

B/S/H/

consistently responsible

Group Sustainability Report 2014



About this report

BSH Hausgeräte GmbH has been reporting annually to its stakeholders on how it implements its sustainable corporate strategy since 1992. The group was founded in 1967 as a joint venture between Robert Bosch GmbH (Stuttgart) and Siemens AG (Munich). Since the beginning of 2015, BSH exclusively belongs to the Bosch Group. This report covers all BSH sites around the world and presents events, developments and environmental and employee-related key performance indicators for the financial year 2014. The final deadline for contributions to this report was April 24, 2015. This report follows the Global Reporting Initiative guidelines (GRI G3). It also serves as BSH's progress report in relation to the UN Global Compact. A clear summary of our progress in implementing the Global Compact's principles is available at:

For more information about BSH and its brands, see the 2014 Group Annual Report or visit: www.bsh-group.com

www.bsh-group.com → What we stand for → Responsibility → Global Compact



Selected awards in 2014 and 2015



“Nationale Innovatie- en Duurzaamheidsprijs Wonen” (National Innovation and Sustainability Award for Living), Netherlands



“Energy Star® Sustained Excellence Award”, USA



The Top Employers Institute's “Top Employer Europe Award”



“Plant Maintenance Award” for environmental protection, Poland



“Outstanding Contribution Award” for customer service, China



“Best Home Appliance Brand Award”, United Kingdom

BSH worldwide



● Group headquarters
 ● Subsidiaries/sites
 Factories:
 ■ Cooking
 ■ Refrigeration/freezing
 ■ Dishwashing
 ■ Washing/drying
 ■ Consumer products
 ■ Motors/pumps

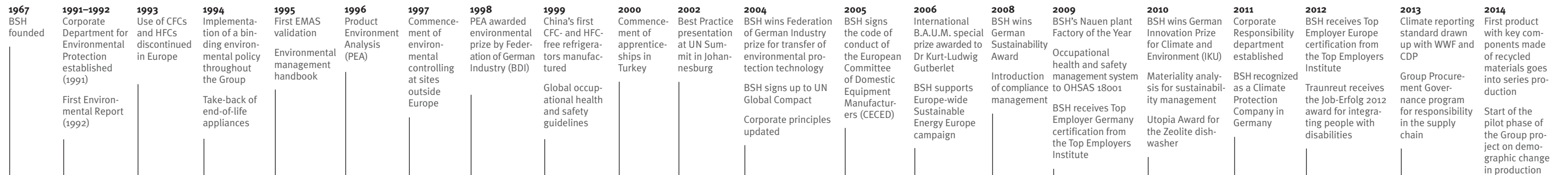
As of April 2015

Sites certified according to ISO 14001

China	Wuxi Chuzhou (2) Nanjing	France	Lipsheim	Spain	Esquiroz La Cartuja Montañana Santander Vitoria
		Greece	Athens		
		India	Chennai		
Germany	Bad Neustadt* Bretten* Dillingen* Giengen* Nauen* Traunreut*	Peru	Callao (Lima)	Turkey	Çerkezköy*
		Poland	Lodz (2)	USA	New Bern LaFollette
		Russia	St. Petersburg		
		Slovakia	Michalovce		
		Slovenia	Nazarje		

* Sites whose energy management systems have been additionally certified to ISO 50001
 The site in Rzeszów (Poland) is being certified to ISO 14001 in 2015.
 As of April 2015

Milestones 1967–2014



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Innovative products and technologies and a keen focus on consumers' needs have made BSH one of the world's leading manufacturers of home appliances. At the same time, we are constantly seeking to improve in order to adapt to changing demands. By networking home appliances, we are opening up totally new possibilities to our consumers, at the same time considering that their data is handled responsibly. They can also depend on our commitment to environmental and social issues: We are constantly reducing the energy consumption of our appliances and also intend to increase the proportion of material that can be recycled. We verify compliance with human rights and environmental standards throughout our supply chain by conducting audits.

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From left to right: Dr. Michael Schöllhorn, Johannes Närger, Dr. Karsten Ottenberg and Matthias Ginthum

Dear Reader,

The extraordinary success story of BSH over a period of nearly 50 years is the result of a sustainable, values-based approach to business – and of continuously adopting a responsible stance. Innovation, strong brands and a keen focus on our consumers have made us what we are today: the market leader in Europe and number three in the world. In 2014, we were able to increase our revenue to 11.4 billion euros, while employing around 53,000 employees worldwide.

Staying flexible and staying agile – that's the challenge we have to rise to. After all, markets, trends and technologies are in a process of constant change, as are consumers' expectations of BSH's products and services. Our strategic approach establishes a platform that will allow us to achieve the next milestone in our success story: revenue of 20 billion euros by 2025.

Combining consistency and stability with flexibility and agility will remain the foundation of our success, as it always has been.

This requires us to constantly bear in mind the environmental and social consequences of our activities as well as business aspects and to take appropriate action. BSH's 23rd sustainability report shows how we do that and is based on the international guidelines of the Global Reporting Initiative (GRI).

Values-based management forms the basis of our corporate culture, and compliance is an established element throughout our entire value chain. Consequently, we further improved our governance-risk-compliance-model last year and ensured it was firmly enshrined throughout the BSH group. With this foundation in

place, we then expanded our social compliance program. In this way, we want to ensure that all our suppliers adhere to standards with regard to working conditions and environmental protection.

Given the depletion of vital natural resources and the growing stresses to which our ecosystem is subjected, we are constantly on the lookout for new solutions in order to minimize the environmental impact of our products and manufacturing processes.

The digital revolution offers us great opportunities. After all, networked home appliances quite simply make consumers' lives easier. But if we are to be successful as a home appliance manufacturer, our consumers have to feel they can trust us with their data. That's why we investigated their requirements in relation to networked home appliances last year in a large-scale study in Germany and Austria and published the results in our Consumer Data Trust Report. Our Home Connect app, which networks home appliances of different brands, meets stringent security requirements.

The world of work is also undergoing a transformation. Our corporate project on demographic change in production is designed to help achieve a balanced age structure in the workforce and establish future-oriented working conditions that take into account employees' age and health.

We hope this makes an interesting and informative read. We would be very interested to hear what you think about it, so please let us know by emailing us at corporate.communications@bshg.com.



Dr. Karsten Ottenberg
Chairman and CEO of BSH



Matthias Ginthum
Brand Management
and Sales



Johannes Närgel
Finance and
Labor Relations Director



Dr. Michael Schöllhorn
Production, Development
and Supply Chain

BSH in 2014 at a glance

On the growth path...



+8.4 %
sales*



705 million
euros earnings before
interest and taxes



3,335
new employees*



Around **58 million**
appliances manufactured

- Sales in 2014:
11.4 billion euros
- Third-largest home appliance
manufacturer in the world
- Number one in Europe

- Employees: around 53,000
- 43 factories in 13 countries
- Nearly 80 companies in
around 50 countries
- A new factory in Chennai (India)*

...with reduced resource consumption



-9 %
specific
CO₂ emissions
in manufacturing
and development*



-5.4 %
specific energy
consumption
of manufacturing
sites and adminis-
tration buildings*



BSH received the
Energy Efficiency
Award of the German
Energy Agency (dena)
for its resource excel-
lence program 2015.

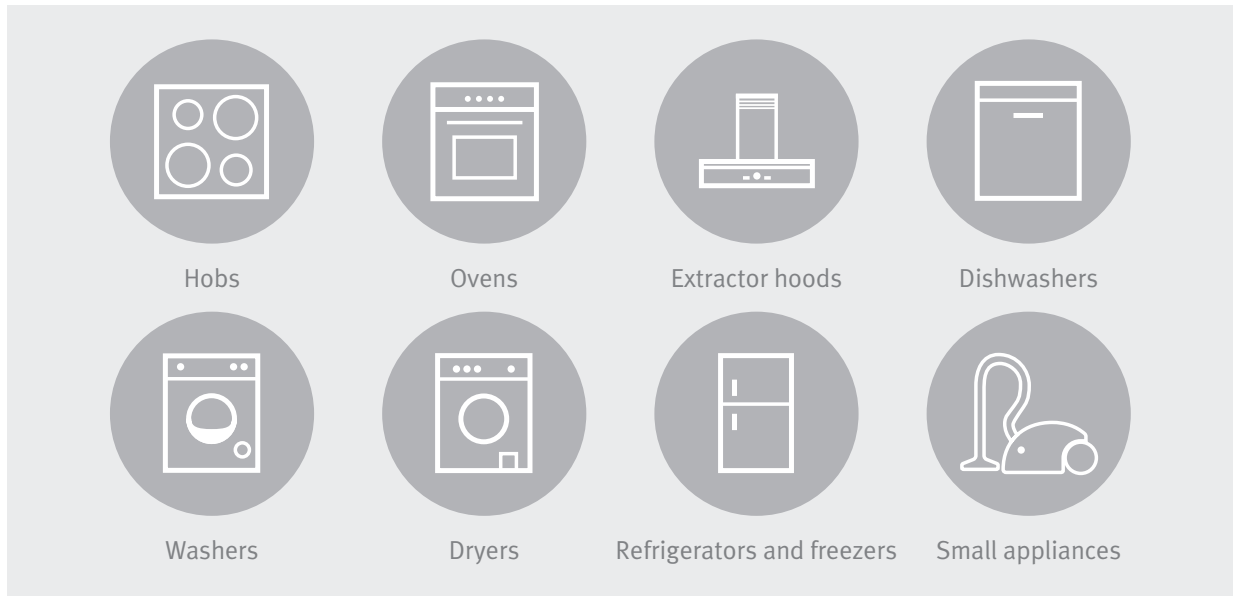
Target

By the end of 2015, BSH wants to
reduce the specific energy and water
consumption of its manufacturing sites
and administration buildings by

25 % compared to 2010.

* Compared to the reporting year 2013

Products and brands



373 million
euros for research
and development



In the year under review, BSH was the test winner 90 times in a total of 154 product tests conducted by independent European trade magazines.

Home appliances under the

Main brands



SIEMENS

Special brands

GAGGENAU



Thermador★

Constructa

viva

ufesa

JUNKER

zelmer

Regional brands



PITSOS

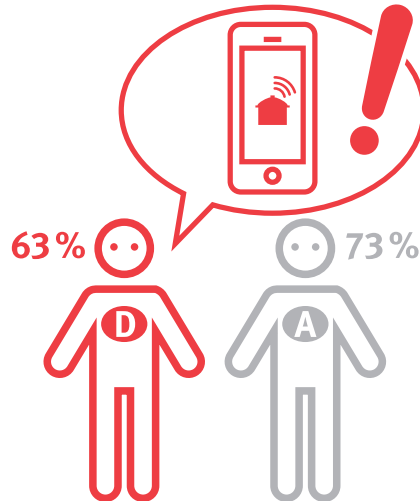
PROFILO

Coldex

Responsibility

...when it comes to digitization and consumers

63 percent of tablet and smartphone users surveyed in Germany are interested in app features for networked homes. In Austria that goes up to 73 percent.*



Over half the respondents in both Germany and Austria fear that more private data than necessary will be collected via networked home appliances.*



* BSH Consumer Data Trust Report 2014

In 2014, BSH launched the world's first brand- and appliance-independent app* for controlling home appliances.

* Data security confirmed by experts and verified by TÜV-TRUST-IT

Ovens

Extensive recipe database, tailored to the networked appliance and linked to suitable oven settings – and much more besides



Dishwashers

Remote and mobile control, including push notification at the end of the program, maintenance information – and much more besides



Coffee machines**

Presetting and personalization of your favorite coffee – and much more besides



Refrigerators**

A camera shows the contents of the refrigerator – and much more besides



Washing machines/dryers**

Information on energy management (water and power consumption for each program setting) – and much more besides



** Launches gradually

...among our employees

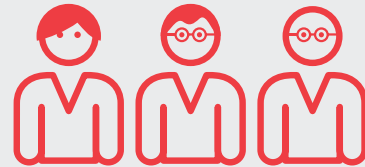


Orientation is provided by a clearly defined governance-risk-compliance-model and managers who act as role models.



Over **400** classroom and **22,000** online training sessions on compliance

World of work in the future:
The corporate project on demographic change in production provides best-practice approaches for different stages of life.



...throughout the value chain



All our **90,000** suppliers around the world have to accept the BSH Code of Conduct for suppliers.



BSH plans to have **200** existing suppliers of manufacturing materials around the world audited every year.



