



Ensuring  
**Quality of Life**

Sustainability Report **2014**  
Bosch Group



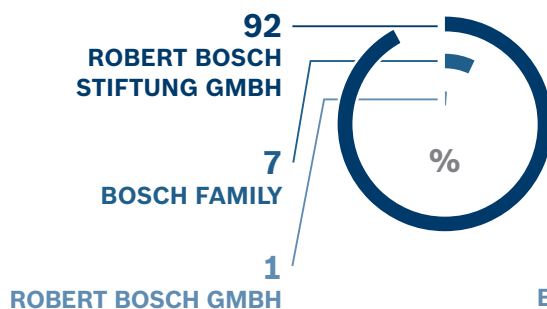
**BOSCH**  
Invented for life

# Key figures 2014

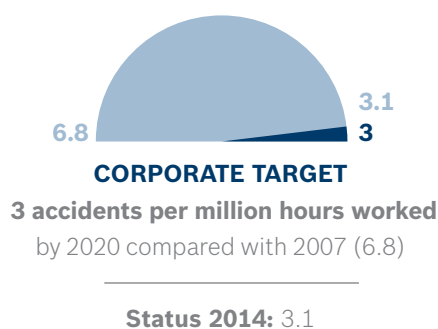
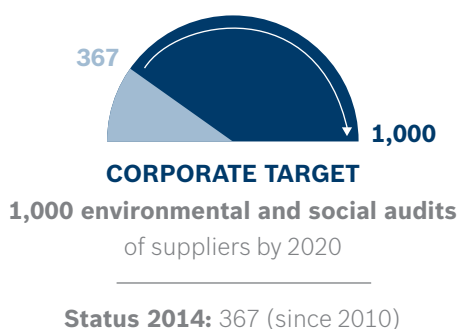
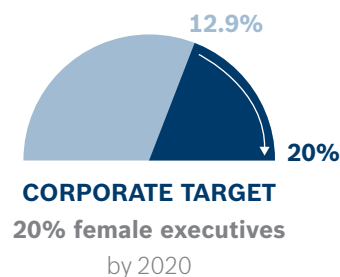
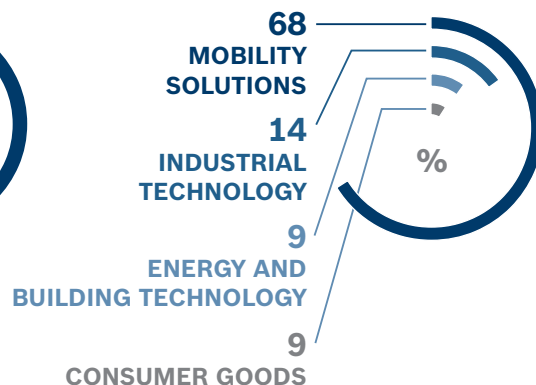
## Sales

**49**  
billion euros  
+6.3%  
year-on-year

## Shareholder structure



## Sales by business sector



## R&D expenditure

**5.0**  
billion euros  
+0.4 billion euros  
year-on-year

## Earnings after tax

**2.6**  
billion euros  
+1.4 billion euros  
year-on-year

## Investments in fixed assets

**2.6**  
billion euros  
+46 million euros  
year-on-year

## Personnel expenses

**15.3**  
billion euros  
+0.4 billion euros  
year-on-year

# Dear readers,

If there is a correlation between happiness and quality of life, then happiness can be measured. The Organisation for Economic Co-operation and Development (OECD) established the Better Life Index to this end. The model examines ecological, economic, human, and social factors as the determinants of a bright future. Eleven indicators – among them health, personal safety, education, work environment, and environmental conditions – serve to assess whether we are on the right path.

The success story of our sensors shows how we are contributing to this bright future with technology “Invented for life”. In the 1990s, we were one of the first companies that used MEMS sensors to improve vehicle safety. Thanks to systematic research and development efforts, we have consistently worked ever since to make this technology more affordable and suitable for a broad range of applications. As the leading global manufacturer of MEMS sensors, we now produce four million units a day. In addition to this, we hold more than 1,000 patents and patent applications in this realm of technology. Bosch sensors are paving the way to the connected world of the future. They make life more comfortable, and contribute to greater safety at home and on the roads. Sensors not only make our company more profitable, they also highlight our commitment to social and environmental responsibility. Not least, they help ensure quality of life.

The pages of this report present more evidence of the ways in which our activities promote sustainability. At the same time, this publication serves as a progress report with regard to our membership in the United Nations Global Compact. Above all, it illustrates how our current activities are laying the foundation for a better quality of life – for us and for future generations.

