

IICSR CERTIFIED ESG ADVANCED PRACTITIONER

# Bosch Foundation – Field Visit Report

BANGALORE TEAM



**TEJASWINI U (IICSR ESG Advanced Course Student)**

---

# Acknowledgement

This is a field visit report prepared as part of the course objective of “Advanced Certified ESG Practitioner” by IICSR and is for academic purposes only.

I would like to thank Ms. Harsha S, the founder of IICSR, the entire team of IICSR and Bosch Foundation for the opportunity.

---

# About Bosch limited, Bidadi Plant

Bosch Limited is a subsidiary of Bosch Group, a leading global supplier of technology and services. The Bidadi Plant is located in Bidadi Industrial Area near Bengaluru, Karnataka, India. It is one of the major manufacturing facilities of Bosch Limited in the country. The plant is involved in the production of a wide range of products, including automotive components, industrial equipment, and consumer goods.

Bosch Limited specializes in various business sectors, including Mobility Solutions, Industrial Technology, Consumer Goods, and Energy and Building Technology. The company offers a diverse range of products and solutions, such as automotive components, power tools, home appliances, security systems, packaging technology, and industrial automation equipment.

Bosch Limited has a strong focus on innovation and invests significantly in research and development. The company aims to provide cutting-edge technologies and solutions to meet the evolving needs of its customers. With a commitment to sustainability, Bosch also emphasizes eco-friendly practices in its manufacturing processes and products.

As a global company, Bosch Limited operates in multiple countries and serves various industries, including automotive, industrial, consumer goods, and energy. The company has a strong reputation for its quality products, technological expertise, and commitment to customer satisfaction.

---

## ESG Initiatives

Sustainability at the Bosch Bidadi plant encompasses various aspects of environmental responsibility, social engagement, and economic viability. The plant culture at Bosch Bidadi reflects a strong commitment to sustainability and incorporates it into daily operations, employee engagement, and community involvement.

**Environmental Stewardship:** The Bosch Bidadi plant focuses on minimizing its environmental impact by implementing energy-efficient technologies, reducing waste generation, and conserving natural resources. The plant actively promotes recycling and responsible waste management practices. It has initiatives such as water conservation programs, renewable energy installations, and sustainable transportation options to reduce carbon emissions.

**Employee Awareness and Engagement:** Sustainability is deeply ingrained in the plant's culture, and employees are encouraged to contribute to sustainable practices. The plant fosters a culture of awareness and responsibility by providing training and education on environmental sustainability. Employees are involved in energy-saving measures, waste reduction programs, and environmental audits to continuously improve sustainability performance.

**Ethical and Responsible Practices:** The Bosch Bidadi plant uphold high ethical standards and responsible practices across its operations. This includes compliance with local laws and regulations, fair treatment of employees, and fostering a safe and inclusive work environment. The plant also have policies in place to ensure the responsible sourcing of materials and adherence to environmental and social standards throughout the supply chain.

**Community Engagement:** The Bosch Bidadi plant engages with the local community to contribute positively and support sustainable development. This can include initiatives such as educational programs, skill development workshops, and environmental awareness

---

campaigns. The plant also collaborate with local organizations and government bodies to address community needs and promote sustainable practices beyond its own operations.

**Continuous Improvement:** Sustainability is a journey of continuous improvement, and the Bosch Bidadi plant culture embrace this philosophy. Regular monitoring, measurement, and reporting of sustainability metrics can help identify areas for improvement and set targets for reducing environmental impact. The plant have dedicated teams or committees focused on sustainability initiatives, encouraging innovation and the implementation of best practices.

### **Shanumangala Lake Rejuvenation**

The Shanumangala Lake Rejuvenation project at the Bidadi plant is an extensive endeavor by Bosch to conserve biodiversity and restore the habitat of the lake. The project focuses on achieving several intended outcomes and impacts.

### **Agroforestry Farm support**

The Agroforestry Farm support project at Bidadi, in collaboration with the government department, aims to enhance the income of farmers and promote sustainable land 16 management practices through agroforestry programs.

### **Bidadi (Mysore toll road) Lake Rejuvenation**

The ongoing Bidadi (Mysore toll road) Lake Rejuvenation project, undertaken by the Bosch Foundation, aims to restore and revitalize Bidadi Lake. A site visit revealed the current state of the lake and the progress of rejuvenation efforts.

### **Holistic Village Development**

The Holistic Village Development (HVD) project is a flagship initiative of the Bosch Foundation's Community Development and Philanthropy program. The project aims to facilitate sustainable development in the communities of Bosch's neighboring villages,

---

focusing on the present needs while preserving the ability of future generations to meet their own needs. The HVD project addresses key target audiences and core areas of development.

### **Billakempanahalli Micro Enterprises**

The Billakempanahalli Micro Enterprises project, supported by the Bosch Foundation, focuses on empowering women through the establishment of micro-enterprises in the village. The project aims to achieve specific outcomes and make a positive impact on the community.