Governance, risk and compliance

••••• Growth with integrity

BSH realigned itself strategically in 2014 and set itself the ambitious target of increasing revenue to 20 billion euros by 2025. We aim to achieve this growth without impacting our environmental and social responsibilities. The values of BSH enshrined in our corporate principles and a clearly defined governance risk compliance model provide us with orientation here. Particularly in times of change, our managerial staff have to act as important role models if we are to be successful.

Integrated governance-risk-compliance-model

Reliability, fairness and integrity – in terms of how we deal with each other internally as well as with our business partners and consumers – are an integral element of our corporate principles and underpin our success over the long term. Whenever we operate, we aspire to act in accordance with applicable law. Clear structures, responsibilities and guidelines ensure compliance in all parts of the company and in all the company's processes. To this end, in 2013 and 2014, we developed an integrated governance-risk-compliance-model that is applicable throughout the BSH group. This allows us to monitor any risks associated with our business activities and work out what we have to change in terms of how we manage the business. The Corporate Compliance, Corporate Internal Audit and Corporate Risk Management/Internal Control System divisions are the direct responsibility of the Chairman and CEO.

Values-based leadership worldwide – Compliance Summit 2014

It is essential that consumers and employees have confidence in our company and our brands, and that is why we ensure that compliance is enshrined in all our business processes and deci-

sion-making. In order to further ingrain this, the BSH Board of Management discussed the compliance strategy with the group's top 100 executives worldwide at the Compliance Summit, which was held for the first time in 2014. The delegates discussed how compliance is perceived today in the company, the tools that have become effectively established and the processes that could be further improved.

Our values-based leadership approach was central to this – because compliance cannot be successful unless a company's executives make it an integral part of everyday business. They act as role models, helping staff to do the right thing and to identify with the BSH Business Conduct Guidelines. Practice-oriented presentations on compliance in sales, for example, illustrated the interplay between our values and business processes, taking into account revenue-, competition-, brand- and image-related aspects.

At the Compliance Summit in 2014, the Board of Management stressed the objective of establishing a corporate culture in which compliance is an integral element of the value chain. Compliance with legal and workplace rules and regulations is an essential element of our value system and forms the foundation on which all our business decisions are taken. Only in this way can we instill lasting confidence in our company and thus secure international growth.



Compliance – established throughout the BSH Group

The realignment of BSH strengthens the regional companies and thus requires local and regional compliance structures to be adjusted. Since 2014, a regional compliance officer has been responsible for each of the five BSH regions – Europe, North America, Turkey/Middle East/Africa/CIS, Greater China and Asia Pacific. In addition, full-time compliance officers have been appointed in subregions. Furthermore, all subsidiaries have compliance officers for all local issues. They all report to Corporate Compliance at corporate headquarters and work together closely. Employees who want to report an infringement can contact the Lawyer of Trust in confidence or even anonymously, where appropriate, or use the IT-based whistleblower system (“Trust and Tell”).

Need-based compliance training

When our staff are faced with difficult decisions in their sphere of activity, we want them to ask: Is my decision consistent with our values and internal standards? Is it lawful? Their managers are their role models and points of contact for these questions. By means of guidelines and need-based training, we give our staff tools that allow them to better identify difficult situations and respond to them in the right way. The compliance training program developed for this purpose was further expanded throughout the group in 2014. It offers various targeted training modules depending on the activities and associated risk profiles of the employees. In 2014, almost 22,000 web-based training sessions and over 400 actual face-to-face training sessions were delivered.

Systematic risk assessment

Risk officers in all BSH companies help Corporate Risk Management implement standardized risk assessment throughout the whole group. The head of each organizational unit bears responsibility for managing that unit’s risks. On the basis of a regularly reviewed general catalog of risks, we record all the specific risks involved in our business activities. These include strategic, legal and regulatory issues as well as compliance, tax, sustainability and reputational aspects. Country-specific risks are taken into account as well as product-, production- and sales-related risks. The catalog assists with risk identification and also serves as the basis for the creation of risk maps throughout the group. Web-based information and focused workshops and training sessions ensure that our risk management strategy is implemented. The Risk Management Committee, which comprises two Board of Management members and the corporate department heads, meets every six months.

Responsible decision-making

It helps our staff with their decision-making if they ask the following questions:



If our staff are not certain about at least one of the questions, they should ask their line manager or the Compliance department for help.



Stakeholder engagement

••••• Dialog for sustainable success

BSH views the dialog with interest groups as a prerequisite for sustainable success. Only by having an exchange can we hope to bring our growth strategy into line with the regulatory, social and ethical requirements of politics and society as a whole. In the political debate, we engage for sustainable development and a framework that is conducive to business.

Responsible lobbying

As a company with operations around the world, we represent our interests and opinions in national and European industry associations and in direct contact with policymakers. We also seek to have an exchange with environmental and consumer groups as well as non-governmental organizations. In addition, we play an active role internationally in bodies involved in setting technical regulations and standardization. We make a constructive and responsible contribution to the opinion-forming process of policymakers and society as a whole. To ensure that our activities in this area are consistent with our values and principles, all employees who represent BSH's interests must first complete compliance training.

Key areas in 2014

In 2014, we were again involved in the further development of the EU energy label. We endeavour for this important and well-established means of getting information across to consumers and retailers to be strengthened in the interest of providing consumers with clear information. In

order to be able to differentiate products more easily, we advocate focusing the rating system on energy efficiency and introducing an ambitious scale for the energy efficiency classes. The guideline gives us as a manufacturer a high level of planning security.

In the discussion of eco-design guidelines on the energy label for vacuum cleaners, we advocated adding information on cleaning performance. This information is an important criterion for consumers' purchasing decision.

To ensure that the label continues to enjoy broad acceptance in the future, we play an active part in industry bodies, such as the Board Committee on Environment, Energy and Climate of the Central Federation of the Electrical and Electronics Industry (ZVEI), but also in overarching organizations like the Federation of German Consumer Organizations (vzbv). At the European level, we conduct a dialog with consumer and environmental protection organizations such as the European Association for the Coordination of Consumer Representation in Standardisation (ANEC), the Bureau Européen des Unions de Consommateurs (BEUC), the European Environmental Bureau (EEB) and the European Environmental Citizens' Organisation for Standardisation (ECOS).

Committed to sustainability and protecting the climate

Since the start of 2014, BSH has been involved in the 2° Foundation, which is named after the world's most important climate protection objective: limiting the average rise in global temperatures to two degrees. The foundation is counting on companies to make a long-term commitment to the cause. Together with scientists, politicians and society as a whole, the foundation's supporters work on concrete, ambitious solutions that will protect the climate effectively and efficiently.

The Stiftung Neue Verantwortung (SNV) think tank serves as a platform for interdisciplinary, cross-sector thinking on the most important social issues and challenges of the 21st century. BSH CEO Dr. Karsten Ottenberg sits on the Advisory Board. The foundation's primary areas of focus include the European digital agenda, energy and resources.

In launching Home Connect, BSH has positioned itself as an innovative leader in networked home appliances, and that's why the company is also taking part in the public debate on digitization. Thus, BSH CEO Dr. Ottenberg attended an innovation forum at Goethe University Frankfurt and discussed with students the issue of "datability" and the associated innovations and responsibilities. The benefits of innovations and the responsibilities of companies when handling new technologies were considered, for example – particularly with regard to data protection and data security. (See the "Consumers and products" section, page 18.)

According to the German Federal Environment Agency (UBA), around 20 percent of Germany's greenhouse gas emissions are generated by manufacturing industry. The BSH site in Traunreut is thus involved in a pilot phase of a research project on manufacturing-related sustainability expertise (ProNaK) funded by the Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety. The aim is to tap the potential of the workforce and develop sustainability expertise in order to reduce CO₂ emissions in manufacturing industry and combat climate change. On account of its relatively high energy consumption and the significant potential for making savings, plastics manufacturing was selected for the pilot phase. The staff involved work out what action to take and evaluate the results in workshops. Initial savings have already been achieved.

Membership of important industry associations

- CECED – European Committee of Domestic Equipment Manufacturers
- ZVEI – German Electrical and Electronic Manufacturers' Association
- AMDEA – Association of Manufacturers of Domestic Appliances, UK
- AHAM – Association of Home Appliance Manufacturers, USA
- CHEAA – China Household Electrical Appliances Association, China
- EuropElectro – Representation of European Electrical and Electronics Industry, China

Participation in standards organizations

- IEC – International Electrotechnical Commission
- CENELEC – European Committee for Electrotechnical Standardization
- DIN – German Institute for Standardization

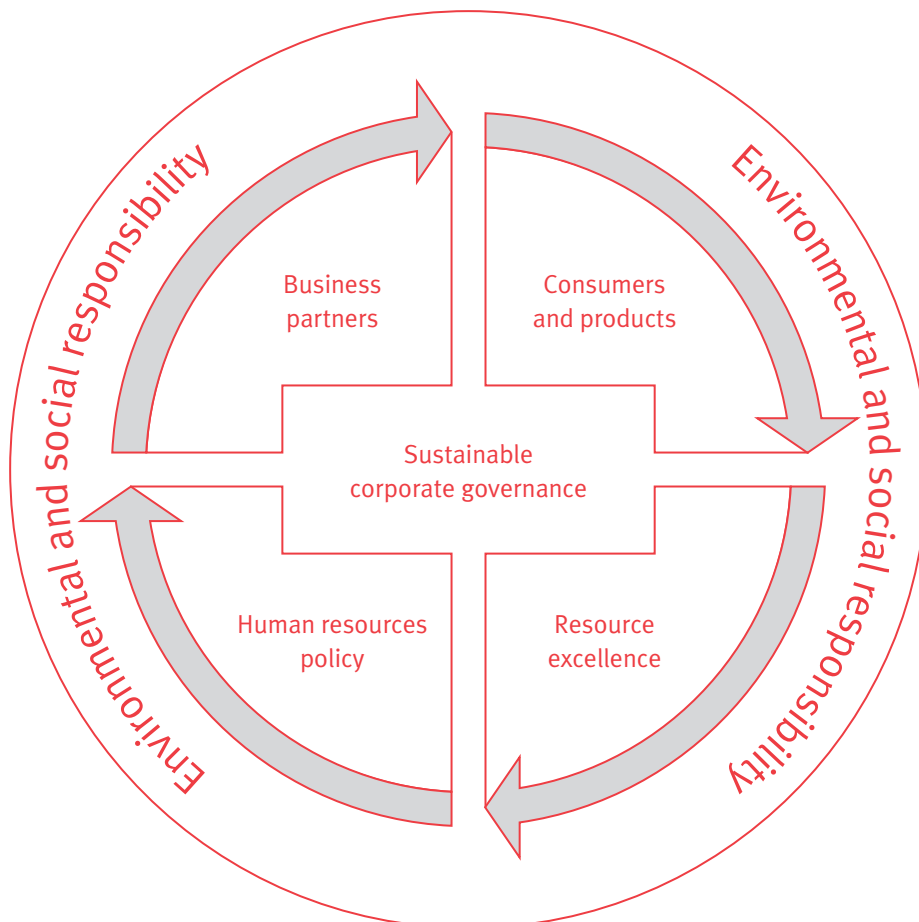
In 2002, BSH's Spanish subsidiary co-founded the business association Club de Excelencia de Sostenibilidad (Club of Sustainability Excellence), which is recognized by politicians and the public sector throughout Spain as a partner in dialog. We are involved in five working groups there in order to conduct an exchange about our experiences and best-practice projects. In addition, BSH Spain supported a cross-industry study in which 150 companies in the country were surveyed on the issue of sustainability and took part in a Spanish national congress on the environment over four days in 2014.

An exchange with suppliers

As well as being involved in associations and foundations, we attach great importance to having a systematic exchange with our suppliers: At our Supplier Day in October 2014, the BSH Board of Management met 30 of our most important suppliers to discuss the BSH growth strategy. In addition, the best suppliers were selected in six different categories. For the first time, compliance and environmental and social responsibility were taken into account as criteria in the assessment.

Fields of activity for corporate responsibility

We developed our sustainability strategy on the basis of the BSH corporate principles and a comprehensive survey of stakeholders. The areas of focus for our enterprise-wide sustainability activities are selected in four different fields of activity. These also determine the structure of this report. At the start of 2015, Corporate Responsibility was incorporated in the Public Affairs department. The Board of Management is kept informed on developments and progress in these fields of activity on a regular basis and takes this information into account in its decision-making.