Sincerely,



Dr. Volkmars Denner, chairman of the board of management, Robert Bosch GmbH







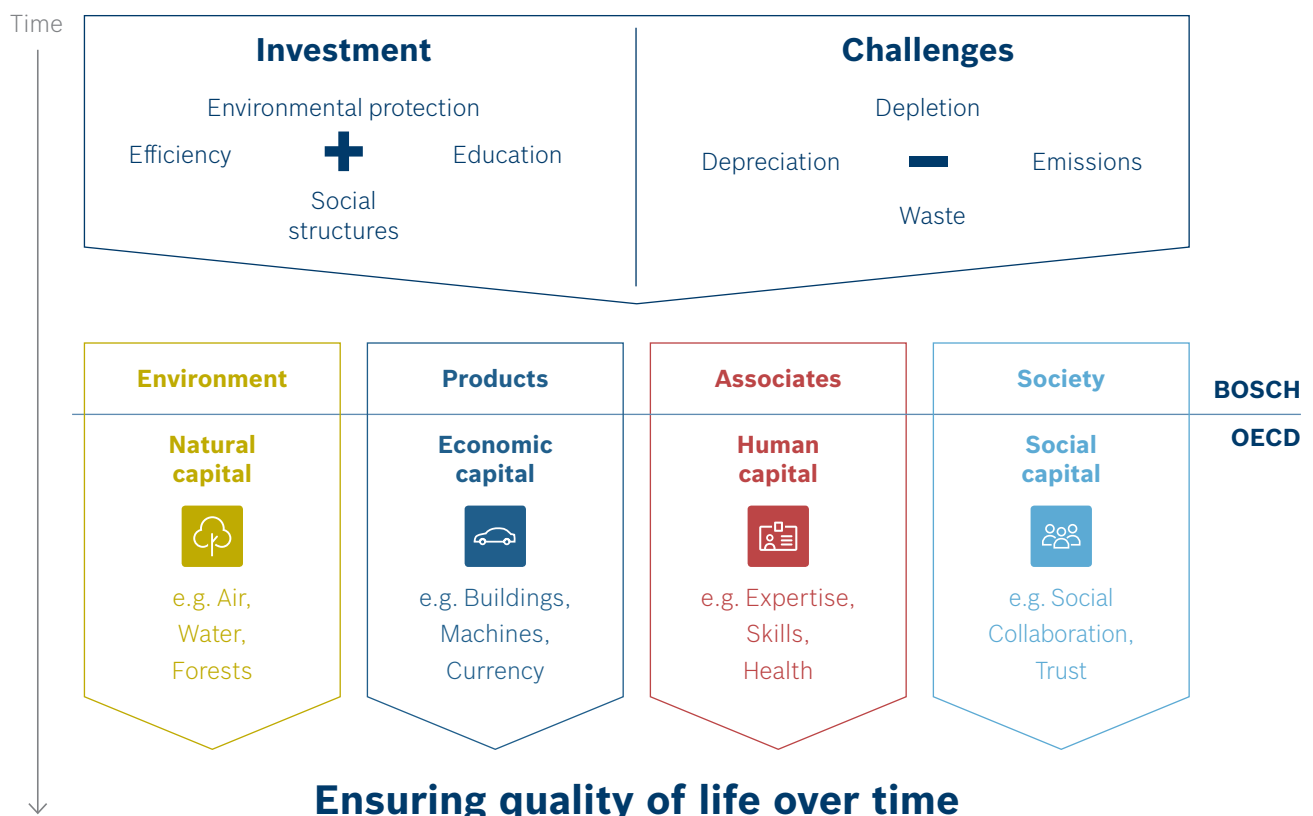
# Living a *better life*

Since 2011, the OECD's Better Life Initiative has been asking: How's Life? To find a valid answer to this question, the organization has defined indicators that can be used to measure quality of life around the world. In addition to this, the OECD's capital model shows, which factors will influence our well-being in the future.

A functioning infrastructure, clean air, education, and trust in the political system: these are just four of many factors that are decisive for the quality of life we enjoy, and for the well-being of future generations. The OECD has pooled these resources into a four-pronged model that comprises economic, natural, human, and social capital. All four contribute to maintaining prosperity over time. For this reason, consistently monitoring their status is vital, as is actively investing in their development and counter-acting negative developments and abuse of the system.

The OECD's forms of capital, which also shape this report, correspond to the four areas that Bosch's sustainability activities focus on. For instance, with environmental education initiatives, we contribute to protecting natural capital. We enhance human capital with our open corporate culture, which promotes diversity and encourages associates to contribute their knowledge and expertise.

**Further examples of how we contribute to ensuring quality of life can be found on the following pages.**





# The Bosch Group *at a glance*

The Bosch Group is a leading global supplier of technology and services. It comprises Robert Bosch GmbH and its roughly 440 subsidiaries and regional companies in 60 countries.\* The company is divided into four business sectors: Mobility Solutions, Industrial Technology, Consumer Goods, and Energy and Building Technology. In fiscal 2014, the Bosch Group's sales grew 6.3 percent over the previous year, to 49 billion euros.

92 percent of the share capital of Robert Bosch GmbH is held by Robert Bosch Stiftung GmbH, a non-profit foundation. The majority of voting rights is held by Robert Bosch Industrietreuhand KG, an industrial trust. 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 make significant upfront investments in the safeguarding of its future. Moreover, thanks to its business activities, Bosch can secure the financing of its charitable initiatives and of Robert Bosch Stiftung.

## Our strategy

Bosch develops technology "Invented for life": products that spark enthusiasm, improve quality of life, and help conserve natural resources. To achieve this goal, we are shaping the changes ahead and seizing opportunities in the areas of connectivity, electrification, energy efficiency, automation, and the emerging markets.

In developing beneficial solutions, we rely on our international research and development network, which counts 45,700 associates around the world. Last year, they filed some 4,600 patents. In 2014, Bosch spent a total of five billion euros on research and development – about ten percent of its sales.

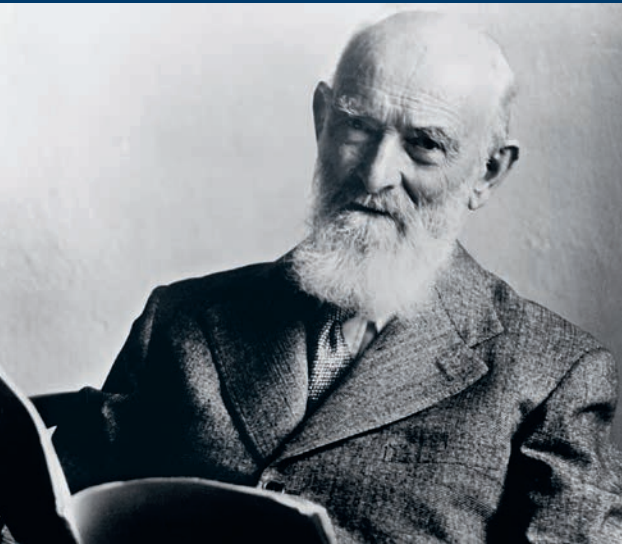
Around the world, some 360,000 people contribute their expertise to the success of the Bosch Group.\* With over 100 different work time models, international exchange programs, and opportunities for lifelong learning, we aim to encourage associates to perform to the best of their ability.

