Register and in what form Bosch participates in EU consultations.

Gratuities in dealings with third parties are likewise regulated internally within the company. It is only permitted to offer, grant, or accept gratuities in strict compliance with numerous prerequisites. Our rules relating to office holders are especially restrictive. Here, it must be ensured that any appearance of influence being exercised is ruled out and that the internal regulations of public authorities are adhered to. Should local law in some regions prescribe stricter or more specific requirements, these must be adopted and complied with.

As of 2021, we no longer make donations to political parties in Germany, but instead participate in the economic dialogue forums of the parties CDU, CSU, SPD, FDP, and Bündnis 90/Die Grünen. Through these memberships, we strive to provide stable financial support and engage in a productive exchange of ideas from which all participants benefit. While the regional organizations are responsible for donations made outside Germany, the guidelines require donations to political parties to be submitted to the chairman of Robert Bosch GmbH's board of management for decision. No such matters were presented in 2023.

Priority topics and activities

Owing to its expertise in technologies of the future, such as artificial intelligence, electrification, hydrogen, and connected, automated driving, Bosch is a sought-after partner and thought leader in the policymaking process. We are in favor of standards that are both ambitious and as consistent as possible. For instance, we believe supranational legislation at EU level is preferable to having a large number of national requirements – also in view of its potential to serve as a global benchmark.

Our political lobbying activities aim to identify discussions and developments on political regulations and initiatives early on, which can affect our products, our company locations, or our business operations in general. As a rule, the Bosch Group supports policy frameworks that are conducive to innovation, and endeavors to find possible solutions for the challenges facing society.

Our aim is to contribute to the relevant topics by taking a stand on issues such as technical feasibility and impact on society. We also want to do justice in this regard to the complete spectrum of requirements of our stakeholders. We are committed to remaining politically neutral.

Aligned policy papers define the Bosch Group's position on relevant topics and provide a summary of facts and arguments. Released by Robert Bosch GmbH's board of management, these global policy compass papers are valid worldwide. They form the basis for political lobbying and are supplemented by specific regional position papers to take account of respective regional or national legislation. The facts and arguments are also publicly available in the context of EU consultations. Further information is available online.

Due to our highly diversified product portfolio, we are affected by a large number of legislative projects, including in climate, energy, and environmental conservation policy as well as transport, research, and trade policy, data and digitalization laws, cybersecurity, or labor and social policy. At UN level, we advocate for the harmonization of technical standards, for example, for automated driving.

The priorities of our political lobbying activities are set each year by Robert Bosch GmbH's board of management. Our activities centered on the following topics in 2023:

Climate action

The European Green Deal, which aims to achieve EU climate neutrality by 2050, is of particular importance for Bosch both today and in the coming years. In this context, we advocate for regulation that is open to different technological solutions and takes account of environmental, social, and economic factors in the interest of sustainability. To reach the EU climate goals, all technologies that reduce CO_2 emissions have to be leveraged. These include all forms of electromobility from e-bikes to trucks as well as the cross-sectoral deployment of hydrogen. At a national as well as EU level, we are committed to the further development of the hydrogen economy. In 2023, this position was put forward by Bosch in legislative processes on mobility of the future and incorporated especially in discussions on carbon standards for road traffic.

Air quality

The topic of air quality was the focus of particular attention at EU level in 2023, with the European Commission presenting a legislative proposal to revise the Air Quality Directive and to introduce a Euro 7 standard. Bosch provided technical expertise to support the work on this new emissions standard and committed to a Euro 7 regulation, which makes a noticeable contribution to improving air quality and at the same time is both technically feasible and affordable.

Circular economy

Another important part of the European Green Deal is how to finance the transformation toward a resource-efficient economy. In this context, attention centers above all on the EU taxonomy for classifying products and services according to their sustainability and expanding the sustainability reporting requirements. Bosch is in favor of the EU's general efforts to achieve more transparent and comparable corporate sustainability information. In implementing these requirements, the task is now to eliminate legal uncertainty, ensure a harmonized approach, and guarantee uniform and industry-wide application. The announced European regulations are to be developed in close cooperation with existing, internationally recognized standards so that they are available promptly and redundant reporting in different publications is avoided. In 2023, Bosch held political talks in this regard at EU level and with German government ministries.