Key areas in 2014

Resource excellence:

Completing the circle

Business partners:

Responsibility in the supply chain

Consumers and products:

Digital consumer protection

Human resources policy:

World of work in transition



Resource excellence

••••• Completing the circle

To contribute to sustainable development, BSH set itself the ambitious goal of decoupling growth from resource consumption. For years now, we have pioneered the efficient use of materials in manufacturing and the economical use of energy both in manufacturing and once the appliances are in the home. When it comes to material cycles, however, we are still faced with major challenges, in particular as far as plastics and their use as recycled materials are concerned.

The whole life cycle at a glance

If you look at environmental reporting, phasing out CFCs or energy-efficient appliances, it is clear that BSH has always been a pioneer in the industry in terms of environmental protection and lowering resource consumption. And we intend to continue to be a pioneer in the future. To systematically improve the environmental characteristics of our products, we put our faith in three key instruments: We have been using the Product Environment Analysis (PEA) in the development of new appliance generations since the end of the 1990s in order to improve environment-related aspects compared to the previous generation. We carry out a life-cycle assessment (LCA) to assess the environmental impact of our products in the different phases of their life cycles – from manufacturing to disposal. Our Design for Environment (DfE) approach takes effect already during the design of new products. The established Design for Environment working group is responsible for

the Group-wide implementation and further development of all aspects of product-related environmental protection.

Recycled materials – a multifaceted challenge

Given the stresses to which ecosystems are subjected and the increasing depletion of important resources, when designing our products we search for new ways of closing material cycles (see also the graphic). The aim is to increase the proportion of material that is recycled and also to increase the use of recycled materials when manufacturing new products. There are already established material cycles and cost-effective technologies available for the reuse of many materials, including steel, stainless steel, copper and aluminum. When it comes to plastics, on the other hand, we are still in the initial stages of development and are thus faced with multifaceted challenges.

Plastics obtained from recycling rarely have the same purity as new plastics. Moreover, the constant availability of high-quality material, a prerequisite for series production, can hardly be ensured. In addition, suppliers are not using mature technologies that allow the recycled materials to be produced economically.

Different approaches adopted by BSH

Nevertheless, BSH is currently examining how to replace primary plastics with recycled plastics throughout its entire product range. It is essential that the reused materials always meet the same high quality requirements. Up to now, we have only been using recycled post-industrial waste plastics. Recycled plastics from old appliances or other waste streams, known as post-consumer recycled plastics, are not yet suitable due to the wide variety of materials involved.

The market for plastic granules is still very limited in terms of the quantities, types and specifications available. BSH is therefore engaged in discussions with the German Federal Environment Agency, among others, about new ways to reuse materials and is working to develop economical, environmentally-friendly cross-industry solutions. We are also in talks with plastics suppliers, users of plastics in other industries and recyclers. This exchange as well as collaboration throughout the value chain will be decisive in helping to find sustainable solutions for the reuse of materials.

Pilot projects with recycling materials

BSH was able to start series production of a new vacuum cleaner model whose key components consist of recycled plastics in 2014. In a joint pro-

Disposal and recovery

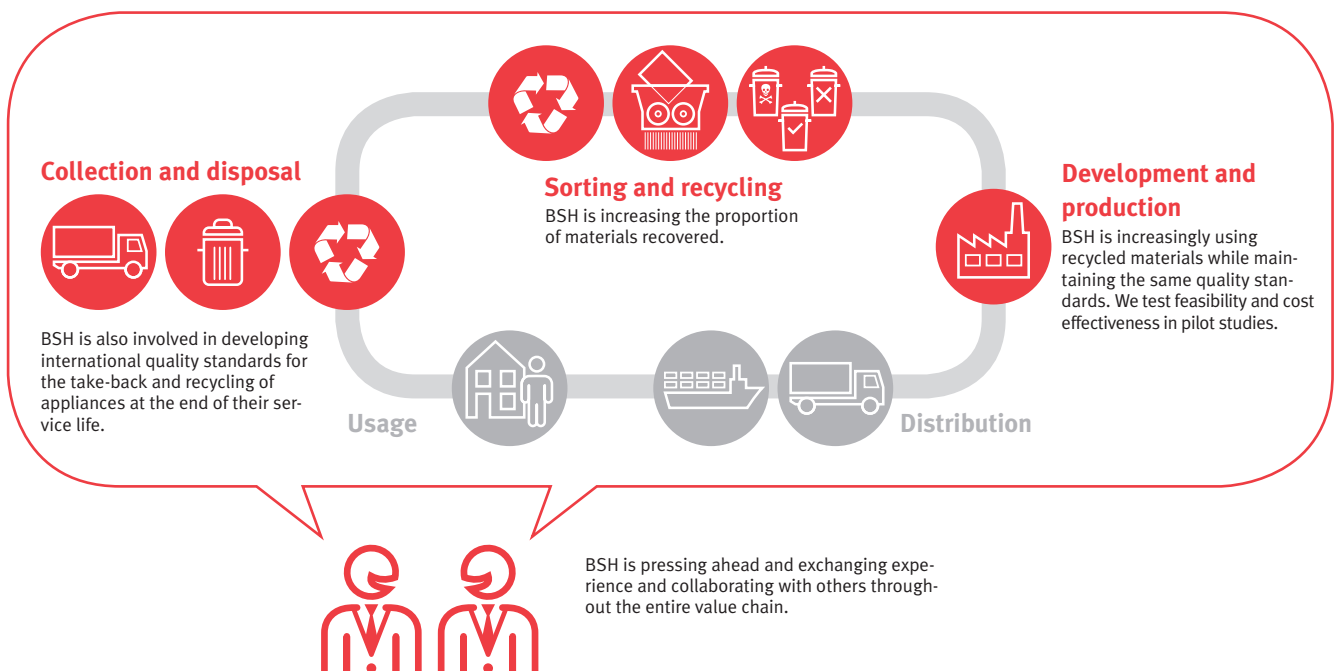
In 2012, new EU legislation was introduced governing the take-back and recovery of electric home appliances at the end of their service life. Member states can set minimum quality standards for how electrical and electronic equipment waste is handled.

As the largest home appliance manufacturer in Europe, BSH is involved in over 20 national take-back systems. In 2008 we established a certified quality assurance system that audits the refrigerator recycling processes of waste disposal contractors in Germany.

In order to ensure that standard Europe-wide quality requirements with regard to take-back and recovery are met, BSH is committed to ensuring that these future standards are incorporated into binding national legislation.

ject with a large international chemical company, we are also examining the possibility of using biodegradable plastics for the transport packaging for our appliances.

Life cycle of home appliances: closing material cycles





Business partners

Responsibility in the supply chain

Taking environmental and social considerations into account throughout the value chain so that we are beyond reproach – that is part of our responsibility. BSH launched its social compliance program in 2013 and has been making efforts since then to ensure that all its suppliers adhere to certain minimum standards in terms of working conditions and environmental protection.

Code of Conduct provides the foundation

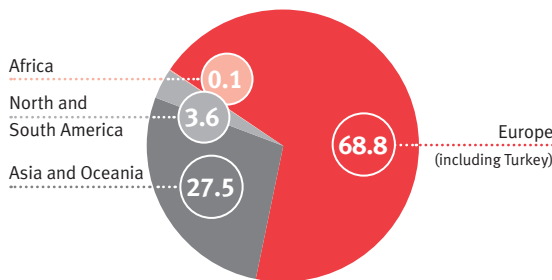
In the interests of sustainable value creation, we work with our suppliers on the basis of fair competition. BSH only considers working with companies that also attach great importance to environmental protection, human rights and health and safety at work. These principles governing our relationships with our business partners are enshrined in the BSH Code of Conduct (see the red box).

Diverse supply chain

Our portfolio of suppliers ranges from manufacturers of plastic granulates or steel, which are generally large corporations with global activities, to highly specialized, mid-sized manufacturers of complex assemblies. Highly work-intensive processes at our suppliers, such as those involved in the manufacturing of plastic, rubber or metal parts, entail a risk that the arrangements made to ensure health and safety at work are inadequate. In other manufacturing processes it is particularly important to ensure compliance with environmental regulations and standards.

Purchasing volumes by region

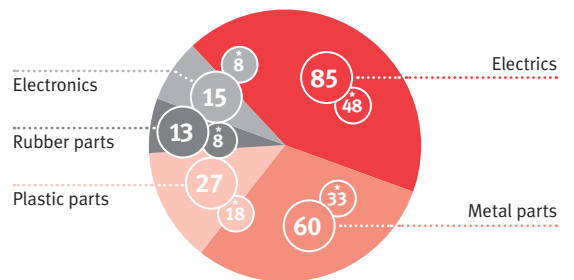
As a percentage



As of December 31, 2014

Number of suppliers with social compliance audits

Number of which completed by December 31, 2014



As of December 31, 2014

Social compliance program

BSH's social compliance program requires our suppliers to accept our Code of Conduct for suppliers in writing. In addition, they must provide evidence of successful completion of a social audit by an external auditor.

We began systematically auditing all 3,000 or so of our existing suppliers of production materials in 2013. From 2014, BSH plans to audit 200 of its existing suppliers every year. The selection depends on the risk ratings of material groups and countries. In addition, all prospective BSH suppliers have been audited before any contracts are awarded since 2013.

Systematic social audits

The social audits are commissioned directly by the suppliers themselves. BSH receives the audit results, including any details of any action required. Based on a four-step ranking system – critical, major divergence, minor divergence, compliant – the cases of suppliers assessed as “critical” or that diverge from requirements are escalated accordingly. This can lead to another audit or even the termination of the business relationship. A specialized team in Procurement verifies compliance with these framework requirements and is also responsible for annual auditing. The results are reported internally on a quarterly basis. In the year under review, there were complaints in a few cases in connection with health and safety at work or working hours. These were dealt with in subsequent audits, if not before.

Communication and training of all involved

The success of the social compliance program hinges on getting the procurement officers responsible on board from the beginning and providing them with professional support, as well as making sure that the business partners involved are given clear, comprehensive information. To ensure that all involved are kept up to date on the audit process and the ratings, the CR team in Procurement has developed a manual for BSH procurement officers. Further documents provided for orientation purposes are a list of the most frequently asked questions, an outline of the social criteria and, since 2014, a social compliance newsletter. The information provided on sustainability issues is complemented by both internal and external training.

BSH Code of Conduct – principles

- Compliance with local laws and regulations
- No forced or child labor
- Non-discrimination
- Limited working hours
- Fair compensation
- Health and safety at work
- Freedom of association and collective bargaining
- Environmental awareness

Procurement governance

By setting up a new corporate supply chain organization at the beginning of 2015, BSH laid the groundwork for uniform, transparent procurement processes throughout the BSH group as well as clear, end-to-end responsibilities and reporting structures. The most important elements of the preceding corporate procurement governance program provide the framework for this. The BSH business conduct guidelines thus set out binding rules stipulating how our staff should deal responsibly with customers and business partners. They provide guidance with regard to competition and cartel legislation, anti-corruption measures or the avoidance of conflicts of interest. To ensure the social compliance program is integrated throughout the value chain, the responsible specialist team is assigned to the Corporate Supply Chain division. In 2016 we want to have our procurement processes audited and pronounced “safe and clean” by an independent third party.



Consumers and products

••••• Digital consumer protection

Networked home appliances open up new possibilities to consumers all over the world. Operating your washing machine by remote control from your smartphone or specific energy savings tips can improve your everyday life. Manufacturers depend on having consumer data in order to provide these new services. The success of networked home appliances thus depends not just on outstanding technologies but on the sensitive and responsible handling of this data. BSH conducts an exchange with its consumers in order to find secure, user-friendly solutions.

Finding out exactly what consumers want

In the household, what our consumers want, above all, is for their everyday lives to be made easier. For example, by a refrigerator that sends the shopping list to their smartphone or a cooker that knows what kind of food they like and can provide suitable recipes. Together with a smartphone or tablet, home appliances will be able to help consumers save electricity in future by providing them with good tips. However, before they can benefit in this way, they have to be prepared to provide data about themselves. In the age of big data and data misuse scandals, people understandably have their reservations about this. BSH has to recognize this.

Consumer Data Trust Report

Not unless we, as manufacturers, know the precise needs and concerns of our consumers can our products be successful. In 2014, BSH carried out a study on networked home appliances and

data security (the Consumer Data Trust Report) to find out what people think about digitization and networked home appliances. Together with an opinion research institute, we surveyed 2,000 people in Germany and Austria online. For us as a manufacturer, four points were particularly important: first of all, we wanted to know how tech-savvy consumers are and what they have in their homes already. We also asked them to tell us what they hope for from new technologies and networked devices and what benefits they expect in their everyday lives. In addition, BSH took a close look at the challenges of technical design. However, the success of digitization in the home depends critically on us developing products and services that consumers actually want. At the same time, we want to always be responsible in how we handle their data. To this end, BSH has to know under what conditions consumers will provide us with their data and when security concerns are at their greatest.

