

Modern Slavery Statement 2020

Robert Bosch (Australia) Pty Ltd, ACN 004 315 628

Introduction

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. 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.”

Bosch has had a presence in Australia since 1907, opening its first wholly owned subsidiary, Robert Bosch (Australia) Pty Ltd (**Robert Bosch Australia**) in 1954. Our headquarters and technical centre are located in Clayton, Victoria.

Robert Bosch Australia is committed to improving our practices and driving out any acts of modern slavery and human trafficking that may exist within our supply chains. We acknowledge the requirement to act in accordance with the Commonwealth *Modern Slavery Act 2018* (the **Act**) and will ensure transparency within our organisation and with our suppliers of goods and services.

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our Code of Business Conduct reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to guard against slavery and human trafficking from taking place anywhere in our supply chains.



Reporting Entities

Robert Bosch Australia is a reporting entity under the Act and agrees to abide by the requirements of the Act and this statement. Bosch Automotive Service Solutions Pty Ltd is a wholly owned subsidiary of Robert Bosch Australia, and while not a reporting entity under the Act, it acts in accordance with the same values and principles toward the topic of modern slavery as Robert Bosch Australia. Its directors recognise that its practices in this area are in line with those outlined in this statement for Robert Bosch Australia.

Separate statements are being lodged by related bodies corporate of Robert Bosch Australia, which are reporting entities under the Act, namely Bosch Rexroth Pty Ltd and BSH Home Appliances Pty Ltd.

Both Robert Bosch Australia and Bosch Automotive Service Solutions are headquartered in Clayton, Victoria. Robert Bosch Australia currently employs 736 employees, and Bosch Automotive Service Solutions employs 39 employees as at June 2021.

Social Responsibility at Bosch

Globally, Bosch will not work with any suppliers who have demonstrably and repeatedly failed to comply with basic International Labour Organization (ILO) standards.

The assumption of responsibility for society and future generations has a long tradition at Bosch. In the early days of the company, Robert Bosch himself pioneered the launch of welfare programs for associates and their families; in non-business areas, too, he played an active philanthropic role. Today, the Robert Bosch Foundation promotes health care, international understanding, welfare, education and training, art, culture, and science.

Robert Bosch GmbH is a current signatory to the [UN Global Compact](#) and has been for many years. Bosch is also a member of the Responsible Minerals Initiative (RMI) and requires the compliance of its suppliers with the [Bosch Group Policy for Conflict Raw Materials](#).

Combining the pursuit of economic objectives with consideration for social and environmental factors is a priority at Bosch. We accept that our actions must accord with the interests of society. Above all else, we design our products and services in the interests of the safety of people, the economic use of resources, and environmental sustainability.

The following are links to Bosch's latest [Global Sustainability Report](#) for 2020, and the [Basic Principles of Social Responsibility](#) at Bosch.

In this statement the Directors of Robert Bosch Australia affirm their commitment to common principles of social responsibility and requirements held within the Act.

Operations and Supply Chains

Robert Bosch Australia sources products and materials from around the world. Over 60% of our products and materials come from Bosch facilities in countries outside of Australia. Many products and materials come from Australia, Germany and Japan.

Within Australia, Bosch's only manufacturing plant is dedicated to the production of automotive diodes and is located at the Clayton site. All other products / materials are sourced externally.

Robert Bosch Australia deals with a large volume of direct and indirect suppliers, supply partners and organisations. All such organisations are required to comply with our [Code of Conduct for Business Partners](#).

As at December 2020, in relation to Robert Bosch Australia:

- 93 direct* suppliers;

