

Modern Slavery Statement 2020
Bosch Rexroth Pty Ltd - ABN 89 003 258 384

Introduction

The Bosch Group is a leading global supplier of Industrial and Factory Automation products. We are part of the Robert BOSCH Group which has roughly 395,000 employees across our offices worldwide (as of December 31, 2020), Bosch Rexroth generated sales of 71.5 billion euros in 2020 (roughly 144 million Australian Dollars). 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”.

At Bosch Rexroth Pty Ltd we provide our clients with safe, efficient, intelligent and powerful solutions for factory automation, mobile applications, machinery applications and engineering. The talent of the Bosch Rexroth team is always working on how to take hold of the future and constantly innovate in a safe and effective manner whilst providing our employees with a safe and enjoyable work experience.

Bosch Rexroth is committed to improving our practices and driving out acts of modern slavery and human trafficking from within our business and from 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

Bosch Rexroth is a reporting entity under the Act and agrees to abide by the requirements of the Act and this statement.

Our headquarters are located at Kings Park, NSW and employs 285 employees.

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 Robert 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” - [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 Rexroth. We accept that our actions must accord with the interests of society. Above all else, we place 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 - [Sustainability Report 2020](#), and the [Basic Principles of Social Responsibility](#) at Bosch.

In this statement the Board of Management of Bosch Rexroth, affirm their commitment to common principles of social responsibility and requirements held within the Act.

Operations and Supply Chains

Bosch Rexroth sources products and materials from around the world. In excess of 50% of our products and materials come from Bosch facilities in countries outside of Australia.

The majority of products and materials come from Germany, China and India.

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

- 56 Intercompany Suppliers
- 852 Third Party Suppliers
- Supplier countries as at 29th June 2021:
 - Germany
 - China
 - India

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

Page 3 of 6

- Hydraulics
- Automation
- Accumulators
- Cylinders
- Fluid Connectors
- Transport and Logistics
- Electrical components
- Facilities management
- Internet of Things (IOT) technology
- Automotive aftermarket
- Engineering
- Fittings and Valves
- Metal Fabrication

Modern Slavery Risks

Bosch Rexroth, in line with the global Robert Bosch Group, has a number of 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

Via a combination of these risk analysis tools, Bosch Rexroth 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

Bosch Rexroth 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, Bosch Rexroth conducts an internal compliance meeting covering a wide range of topics, including those relating to modern slavery and supply chain. These meeting are attended by select senior personnel from within the organisation. The core group is as follows:

- Managing Director
- Sales and Service Director AU and NZ
- Operations Director AU and NZ
- Human Resources Manager
- Controlling Manager

From 2021, Modern Slavery is to be a formal standing item within the agenda. It was an informal topic during 2020.

Page 4 of 6

A review of the Corporate Social Responsibility database will be undertaken throughout 2021.

Code of Business Conduct

Robert Bosch's Code of Business Conduct is a mandatory training requirement for all employees of Bosch Rexroth.

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.

All whistleblower / compliance issues raised are investigated by the Central Compliance and Central Security Managers.

"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.

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 company-wide 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 whereby 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 a number of other topical compliance matters.

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

What Bosch Rexroth will do in 2021- 2022

Although Bosch Rexroth already has measures in place to help address modern slavery, it understands that more needs to be done. Moving forward, Bosch Rexroth will take the following actions:

- establish a ‘Modern Slavery Working Group’ by 30 September 2021
- establish a detailed schedule for supplier assessment to ensure modern slavery due diligence activities occur as planned and on time;
- roll-out its Modern Slavery Questionnaire to main suppliers by 31 December 2022;
- include Bosch Rexroth Code of conduct as a Schedule to all applicable template agreements by 31 December 2022;
- develop and include modern slavery clauses in all applicable template agreements by 31 December 2022;
- **Implement the process of 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 Bosch Rexroth.
 - Audits are conducted for all suppliers and contractors who derive more than AUD\$100,000 from Bosch Rexroth within a financial year.
 - These assessments are completed on-site wherever possible (covid-19 restrictions made this significantly more difficult) and include visual observations. These quick audits seek to collect information relating to the following:
 - Modern Slavery
 - Child Labour
 - Health and Safety
 - Security
 - Environment
 - These audits are conducted by internal Bosch Rexroth employees who are responsible for the service / product or contract. 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 Bosch Rexroth will the supplier then be engaged. This process is overseen by the National Supply Chain Manager.

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

- **Implement the process of 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 into deep drill assessments cannot be utilised by Bosch Rexroth 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.**

Conclusion

Bosch Rexroth, in line with the global Bosch organisation, is dedicated to enhancing our Corporate Social Responsibility. We have invested heavily globally 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.

This statement was approved by the board of Bosch Rexroth Pty Ltd on 2 August 2021.

Ronald Suurd
Director
Bosch Rexroth Pty Ltd

3 August 2021