Home Connect:

Technical innovation and data security

The results of the Consumer Data Trust Report were of great interest to BSH, revealing that while the benefits of digitization are appreciated, there are also significant concerns about data security. Thus, around two-thirds of tablet and smartphone users surveyed in Germany and Austria are interested in app features that would implement the networked home. On the other hand, over half of

the respondents in both countries fear that more private data than necessary will be collected via networked home appliances. We take these results very seriously. They also confirm the value of continuing to pursue a systematic approach of providing both data security and innovative functions with our Home Connect app. At IFA 2014, BSH presented Home Connect as the world's first solution allowing consumers to control appliances of more than one home appliance brand with a single app. It runs on both iOS and Android (launch shortly). At the end of last year, we launched networked Bosch and Siemens ovens and dishwashers in Germany and Austria. There will also be networked products in other product categories gradually from the end of 2015 – washing machines, tumble dryers, refrigerators and coffee machines.

Networking based on the highest security standards

Home Connect offers functions that make everyday life markedly easier for its users – remote control of home appliances, for example. The networking system has an impressive, newly developed protocol with a special data protection and security concept. Because, as we know from our Consumer Data Trust Report, nothing is more private than your own home. That's why we developed the Home Connect app with a select group of data security experts and had it tested by professional hackers and approved by the certification agency TÜV-TRUST-IT. It thus meets the latest security requirements. Appliance-specific information and private data are transferred encrypted. Moreover, access to the app and the appliances connected to it is password protected. BSH is committed to the principle of minimizing the data it collects from consumers, only taking the data it needs to provide them with genuine added benefits.

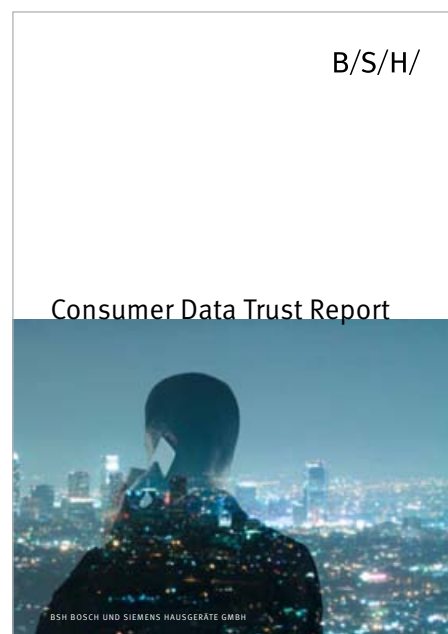
Focusing on what consumers want

Thanks to our precise knowledge of what consumers want, we are able to provide the services and functions that they want and that are really useful to them. Thus, you can now check the energy consumption and program status of your dishwasher with ease, use recipes that send the temperature and time settings directly to the oven and receive notification when your washing is ready, for example. As early as the autumn of 2015, we expect our consumers to be able to display images of the inside of their refrigerators to see what food they have or don't have there. The

Home Connect app also allows consumers to start or stop their appliances when they are away from home. The functions go far beyond pure remote control: For example, appliances can autonomously report their need for a service, and the app also provides numerous tips and tricks and allows you to access operating instructions.

Manufacturer-independent solutions

90 percent of all households have home appliances of more than one brand. We took this into account and designed Home Connect as an open platform. True to the motto "One app for all appliances and all brands", not only does Home Connect network BSH products and brands; it is also open to other manufacturers and services. With this inclusive approach we are already meeting consumers' requirements and offering a service that will continue to develop. In addition, ease of use and clarity are ensured thanks to compliance with a uniform standard. Thus, not only is BSH meeting consumers' long-term requirements; it is also setting an important benchmark for the industry internationally.



The requirements of our consumers in terms of networked home appliances and data security are central to our thinking. Together with an opinion research institute, we surveyed 2,000 people in Germany and Austria in the year under review.



Human resources policy

••••• World of work in transition

As a technology- and innovation-driven company competing in international markets, we are dependent on the dedication, skills and productivity of our employees. BSH intends to shape future-ready worlds of work with them and develop solutions that meet their requirements and give them the flexibility they need in the various stages of their lives. At the same time, we are faced with a wide range of challenges in international labor markets: Depending on the region, these may include unbalanced age distributions or increased staff turnover.

Consequent encouragement of employee participation

High response rates and very good results in employee surveys in recent years demonstrate that our employees have a pronounced sense of belonging and a high level of engagement. The attractiveness as an employer is a key factor in BSH's sustained success. We ensure this by seeking the opinions of our employees in a variety of ways and by constantly working to improve ourselves.

Solutions based on stages of life

The average age of our workforce throughout the Group is currently 38.5 – and 42.2 in Germany. The average age of an employee working in production in Germany is 43.4. This presents BSH with significant challenges in terms of achieving a balanced age distribution. In order to take into account different requirements and productivity at different stages of life, in May 2013 we started a corporate project on demographic change in production, with the focus initially on the six BSH

production facilities in Germany. This takes in BSH's wide range of offerings in terms of health care, working hours models and ergonomics as well as programs designed to manage health at work. Best practices and new, needs-based concepts can be developed on the basis of this integrative approach. The project is subdivided into four subprojects focusing on ergonomics, the organization of work, the age distribution and change management and leadership (see the red box). Concrete concepts and programs have been developed for each of these subprojects that will serve as models at BSH sites in future.

Pilot project at the Dillingen plant

On one of seven production lines at the Dillingen dishwasher plant, new shift models with later starting times and earlier finishing times are being trialed for a period of 12 months. This started in November 2014. In addition, gymnastics programs are being organized directly at the place of work, and employees can use health services or have medical check-ups for which they receive a time credit. It is particularly important to us to receive the opinions and learn about the experiences of the participating employees, who can provide feedback throughout the entire pilot project. In the next stage it is planned to discuss what we have learned with other production sites in Germany and implement the successful measures.



Comprehensive health offerings

Health is the most important asset you can have for both your professional development and a happy private life. Consequently, in addition to the usual measures taken in the company, BSH encourages employees to eat healthily and do sport. That includes motivating them as well as providing a varied program so that they can get active for the sake of their health. The employees' sense of responsibility for themselves plays an important role in this, as do management staff, who set an example and discuss health issues directly with their teams.

Measures such as a free health check-up or balanced on-site catering are also part of the company's health management approach, as is counseling on social issues and addictions. In addition, our employees can also make use of apparatus to train the power, strength and stamina of their back muscles, join sports groups and get involved in special campaigns organized in conjunction with the statutory health insurance funds. We aim to involve the entire workforce in these processes of health promotion and sickness prevention and the changes we make to them.

This comprehensive range of offerings give employees a valuable counterweight to the stresses of working life. A successful work-life balance increases their satisfaction and maintains their productivity, which benefits both themselves and their employer over the long term.

Corporate project on demographic change in production

In four subprojects we aim to represent all aspects of future-oriented working systems:

Ergonomics

- Ergonomic planning of workplaces
- Production-friendly design in the product development process (PEP)

Organization of work

- Changed shift and working hours models
- More frequent job rotation

Age distribution

- Taking into account a balanced age distribution when developing a site

Change management and leadership


- Health and taking responsibility for yourself
- Managers as role models
- Ability to change

B/S/H/

Gesundheit:
Ich geh' voran!



“Health - I lead the way!”
– the corporate project on demographic change in production will only be successful when our employees participate in it actively at their place of work.



We know that many of the world's resources are being depleted. We want to combat this strategically and develop resource-efficient products and processes. We are doing what we can to make a contribution – whether by using secondary raw materials in our appliances or saving energy in manufacturing.

*Volker Korten
(Head of Environment, Resources,
Occupational Safety)*





Status in 2014

11.4 billion euros of revenue

14.8 million euros for environmental protection

905 young people in training around the world

7,900 customer service staff around the world

Status in 2014

Financial

BSH has advanced its strategy over the last financial year: As the market leader in Europe, we are placing an even greater emphasis on innovativeness and increasing sales on a lasting basis. With Group sales of 11.4 billion euros in 2014, the highest ever, we have established a solid foundation for this.

Sales trend

BSH increased Group sales compared to the previous year by 8.4 percent to 11.4 billion euros. Almost 80 percent of that was generated outside Germany. In Sales Region I, which essentially covers the European countries, BSH was able to increase sales since the previous year by 11.6 percent to 6.8 billion euros. In Sales Region II, which consists of Russia, the Middle East and Africa, sales were down by 3.1 percent at 1.6 billion euros. Sales Region III consists of the regions of Greater China, North America and Asia Pacific. Sales there were 14.5 percent above the level for the previous year at 2.9 billion euros.

Sales trend

In billions of euros



Earnings, taxes, subsidies and donations

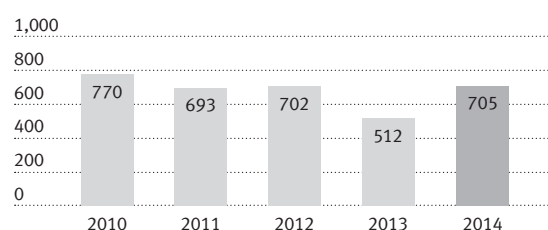
In the year under review, earnings before interest and taxes (EBIT) came to 705 million euros (2013: 512 million euros), which is 6.2 percent of Group sales (2013: 4.9 percent). The 2014 tax rate for the Group as a whole was 29.8 percent (2013: 29.6 percent). The Group paid tax on earnings amounting to a total of 190 million euros, of which 54 percent is attributable to Western Europe, 9 percent to Eastern Europe and 37 percent to Asia and America.

BSH received almost 6.8 million euros in government subsidies around the world in 2014 for purposes such as research and development. We

have supported environmental protection projects and charitable initiatives around the world for many years with donations in cash and kind. BSH provides medium- and long-term humanitarian aid, including donations from employees, through BSH Katastrophenhilfe e.V., its disaster aid organization.

EBIT*

In millions of euros



* The definition of EBIT was changed slightly at the beginning of the year under review and is now calculated from the earnings before taxes shown in the consolidated income statement minus the balance of financial income and expenses and the remaining financial result. The previous years have been adjusted accordingly.

Research and development

In order to strengthen innovation, BSH spent 373 million euros on research and development in the year under review, 11.7 percent more than in the previous year. With R&D spending at 3.3 percent of sales, we are well placed compared to our international competitors. The number of employees working in R&D around the world increased by 10.8 percent to 3,478, of whom 1,887 are in Germany. The R&D focus of the product portfolio is on pioneering technologies with customer-oriented, digital functions and innovative service and business models. In the year under review we also invested in new buildings for research and development.

Research and development expenses

In millions of euros



Status in 2014

Environment

Extensive environmental protection measures have been an integral element of our value chain for over 20 years now – as well as an important source of innovation. It begins in our own company: Our ambitious program aiming to significantly reduce specific consumption of energy and water as well as the volume of waste by the end of 2015 has already proved to be a driver of improvements and measurable savings. We continue to work on innovative solutions in the field of logistics with the aim of systematically reducing CO₂ emissions. To achieve this, we rely on well-motivated employees who understand environmental protection as a mission rather than just a task.

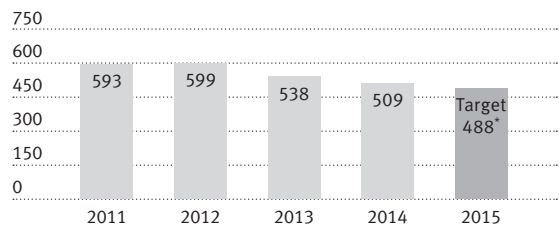
Group project “Resource Efficiency 2015”

In the Resource Efficiency 2015 corporate project, BSH set itself a target in 2010 of reducing specific consumption of energy and water by 25 percent and the specific volume of waste by 10 percent by the end of 2015 compared to 2010. In recognition of our concrete targets and achievements, we received the Energy Efficiency Award of the German Energy Agency (dena) for this in 2014. In the year under review, BSH systematically analyzed all resource-intensive processes at its sites and identified potential for savings. Involving employees at the site in the process was a key factor in its success. We implemented a wide variety of measures such as shutting systems down subject to demand, reducing process water temperatures or renewing lighting systems. The modernization of the compressed air supply systems, prevention of leaks and installation of frequency controllers for pumps and air compressors were also effective. BSH also invested in the installation of energy-efficient conveying technology for the assembly lines and the optimization of infrastructure such as the heating, air-conditioning and ventilation systems.