Moreover, Bosch pursued the legislative process for deforestation-free products. Limiting the bureaucratic effort involved was important to us in this context as well as ensuring that it would be affordable for companies to implement. Also in relation to the circular economy, Bosch is pursuing the ongoing legislative procedure for the Ecodesign for Sustainable Products Regulation, the End-of-Life Regulation, and the implementation work for the Battery Regulation.

Geopolitical situation and international trade

As a globally operating company, Bosch monitors geopolitical developments very closely. The global trading environment has changed dramatically in recent years. Protectionist tendencies are on the rise and trade measures are being used increasingly to protect geo-economic and national security interests. This means that companies are increasingly being confronted by additional costs, fragmentation of markets, and potential disruptions in their supply chains. For Bosch, open markets, rule-based international trade, and ongoing trade liberalization are key aspects of economic success and innovation. This is why we put forward our position in talks with policymakers and associations, and in the context of public relations activities.

Human rights

At EU level, the proposal for the Directive on Corporate Sustainability Due Diligence (CSDDD) was presented in 2022 to ensure human rights protection and compliance with environmental obligations in corporate supply chains. The negotiations on this proposed legislation continued in 2023. Bosch supports the objective of the planned directive – as it did with the corresponding legislation enacted in Germany. Legal certainty is essential for companies to implement due diligence in the supply chain. This is best ensured by setting clear requirements that can be easily implemented in practice.

Also in 2022, the EU Commission presented a new legislative proposal (Forced Labour Act) to ban products made with forced labor. Negotiations in this regard also continued in 2023. As a company with global operations that takes its social responsibility very seriously, Bosch supports the proposal and has set out its position in bilateral talks with policymakers. At the same time, we advocate for a risk-based approach to implementing the law to enable targeted and effective implementation.

Digitalization

Digitalization remains an important component for innovative and sustainable development of the economy. Applications, in particular in connection with the use of artificial intelligence, must serve humans and must be safe, robust, and explainable – and thus trustworthy. We therefore support the corresponding legislative processes and put forward our position through dialogue with decision makers.

2023 saw a large number of regulations in the area of digitalization, which also had a significant impact on our work. Particularly the presentation of the first EU-wide regulation for access to data is of great significance for our business activities. Bosch's position is that the interests of consumers should always be the focus of regulation. We therefore also welcome the plan to adopt an AI Act since the legal regulations will help to create trust in artificial intelligence and its application.

Autonomous driving

In 2021, Germany became the first country in the world to enact a law permitting level 4 automated driving in normal operation. This was followed in 2022 by a regulation with the technical details for licensing and operating corresponding vehicles on German roads. These include so-called dual-mode vehicles, in other words vehicles with an autonomous driving function that can be activated temporarily, such as to park automatically. As a result, major regulatory hurdles for the successful implementation of automated driving were overcome. Bosch can therefore gather important experience under real road conditions and rapidly advance the development of automated vehicles in Germany and Europe. At the same time, Bosch is involved at UN level in defining the technological requirements of automated vehicles in the interest of ensuring an internationally harmonized development of the technology.

Research and innovation

As a matter of principle, Bosch only engages in business operations that are viable without support from subsidies. We consider temporary government support a suitable instrument only in efforts to assist breakthroughs in new technologies or for the purpose of implementing industrial policy strategies. In the reporting period, Bosch received funding of around 210 million euros for R&D projects and as part of the two IPCEI (Important Project of Common European Interest) funding programs “Microelectronics and communication technologies” and “Hydrogen.” A further 1.4 million euros was raised for the promotion of training and further education measures. The measures aim to open up new prospects for the associates concerned against the backdrop of the company’s transformation.

In addition to direct exchanges with policymakers, Bosch is involved in numerous associations and participates actively in formulating positions. In Germany, at EU level, and in a number of other countries, we are members of the relevant industry associations.

In Germany, for example, we are members of the German Electro and Digital Industry Association (ZVEI), the German Association of the Automotive Industry (VDA), the German Federal Association for Information Technology, Telecommunications, and New Media (BITKOM), and the German Mechanical Engineering Industry Association (VDMA). In addition, we are active on the executive board and steering committee of econsense – Forum Nachhaltige Entwicklung der Deutschen Wirtschaft e.V. (Forum for Sustainable Development of German Business).

