Press release

Bosch honors its suppliers' endeavors for sustainability

Acting sustainably in concert for the benefit of society

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- Forty-six suppliers worldwide honored for excellence
- New award category recognizes endeavors to promote sustainability
- CO2 emissions to be considered when awarding contracts: first concepts to be tried out in 2022
- Purchasing volume in 2021 slightly above the previous year's level
- Bosch CFO Stefan Asenkerschbaumer: "Climate-conscious action is a common bond between Bosch and its suppliers."

Stuttgart, Germany – As it continues to pursue its sustainability strategy, Bosch has decided to recognize commitment to sustainability among its roughly 23,000 suppliers worldwide. For the first time, this year's international Bosch Supplier Awards include an honor in this category. Announcing the award winners, Prof. Stefan Asenkerschbaumer, CFO and deputy chairman of the board of management of Robert Bosch GmbH, said: "With a current purchasing volume of 35 billion euros, Bosch's responsibility in the global supply chain extends far beyond the factory gates. Together with our suppliers, we assume social responsibility, which also means striving to achieve a high level of sustainability." For Bosch, the award is also an expression of partnership and long-term cooperation with its suppliers and service providers. Forty-six companies from 16 countries received one of the coveted Bosch Global Supplier Awards for their exceptional performance in various categories. The jury recognized Infineon, Salesforce, and Steelcase for their climate action programs.

Sustainable supply chains: spotlight on climate action

With its 400 locations worldwide, Bosch has been climate neutral since the first quarter of 2020. In close cooperation with its global supplier network, Bosch wants to go one step further, and aims for a 15 percent reduction in its upstream and downstream CO_2 emissions along its entire value chain by 2030. "Climate

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action is a collective task shared by industry, politics, and society," Asenkerschbaumer says. "Climate-conscious action is a common bond between Bosch and its suppliers." In the future, the company will make aspects such as CO_2 emissions or CO_2 ratings a criterion for awarding new contracts. "We plan to put some initial ideas into practice more broadly as of 2022," the CFO says.

Electrification and green hydrogen: opportunities for suppliers

Bosch is focusing above all on electrification and hydrogen technology, for example in mobility and heating, in order to turn technological and environmental upheaval into new business opportunities. "Global efforts to combat climate change are boosting electrification and green hydrogen," Asenkerschbaumer says. As for the associated business opportunities, he sees suppliers as important partners for Bosch: "Our suppliers and service providers play a crucial role in many technical innovations that ultimately help improve quality of life and conserve natural resources."

Robustness: disruptions also affecting supply chains

At Bosch, partnering with regional and local suppliers ensures a high degree of robustness and availability in the supply chain. According to Asenkerschbaumer, this strategy has once again proved invaluable in crises such as the coronavirus pandemic and the current market bottlenecks. Nevertheless, companies and their suppliers worldwide need to prepare early for changes in the event of ongoing supply chain disruptions. "At Bosch, we're well prepared for this. We essentially take a decentralized approach by manufacturing locally in our customers' countries and relying on a standardized global manufacturing network." In light of the challenging business year, the CFO expects purchasing volumes in 2021 to be only slightly above the previous year's level.

Sustainability: award winners in the new category

In this new category, Bosch honors its suppliers's endeavors to promote sustainability. The criteria it applies are strict. "To kick things off, we focused on climate action programs," said Dr. Arne Flemming, head of supply chain management at Bosch. "To make the shortlist, our suppliers had to demonstrate excellent overall performance as well as an A or B rating in the prestigious Carbon Disclosure Project." Next, a jury of procurement and sustainability experts evaluated criteria such as the transparency of a company's carbon emissions, its reduction targets for the years up to 2030, and its contribution to Bosch's CO_2 targets.

This year, the semiconductor manufacturer Infineon, the software company Salesforce, and the office furniture manufacturer Steelcase are the recipients of the first-ever Bosch Sustainability Award. Infineon qualified through its many

years of voluntary activities to reduce CO_2 in production as well as its comprehensive corporate strategy with ambitious sustainability goals. Salesforce impressed with its exclusive use of renewable energy starting in 2022 as well as with the CO_2 reduction targets it has set its own supplier base. Among other things, Steelcase won over the jury with its integrated approach to CO_2 reduction – from the selection of sustainable materials to their reuse.

17th Bosch Global Supplier Awards: honoring the best suppliers

Across the globe, some 37,000 Bosch associates work in purchasing and logistics; they keep around 240 manufacturing plants supplied with parts and raw materials every day. The supplier of technology and services regularly honors the best of its suppliers from around the world with the Bosch Global Supplier Award. Award winners are recognized for outstanding performance in the manufacture and supply of raw materials, products, and services. A panel of judges evaluated the finalists in the categories of Purchasing of indirect materials and services, Raw materials and components, Purchasing of direct materials (by business sector), and a special Sustainability category. Bosch has been presenting these awards to honor supplier excellence every two years since 1987, and they are highly regarded in the industry. This year, due to the pandemic, the awards will be given individually.

A complete list of the winners is available here.

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The Bosch Group is a leading global supplier of technology and services. It employs roughly 395,000 associates worldwide (as of December 31, 2020). The company generated sales of 71.5 billion euros in 2020. Its operations are divided into four business sectors: Mobility Solutions, Industrial Technology, Consumer Goods, and Energy and Building Technology. As a leading IoT provider, Bosch offers innovative solutions for smart homes, Industry 4.0, and connected mobility. Bosch is pursuing a vision of mobility that is sustainable, safe, and exciting. It uses its expertise in sensor technology, software, and services, as well as its own IoT cloud, to offer its customers connected, cross-domain solutions from a single source. The Bosch Group's strategic objective is to facilitate connected living with products and solutions that either contain artificial intelligence (AI) or have been developed or manufactured with its help. Bosch improves quality of life worldwide with products and services that are innovative and spark enthusiasm. In short, Bosch creates technology that is "Invented for life." The Bosch Group comprises Robert Bosch GmbH and its roughly 440 subsidiary and regional companies in some 60 countries. Including sales and service partners, Bosch's global manufacturing, engineering, and sales network covers nearly every country in the world. With its more than 400 locations worldwide, the Bosch Group has been carbon neutral since the first quarter of 2020. The basis for the company's future growth is its innovative strength. At 129 locations across the globe, Bosch employs some 73,000 associates in research and development, of which nearly 34,000 are software engineers.

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, an industrial trust. The entrepreneurial ownership functions are carried out by the trust.

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