Due to a 9.6 percent increase in production volume, total energy consumption rose by 3.6 percent, water consumption by 8.9 percent and the total volume of waste by 16.5 percent (see the input-output balance on page 28). As a result of BSH’s efficiency measures, however, specific energy consumption was reduced by 5.4 percent to 509 kWh per metric ton of product. We thus passed our target for the year 2014 of 521 kWh per metric ton of product by some distance.

Energy consumption

In kWh per metric ton of product

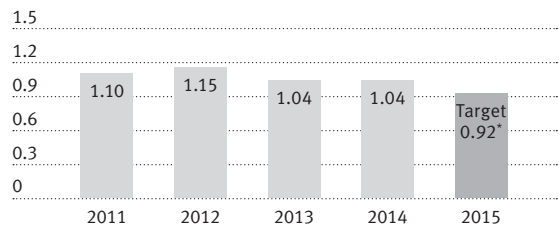


* 25 percent reduction in specific energy consumption from 2010 to 2015

As a result of additional water use for equipment testing, specific water consumption per metric ton of product remained at the previous year’s level of 1.04 m³. We thus fell short of the target figure for 2014 of 0.98 m³ per metric ton of product.

Water usage

In m³ per metric ton of product

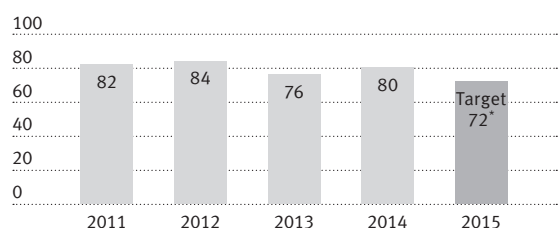


* 25 percent reduction in specific water consumption from 2010 to 2015

The specific volume of waste rose by 6.3 percent to 80.5 kg of waste per metric ton of product compared to the previous year. Design changes made to some products were a key factor in this. We thus did not manage to achieve our target for the year under review of 74 kg per metric ton of product.

Waste

In kg per metric ton of product



* 10 percent reduction in the specific volume of waste from 2010 to 2015

Operational environmental protection

The waste water from production processes at our factories undergoes physicochemical pre-treatment. 82 percent of all waste water went through municipal sewage plants, and 18 percent was discharged directly into bodies of water following on-site treatment.

Separate collection of paper and cardboard, plastics and films, glass, wood and metal waste is standard practice at all factories. The proportion of total waste recycled was again high in 2014 at 93 percent. Hazardous waste accounted for 1.4 percent of the total volume of waste.

Emissions of volatile organic compounds (VOCs) are low as a result of the switch to powder coatings, aqueous coating systems and pre-coated metal sheets for most applications. VOC emissions fell in 2014 to 95 metric tons (2013: 99 metric tons). Low-sulphur gas and heating oil is used in the vast majority of cases, so sulphur dioxide emissions are not reported separately. Nitrogen oxide emissions from heat generation processes rose by 16 percent to 37 metric tons compared to the previous year.

Environmental management and certifications

BSH aims to gradually introduce an ISO 50001 energy management system at all its production and logistics sites in the European Union. By the end of the year under review, all German production and logistics sites and our site in Turkey had been certified. Moreover, 42 BSH factories now comply with the ISO 14001 standard for an environmental management system. Following the takeover of the Polish home appliance manufacturer Zelmer, the Rzeszów site was integrated in the BSH environmental management system 2014 and will be certified in 2015. All our sites have their own environmental protection officer and occupational health and safety expert, who report to the Environmental Protection and Health and Safety department at Group headquarters. This department draws up mandatory corporate guidelines and conducts internal audits to monitor their compliance.

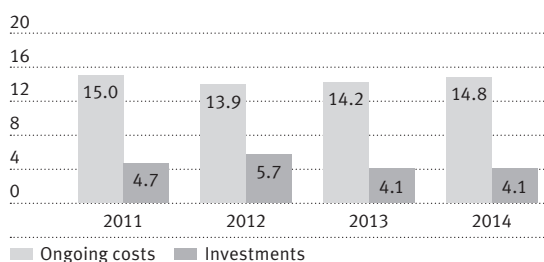
Expenditure on operational environmental protection

Ongoing expenditure on operational environmental protection comprises operating expenses, capital costs, personnel expenses and charges. It increased Group-wide by 4 percent to 14.8 million euros in 2014.

Most of this expenditure was accounted for by waste management (50 percent) and soil and water protection (33 percent), with air purification, climate protection and noise abatement accounting for 17 percent. As in 2013, environmental protection investments amounted to 4.1 million euros.

Environmental protection costs and investments

In millions of euros



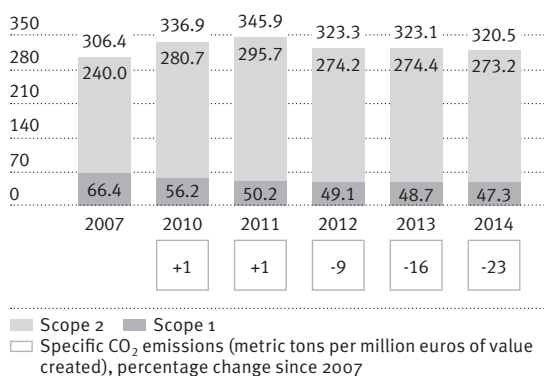
BSH's CO₂ footprint

Reducing the Group's carbon footprint constitutes an important contribution to climate protection for BSH. To ensure the data can be compared directly in future, following the 100 percent takeover of BSH by Robert Bosch GmbH at the beginning of 2015, we switched how we calculated our CO₂ footprint for the years 2007 (base year) to 2014 to the system used by our parent company. All Scope 1 and 2 emissions are thus applied to the development and production sites and calculated using the emissions factors of the International Energy Agency (IEA: CO₂ Emissions from Fuel Combustion, 2008):

- Scope 1: oil and gas consumption of BSH sites
- Scope 2: electricity and district-heating consumption

BSH's corporate carbon footprint (Scope 1 and 2)

In thousands of metric tons



In 2014, BSH's carbon footprint (Scope 1 and 2) amounted to 320,000 metric tons of CO₂, which was 1 percent lower than in 2013 (323,000 metric tons, adjusted). Around 15 percent of this total comes from direct emissions from oil and gas consumption at BSH sites (Scope 1). The indirect emissions (Scope 2) were maintained at the level of 2012 and 2013, above all thanks to measures taken in the factories as part of the Resource Efficiency 2015 project (see page 25). The parameter used to control our activities with effect from 2014 is specific CO₂ emissions (Scope 1 and 2) per million euros of value created. We have managed to reduce these by 23 percent compared to the base year of 2007.

Pilot project for a comprehensive record of all CO₂ emissions

BSH wants to have a comprehensive picture of its CO₂ emissions-related impact. We are involved in the development of the WWF climate reporting guide and the Carbon Disclosure Project (CDP) and carried out an assessment of the 15 categories of Scope 3 emissions upstream and downstream of our direct value creation. By far the largest share of CO₂ emissions, 82 percent of them, are accounted for by consumers' use of our products, while upstream products and processes purchased by BSH account for almost 17 percent. The emissions generated directly in BSH processes (Scope 1 and 2) account for only 0.85 percent of total emissions. What that means for BSH is that we can reduce CO₂ emissions most effectively by making resource-efficient products.

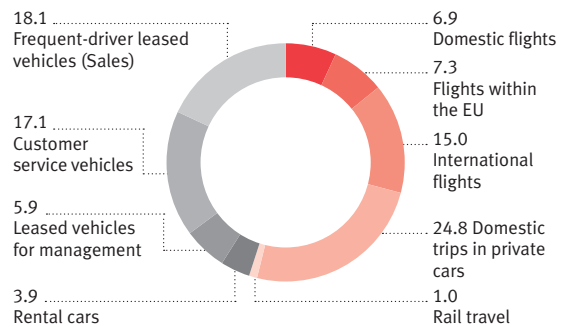
In terms of the Scope 3 categories, in the following we only consider the emissions over which BSH has a direct influence and for which there is an adequate database available for the purpose of calculations. These include the transportation of our finished appliances, customer service activities and business travel by our employees and sales staff both within Germany and starting in Germany.

CO₂ emissions from business travel and customer service trips

CO₂ emissions from business travel and customer service trips within and starting in Germany amounted to 16,000 metric tons in the year under review. 29 percent of these were attributable to air travel, 70 percent to car journeys and 1 percent to rail travel. Customer service engineers in Germany use fuel-efficient diesel vehicles.

CO₂ emissions from business travel

As a percentage



CO₂ emissions from the transportation of finished appliances

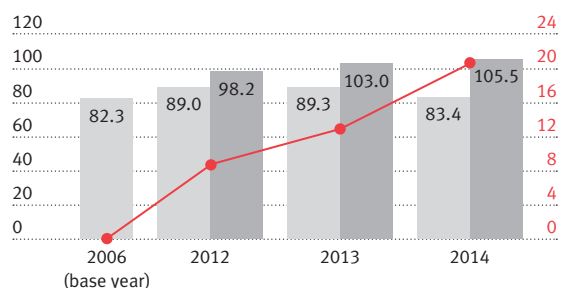
As a company with global operations we transport huge quantities of goods. Due to the significant effect this has on our carbon footprint, we want to reduce our CO₂ emissions from goods transportation by 20 percent by 2020 compared to 2006. In the year under review, 83,364 metric tons of CO₂ emissions were generated by goods transportation from German warehouses to our wholesale and retail partners in Germany as well as deliveries to regional warehouses around the world.

BSH transported a greater volume of goods in 2014 than in 2013. However, due primarily to a reduction in the share of air freight, the use of XXL pallets and shifts in the transportation method from regional crossdocking points to our customers, there was only a slight increase in CO₂ emissions. As a result of the reduction in the speed of vessels and the associated reduction in fuel con-

CO₂ emissions from the transportation of finished appliances*

In thousands of metric tons

Savings as a percentage



CO₂ emissions, absolute
 CO₂ emissions without savings based on a comparative calculation (base year: 2006)
 Percentage CO₂ savings compared to the base year of 2006

* The effects of changed warehouse and transportation route structures or volume changes are taken into account. Following the updating of the database for shipping, the data for 2013 was adjusted. We have been using the European standard EN 16258 as the basis for calculation since 2006.

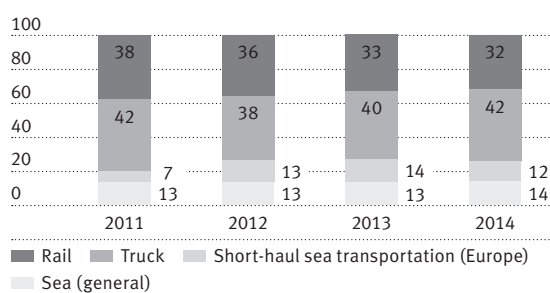
sumption, there is finally no increase in CO₂ emissions. Taking everything into account, CO₂ emissions were 21 percent lower than in the base year of 2006 and around 8 percent lower than in 2013. We thus achieved our target for 2020 in 2014.

Logistics and vehicle fleet

BSH operates multimodal logistics models that combine transportation by road, rail and ship to optimum effect. As far as road transportation is concerned, we ensure that modern, low-emissions vehicles are used. In 2014, the proportion of vehicles complying with Euro V or better rose to 91 percent – 6 percent above the average for Germany.

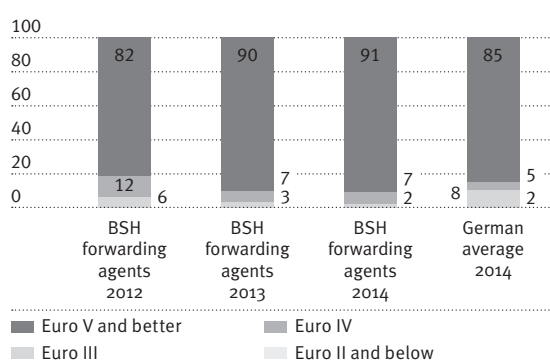
Transportation volume for exports

As a percentage of the total transportation volume (from Germany)



Vehicles meeting Euro II to V

As a percentage of the trucks used



Input-output balance sheet

The input-output balance sheet shows all environmentally relevant material and energy flows of Group headquarters, the development sites and the factory sites at which BSH manufactured

products in the year under review (as of December 31, 2014). The manufacturing sites in Chennai (India), Chuzhou (second site in China) and Rzeszów (Poland) are new in 2014. The data is recorded in accordance with the guidelines for environmental assessment set out in the international standard ISO 14031.