In Brussels, we are members of the European Association of Automotive Suppliers (CLEPA), DIGITALEUROPE, and Hydrogen Europe, and Bosch is represented in the International Chamber of Commerce. In the United States, for example, we are also members of the National Association of Manufacturers (NAM) and the Alliance for Automotive Innovation, and we are members of various national automotive industry associations in other countries, including Brazil (Sindipecas), Mexico (INA), and India (ACMA). BSH Hausgeräte GmbH is also a member of APPLiA Home Appliance Europe, the European association of household appliance manufacturers.

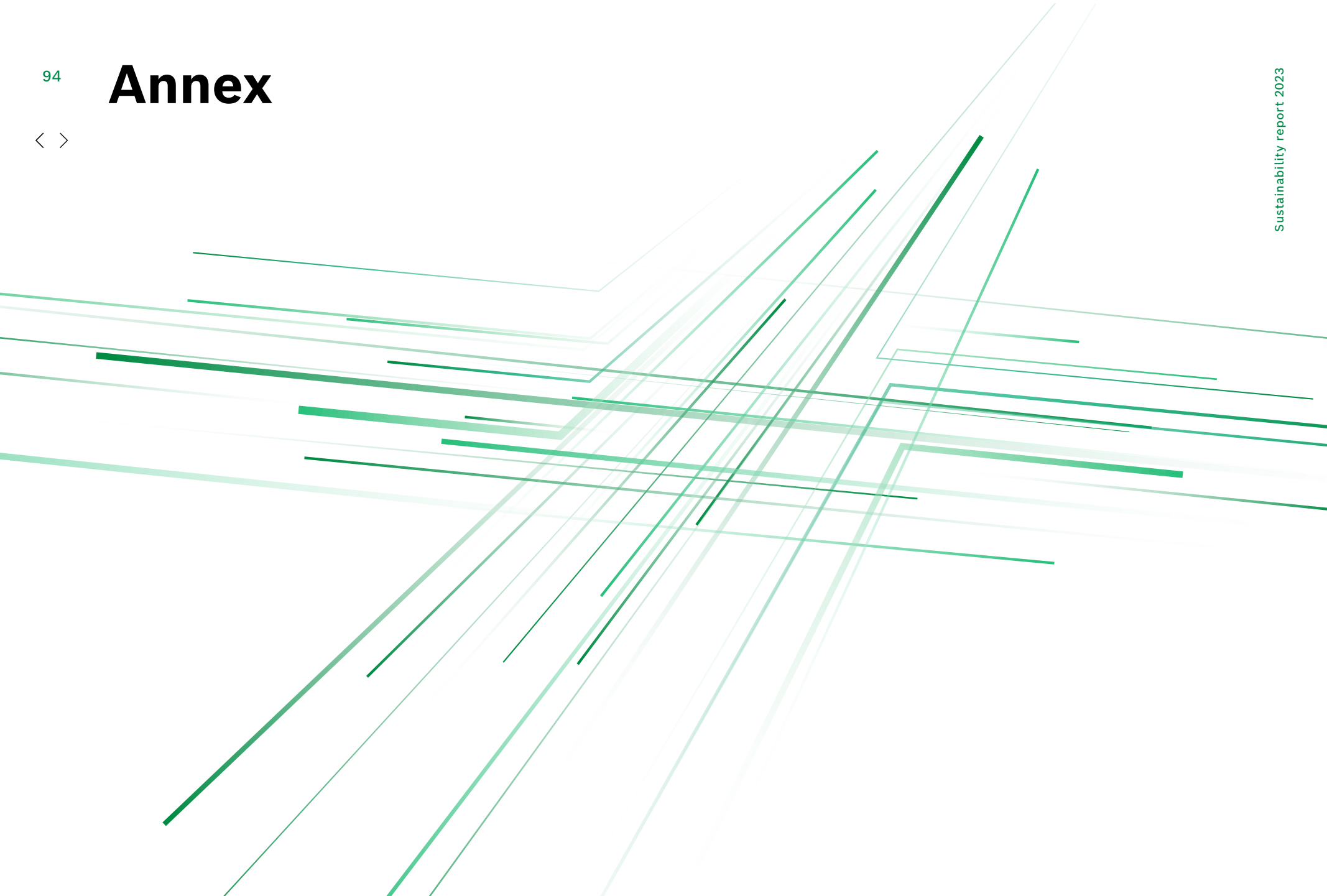
Organization of public stakeholder dialogues
Bosch strategically engages in and helps to actively shape social discourse. We enter into dialogue with policymakers, scientists, and society in the context of specific events on socially relevant topics and also seek new and innovative formats.

