

Current press statement on recent changes at Bosch Mobility



Measures that aim to close the cost gap at Bosch Mobility – further job cuts unavoidable

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The economic environment, which has already been under great pressure for some time, as well as the market conditions for Bosch Mobility have recently become even more challenging. The global vehicle market continues to see subdued development. The lack of a regulatory framework is making it difficult to establish new technologies, such as hydrogen. Moreover, the market penetration of emerging technologies such as electromobility and automated driving is also experiencing considerable delays and demand in Bosch's sales markets is shifting extensively to regions outside Europe. Added to this are the ongoing structural changes and very high price and competitive pressures in the global automotive industry. At the same time, in this challenging market environment, Bosch Mobility also has to make very substantial investments in its future and finance these largely from its own resources. As already communicated, all this is resulting in an annual cost gap of around 2.5 billion euros worldwide in our Mobility business.

Bosch intends to take various measures using all levers to reduce costs at all levels as quickly as possible in order to close the cost gap in the near future. The company sees great potential to reduce costs by achieving productivity gains through the use of artificial intelligence in manufacturing and engineering, reducing material and equipment costs, reducing capital expenditure, and making logistics and global supply chains more efficient. In addition, structural and personnel adjustment measures are unavoidable – the company anticipates a further reduction of around 13,000 jobs, particularly at its Mobility locations in Germany. The time frames for the necessary adjustments vary and extend until the end of 2030.

For some time now, the sharp decline in demand has meant there is significant overcapacity in administration and sales as well as in development and production. "We urgently need to work on our competitiveness in the Mobility business and continue to permanently reduce our costs. We are using many levers to achieve this. Regrettably, we will not be able to avoid further job cuts beyond those already communicated. This hurts us greatly, but unfortunately there is no alternative," says Stefan Grosch, member of the Bosch board of management and director of industrial relations. In Europe and Germany in

particular, Bosch's comparatively strong presence makes it impossible to maintain its current high headcount. The Power Solutions and Electrified Motion divisions, with their locations in Feuerbach, Schwieberdingen, and Waiblingen in the greater Stuttgart area as well as Bühl and Homburg, are particularly affected. Jobs are also to be cut in Bosch's corporate functions as well as in the Mobility business's administration, sales, and subsidiaries. Nevertheless, Bosch is clearly committed to Germany as an industrial location, as Grosch says: "Germany is and will remain central to Bosch, also in terms of the number of associates. However, we need to position ourselves more efficiently in order to hold our own in the face of tough competition around the world. Increased competitiveness is a prerequisite for securing orders in Germany, and thus also headcount in the country."

Bosch is planning particularly far-reaching adjustments at the following locations:

- In **Feuerbach**, this will affect development, sales, and administration as well as the Power Solutions plant for powertrain components. In addition to the stagnating automotive market, there is a significant impact from the worldwide decline in the proportion of diesel, which accounts for a majority of the current products at the plant. Moreover, demand for the hydrogen technology products commercialized in recent years is too low as a result of considerable delays to the ramp-up of the hydrogen market in Europe. This has led to underutilization of production capacity and an overall workforce overcapacity at the site. Some 3,500 jobs are to be cut here by the end of 2030, including around 1,500 at the plant.
- In **Schwieberdingen**, the Power Solutions, Electrified Motion, and Mobility Electronics divisions based there are to cut around 1,750 jobs in sales, purchasing, administration, and development by the end of 2030. In particular, the negative development of the order situation and the slow ramp-up of emerging technologies are increasing the pressure to adjust the divisions' costs, and thus their structures, to the changed conditions.
- At the **Waiblingen** location, the company plans to phase out production for connector technology, which currently employs around 560 people, by the end of 2028. The plant mainly produces connectors based on thermoplastic and silicone rubber for the global automotive industry. Production volumes and headcount have been declining for many years, meaning the plant is no longer competitive. The subsidiaries Bosch Healthcare Solutions GmbH and Bosch Industrial Additive Manufacturing, both located at the Waiblingen site, are not affected by the planned measure.
- At the **Bühl/Bühlertal** location, where Bosch develops, commercializes, and manufactures electric drives for low voltage applications for European automakers, the company anticipates that around 1,550 jobs will need to be

cut by the end of 2030. This affects sales, purchasing, and administrative functions as well as development and manufacturing.

- At the **Homburg** location, Bosch plans to cut around 1,250 jobs by the end of 2030 and largely consolidate the operational activities of the Power Solutions division in the eastern part of the plant. The aim is to leverage synergies and reduce structures. Here too, the stagnating automotive market and the worldwide decline in the proportion of diesel vehicles – including in the plant's dominant commercial vehicle business – are having a significant impact, as is the considerable delay in the ramp-up of the hydrogen market in Europe.

Bosch has presented the necessary measures and personnel adjustments to the employee representatives, and it has also informed its associates. Grosch says this about the planned implementation: “Even though we face an urgent need for action, we stand by the agreements we have reached with our employee representatives. Together with them, we want to quickly discuss the necessary measures at the individual sites and agree on solutions that are as socially acceptable as possible. The time pressure is considerable. Delays will only further exacerbate the situation.” The company plans to begin discussions with the employee representatives responsible at the individual locations immediately.

Dr. Markus Heyn quotes:

“Geopolitical developments and trade barriers such as tariffs lead to considerable uncertainty – and this is something that we, like all companies, have to deal with. We can expect to face even more intense competition. That's why we're aiming to seize growth opportunities wherever possible and make sure our Mobility locations worldwide remain viable.”

“I'm convinced that Bosch Mobility can prevail in the highly competitive global market. But we have to pave the way for this now and use our own resources to secure our competitiveness, as time is pressing.

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