Input flows

	2012	2013	2014	Unit
A Fixed assets				
A.1 Land	4,278,568	4,277,260	4,915,457	m ²
A.1.1 Developed	2,096,897	2,042,029	2,328,278	m ²
A.1.2 Undeveloped	2,181,671	2,235,231	2,587,179	m ²
A.2 Percentage developed	49	48	47	%
B Current assets (without outsourced items)				
B.1 Raw materials*	756,644	785,280	932,453	t
B.2 Auxiliary materials**	13,681	28,981	42,654	t
B.3 Process materials***	5,589	1,959	1,581	t
B.4 Energy	774,816	757,777	784,873	MWh
B.4.1 Electrical energy	450,465	422,824	483,556	MWh
B.4.2 Light heating oil	2,887	405	845	MWh
B.4.3 Gas	239,178	240,591	233,238	MWh
B.4.4 Others (district heating, biomass, etc.)	82,286	93,957	67,234	MWh
B.5 Water	1,489,619	1,466,009	1,596,915	m ³
B.5.1 From public supply	973,870	1,003,788	1,150,621	m ³
B.5.2 From own supply****	515,749	462,221	446,294	m ³

Output flows

	2012	2013	2014	Unit
C Products				
C.1 Products (number)	47,018	54,313	57,958	Thousands of items
C.2 Products (metric tons)	1,294,326	1,407,776	1,542,165	t
C.3 Packaging	85,531	91,786	98,969	t
D Waste				
D.1 Waste for disposal	108,464	106,515	124,076	t
D.1.1 Of which hazardous waste	7,819	7,317	8,676	t
D.2 Waste for recycling	1,721	1,315	1,789	t
D.3 Percentage recycled	100,645	99,198	115,400	t
E Waste water	93	93	93	%
E.1 Directly discharged	1,186,203	1,164,255	1,067,723	m ³
E.2 Indirectly discharged	179,324	229,272	197,278	m ³
E.3 Treated in neutralization plants	1,006,879	934,983	870,445	m ³
F Emissions				
F.1 Volatile organic compounds (VOCs)	495,956	190,805	363,181	m ³
F.2 Nitrogen oxides	77	99	95	t
F.3 Carbon dioxide (Scope 1)	31	32	37	t
	49,075*****	48,698*****	47,330	t

* Metals, plastic granules ** Paints, enamels (figure for 2012 corrected)
 *** Oils, emulsions, solvents, acids, alkaline solutions **** From own wells
 ***** Following the takeover of BSH by Robert Bosch GmbH, the figures were adjusted due to a switch of system for recording CO₂ emissions.

Status in 2014

Consumer interests

We add value for our customers through quality, resource efficiency and the long product lives of our appliances. We identify exactly what they need and take this into account when developing new appliances, during production and when carrying out extensive testing before products are launched. If our customers ever need assistance, whether they are looking for product information or tips for self-help or enquiring about spare parts or a specific repair case, they generally receive a full and professional reply within 48 hours. Information and accessibility on the Internet are becoming increasingly important. The Bosch, Siemens and Neff brands alone are engaged in a direct and constant worldwide exchange with over 2.4 million consumers on social media platforms such as Facebook, Twitter and YouTube.

Reliable worldwide customer service

Our customer service staff provide an expert point of contact locally both before and after each purchase. Customers can also arrange or request visits by engineers online and find out about accessories 24 hours a day, seven days a week. We make sure we deal with particularly problematic cases without delay, even on weekends. Our 7,900 BSH customer service employees around the world and selected service partners make sure that our customers receive fast, knowledgeable support. Our service specialists receive regular and comprehensive training – not only in the latest technologies but also to hone their professional service skills. BSH has been crowned ServiceChampion for the third time in succession in Germany's largest customer survey, which is conducted by Service Value, the newspaper Die Welt and Goethe University Frankfurt.

Effective assistance for customers

We are constantly available, but in the interests of our customers and the environment, we want to reduce time- and cost-intensive customer service visits. Our aim is to carry out repairs on site only when they are really necessary. Thus, we diagnose problems remotely and show customers how to help themselves – responding to around 20 million telephone and online requests around the world in 2014. In this way, BSH avoided 22,000 customer service visits in Germany alone in the year under review. However, if a visit from a service engineer really is necessary, it is important to be able to arrange an appointment quickly

and easily. Our aim is to deal with each repair case on the first visit. We succeeded in doing that with 85 percent of our service calls in Germany in 2014, as we did in the previous year. BSH service extends even further: We stock functionally relevant spare parts for at least ten years and, thanks to our extensive logistics network, can generally deliver them within 48 hours when needed. This benefits the environment as well. Careful route planning, a dense network of engineers, efficient provision of spare parts and the high percentage of cases dealt with successfully first time mean that our customer service team's carbon footprint is constantly being reduced. In 2014, the number of kilometers driven per service call fell by 3 percent to 18 compared with 2013.

Transparency and data protection

The Internet is increasingly being used as a source of information for purchase decisions. BSH's brands have an active presence on the Internet and provide consumers with the latest information on products, accessories and services. To ensure even greater transparency, in future we will also be showing the ratings of our networked online retailers on our website in addition to customer ratings.

Moreover, as one of the world's most innovative manufacturers of home appliances, BSH is active on behalf of its products and brands on the major social media platforms, where it also provides information on trends and has a presence as an employer. A Group-wide network of social media officers coordinate these activities. We take a structured approach to the analysis of suggested improvements and reviews of products and services in 12 countries and provide the results to our product developers, quality management staff and sales companies.

We ensure data protection on many levels. Personal data is handled strictly in accordance with the German Federal Data Protection Act and Telemedia Act. If personal data is collected, processed or used for apps, e-shops or surveys, for example, BSH ensures the data is used economically and only where necessary. Customers' personal data is treated confidentially and not forwarded to third parties or used for advertising purposes

without their consent. We do not send out further information to customers unless they have explicitly agreed to it. Staff who handle personal data have to undertake in advance to maintain data confidentiality. BSH takes into account the particular data protection challenges involved in the networking of home appliances even at the research and development stage (see page 18).

Voluntary product safety measures

By means of rigorous quality management, we ensure that all our appliances comply with stringent international safety and quality standards at all times. Moreover, our relationships with our customers are defined by consumer protection and a comprehensive information policy. We have demonstrated that in the last two years with two separate product recalls in the interests of safety. In the year under review, this affected 12-year-old Siemens tumble dryers sold primarily in Europe. A limited number of appliances manufactured from January to May 2002 may overheat as a result of a faulty electronic component. In very rare cases this may lead to a potential fire hazard. In 2013, we initiated a product recall in over 80 countries for around five million dishwashers of the brands Bosch, Siemens, Neff, Constructa and Junker+Ruh manufactured from 1999 to 2005. Both of these recall programs are open-ended and still under way. Consumers can ascertain whether their appliances are affected by examining their model, batch/lot and serial numbers and register with BSH. In order to reach as many customers as possible worldwide, we created an infrastructure within a very short space of time that, in addition to specific websites and call centers, also includes the social media platforms of the brands. In addition, the recalls have been publicized in broad-based advertising campaigns using a wide variety of media outlets. In cases where the appliance data and customers' addresses were available, we have also written to them directly. We repair the appliances of affected customers free of charge by installing an additional electronic component. Around 645,000 customers had registered for the dishwasher product recall campaign alone by the end of 2014. In the interests of successful implementation, we have been cooperating closely with the relevant local authorities right from the outset of the campaign.

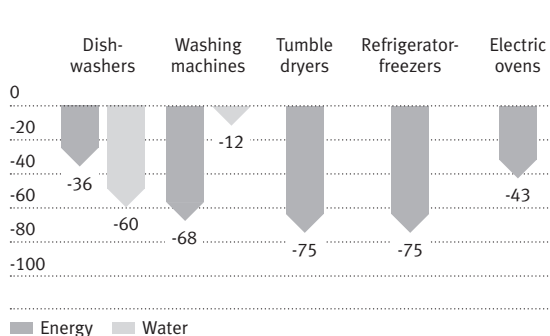
Resource-efficient products

The energy efficiency of home appliances remains a key topic for consumers and thus also for BSH. The consumption figures of our appliances have fallen significantly in the last 15 years as a result of our rigorous innovation strategy. Today, BSH is the market leader in Europe in terms of sales of highly efficient appliances with an A+++ energy rating, which is the highest energy efficiency class on the EU energy label. These appliances allow our customers to both save costs and contribute to climate protection. We no longer find it necessary to promote a range of highly efficient appliances such as our discontinued super-efficiency portfolio separately.

As an industry leader in terms of innovation, BSH again set benchmarks in terms of design, convenience and resource efficiency in 2014. For example, Bosch Series I 8 combined refrigerator-freezers, which have an energy rating of A+++ , consume almost half the electricity of comparable appliances with an A+ energy rating. Fish and meat can be stored resource-efficiently in the chiller box, which keeps food fresh for up to twice as long. We have managed to reduce the water usage of our most economical dishwashers by 60 percent since the year 2000.

Reduction in resource consumption from 2000 to 2015

As a percentage*



* Comparison of the consumption figures of our best appliances (Bosch and Siemens) in March 2015 with those of comparable appliances (Bosch and Siemens) from the year 2000 (1999 for electric ovens) when running a standard program.

Status in 2014

Employees

BSH intends to continue to grow around the world and maintain a consistent focus on consumers and their requirements. It is important that we recruit and retain the most suitable employees for this. BSH therefore offers global talent management, a wide range of training and development programs and strategic diversity and health management. We develop needs-based solutions for each stage of life that also allow employees to combine work with family life.

Employment and employee structure

As of December 31, 2014, BSH's total global headcount, including apprentices and trainees, stood at 53,211 (2013: 49,876). That is 6.7 percent more than in the previous year. There were 37,224 employees abroad (2013: 34,718) and 15,987 in Germany (2013: 15,158).

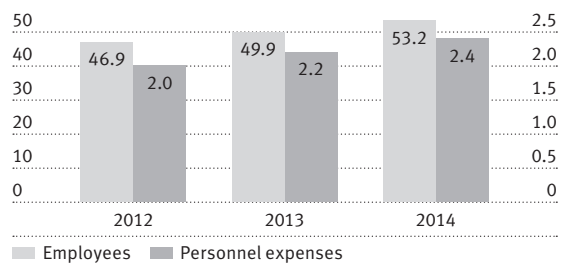
Thanks to a forward-thinking human resources policy and by involving employee representatives in the process, BSH implemented a successful program of reorganization in 2014 across many levels and areas. In Germany, management and the general works council concluded a framework agreement that reconciled the interests of both parties and agreed on measures to secure jobs and the introduction of a voluntary redundancy scheme.

Worldwide growth has resulted in more jobs in all BSH regions. In particular, 1,124 jobs were created in China, 830 in Germany and 475 in Turkey. There were also jobs created in Spain, India, the USA and the United Kingdom. The increase in the number of employees working in production in Germany can be partly explained by an increase in offers of full-time employment being made to temporary workers.

Total personnel expenses amounted to 2.373 billion euros. The average age of our workforce around the world fell slightly to 38.5 years in 2014. The average period of employment decreased slightly to 10.4 years compared with the previous year. In Europe it increased slightly to 13.7 years. The proportion of severely disabled people in Germany was 5.4 percent, thus slightly higher than the legal minimum of 5 percent.

Employees and personnel expenses

Employees in thousands Personnel expenses in billions of euros

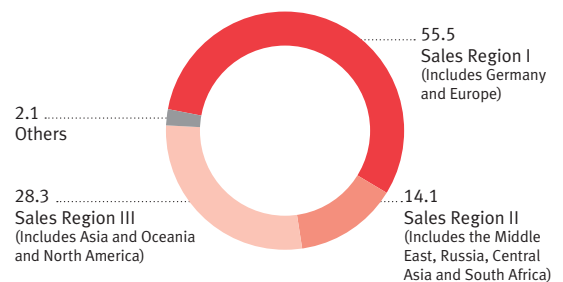


Talent management

The talent management processes and instruments help managers to identify and develop employees who have potential. This is the prerequisite for ensuring that jobs are filled with the most suitable employees throughout the Group. The starting point for talent management is a thorough, focused annual dialog with each employee, in which career prospects and qualification needs are discussed. For talented people with the potential to further their careers in an international context, this information is systematically recorded and can be used by human resources departments around the world in order to find the most suitable employees for their job vacancies. There are also a number of career development programs available to people like this with international potential: the Junior Excellence Program (JEP), the International Executive Program (IEP) and the Senior Executive Program (SEP). The emphasis of the IEP in 2014 was on an experience-oriented approach to developing

Employees by sales region

As a percentage



As of December 31, 2014

management and leadership skills. The focus on skills of relevance to international work is also reflected in the composition of the people involved in the programs: 46 percent of JEP members and 44 percent of those involved in the IEP program were of international origin in 2014. 577 young professionals were involved in the JEP program, with women making up 30 percent of them. There were 95 professionals involved in the IEP program, of whom 21 percent were female. The Senior Executive Program (SEP) for members of senior management had 27 participants, of whom 37 percent came from international subsidiaries and 19 percent were female. The content of the various programs was refocused more intensely on innovation, decision-making and leadership competencies in 2014.