\* Status of April 1, 2015 (including BSH Hausgeräte GmbH and Robert Bosch Automotive Steering GmbH)

More information on our company can be found at [csr.bosch.com](http://csr.bosch.com)

To find out more about Robert Bosch Stiftung, please visit [www.bosch-stiftung.com](http://www.bosch-stiftung.com)

# Sustainability *at Bosch*



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*Improvements in the world of  
technology and business should always  
also be beneficial for mankind.”*

Robert Bosch

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## **Mission statement and fields of activity**

In line with the convictions of our company founder Robert Bosch (1861–1942), we strongly believe that the lasting success of our business depends on a healthy society and environment. The aim of sustainability is thus a firmly established part of our corporate strategy. We pursue this aim in four main areas: environment, products, associates, and society.

- **Environment:** Thanks to annual targets and systematic environmental monitoring practices, we are reducing resource consumption and waste at our locations around the world.
- **Products:** We continuously strive to improve the material and energy efficiency of our products. Moreover, a considerable portion of our R&D expenditure goes toward eco-friendly technology.
- **Associates:** We promote working in diverse teams, which we consider a driver of innovation and value added.
- **Society:** Among other things, our charitable activities focus on educational projects and initiatives that support young scientists.

## **Organization**

At Bosch, sustainability management is twofold. First the company's various departments identify relevant topics and assess where action is needed. Then, committees comprising presidents of divisions, heads of corporate departments, and members of the board of management draw on this information to define global sustainability targets. These bodies also monitor progress.

## **Measuring success**

Bosch measures success in two ways: with strategic controlling and by monitoring functional areas. The aim of strategic controlling is to support management in finding and assessing new fields of sustainable business, and to weigh the corresponding opportunities and risks. In contrast, the monitoring of functional areas is decentralized and focuses on operations: it involves providing Bosch units with specific targets, for instance with regard to reducing CO<sub>2</sub>, decreasing the number of accidents in the workplace, and increasing the number of women in management positions. Bosch publishes the most important key figures and target values in its annual Sustainability Report, and in the form of interactive graphics on its website.





Natural capital

# Environmental education *promotes responsibility*



Healthy ecosystems and biodiversity are the foundation of life, and are necessary for prosperity and well-being. But natural capital is limited. This is why maintaining ecological resources for future generations is one of the biggest challenges society faces. Bosch is actively tackling this challenge with concrete guidelines and Group-wide measures, and by promoting environmental awareness in a targeted manner.

For many years, using energy and resources responsibly has been a top priority at Bosch. In order to protect the climate in a tangible manner, the company has defined a CO<sub>2</sub> target and established clear management structures. By 2020, Bosch aims to reduce carbon dioxide emissions by 20 percent over 2007 levels, relative to its value added.

But environmental targets are not the only way the company ensures that progress is made in protecting the climate and conserving resources. Bosch also places a great deal of importance on raising awareness of environmental issues among associates and stakeholders around the world. The company does this with a broad range of local initiatives.





### Bosch China: Identifying energy consumers

Over the course of the Go Green campaign in 2014, Bosch plant managers in Changsha, China, called on associates to come up with ways to reduce energy consumption in the company's everyday operations. Associates identified the location's lighting as an area that showed significant savings potential. Since then, energy-intensive halogen metal halide lamps have been replaced with efficient LED lamps. This measure alone saves the location 60,000 euros per year in energy costs and reduces annual CO<sub>2</sub> emissions by 492 tons.

### Bosch Turkey: Raising awareness about energy efficiency

In 2011, Bosch opened an energy efficiency training center at its Bursa location. The center, which is geared toward associates, organizations, companies, and schools in the region, has an ambitious aim: to raise awareness for energy efficiency and sustainable energy consumption. To this end, the center offers training sessions on a regular basis that focus on real-life examples. All associates can register for the sessions online via the Bosch training portal. Response to the sessions has been positive: in four years, Bosch has trained more than 3,000 people with an interest in the environment. Eighty percent of those who have taken part in the training sessions have been Bosch associates. Other participants have included students and employees of non-governmental organizations, as well as companies from the region.

### Bosch UK: Making environmental education fun

In the United Kingdom, Bosch is also working to raise the environmental awareness of young people. For instance, the company has cooperated with leading thinkers at the Royal Academy of Engineering to develop an energy efficiency handbook for schools. "Reducing CO<sub>2</sub>: Engineers

lead the way" explains how engineers contribute to reducing CO<sub>2</sub> emissions with innovative products. In addition to this, practical examples aim to motivate readers to calculate their own CO<sub>2</sub> emissions and come up with ways to reduce them.

In Worcester, Bosch has also commissioned the development of a play that aims to spark the interest of seven to eleven-year-old schoolchildren in green topics. In "Everybody can make a Difference", actors playing Bob the Boiler and Solar Sam talk to the audience about saving energy and reducing waste.

With its annual Environment 2020 Award, which is geared toward installation technicians, builders, and municipal authorities, the Bosch location in Worcester also honors building measures that have an especially positive effect on the environment and contribute to improving energy efficiency.

More information on environmental and climate protection at Bosch can be found [here](#)

## Key figures 2014

Relative CO<sub>2</sub> emissions

— **-19.9 percent\*** —

Energy needs

— **-9.0 percent\*** —

Water consumption

— **-0.9 percent\*** —

Funds spent on protecting the environment

— **+72.5 percent\*** —

\* compared with 2007 levels





# Project portfolio



## Mangroves to protect the coast

On World Environment Day in 2014, Bosch associates in Indonesia and their families planted 6,000 mangrove trees on Marunda's coast, north of Jakarta. Bosch organized this project in cooperation with the Mangrove Restoration Foundation, a local non-profit organization. The initiators aimed to raise awareness about the importance of mangrove forests for coastal protection. The trees, which can grow in both fresh and salt water, help prevent erosion, mitigate the impact of tropical storms, and absorb CO<sub>2</sub>.

