Dear Ms. Balbin,

Ladies and Gentlemen,

Answering to your letter from 12 March 2021, let me first express that we appreciate your engagement on addressing the importance of human rights worldwide. We would like to thank you for acknowledging our efforts and activities in the field of human rights and integrity. The topics, which you have addressed in your letter, are important for Bosch and we closely follow the current developments.

Bosch is committed to fair working conditions and respect for human rights. We are constantly working on human rights’ due diligences in-line with the UN Guiding Principles on Business and Human Rights. In the “Basic principles of social responsibility at Bosch” we commit us, among other things, to complying with human rights, equal opportunities, fair working conditions, and global standards in occupational health and safety. The 11 principles are based on the core labor standards of the International Labour Organization (ILO) as well as the ten principles of the United Nations Global Compact (UNGCo). Bosch is active in more than 60 countries around the world, in some for more than 100 years. Our value-based corporate culture applies at all our sites worldwide. We do not tolerate forced labor neither at our own sites nor at our suppliers.

We describe these binding requirements also to our suppliers in our Terms and Conditions of Purchase and in our Code of Conduct for Business
Partners. In addition, the Code of Conduct for Business Partners stipulates that our suppliers pass these requirements on to their sub-suppliers.

Moreover, on-site inspections are an essential component in the assessment of our suppliers. CSR quick scans are based on a checklist of specific criteria relating to environmental protection, occupational health and safety, and human rights. Similarly, CSR drill-deep assessments are used mainly in potentially high-risk regions or industries, or when there are any specific indications of impropriety. To assess the regional risk propensity, we refer, among other things, to the United Nations Human Development Index and a corruption index.

If misconduct to our sustainability standards is suspected, associates as well as business partners and other third parties can submit a report through our whistleblower system. The compliance organization investigates all reports without delay and involves other experts in individual cases. Tip-offs are systematically followed up on. In the event of deviations, the same procedures apply as for irregularities identified in the course of inspections. If a supplier is in breach of our sustainability requirements, we seek to remedy the issue together with the supplier and take appropriate precautions for the future— if necessary, by disclosing their supply chain. If the development measures are unsuccessful and the supplier repeatedly breaches our requirements or legal provisions, Bosch reserves the right to terminate the business relationship. If verified information of a possible breach of our principles should come to your knowledge, we are always open to pursue such relevant information.

At Bosch, it is not only the associates in the purchasing department who receive regular training on sustainability issues. We also offer our suppliers in all regions training opportunities and assist them in meeting our requirements with respect to environmental protection, as well as for social challenges, such as respecting rights at work. CSR training is mandatory for the respective purchasing associates. Suppliers are offered web-based training on the topic of sustainability that they can access at any time via the supplier platform. If up-to-date risks come to our knowledge, potentially affected colleagues are informed to increase the awareness.
Considering the outlined situation, we are observing the developments closely. As a company, we have no own sites in the region, do not directly deliver parts to customers and do not source materials nor components from direct suppliers in the region.

Finally, human rights form one of our six fundamental dimensions in our target vision “New Dimensions. Sustainability 2025”. In our new sustainability report, which is published on sustainability.bosch.com, we explain in detail how we approach this dimension through due diligences on human rights including risk analyses and related measures.

Considering the aforesaid we believe having shown our best efforts to answer your letter in these important matters.

Yours sincerely,