The project management career path, which is designed to assist with the development of experienced, qualified project managers, is now established in eight different countries. It extends to product, factory and IT projects. There is also a program in place to develop employees with strategic expertise of specific importance to BSH. Therefore experts positions were defined in 2013 on a global level, 75 of these roles were filled in 2014, for which a qualification program was established.

Successes were also achieved in terms of international assignments. 332 employees around the world were working on an expatriate basis in 2014 compared to 326 in 2013. While the number of employees who came to Germany remained fairly constant, the number of employees transferred between subsidiaries outside Germany rose by 6 percent in 2014. As a result of our strategic regional orientation, around 44 percent more people at senior management level were transferred abroad than in the previous year. 71 partners of expatriates working in 22 countries have now made use of the professional support provided specifically to them since it was introduced in 2013. Around 50 families also took advantage of the financial support for childcare for young children that is provided in parallel with this.

BSH pursues an innovation-driven growth strategy, and its recognition as an outstanding employer is therefore becoming increasingly important. The company received Top Employer Germany certification for the eighth time in a row at the beginning of 2014 and got first place in the

Top Employer Engineers category for the second time in a row. Our subsidiaries in Belgium, the Netherlands, Poland, Spain and Turkey also received Top Employer certification in their own countries. As a result, BSH also received Top Employer Europe certification. In addition, at the end of 2014, our subsidiary in China was named Top Employer China for the first time for 2015.

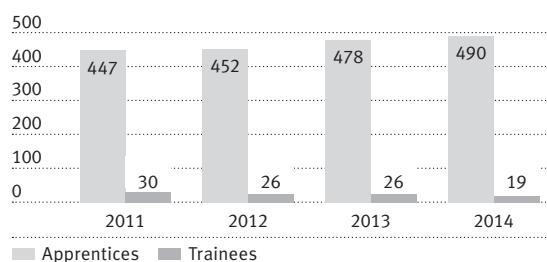
Apprenticeships and training

BSH trained 905 young people around the world in 2014 compared to 829 in 2013. In Germany, 490 apprentices learned a range of technical and commercial professions in the dual system of on-the-job training combined with part-time vocational school or studied at a university offering cooperative education on the dual system model. Young people can also obtain official vocational qualifications in China, Slovakia, Spain, and Turkey. A total of 19 participants completed BSH's international trainee program, six of whom came from subsidiaries abroad.

University marketing activities were further expanded in the year under review. In addition to the established scholarship program in Germany, in which eight scholarships were awarded in 2014, a company scholarship program was introduced, initially involving four scholarships. There are plans to further expand the scholarship program. Panel discussions focusing on engineers as problem-solvers and involving over 250 students were held with the involvement of BSH at two universities. Our successful working relationship with the Bavarian EliteAcademy continued, and in the year under review the students visited the BSH subsidiary in Nanjing, China. In order to stay in regular contact with the members of the students@BSH student bonding program, a student day was held in Dillingen again this year and there were a number of training events.

Apprentices and trainees*

Number



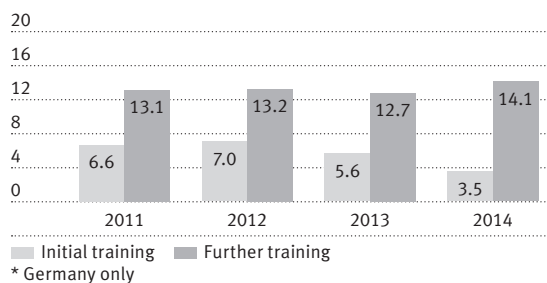
* Germany only

Qualification programs for specific target groups

The business strategy of BSH provides the basis for the further qualification offered by the global BSH Academy. The cooperation of the seven academies around the world on training programs, processes and standards for qualifications and learning was intensified significantly in 2014. For example, international working groups developed concepts for standardizing the analysis of qualification needs and measuring the effectiveness of training. Training measures were designed for specific areas and target groups, customized to take into account local requirements and rolled out internationally. An example of this is our BSH Leadership Qualification Program, which was implemented successfully in 16 countries in 2014. In 2013 and 2014, the BSH Academy Corporate received the German Education Award (Deutscher Bildungspreis) from TÜV SÜD Academy and the market research company EuPD Research Sustainable, and the company was recognized for its excellence. The variety of the portfolio and the international orientation, in particular, convinced the jury.

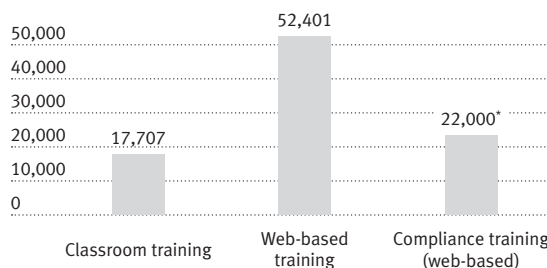
Expenditure for initial and further training*

In millions of euros



BSH Academy Germany 2014

Number of participants



* In up to 11 different languages; figure rounded

Diversity management

BSH has over 53,000 employees around the world. The diversity they contribute is of great benefit to us. Consequently, diversity management has been an integral part of the company's organizational and human resources processes since 2011. The aim is to recruit and appoint the most suitable applicants regardless of their nationality, age or gender. Remuneration is paid on the same principle. In addition, it is important to remember that the wide variety of perspectives we have throughout BSH constitute an asset that should be maintained and fostered.

Gender equality has been a priority at BSH for years. A clear commitment to this was made back in 2010 with the signing of a "Memorandum for Women in Leadership". Accordingly, we have continuously increased the proportion of women we have in management roles – which currently stands at almost 23 percent (previous year: 21 percent). Currently, 30.6 percent of the workforce at BSH is female. In many different ways, we seek to maintain this positive trend in our human resources development. We have thus set targets for the proportion of female employees to be involved in our Junior Excellence Program (JEP) and International Executive Program (IEP). Women now make up 30 percent of JEP members.

Age diversity is of great importance to BSH – and not just because of the demographic change under way in Western societies. Teams with a good mix of ages offer the best combination of knowledge and experience. When employees get closer to retirement, it is particularly important that their knowledge and experience should be passed on to their colleagues in a purposeful way. On the other hand, our young employees bring new ideas as well as specialist knowledge into BSH – for example through our Reverse Mentoring Program, in which young employees act as mentors in an exchange with experienced managers.

By offering a wide range of flexible working models, we want to enable our employees to combine their private and working lives in a way that allows them to realize their ambitions and meet all their requirements: Last year, 72 percent of our companies offered their employees flexible working arrangements such as flexible working hours, and 41 percent allowed them to work at home office. In Germany, 10.4 percent of employees

were working part-time in 2014. As in the previous year, our Berlin, Traunreut and Munich sites offered childcare in 2014.

International work-life balance models			
Percentage of employees taking up this offer			
	2012	2013	2014
Flexible working hours	38.4	38.3	37.5
Teleworking/home office	1.7	1.7	1.9
Part-time work	4.8	4.9	4.8
Parental leave	1.4	1.0	2.0
Trust-based flexitime	3.3	3.4	3.8

Dialog with employees

The BSH employee survey has been carried out all over the world simultaneously since 2013. It is a key way of finding out the levels of commitment and satisfaction among our employees every two years. The global response rate in 2013 was impressive: 88 percent of our workforce completed the questionnaire. The best results were obtained for compliance, objectives and sustainability. The next global BSH employee survey will be carried out in all BSH subsidiaries in the fourth quarter of 2015.

Following the survey, the monitoring tool facilitates a global exchange about improvement measures. So far, 4,700 measures have been recorded, and 3,900 of them have been implemented or completed. Measures have revolved around the organization of work, the workplace itself and the content of work, in particular, and these are also the areas on which most best-practice measures have been published.

Tools such as Feedback for Managers and the Human Relations Barometer for employees in production are further means of encouraging an open exchange of views between our employees. The former was used in 12 countries in 2014 (Austria, Bulgaria, China, Croatia, Germany, Greece, the Netherlands, Russia, Serbia, Slovenia, Spain, Turkey), and in Greece and Austria for the first time. We keep our employees regularly updated on developments taking place in BSH in Global News on the Group-wide intranet and the employee magazine *inform*, which appears five times a year in German and English. Local news and local employee magazines complete the picture. Employees can also use the In Dialog platform to email questions or comments to relevant recipients – including the Board of Management.

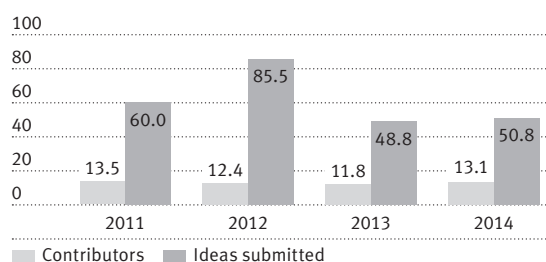
Since May 2014, employees have been using the German BSH Facebook page to report on their activities, projects or innovations and provide authentic insights into everyday work at BSH for the benefit of their colleagues as well as job applicants.

Employee representatives also have the opportunity to engage in a cross-border exchange with the Board of Management through the European Committee, which was set up in 1996. Over 100 employee representatives of regional companies in Europe belong to this forum for sharing information and consultation.

The “top idea” management tool, which is implemented throughout the Group, encourages and motivates our employees. It was in use in 20 countries in 2014. In 17 of those, the ideaChannel software provides a shared pool of ideas that extends across different countries. In the year under review, over 13,000 employees submitted around 51,000 ideas, 66 percent of which were implementable. As a result, the company achieved net cost savings of almost 11 million euros in 2014. Over the last ten years, the total net benefit amounts to around 210 million euros.

“top idea” management

Contributors and ideas submitted in thousands



Social benefits and pensions

Country-specific social benefits that go beyond statutory requirements are voluntary and take regional conditions into account. In 2014, BSH recorded data on the provision of additional social benefits from 58 companies based in 46 countries. In 90 percent of these companies, social benefits are provided primarily through contributions to the state social insurance system. We also offer additional benefits on a voluntary basis, such as the additional health insurance available to our employees in nearly two thirds of our companies.

As well as in our German companies, we offer a company pension scheme in a further 34 companies. In Germany, BSH offers employer-financed retirement benefits to employees through its own pension fund. The Group's pension obligations came to 1.423 billion euros in 2014. Around 48 million euros were paid out to former employees. In Germany, BSH's employee-financed pension fund RentePlus has continued to establish itself. The number of employees paying into it increased by around 10 percent in 2014. The employer contribution for lower- and middle-income groups that BSH pays in connection with deferred compensation remained at the same level as in the previous year.

BSH hires temporary workers in order to cope with peaks in production. We only take agency workers from companies that employ them on the basis of a valid collective agreement. In other cases, we offer the same working conditions and remuneration as for comparable BSH employees. Any temporary worker who has been at a company in Germany for 24 months must be offered a contract of employment. As a member of the Fair Company Initiative, we also guarantee reasonable levels of pay for interns.

Occupational safety and health management

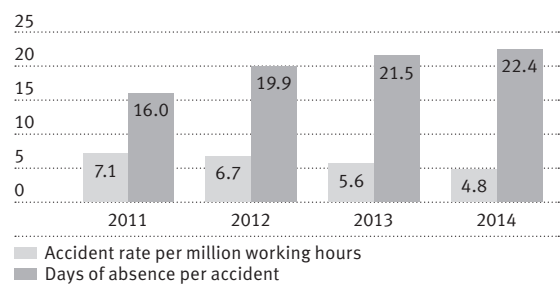
BSH has been reporting accidents on the basis of standard, centrally defined criteria since 2000. We document all accidents that occur at work in factories and large logistics and customer service units and result in at least one day's absence. The average rate of accidents per million hours worked at all factories has improved continuously in recent years, falling by 63 percent from 2004 (12.9) to 2014 (4.8) – and with a particularly significant contribution from factories in China (1.9) and Turkey (2.6). There were no fatal accidents at work involving BSH employees anywhere in the world in 2014. The driver of a forwarding company died as a result of an accident at work that occurred during unloading. One BSH employee died in a commuting accident.