## Commitment to water

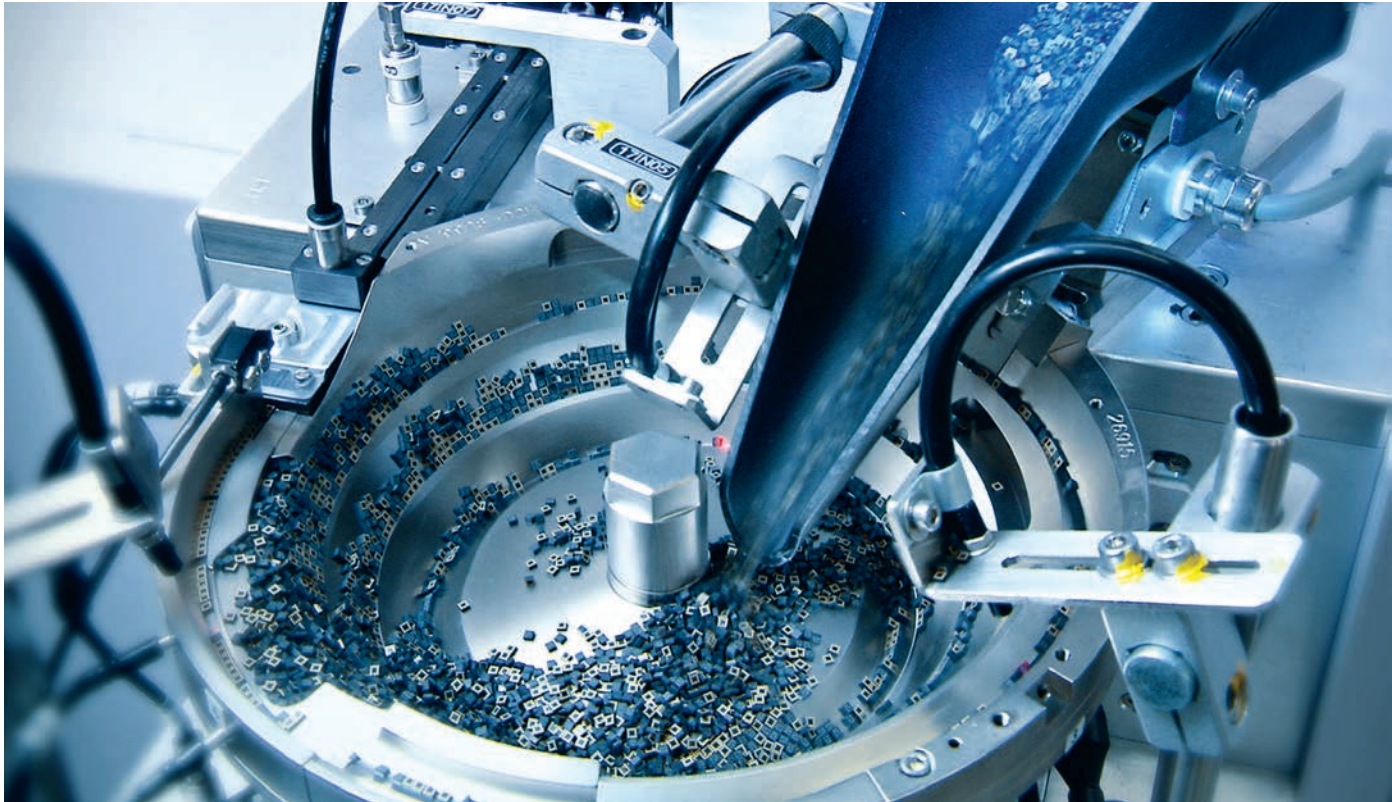
On the occasion of World Water Day, Bosch held an event at a mall in Coimbatore, India, that focused on the importance of water for all forms of life, and on protecting the valuable resource. To sensitize mall goers to the sustainable use of water, the Bosch location offered a varied program that included an exhibit by a local school, sketches by Bosch associates, expert presentations, and a millet cooking contest. Growing the cereal requires relatively little water, which makes it an eco-friendly alternative to rice.



## Promoting interest in e-mobility

How can associates be encouraged to think about and use eco-friendly forms of mobility? Since October 2014, Bosch Belgium has done this by giving associates the opportunity to try out eBikes and electric cars. Associates in Anderlecht can now use the new shared electric vehicle for short trips and test eBikes for their commutes to work. The charging station that opened in August 2014 provides the energy needed for low-emission driving.





# Smart *and multi-talented*



They save lives by correcting human error. They also help save energy and make our jam-packed everyday lives more comfortable. MEMS sensors are the sensory organs of vehicles, smart phones, and household appliances. They are a key technology for the connected world. Thanks to continuous research and development, Bosch has contributed to making the smart technology available to the masses. In so doing, the company has contributed to the development of economic capital that helps ensure quality of life. As a result, everyday activities such as cooking, heating, or driving are becoming safer and more sustainable.

MEMS stands for micro-electromechanical systems. The intelligent technology measures physical parameters such as pressure, humidity, or temperature and transmits the data collected via the Internet, for instance to a user's smart phone. In so doing, the sensors create a connection between the real and virtual worlds. With the help of sensors, objects can detect their environments and react to changes. For example, a lighting system can turn itself off

when a sensor notices that no one is in the building. At a plant nursery, a smart socket makes sure that the watering system can turn itself on and off, depending on the soil's humidity. And when it comes to reducing energy consumption in residential buildings, offices, or factories, MEMS sensors are increasingly being used. In 2014, Bosch produced a total of one billion units of the smart helper, and is global market leader in the field of sensor technology.





### Safe travels

The technology experienced its first breakthrough in the automotive industry of the 1990s. Since then, tiny sensors just a few millimeters in size have measured pressure and acceleration. One of them is the SMI700, which is at the core of the ESP anti-skid system that Bosch launched in 1995. The sensor continuously monitors whether the vehicle is traveling in the same direction that the driver is steering. When this is not the case, it tells the system to reduce engine power or make individual wheels decelerate. According to Bosch accident research, ESP has prevented some 190,000 accidents since it was launched, and the technology has saved 6,000 lives. Since November 1, 2014, the anti-skid system has been mandatory in all newly registered vehicles in the EU.

In addition, since last year ACC adaptive cruise control has been ready for series production in small and large vehicle classes. The system is based on a radar sensor that monitors traffic in front of the car. Drawing on the data it gathers, it can then adapt the vehicle's speed to the flow of traffic by braking or accelerating automatically. This makes it possible to effectively avoid rear-end collisions. The technology is also eco-friendly: thanks to the predictive, steady driving style that ACC enables, heavy braking can be avoided, and this helps reduce the vehicle's fuel consumption by up to five percent.