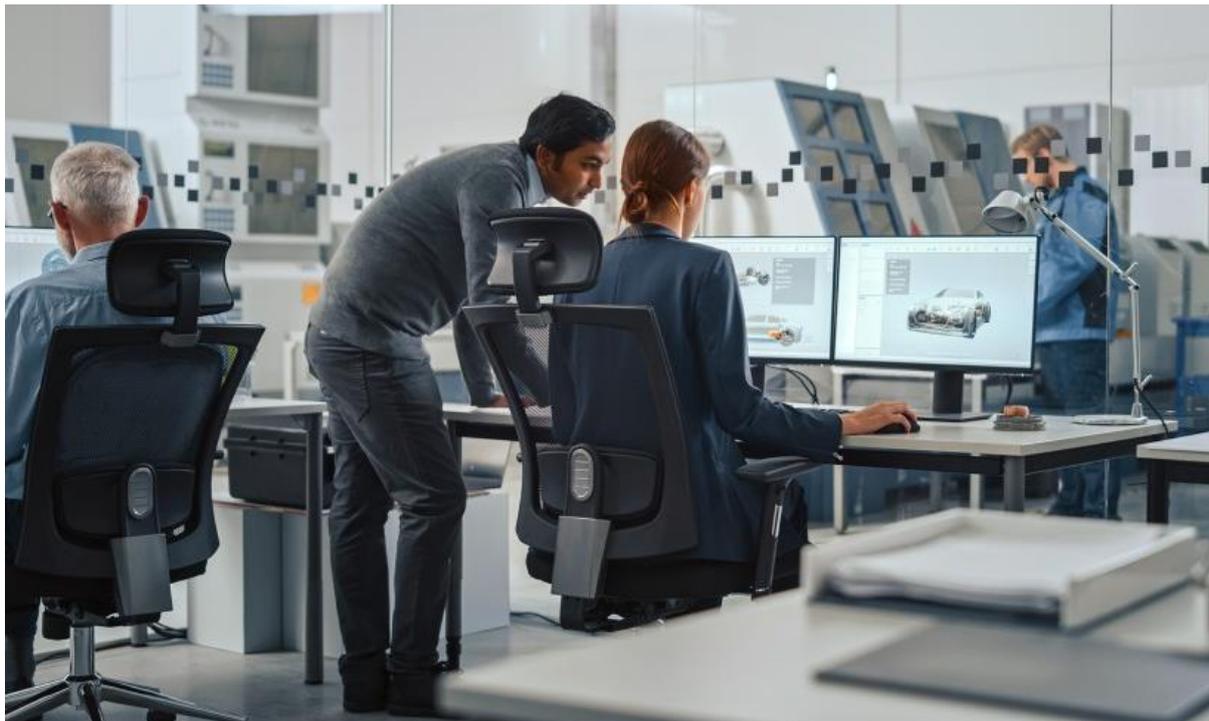
- 400 indirect* suppliers;
- AUD\$32,468,000 of goods from direct suppliers;
- AUD\$33,760,000 of goods from indirect suppliers; and
- Top three (3) supplier countries:
 - Australia
 - Germany
 - Japan

*Direct supplier – Purchased material

*Indirect supplier – Support items (e.g. labour hire, marketing, plant, transport)

Our suppliers and supply chain fall into the following broad general categories:

- Transport and Logistics
- Electrical manufacturing
- Facilities management
- Internet of Things (IOT) technology
- Automotive aftermarket
- Power tools
- Electric drive chain technology
- Automotive electronic safety features
- Engineering



Modern Slavery Risks

Robert Bosch Australia, in line with the global Bosch Group, has several ways it reviews sustainability and modern slavery risks within its processes and supply chains. These include:

1. Corporate Social Responsibility Quick Audits
2. Corporate Social Responsibility Drill Deep Assessments
3. Corporate Social Responsibility Database
4. “Drum Cussac” country risk analysis
5. Whistleblower policy and hotline

6. Global Business Partner Screening
7. Quarterly compliance reporting to Board
8. Monthly compliance reporting to central compliance unit
9. Global Corruption Risk Assessment
10. Mandatory Compliance Training

Via a combination of these risk analysis tools, Robert Bosch Australia has a database of all direct and indirect suppliers including conflict mineral risks, audit status, risk profile, and identification of low performing suppliers.

As such, we have identified the following as our high-risk exposures:

- Mining and procurement of manufacturing minerals
- Supply of materials and goods from high risk countries – India, Mexico, South East Asia, South America

Robert Bosch Australia's direct risk of modern slavery is by our assessment low. We recognise, however, that we may be inadvertently exposed to such risks.

Actions Taken to Mitigate Modern Slavery Risks

Compliance Meetings

Every quarter, Robert Bosch Australia conducts an internal compliance meeting covering a wide range of topics, including those relating to modern slavery and supply chain. Select senior personnel from within the organisation attend these meetings. The core group is as follows:

- Head of Legal (General Counsel)
- Central Compliance Manager
- Central Human Resources Manager / Compliance Manager
- Central Safety and Security Manager
- Data Security Manager
- Chief Financial Officer

Each meeting includes selected guests to provide further detailed information on specific topics, these people differ from meeting to meeting and may include (but are not limited to) the following:

- Regional President
- Business unit Head of Business
- Purchasing
- Facilities Management
- Site Safety
- Site Security

From 2021, Modern Slavery is to be a formal standing item within the agenda. It was an informal topic during 2020. A review of the Corporate Social Responsibility database will be undertaken throughout 2021.

Corporate Social Responsibility Quick Audits

These audits are designed to provide a snapshot into our third-party contractors, suppliers and other external parties engaged by Robert Bosch Australia.

Audits are conducted for all suppliers and contractors who derive more than AUD\$100,000 from Robert Bosch Australia within a financial year.

These assessments are completed on-site wherever possible (covid-19 restrictions made this significantly more difficult during 2020) and include visual observations. These quick audits seek to collect information relating to the following:

- Modern Slavery
- Child Labour
- Health and Safety
- Security
- Environment

Internal Robert Bosch Australia employees who are responsible for the service / product or contract conduct these audits. Audits are provided to the Purchasing Department for review and inclusion within our database.