In February 2023, we organized an event together with one of our media partners and a consulting firm at Bosch's representative office in the German capital Berlin under the banner "Climate think-tank: The climate-neutral city – living and doing business sustainably." The event was also attended by the Federal Ministry for Housing, Urban Development, and Building. Together with representatives from politics, society, and science as well as interested citizens, the chairman of the board of management of Bosch discussed the importance of creating climate neutral cities – and the associated challenges.

In October 2023, we organized an event on the topic of "What about the 'S' in ESG? Stakeholder management and social accountability" together with the European School of Management and Technology in Berlin. Students and the general public together with representatives from politics, business, and civil society discussed the level of social responsibility companies should assume, how they can fulfil this responsibility, and what benefits this will bring them.

The societal divide as perceived at present by many people underscores the need for continual and open social dialogue and for the opportunity to conduct and embrace controversial debates. Bosch supports this aspiration with its morning "Green Tea Meetings," an already successfully established series of events, which was continued in 2023 with the following topic: "Does political lobbying have an image problem?". The events involve a keynote speech by an expert on a polarizing topic, which is then discussed confidentially in a small group on site.

Annex



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GRI 201: Economic performance (2016)			
GRI 3-3	Management of material topics	- Analysis of climate risks pursuant to TCFD - Climate change adaptation - Economic KPIs - Position on climate change	7–8; AR: 83 et seq.
GRI 201-1	Direct economic value generated and distributed		7; AR: 90
GRI 201-2	Financial implications and other risks and opportunities due to climate change		23–24
GRI 201-3	Defined benefit plan obligations and other retirement plans		AR: 165 et seq.
GRI 201-4	Financial assistance received from government		92
GRI 202: Market presence (2016)			
GRI 3-3	Management of material topics	- Social benefits - Remuneration	58–59
GRI 202-1	Ratios of standard entry level wage by gender compared to local minimum wage		

* The references indicate the pages on which the respective GRI content is mentioned within this report. References marked "AR" refer to our annual report 2023.

GRI indicators		Comment	Reference*
GRI 205: Anticorruption (2016)			
GRI 3-3	Management of material topics	- Compliance management system - Compliance training - Risk management - Codes of conduct	84–88
GRI 205-1	Operations assessed for risks related to corruption		84–85
GRI 205-2	Communication and training about anticorruption policies and procedures		86–87
GRI 206: Anticompetitive behavior (2016)			
GRI 3-3	Management of material topics	- Compliance training - Risk management - Codes of conduct	84–87
GRI 206-1	Legal actions for anticompetitive behavior, antitrust, and monopoly practices		15; 84–87; AR: 111

Environmental performance indicators

GRI 301: Materials (2016)			
GRI 3-3	Management of material topics	- Materials efficiency - Percentage of recycled materials used - Key materials - Circular economy strategy - Substances of concern	9–10; 12; 14–15; 21–22; 38–46
GRI 301-1	Materials used by weight or volume		42
GRI 301-2	Recycled input materials used		
GRI 302: Energy (2016)			
GRI 3-3	Management of material topics	- Energy efficiency, own generation, green electricity, offsets - Energy efficiency of the products - Energy management system - Energy consumption - Reduction targets - Sales-related energy consumption (energy intensity)	9–11; 14–15; 21–37
GRI 302-1	Energy consumption within the organization		25
GRI 302-3	Energy intensity		
GRI 302-4	Reduction of energy consumption		26–28
GRI 302-5	Reductions in energy requirements of products and services		36–37

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GRI indicators		Comment	Reference*
GRI 303: Water and effluents (2018)			
GRI 3-3	Management of material topics	- Wastewater management - Volume of wastewater - Quality of wastewater - Products with positive water-related effects - Reduction targets - Sales-related water consumption (water intensity) - Water efficiency - Water withdrawal - Regions with water scarcity	9–11; 14–15; 21–22; 47–51
GRI 303-1	Interactions with water as a shared resource		48–50
GRI 303-2	Management of water discharge-related impacts		11; 50
GRI 303-3	Water withdrawal		48–49
GRI 303-4	Water discharge		50
GRI 305: Emissions (2016)			
GRI 3-3	Management of material topics	- Energy efficiency, own generation, green electricity, offsets - Logistics and transportation - Reduction targets - GHG emissions - Sales-related GHG emissions (emissions intensity) - Other air pollutant emissions	9; 14–15; 21–37
GRI 305-1	Direct (scope 1) GHG emissions		24–25; 28
GRI 305-2	Energy indirect (scope 2) GHG emissions		25; 28
GRI 305-3	Other indirect (scope 3) GHG emissions		24; 30–37
GRI 305-4	GHG emissions intensity		25
GRI 305-5	Reduction of GHG emissions		24–37
GRI 305-6	Emissions of ozone-depleting substances		28–29
GRI 306: Waste (2020)			
GRI 3-3	Management of material topics	- Waste management - Waste generation and disposal - Hazardous waste - Circular economy strategy - Sales-related waste (waste intensity)	14–15; 21–22; 38–46
GRI 306-1	Waste generation and significant waste-related impacts		44–46
GRI 306-2	Management of significant waste-related impacts		
GRI 306-3	Waste generated		44
GRI 306-4	Waste diverted from disposal		
GRI 306-5	Waste directed to disposal		