### Heading toward a smart future

The sensors must be able to meet high demands: they must have a long service life despite being in constant use, and they have to be energy efficient. Over the past 20 years, Bosch has pushed the further development of the smart helpers forward with its own intensive research and development activities. In the area of MEMS sensors alone, Bosch currently holds more than 1,000 patents and patent applications. And as the number of applications has grown,

production costs have continuously decreased. Not only are many of the microchips produced at the site in Reutlingen, Germany, suitable for a broad range of applications; they are also enabling the Internet of Things, which is set to be the next technological revolution. In January 2015, Bosch presented a number of connected solutions for smart homes at the CES consumer trade fair in Las Vegas. The company displayed technologies that will make life more comfortable and sustainable in the future, among them an oven that automatically determines optimal cooking time. This not only helps ensure the perfect Sunday roast, it also guarantees the most efficient use of heating energy.

**More information on our sensors can be found [here](#)**

## Key figures 2014

**Patents and patent applications in the area of MEMS sensors**

**— more than 1,000 —**

**Number of MEMS sensors in a modern vehicle**

**— more than 50 —**

**Number of associates around the world who develop driver assistance and vehicle safety systems**

**— more than 5,000 —**

**Share of sales generated with environmental and safety products in 2014**

**— 40 percent —**







# Project portfolio



## A generation of lightweight solutions

Smaller, lighter, more affordable: it is with these requirements in mind that Bosch engineers have made further improvements to the ESP anti-skid system. Today, the processing of a hydraulic block produces 40 fewer grams of aluminum chips, a 16 percent decrease compared with the previous model. This will save up to 700 tons of aluminum chips in the production of ESP safety systems over the course of one year, which represents a 13,700-ton reduction in CO<sub>2</sub> emissions. Moreover, producing smaller ESP units requires 20 percent less energy.

## Four in one

At the beginning of 2015, Bosch presented a first with the BME680. The environmental sensor, which is three by three millimeters in size, measures four physical parameters: air pressure, humidity, temperature, and indoor air quality. This makes a number of new applications possible. Combined with the right technology, this sensor could monitor air quality in conference rooms and production shops, for instance. Moreover, the sensor is capable of providing personalized weather information, which will enable the efficient control of heating systems in the connected house of the future.



## Smart savings

Smart grids in which power prices change on an hourly basis are already widespread in Sweden. With the help of the Bosch IVT Anywhere app, the owners of internet-enabled heat pumps can now take full advantage of smart grids. The app makes it possible to operate heat pumps whenever electricity prices are especially low. With intelligent solutions such as this one, Bosch is helping make renewable sources of energy attractive for a growing number of people.



Human capital

## The asset *of diversity*



We are all different, and all our differences matter: this was the message of the first global Bosch Diversity Day, which was held in June 2014. With an open working culture that embraces diversity, Bosch not only attracts highly qualified graduates, it also promotes the health and motivation of its associates – the company’s “human capital”. With their broad ranging knowledge and experience, the women and men who work at Bosch can help find solutions to the complex challenges of the future. And by applying their skills, associates contribute to the development of solutions that enhance quality of life.

By the end of the day, there were barely any white spots left on the oversized world map that was hanging at the Mobility Solutions business sector’s headquarters in Farmington Hills, Michigan. On the occasion of Bosch Diversity Day, the location’s associates placed colorful stickers all over the map to show where they were born, where they had been, and where they would like to go. As a result,

colleagues that had little contact in their day-to-day work engaged in conversation and found out more about their company’s multicultural workforce. The same day, Bosch associates 15,000 kilometers away in Singapore played a game of diversity bingo. At a total of eight stations, there were stamps for associates who showed their translation or music skills, or their knowledge of different cultures.







Farmington Hills and Singapore were just two of the 200 locations that took part in the first global Bosch Diversity Day on June 24, 2014. Around the world, there were workshops, discussions, and other events that focused on the topic of diversity. The event gave associates around the globe an opportunity to think about the different aspects of diversity, and to question their own stereotypes and opinions. For Bosch, this critical questioning is decisive, as the wealth of experience, perspectives, and approaches within the company are central to understanding different customers and markets. Studies have found that the best results are the product of mixed teams comprising men and women of different ages as well as people of different backgrounds. Associates at Power Tools in Hangzhou, China, put this idea to the test on Diversity Day: in mixed teams of women and men of different ages, they came up with concepts for new tools, from multifunctional devices to a range of childproofed tools.

#### **Flexible and family-friendly**

In 2011, Bosch launched a diversity initiative that focuses on equal opportunities for men and women, as well as for associates of all ages. It also promotes a flexible working culture and internationality. Among other things, the initiative encourages diversity at Bosch by calling for the establishment of the right conditions. One result of this is the Mindset Organization Executives (MORE) project, over the course of which more than 1,000 executives in a number of Bosch countries put flexible working models to the test. In addition, the company has made its family-friendly corporate culture part of its global guiding principles. In so doing, Bosch acknowledges not only that

management tasks can be carried out on a part-time basis, the company also understands the importance of supporting its associates when they face special family challenges, including caring for loved ones. Today, Bosch even recognizes family leave as a career building block comparable to a foreign assignment. Diversity at the company is also expressed through international associate networks such as family@bosch, the Africa-network cam@bosch, women@bosch, and 50plus@bosch. Many of these networks have been active for a number of years already, and they see to it that the concerns of the company's diverse workforce are heard around the world. Associates will have another opportunity to express themselves at the next global Bosch Diversity Day on May 21, 2015 – which coincides with the UN's World Day for Cultural Diversity.