Should non-conformances be identified, an Action Schedule is provided to the service / product supplier for action. Only when resolved to the satisfaction of Robert Bosch Australia will the supplier then be engaged. The Regional Purchasing Manager oversees this process.

Should the non-conformance not be rectified, Robert Bosch Australia will not engage with this organisation.

Corporate Social Responsibility Drill Deep Assessments

In the event of an identified low performer, or should other flags related to the external supplier be identified, a 'deep drill assessment' must be conducted.

This deep drill assessment involves the previous audit criteria but increases the depth and breadth of the analysis.

Material / service providers who enter deep drill assessments cannot be utilised by Robert Bosch Australia until they have satisfied the requirements of the assessment and any consequent areas for concern.

These suppliers are flagged and not able to be engaged within our purchasing program.

All information from both audits is included within our Corporate Social Responsibility reporting within our region. This information is available to all senior management and those involved in the procurement and approval of suppliers.

Code of Business Conduct

Robert Bosch Australia's Code of Business Conduct is a mandatory training requirement for all employees of Robert Bosch Australia and Bosch Automotive Service Solutions.

This code covers all aspects of our Corporate Social Responsibilities, compliance, and organisational responsibilities.

All employees must complete this training at least once every two (2) years.

Whistleblower Policy

Robert Bosch Australia's whistleblower policy and compliance hotline allows all employees at all levels to raise issues relating to any matter anonymously. All information provided via this service is taken extremely seriously.

The Central Compliance and Central Security Managers investigate all whistleblower / compliance issues raised.

Global Business Partner Screening

The Global Business Partner Screening process cross references third party provided information relating to legal compliance breaches against Robert Bosch Australia's list of new and current business partners. Where a potential breach is identified, the Regional Compliance Manager is engaged to investigate the breach. Suppliers who are flagged with a potential breach are suspended until such an investigation is completed and any potential issues rectified.

Board Reporting

The president with responsibility for Oceania provides compliance summaries to the responsible member of the Bosch Board of Management on a regular basis.

Compliance Reporting

The Oceania Compliance manager provides a monthly report to the Central Compliance team in Germany on all compliance matters raised, including those from the whistleblower and Global Business Partner Screening systems.

“Drum Cussac”

This system provides country-by-country security information, risks, customs and identified issues. Whilst primarily utilised for travel security, it is now being more regularly used to review supplier countries to receive immediate and up to date information on recent issues.

Global Corruption Risk Assessment

Robert Bosch Australia conducts a Corruption Risk Assessment every two (2) years. The results of this assessment are provided to our central compliance division to provide insight on global risks to our organisation.

Compliance Training

Robert Bosch Australia conducts a number of compliance-based training sessions for staff. The following training is mandatory for those with roles relevant to the subject matter:

- Code of business conduct
- Dealing with classified information
- Anti-corruption
- Gifts and gratuities
- Product development code

- Product safety and liability
- Anti-trust law
- Export control

Effectiveness Reviews

All identified risks from the above are fully assessed on all occasions, with corrective actions developed, discussed, and appropriately disseminated.

All corrective actions are tracked to completion.

Audits of the effectiveness of all systems are conducted regularly.

Onsite effectiveness reviews are completed in selected suppliers.

This is monitored via the Robert Bosch Australia Compliance Group, finance and purchasing teams.

Consultation and Communication

During our quarterly compliance team meetings, the team (which includes a cross section of senior leaders from across the business) assesses and identifies companywide compliance topics, including modern slavery risks and mitigation measures, and works toward continuous improvement across all organisational divisions.

In addition to this process and introduced as part of our Code of Business Conduct training is our “Compliance Dialogue”.

Compliance Dialogue is where all managers and employees, at least quarterly, discuss compliance matters, risks, and risk mitigations within their working teams. This dialogue includes review and discussion of modern slavery for relevant personnel, and several other topical compliance matters.

The compliance dialogue is a vital component to ensuring that these topics remain “front of mind” for all Robert Bosch Australia personnel.

At least annually, our Bosch Automotive Service Solutions division head of business will be included in a quarterly compliance review to discuss relevant topics including modern slavery and ensure Bosch Automotive Service Solutions staff compliance dialogues include modern slavery topics where required. This process will be commenced during the 2021 year.

Conclusion

Robert Bosch Australia, in line with the global Bosch organisation, is dedicated to enhancing our Corporate Social Responsibility. As a group we have invested heavily in information systems and practices to ensure we set the standard in how a modern organisation should act locally and globally.

The information contained within this statement demonstrates our commitment to the elimination of modern slavery and criminal work practices, and our desire to have Corporate Social Responsibility at the forefront of all our operations.

Declaration

This statement is made in accordance with the *Modern Slavery Act* (Cth) (2018) and is accurate and correct as at the time of submission. This statement represents reporting for the period 1 January – 31 December 2020.

Gavin Smith
Director

Nicole Sharman
Director

This statement was approved by the board of Robert Bosch (Australia) Pty Ltd on 29 June 2021.