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GRI indicators		Comment	Reference*
GRI 308: Supplier environmental assessment (2016)			
GRI 3-3	Management of material topics	- Selection, assessment, and further development of suppliers - Due diligence obligations relating to human rights and the environment - Human rights committee - Risk analysis - Social and environmental standards - Responsible supply chain management - Codes of conduct	14–15; 32–33; 69–78; 85–86
GRI 308-1	New suppliers that were screened using environmental criteria		71–72
GRI 308-2	Negative environmental impacts in the supply chain and actions taken		32–33; 72; 74–78

Social performance indicators

GRI 401: Employment (2016)			
GRI 3-3	Management of material topics	- Employment at Bosch - Turnover rate - Work-life balance - Remuneration and social benefits	53–56; 58–59
GRI 401-1	New employee hires and employee turnover		54–55
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		58–59; 67–68
GRI 402: Labor/management relations (2016)			
GRI 3-3	Management of material topics	- Employee rights - Surveys of associates - Collaboration with employee representatives	53–58
GRI 402-1	Minimum notice periods regarding operational changes		56

* The references indicate the pages on which the respective GRI content is mentioned within this report. References marked "AR" refer to our annual report 2023.

GRI indicators		Comment	Reference*
GRI 403: Occupational health and safety (2018)			
GRI 3-3	Management of material topics	- Occupational health and safety management system - Occupational accidents and ill health - Preventive healthcare and occupational health - Safety training - Accident prevention	9–10; 13–15; 65–68
GRI 403-1	Occupational health and safety management system		66
GRI 403-2	Hazard identification, risk assessment, and incident investigation		
GRI 403-3	Occupational health services		67–68
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety		
GRI 403-5	Worker training on occupational health and safety		
GRI 403-6	Promotion of worker health		
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked to business relationships		67–68; 74–77; 79–81
GRI 403-8	Workers covered by an occupational health and safety management system		66
GRI 403-9	Work-related injuries		
GRI 403-10	Work-related ill health		67–68
GRI 404: Training and education (2016)			
GRI 3-3	Management of material topics	- Competence model - Personal development - Certified training - Training activities	53; 62–65
GRI 404-1	Average hours of training per year per employee		65
GRI 404-2	Programs for upgrading employee skills and transition assistance programs		62–65
GRI 404-3	Percentage of employees receiving regular performance and career development reviews		63
GRI 405: Diversity and equal opportunity (2016)			
GRI 3-3	Management of material topics	- Equity, equal opportunities - Dimensions of diversity - Non-discrimination - Remuneration system	9–10; 12; 14–15; 53; 60–62
GRI 405-1	Diversity of governance bodies and employees		60–62; AR: 41 et seq.
GRI 405-2	Ratio of basic salary and remuneration of women to men		58

* The references indicate the pages on which the respective GRI content is mentioned within this report. References marked "AR" refer to our annual report 2023.