**More information on the Bosch definition of diversity can be found [here](#)**

### **Key figures 2014**

**Number of nationalities in the Bosch workforce**

— **more than 150** —

**Share of local executives at Bosch locations worldwide**

— **80 to 90 percent** —

**Share of female executives at Bosch**

— **12.9 percent** —

**Number of associate networks that help shape diversity at Bosch**

— **10** —





# Project portfolio



## Lunch roulette in Reutlingen

Thanks to a new initiative, associates on their lunch breaks were encouraged to talk about something other than their current work projects between mouthfuls of food. On November 11, 2014, associates at the Bosch site in Reutlingen were set up for a blind date with a colleague. The aim of the diversity initiative was to promote conversations about internationality, work/life balance, and the Bosch working culture. Associates were invited to sign up beforehand based on their area of interest, and were then paired up with like-minded colleagues.

## From Weert to the world

Production specialists from Weert, the Netherlands, recently had the opportunity to gather impressions from places as far away as Goa, Chengdu, and Alphaville. The center of competence for packaging technology supports Bosch sites around the world. For this reason, the Weert location declared Bosch Diversity Day a day of international cooperation. Associates at the site's restaurant organized an informative photo exhibit that was presented by colleagues with international experience. And international delicacies were served that day – from German sausages to chicken curry.



## The diversity puzzle: Putting the pieces together

Over the course of Bosch Diversity Day, the offices at the Bosch location in Istanbul, Turkey, became increasingly bright as associates tested their knowledge in a diversity quiz and were awarded colorful t-shirts and pieces of puzzles. After the quiz, associates put the puzzle together, talked about diversity, and anxiously awaited the arrival of the day's special guest. The Turkish actor Sunay Akin, who is well-known for his humorous stories on historical events, was on hand to talk about his own experience with diversity.





## Local *commitment*



At Bosch, our special ownership structure means that economic success and social commitment are closely interlinked. The company's profitability is the basis of Robert Bosch Stiftung's non-profit activities. What is more, Bosch has contributed to increasing social capital for decades through its commitment to promoting well-being in communities close to its locations around the globe. Associates worldwide volunteer their time to strengthen social collaboration onsite and beyond. In so doing, they help ensure the quality of life of future generations.

At Bosch, there are many reasons for associates to volunteer in their free time. Those who contribute their skills to promoting social well-being support the aim of maintaining a healthy society, and this reflects Bosch values. At the same time, volunteering allows associates to broaden their horizons, strengthen team spirit, and come up with creative solutions. It also enables them to enhance their

own skills and help secure the company's innovative strength. This is why there are initiatives at almost all Bosch locations that encourage associates to volunteer. In Germany, for instance, development programs for up-and-coming executives include providing active support and good ideas for a project carried out by a local social organization.





The Primavera – Hilfe für Kinder in Not e.V. success story shows just how much can be accomplished when associates join forces. The initiative was founded in 1990 when associates at the Bosch site in Curitiba, Brazil, began helping disadvantaged children who lived in favelas close by. In 2014, Primavera had about 880 members. From the very beginning, the aim of the initiative has been to give young people the education they need to live an independent life. Today, Bosch associates and their former colleagues volunteer for some 30 projects in 12 countries. Their work reflects the wishes of company founder Robert Bosch, who was also committed to promoting education over the course of his life.

### A solid foundation

Strengthening local communities is another focus of volunteer work at Bosch. In 2014, thousands of Bosch associates around the world took part in regional aid projects. For instance, associates from the Power Tools division spent a week volunteering to help reconstruct buildings in Cebu, an island in the Philippines that was badly affected by a typhoon. Together with Habitat for Humanity, they helped prepare the ground for twelve new houses and provided much-needed professional power tools. This made it possible to prepare the ground in just two hours, a task that would have taken about two weeks if common shovels and picks had been used. By the end of 2014, Bosch associates in the Philippines had also helped build six multi-purpose halls, three schools, and three libraries. For the past six years, Bosch associates have been helping people in China's Sichuan Province to help themselves. Following an earthquake in 2008, local farmers there not

only lost their houses, but also their livelihoods. With the aim of providing the region's children a promising future, Bosch Group and associate donations funded the construction of Musu Bosch Central Primary School. Today, six hundred children are being taught in six grades in the earthquake-proof building. However, many families cannot afford to send their children to school. To help them, volunteers have launched the One-on-One Education Assistance project, which sees Bosch associates sponsoring individual children to continue their schooling. By the end of 2014, 300 Bosch China associates were involved in the project, enabling 218 students to complete the schooling they need for future occupational training.

**More information on volunteering at Bosch can be found [here](#)**

## Key figures 2014

**Bosch Group donations to charitable initiatives**  
**— 12.6 million euros —**

**Donations made to Primavera – Hilfe für Kinder in Not e.V.**  
**— 654,278 euros —**

**Sponsorship volume of Robert Bosch Stiftung**  
**— 68.2 million euros —**

**Annual internal and external projects at Robert Bosch Stiftung**  
**— around 800 —**







# Project portfolio



## Ten years of working for a promising future

In Brazil, Instituto Robert Bosch supports education and training projects in communities close to Bosch sites. The foundation also helps Bosch associates find projects they can volunteer for. One such project is Formare, which celebrated its tenth anniversary in 2014. The initiative aims to provide disadvantaged youth the education they need to prepare for occupational training. Bosch associates conduct some of the seminars. Last year, associates volunteered more than 6,000 hours of their time for charitable initiatives.

## Green space for city kids

At the Bosch location in Bari, Italy, associates have joined forces to promote their region's well-being. Their efforts are based on a social charter that defines the focus and aims of their charitable activities. In 2014, Green Kids was one of the resulting projects. Together with schoolchildren, teachers, and parents, volunteer helpers held planting days at public daycare centers in the region. In so doing, they helped sensitize even the smallest of children to environmental issues. 64 Bosch associates and another 100 children and grown-ups took part in the project, which attracted considerable local media attention.



## Help for Kumbalgodu

The residents of Kumbalgodu, a village close to the southern Indian metropolis of Bangalore, live in poverty with insufficient state aid. In 2014, Bosch associates from the Thermotechnology plant close by volunteered to improve living conditions in the community. In a first step, they planted 150 saplings to make the barren environment greener. Next, they installed ten solar lamps that not only continuously provided light, but also made the villagers more independent from a patchy energy supply.