Since 2009, all factory sites have introduced an occupational health and safety management system based on the OHSAS 18001 standard. Within the next three years, we want to develop and introduce further measures to completely eliminate accidents with technical causes and significantly reduce accidents with organizational or behavior-related causes. Based on detailed analyses of accident causes, the safety engineers at

our factories will decide on the specific measures to be taken at each site. Also cooperation and exchange of good practices with Robert Bosch GmbH is planned for this purpose.

Accidents at BSH internationally

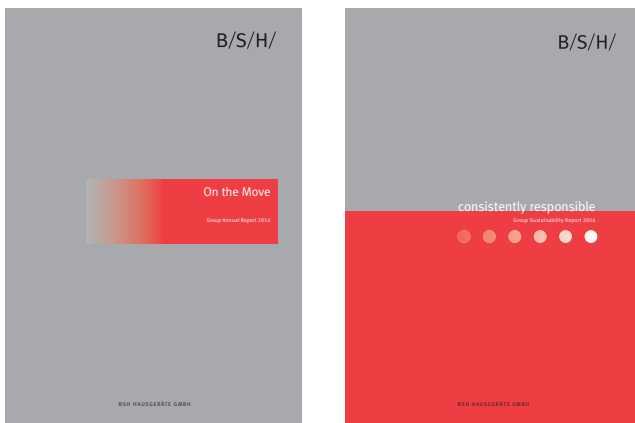
Accidents resulting in at least one day of lost work



Health promotion programs and a company doctor are available to employees at over half of our subsidiaries. In our cross-site project on demographic change in production, we have been examining the needs of employees at different stages of life since 2013 (see "Human resources policy", page 20). In order to better prevent work-related illnesses, we have specified more precisely the ergonomics-related skills required by our safety engineers. Employees who return to work after a long illness or with health-related constraints are reintegrated on the basis of the company's reintegration management system (BEM).

Sustainability objectives for 2014 and 2015

Targets for 2014	Targets achieved in 2014	Targets for 2015
Key area: Business Partners		
Conduct social audits of another 200 suppliers in selected regions (particularly of electronics, electrical parts and rubber goods)	2/3 of the audits of existing suppliers (particularly of electronics, electrical parts and rubber goods) successfully completed	Complete the remaining 1/3 of audits; prepare and conduct social audits of another 200 suppliers (particularly of electronics, electrical parts and rubber goods)
Run a pilot project to extend the social compliance program to service providers and manufacturers of long-life consumer goods	Continued focus on audits for suppliers of production material	
Key area: Resource Excellence		
Reduce specific energy and resource consumption in line with the 2015 resource efficiency program – Energy target: 521 kWh/t product (-5 % annually based on 2010 figures) – Water target: 0.98 m ³ /t product (-5 % annually based on 2010 figures) – Waste target: 74 kg/t product (-2 % annually based on 2010 figures)	Achievements in specific energy and resource consumption in line with targets set in 2014: – Energy: -3.3 % – Water: +6.1 % – Waste: +8.8 %	Reduce specific energy and resource consumption in line with the 2015 resource efficiency program – Energy target: 488 kWh/t of product – Water target: 0.92 m ³ /t product – Waste target: 72 kg/t product
Key area: Consumers and Products		
Increase the percentage of sales of super-efficient appliances to 40% (by 2016)	The super-efficiency program was discontinued in 2014. Energy efficiency is an established feature of all appliances (see the information on resource-efficient products on page 30).	Further improve the consumption figures in all product categories
Keep satisfaction with BSH customer service at a high level	Customer satisfaction was maintained at a high level of 1.8 (on a scale of 1 to 5 where 1 is very good)	Keep satisfaction with BSH customer service at a high level
Keep product ratings on social media platforms at a high level	Global web traffic increased by 20%, and customer satisfaction increased at the same time	Keep comments on products on relevant websites at a high level
Key area: HR Policy		
Integrate the content of the redesigned Junior Excellence Program (JEP) measures, and apply the program criteria consistently	Consequent checking on the basis of the participation criteria; increased international orientation in the Junior Excellence Program; integration of the measures (Orientation Center, JEP development modules) to support the development of skills/expertise for international activities	Pilot the second JEP development module; integrate selected measures to support the transfer of learning during program membership
Ensure that the employee survey results are communicated to all employees; devise measures across the board on the basis of the result reports	All employees around the world were informed of the results of the employee survey; 4,700 measures in the monitoring tool so far, of which 3,900 have been implemented	Prepare for and conduct the employee survey for 2015
Continue the existing Top Employer activities and extend them to other countries; HR to accompany the corporate social media activities	Existing national and international Top Employer activities continued successfully; first-time participation and certification of BSH China; HR managing the BSH Facebook page for Germany (starting in May 2014)	Further international positioning of BSH as attractive employer; expand social media activities (e.g. blog for Germany); advise subsidiaries on social media activities (for example, global standard for Facebook page)
Develop recruiting, employer branding and skills in connection with diversity; continue to focus on international diversity; continue the international rollout of the diversity concept; implement an internal forum for the management of diversity KPIs	Integration of diversity principles when BSH appears as an employer; development of a concept for the integration of diversity into the training program; adaptation of the diversity strategy to fit the regionalization concept; publication of target achievement in the core KPIs, setting of strategic targets	Continue to integrate diversity into the training program; further develop the strategy for the development of women in management positions
Produce an HR strategy paper for each subsidiary with all the relevant KPIs and key figures for monitoring	Following the internal HR report in 2014, the information sheet entitled HR Business at a Glance (HR BAG) was produced for each subsidiary; based on the HR report, it contains seven KPIs, a representation of the age distribution and 12 key figures for monitoring; the HR BAGs were made available to the relevant representatives of the subsidiaries who were involved in the data acquisition process for the purpose of internal communication	Repeatedly produce and distribute the HR BAG; for the first time this year, recipients are to be asked for their assessment of the development of selected KPIs in 2015
		Increase the penetration of the Leadership Qualification Program and revise the key areas of focus with regard to the new strategic orientation



Movement and Consistency

Digitization, mobility, urbanization. Global trends are changing the world consumers live in. Markets are in a process of evolution. BSH is addressing these challenges with innovative strength, regionally tailored products, a diverse range of dialog opportunities, and a sustainable, value-oriented corporate management approach. The 2014 Group Annual Report and Sustainability Report show how BSH has been able to keep movement and consistency in harmony. Both reports are available in German and English and as PDF at: publications.bsh-group.com.



An online version of the BSH 2014 Group Annual Report, with additional videos and photos, is available at report2014.bsh-group.com

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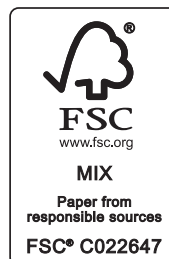
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GRI Index

The index shows where the relevant information can be found in the 2014 Sustainability Report and the 2014 Annual Report (AR). All standard and reported additional indicators (marked in grey) are included. According to our own estimate, this report complies with GRI-G3 application level „B“.

GRI Index G3.0	Status	Page	GRI Index G3.0	Status	Page
1 Strategy and analysis					
1.1	●	2/3	4.5	●	AR 126/127
1.2	●	1, 12–22, 36; AR 56/57	4.6	●	8/9
2 Organizational profile					
2.1	●	Title	4.7	●	11/12
2.2	●	5	4.8	●	8/9, 12, 16/17 of conduct
2.3	●	F3/F4, 5; AR F4	4.9	●	8/9, 12, 16/17
2.4	●	F3	4.10	●	AR 37/38, 126/127
2.5	●	F3/F4, 24	4.11	●	8/9
2.6	●	F2	4.12	●	F2, 10/11, 15, 27
2.7	●	F3/F4, 24	4.13	●	10/11
2.8	●	4, 28, 31; AR 74	4.14	●	6/7, 12
2.9	●	F2, 4	4.15	●	10, 12
2.10	●	F2, 4/5, 29, 32/33	4.16	●	10/11, 15, 18–21, 29/30, 34
3 Report parameters					
3.1	●	F2	4.17	●	10/11, 18–21, 29/30
3.2	●	F2	Economic performance indicators		
3.3	●	F2	Management approach ● 24		
3.4	●	37	EC1	●	4, 24
3.5	●	F2, 12	EC2	◐	26/27
3.6	●	F2, 28	EC3	●	34/35; AR 103–108
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3.9	●	F2, 24, 27/28	EC7	◐	31
3.10	●	4–7, 16, 26, 28, 30	EC8	◐	24
3.11	●	26/27, 30	Ecological performance indicators		
3.12	●	F5/F6	Management approach ● F3, 14/15, 25/26		
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4. Governance, commitments and engagement			EN2	◐	14/15, 28
4.1	●	8/9, 12; AR 37–41	EN3	◐	25, 28
4.2	●	AR 39–41	EN4	◐	25, 28
4.3	●	AR 39–41	EN5	●	25, 30
4.4	●	34			

GRI Index G3.0	Status	Page
EN6 Energy saving initiatives concerning products	●	30
EN7 Initiatives to reduce indirect energy consumption and reductions achieved	◐	25
EN8 Total water withdrawal by sources	●	25, 28
EN11 Activities in protected areas ¹	●	none
EN12 Effects on protected areas and biodiversity ¹	●	none
EN16 Direct and indirect greenhouse gas emissions	●	26/27
EN17 Other indirect greenhouse gas emissions	●	27
EN18 Initiatives to reduce greenhouse gas emissions	●	27
EN19 Emissions of ozone-depleting substances ²	●	
EN20 Other air emissions	◐	26, 28
EN21 Water discharge	◐	26, 28
EN22 Total weight of waste	●	25/26, 28
EN23 Significant spills ³	●	none
EN26 Initiatives to mitigate environmental impacts of products and services	●	14/15, 30
EN27 Reclaimed products and packaging	◐	
EN28 Fines and sanctions for non-compliance with environmental regulations	◐	
EN29 Significant environmental impacts of transporting products and other goods and materials	●	27/28
EN30 Total environmental protection expenditures and investments by type	●	26
Social performance indicators		
Labor practices and decent work		
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LA1 Total workforce	◐	4, 31
LA2 Employee turnover	◐	
LA3 Benefits provided to full-time employees	◐	34/35
LA4 Percentage of employees covered by collective bargaining agreements	◐	34
LA5 Minimum notice periods regarding operational changes	◐	
LA7 Rates of injuries, absenteeism and work-related fatalities	◐	35
LA8 Prevention and risk-control programs	●	20/21, 35
LA10 Training hours per year and employee	◐	33
LA11 Programs for skills management and lifelong learning	◐	20/21, 31–33
LA12 Percentage of employees receiving regular performance and career development reviews	◐	31
LA13 Composition of governance bodies and breakdown of employees	◐	33/34; AR 39/40
LA14 Ratio of basic salary of men to women	◐	33

GRI Index G3.0	Status	Page
Human rights		
Management approach	◐	8, 16/17, 36
HR1 Investment agreements incorporating human rights clauses	◐	
HR2 Significant suppliers and contractors that have undergone human rights screening	●	7, 16/17
HR3 Total hours of employee training on policies and procedures concerning aspects of human rights	◐	9, 17
HR4 Total number of incidents of discrimination and actions taken	◐	
HR5 Business operations at serious risk for the freedom of association	●	8/9, 16/17
HR6 Business operations at serious risk of child labour	●	8/9, 16/17
HR7 Operations at significant risk of forced or compulsory labour	●	8/9, 16/17
Society		
Management approach	●	10/11, 18/19
S01 Policies to manage impact on communities	◐	10/11, 14/15
S02 Percentage of business units analysed for risks related to corruption	◐	8/9
S03 Percentage of employees trained in anti-corruption policies and procedures	◐	9
S04 Actions taken in response to incidents of corruption	◐	
S05 Participation in public policy development	●	10/11
S08 Fines and sanctions for non-compliance with laws and regulations	◐	
Product responsibility		
Management approach	●	14/15, 18/19, 29/30
PR1 Health and safety impacts of products and services	◐	18/19, 29/30
PR3 Product and service information required	●	10, 29/30
PR5 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	◐	29, 36
PR6 Adherence to standards for advertising, marketing, sponsoring	◐	29
PR9 Fines and sanctions for non-compliance with laws and regulations concerning the use of products and services	◐	

1 2014 no activities in or near protected areas, no impact
2 not reported, because of low emissions of worldwide 300 kg
3 2014 no significant spills of hazardous materials

Status
● fully reported ◐ partially reported ◐ not reported

F = Flap