GRI indicators		Comment	Reference*
GRI 406: Non-discrimination (2016)			
GRI 3-3	Management of material topics	- Reporting systems - Complaints procedures - Equity, equal opportunities - Dimensions of diversity - Non-discrimination	53; 59–62; 85–87
GRI 406-1	Incidents of discrimination and corrective actions taken		87
GRI 407: Freedom of association and collective bargaining (2016)			
GRI 3-3	Management of material topics	- Selection, assessment, and further development of suppliers - Compliance management system - Due diligence obligations relating to human rights and the environment - Human rights committee - Social and environmental standards - Codes of conduct - Collaboration with employee representatives	53; 56–57; 69–78; 83–87
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		73–77; 85–87
GRI 408: Child labor (2016)			
GRI 3-3	Management of material topics	- Selection, assessment, and further development of suppliers - Compliance management system - Due diligence obligations relating to human rights and the environment - Human rights committee - Social and environmental standards - Codes of conduct	53; 56–57; 69–78; 83–87
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor		73–77; 85–87
GRI 409: Forced or compulsory labor (2016)			
GRI 3-3	Management of material topics	- Selection, assessment, and further development of suppliers - Compliance management system - Due diligence obligations relating to human rights and the environment - Human rights committee - Social and environmental standards - Codes of conduct	53; 56–57; 69–78; 83–87
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor		73–77; 85–87

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GRI indicators		Comment	Reference*
GRI 414: Supplier social assessment (2016)			
GRI 3-3	Management of material topics	- Selection, assessment, and further development of suppliers - Due diligence obligations relating to human rights and the environment - Human rights committee - Responsible supply chain management - Codes of conduct	69–78; 85–87
GRI 414-1	New suppliers that were screened using social criteria		71–72
GRI 414-2	Negative social impacts in the supply chain and actions taken		73–78
GRI 415: Public policy (2016)			
GRI 3-3	Management of material topics	- Political lobbying - Policy in the political arena	88–93
GRI 415-1	Political contributions		89
GRI 416: Customer health and safety (2016)			
GRI 3-3	Management of material topics	- Product quality - Product safety	79–81
GRI 416-1	Assessment of the health and safety impacts of product and service categories		79
GRI 417: Marketing and labeling (2016)			
GRI 3-3	Management of material topics	- Information and documentation - Responsible advertising	81
GRI 417-1	Requirements for product and service information and labeling		
GRI 418: Customer privacy (2016)			
GRI 3-3	Management of material topics	- Compliance management system - Cybersecurity, information security, and data protection	80–81
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		80–81; 87

* The references indicate the pages on which the respective GRI content is mentioned within this report. References marked "AR" refer to our annual report 2023.

Independent auditor's report

on a reasonable assurance engagement*

To Robert Bosch Gesellschaft mit beschränkter Haftung, Gerlingen-Schillerhöhe

We have performed a reasonable assurance engagement on selected Key Performance Indicators and statements within the sustainability report of Robert Bosch Gesellschaft mit beschränkter Haftung, Gerlingen-Schillerhöhe (hereinafter the "Company"), which are marked with the "✓" symbol in the sustainability report, for the period from 1 January to 31 December 2023 (hereinafter "selected disclosures").

Our engagement exclusively refers to the selected disclosures marked with the "✓" symbol in the German pdf version of the sustainability report. Not subject to our assurance engagement are other references to disclosures made outside the selected disclosures as well as prior-year disclosures.

Responsibilities of the executive directors

The executive directors of the Company are responsible for the preparation of the sustainability report, which comprises the selected disclosures, with reference to the "GRI Sustainability Reporting Standards" (hereafter "reporting criteria").

These responsibilities of the Company's executive directors include the selection and application of appropriate methods for the preparation of the non-financial reporting and making assumptions and estimates about individual non-financial disclosures that are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal control as the executive directors consider necessary to enable the preparation of selected disclosures that are free from material misstatement, whether due to fraud (manipulation of the selected disclosures) or error.

Independence and quality assurance of the auditor's firm

We have complied with the German professional requirements on independence as well as other professional conduct requirements.

Our audit firm applies the national legal requirements and professional pronouncements – in particular the BS WP/vBP [*Berufssatzung für Wirtschaftsprüfer/vereidigte Buchprüfer*: Professional Charter for German Public Accountants/German Sworn Auditors] in the exercise of their profession and the IDW Standard on Quality Management issued by the Institute of Public Auditors in Germany (IDW): Requirements for Quality Management in the Audit Firm (IDW QS 1) and accordingly maintains a comprehensive quality management system that includes documented policies and procedures

* The assurance engagement performed by EY relates exclusively to the German version of the "CROSSROADS Sustainability report 2023" of Robert Bosch Gesellschaft mit beschränkter Haftung. The following text is a translation of the original German independent assurance report.

with regard to compliance with professional ethical requirements, professional standards as well as relevant statutory and other legal requirements.

Responsibilities of the auditor

Our responsibility is to express a reasonable assurance opinion on the selected disclosures based on our assurance engagement.