# Looking back at 2014

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## ***Successful diversity management in China and Spain***

In order to support female associates achieve their career goals, Bosch has developed special mentoring and training programs around the world. In Germany, the Girls' Campus is one of several initiatives that offer girls the opportunity to take a behind-the-scenes look at the global provider of technology and services. Bosch aims to increase the share of women in management positions to 20 percent around the world by 2020. China and Spain are pioneers in this regard. At Bosch China, 23 percent of executives are women. In Spain, the figure is 21 percent.

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## **May**

### ***An Oscar for up-and-coming engineers***



In the spring of 2014, 141 up-and-coming engineers submitted a total of 54 projects for the annual "Invented for life" prize. The award, which is presented by Bosch Austria, aims to encourage young graduates of the country's secondary technical

schools to put their knowledge into practice. Among other things, the winners of the "HTL Oscars" have the opportunity to complete a six-month internship at Bosch.

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## **June**

### ***Bosch associates in Korea support people in need***



Twenty years ago, the Bosch executive Park Ducksu decided to donate part of his salary to people in need. Together with a colleague, he founded the "Love and Happy Plus" initiative. Today, 446 out of 606 associates at the Bosch plant in Buyong are taking part in the initiative. In June 2014, they were honored by the Korean health minister for their commitment to sustainable development.

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## **September**

### ***UWC Robert Bosch College opens in Freiburg***

The first and only United World College in Germany, UWC Robert Bosch College, opened in September. With the help of innovative

teaching concepts, 200 senior high school students from 70 countries are completing their international baccalaureate. Environmental topics are a central part of the college's curriculum. Robert Bosch Stiftung and Robert Bosch GmbH contributed more than 40 million euros for the school's construction.

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## **October**

### ***Brazil wears pink***



In the spirit of the American Cancer Society's Pink October, last fall Bosch associates at the Campinas, Curitiba, Joinville, Atibaia, and Pomerode locations actively took part in a breast cancer prevention initiative. To initiate dialog, the associates organized a number of actions, including selfie contests and information events. In addition, many associates wore pink to work.

**For more information,  
please visit [csr.bosch.com](http://csr.bosch.com)**

# Activities – *an overview*

Robert Bosch GmbH has been a member of the United Nations Global Compact since 2004, and is committed to this initiative's ten global principles in the areas of human rights, working standards, environmental protection, and the fight against corruption. The following table provides an overview of the progress made in the 2014 reporting period in relation to these ten principles of responsible corporate governance.

Principle	Basis/goals	Actions	Results
<b>Human rights</b> <ul style="list-style-type: none"> <li>• Principle 1: Support and respect human rights</li> <li>• Principle 2: No complicity in human rights abuses</li> </ul>	<b>Corporate objective:</b> 1,000 supplier audits by the end of 2020  Code of Business Conduct  Basic principles of social responsibility at Bosch  Bosch purchasing guidelines  Mission statement "We are Bosch"	<b>Supply chains:</b> Conducting environmental and occupational safety audits and auditing supplier portfolios  <b>Bosch Global Supplier Award:</b> Awarding the best suppliers  <b>Purchasing guidelines:</b> Imposing sanctions on suppliers	367 audits conducted since 2010   Award is given out every two years and will be again awarded in 2015  Suppliers have made improvements where needed; until now, sanctions solely due to sustainability issues have not been necessary
<b>Working standards</b> <ul style="list-style-type: none"> <li>• Principle 3: Uphold freedom of association</li> <li>• Principle 4: Elimination of all forms of forced and compulsory labor</li> <li>• Principle 5: Abolition of child labor</li> <li>• Principle 6: Elimination of discrimination</li> </ul>	<b>Corporate objective:</b> Women to fill 20 percent of management positions by 2020  Bosch Human Resources System (BHS)  Guidelines for a flexible and family-friendly work culture  Mission statement "We are Bosch"	<b>Diversity management:</b> Group-wide programs to promote diversity and attract the best staff have been continued and expanded   <b>Senior experts program:</b> Former Bosch associates support the company as expert advisors after they retire, and thus continue to feel valued on a professional level  <b>Cultural consultants:</b> Bosch associates act as experts for intercultural cooperation and advise colleagues who are going abroad  <b>Committed associates:</b> Bosch associates founded "Primavera – Hilfe für Kinder in Not e.V." in 1990; the aid organization aims to promote education for disadvantaged children in developing countries around the world  <b>Foundations around the world:</b> The national companies are committed to social well-being in the regions, and there are four international Bosch Group foundations in Brazil, China, India, and the US	<ul style="list-style-type: none"> <li>• In 2014, the share of female executives stood at 12.9 percent</li> <li>• China has already reached a 23 percent share of women in management positions; in Spain, the figure is 21 percent</li> <li>• In Germany, one in four apprentices is female</li> <li>• First international "Bosch Diversity Day" at more than 200 participating locations</li> <li>• 2,200 foreign assignments per year</li> <li>• Senior experts work around 50,000 days per year</li> <li>• Number of retirees who work as senior experts: 1,600</li> </ul> At present, there are some 200 cultural consultants at Bosch  <ul style="list-style-type: none"> <li>• Donation volume of more than 650,000 euros in 2014</li> <li>• Up to now, 880 members and some 30 projects in 12 developing and emerging countries</li> <li>• More than 8 million euros in donations since the organization was established</li> </ul> In 2014, the Bosch Group donated a total of 12.6 million euros



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<b>Environmental protection</b> <ul style="list-style-type: none"> <li>• Principle 7: Precautionary environmental protection</li> <li>• Principle 8: Initiatives to promote greater environmental responsibility</li> <li>• Principle 9: Development and distribution of environmentally-friendly technologies</li> </ul>	<p><b>Corporate objective:</b> Cut relative CO<sub>2</sub> emissions by 20 percent by 2020</p> <p>Guidelines for occupational safety and environmental protection</p> <p>Bosch Product Engineering System (BES)</p> <p>Bosch Production System (BPS)</p> <p>Design for Environment (DfE)</p> <p>Mission statement "We are Bosch"</p>	<p><b>CO<sub>2</sub> reduction:</b> Targeted reduction of relative CO<sub>2</sub> emissions at production locations around the world</p> <p><b>Sustainable research and development:</b> Continuous investment in the further development of products that conserve resources and protect the environment</p> <p><b>ISO 14001:</b> Bosch locations certified with this international environmental management system standard</p> <p><b>Climate-friendly locations:</b> Many locations have made progress with regard to climate protection thanks to energy-efficient technology</p> <p><b>Energy efficiency Wiki:</b> Especially successful concepts are shared via a Bosch-wide Wiki</p> <p><b>Model factory:</b> Bosch is working toward the energy-saving factory of the future in industrial and research partnerships</p> <p><b>Technology for the energy turnaround:</b> Megawatt and hybrid batteries are being developed that will enable the integration of renewable sources of energy</p>	<ul style="list-style-type: none"> <li>• Relative CO<sub>2</sub> emissions have been reduced by 19.9 percent compared to 2007</li> <li>• Absolute reduction to 2.5 million tons (-3.3 percent) compared to 2007</li> <li>• Environmental/Safety portfolio makes up 40 percent of Bosch Group sales</li> <li>• In 2014, nearly 55 percent of Group-wide R&amp;D expenditure went toward sustainable products</li> <li>• 4,593 patents were filed around the world</li> </ul> <p>All production and development sites have implemented the management system, just under 200 of them have thus far been certified</p> <p>As a result of efficient technologies and the use of renewable sources of energy, the annual CO<sub>2</sub> emissions of the following locations were significantly reduced, among other things: Reutlingen (10,000 tons), Schweinfurt (2,500 tons), Nurnberg (1,800 tons), Schwieberdingen (1,600 tons), Rodez (600 tons)</p> <ul style="list-style-type: none"> <li>• The current examples for energy reduction include topics such as lighting, compressed air, heating, cooling, electric current, or other forms of energy</li> <li>• When buying new machinery, purchasing takes the energy efficiency targets that have been set out in writing into account</li> <li>• Bosch took part in the state-funded "Energy-efficient factory for interdisciplinary technical and applied research" at Darmstadt Technical University</li> <li>• The aim is to reduce energy consumption in industrial production. The parties involved see energy savings potential of up to 40 percent</li> <li>• The foundation stone for the energy-efficient model factory was laid in 2014</li> </ul> <p>Europe's largest hybrid battery went into operation with the aim of optimizing the use of power generated at the Braderup wind park in Germany</p>

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<b>Fighting corruption</b> <ul style="list-style-type: none"> <li>• Principle 10: Work against corruption</li> </ul>	Member of Transparency International e. V. (since 1995)  Member of the Forum Compliance & Integrity (since 2007)  Code of Business Conduct  Mission statement "We are Bosch"	<b>Whistleblower portal:</b> A portal in which internal and external stakeholders can report breaches of compliance (abidance to the legal and internal regulations of business activities)  <b>Compliance training:</b> Active awareness raising	Associates (including interns and PhD students), externals (e.g. temporary workers, employees of external service providers), business parties (e.g. suppliers, clients or cooperation partners), and other third parties can report breaches of compliance  Mandatory compliance training includes lessons on Code of Business Conduct, product liability, anti-trust laws, and export controls

#### Further key principles for sustainable activities in the Bosch Group:

"We are Bosch": Objective, motivation, strategic focal points, strengths and values

In 2010, an office, expert committee, and steering committee were founded. These bodies have since been responsible for the efficient implementation of all of the Group's sustainability-related activities.

#### Scope of reporting

The validity of information is specified in the relevant text, key figures, or targets. This report presents a summary of current activities from the whole area of sustainability in the Bosch Group, excluding the former joint venture companies BSH Bosch und Siemens Hausgeräte GmbH (now: BSH Hausgeräte GmbH), and ZF Lenksysteme GmbH (now: Robert Bosch Automotive Steering GmbH) that have been taken over in the meantime. It therefore serves as a progress report as part of the Group's membership of the UN Global Compact.

#### Reporting period

The reporting period covers January 2014 to spring 2015. The cut-off date for key figures is December 31, 2014. The editorial deadline was April 1, 2015.

#### Memberships (examples)

United Nations Global Compact (2004), B.A.U.M. (1990), Transparency International (1995), econsense (2000, founding member), Global Reporting Initiative (2006, organizational stakeholder), Forum Compliance & Integrity (2007)

# Key figures 2014



CO <sub>2</sub> emissions absolute	2.5 million metric tons	–3.3% over 2007
Energy consumption	6,102 gigawatt hours	–9% over 2007
Waste volume	471,639 metric tons	–9.5% over 2007
Water consumption	17.2 million cubic meters	–0.9% over 2007
Ongoing environmental protection costs	104.9 million euros	–0.9% over 2007
Environmental protection investments	36.5 million euros	+72.5% over 2007



## Patent applications

**4,593**

## Environmental/Safety portfolio

**40%**

Share of Group sales

**55%**

Share of R&D expenditure



23

## Number of associates

**290,183**

### Training days

663,000 +13.9% over 2007

### Training participants

515,000 +24.7% over 2007

### Training expenditure

200 million euros –9.1% over 2007

## Voluntary resignation

**5.9%**

+25.5% over 2007

## Days lost due to accidents

**23,533**

–38.7% over 2007

## Number of accidents

**1,664**

–43.8% over 2007



## Bosch Group donations to charitable causes

**12.6**

million euros

## Regional involvement

Bosch Community Fund (Farmington Hills, USA) **3.0 million euros**

Bosch China Charity Center (Shanghai, China) **1.4 million euros**

Instituto Robert Bosch (Campinas, Brazil) **1.0 million euros**

Bosch India Foundation (Bangalore, India) **0.3 million euros**

Sponsorship volume of  
Robert Bosch Stiftung GmbH

**68.2** million euros

for **800** projects



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**Additional information on the company and sustainability at Bosch is available here:**

[bosch.com](https://www.bosch.com)

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Cover picture:

Bosch produces radar sensors in Reutlingen, Germany. They are at the core of many high-performing driver assistance systems.



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