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information" issued by the IAASB. This standard requires that we plan and perform the assurance engagement to obtain reasonable assurance about whether the Company's selected disclosures are prepared, in all material respects, in accordance with the reporting criteria. Not subject to our assurance engagement are other references to disclosures made outside the selected disclosures and prior-year disclosures.

The assurance engagement on the selected disclosures includes performing procedures and obtaining evidence for the quantitative and qualitative disclosures in the selected disclosures that are sufficient and appropriate to provide a basis for our opinion.

We exercise professional judgment and maintain professional skepticism throughout the assurance engagement. Our procedures also include:

- Obtaining an understanding of the CO_2 neutrality program and the concepts related to work-related accidents within the Group.

- Identifying and assessing the risks of material misstatement in the selected disclosures, whether due to fraud or error, designing and performing procedures responsive to those risks, and obtaining evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtaining an understanding of internal control relevant to the assurance engagement on the selected disclosures in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.

- Obtaining sufficient appropriate evidence e.g. during site visits for the selected disclosures to express our opinion.

- Evaluating the appropriateness of methods used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- Evaluating the presentation of the selected disclosures.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, on the basis of the knowledge obtained in the assurance engagement, the selected disclosures of the Robert Bosch Gesellschaft mit beschränkter Haftung for the period from 1 January to 31 December 2023 are prepared, in all material respects, in accordance with the reporting criteria.

Restriction of use

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. As a result, it may not be suitable for another purpose than the aforementioned. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the Company alone. We do not accept any responsibility to third parties. Our assurance opinion is not modified in this respect.

General engagement terms and liability

The enclosed "General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms]" dated 1 January 2017 are applicable to this engagement and also govern our relations with third parties in the context of this engagement (www.de.ey.com/general-engagement-terms). In addition, please refer to the liability provisions contained there in no. 9 and to the exclusion of liability towards third parties. We accept no responsibility, liability or other obligations towards third parties unless we have concluded a written agreement to the contrary with the respective third party or liability cannot effectively be precluded.

We make express reference to the fact that we will not update the report to reflect events or circumstances arising after it was issued, unless required to do so by law. It is the sole responsibility of anyone taking note of the summarized result of our work contained in this report to decide whether and in what way this information is useful or suitable for their purposes and to supplement, verify, or update it by means of their own review procedures.

Stuttgart, 6 March 2024

EY GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Storz	Fischer
Wirtschaftsprüfer	Wirtschaftsprüferin
[German Public Auditor]	[German Public Auditor]

About this report

The Bosch Group's sustainability report has been published annually since 2011. The present report describes the progress made in terms of sustainable business practices in the 2023 financial year (January 1, 2023 to December 31, 2023).

As in previous years, the report follows the guidelines of the Global Reporting Initiative (GRI). The Bosch Group has reported with reference to the GRI Standards for the 2023 financial year. Selected key indicators and statements on climate action and occupational health and safety were audited by EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft to obtain reasonable assurance. Audited content in this sustainability report is marked "✓." Tables and graphics as well as highlighted boxes are part of the audited content, provided that the information contained is marked "✓."

Unless otherwise stated, all information in this report refers to the full consolidated group. Besides Robert Bosch GmbH, the consolidated group comprises a further 468 (prior year: 468) fully consolidated entities. Details of the scope of consolidation and the developments in the financial year relating to it can be found in the annual report (see annual report 2023, page 126 et seq.). Unless otherwise stated, key environmental and occupational health and safety indicators cover 451 (prior year: 427) reportable locations. Reportable locations are all production locations and development locations (with material responsibility) with more than 50 associates as well as other sites with more than 100 associates.

The information was requested electronically and the data was mainly compiled using software specific to each division. As a rule, we aim to present three-year trends to enable better comparability. In individual cases, information relating to previous periods was restated as a result of changes in the methods used to collect and calculate data. Such changes are marked accordingly in the text. Discrepancies in the totals are possible due to rounding differences.

All forward-looking statements in this report are based on the assumptions valid as of the copy deadline and made after careful examination and consideration. Due to known and unknown risks, uncertainties, and other factors, the actual results, developments, or performance of the company may differ from our forecasts, assessments, and announcements. German and English pdf versions of the sustainability report 2023 are available online. Further information can be found at sustainability.bosch.com and in the annual report 2023. The next sustainability report is scheduled to be published in spring 2025.

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