### **Education and Skills Development – The Ijooru Government Higher Primary School**

The Bosch Foundation prioritizes education and skills development, empowering individuals through access to quality education and relevant training. By supporting vocational programs, foundational learning, and educational infrastructure, the foundation enables individuals to thrive and contribute to their communities. With a focus on knowledge and lifelong learning, the foundation believes in the transformative impact of education, fostering social and economic development for a sustainable future.

### **Shanumangala Anganwadi Renovation**

The Shanumangala Anganwadi Renovation project, undertaken by the Bosch Foundation in collaboration with Bosch Rexroth, aims to create a joyful learning environment for children below 6 years of age. During the field exposure visit, the team had the opportunity to visit an Anganwadi that had been renovated by Bosch Rexroth, witnessing the positive impact of the project firsthand.

Overall, sustainability at the Bosch Bidadi plant is seen to be deeply embedded in its culture, guiding decision-making processes, and influencing the behavior of employees. By prioritizing environmental responsibility, social engagement, and economic viability, the plant aims to contribute to a more sustainable future.

---

## Points of Integration

When it comes to ESG (Environmental, Social, and Governance) integration for Bosch Limited Bidadi, there are several key points to consider. Bosch Limited is a well-known multinational engineering and technology company, and ESG integration is crucial for ensuring sustainable business practices.

### **Environmental Sustainability:**

The company's Implementation of energy-efficient technologies and processes to reduce energy consumption and carbon emissions. Establishment of effective waste management systems to minimize waste generation and promote recycling and reuse. Water Conservation by water-saving measures and technologies to conserve water resources and manage water consumption responsibly. Reducing CO2 emissions and increase the use of renewable energy sources, such as solar or wind power, to reduce reliance on fossil fuels.

### **Social Responsibility:**

Fair labor practices such as providing safe working conditions, and promote employee well-being, including health and safety measures. Promoting diversity and inclusion within the workforce, ensuring equal opportunities for all employees regardless of gender, race, or background. Community Engagement with local communities through initiatives like skill development programs, education, healthcare, and support for local infrastructure. Supply Chain Management by encouraging responsible sourcing practices, including working with suppliers who adhere to ethical labor standards and environmental regulations.

Stakeholder Engagement: Foster transparent and constructive communication with stakeholders, including employees, customers, investors, and local communities.

---

## **Governance and Ethics:**

Transparency and Accountability in reporting and disclosure practices, including financial performance, sustainability initiatives, and ESG-related information. Ethics and Compliance to uphold high ethical standards and promote a culture of integrity, including anti-corruption measures and adherence to relevant laws and regulations. Promote diversity on the board of directors and ensure independent decision-making to enhance governance effectiveness. Implement robust risk management systems to identify and address ESG-related risks and opportunities. Develop a clear ESG strategy aligned with the company's long-term goals and integrate it into the overall business strategy.

## **Rating & Reporting Framework**

**Reporting Framework:** Bosch has used internationally recognized reporting frameworks such as the Global Reporting Initiative (GRI) Standards and the United Nations Global Compact (UNGC) as a basis for its sustainability reporting. These frameworks provide guidelines for organizations to disclose their ESG impacts and performance.

**Materiality Assessment:** Materiality assessment is conducted to identify the sustainability topics that are most relevant to its business and stakeholders. This process involves analyzing the significance of various economic, environmental, and social aspects to determine the key focus areas for reporting.

**Stakeholder Engagement:** Bosch actively engages with its stakeholders to understand their perspectives and expectations regarding sustainability. This engagement helps shape the content and focus of its sustainability reporting, ensuring that it addresses the concerns of key stakeholders.

**Reporting Scope:** Bosch's sustainability reporting typically covers its global operations, including its business divisions, regions, and major subsidiaries. The company provides information on a wide range of sustainability topics, such as energy and emissions, resource



---

efficiency, product responsibility, employee well-being, social engagement, and corporate governance.

Performance Indicators: Bosch reports on a set of key performance indicators (KPIs) related to its sustainability goals and targets. These indicators allow stakeholders to assess the company's progress in areas such as greenhouse gas emissions, energy consumption, water usage, waste management, employee diversity, and safety performance.

Integration with Annual Report: Bosch has previously integrated its sustainability reporting within its annual report to provide a comprehensive overview of its financial and non-financial performance. This integration highlights the company's commitment to integrating sustainability into its core business strategy.

## Current Financial Benefits Analysis (BOSCH)

The business saw a growth of 31% in revenue over the previous year with key wins across verticals. The verticals of Transportation, Government, Energy and Commercial sector continued to contribute to the business growth in addition to support coming in from the Healthcare.

The following are the standalone financial highlights for the Financial Year 2021-22:

Particulars	[₹ in Million]	
	2021-22	2020-21
Sale of Products	111,047	89,646
Of which Export Sales	11,907	8,606
Profit before exceptional item and tax	15,001	13,110
Exceptional item	-	7,439
Profit Before Tax	15,001	5,671
Total tax expense	2,829	846
Profit for the year	12,172	4,825
Other comprehensive income (Net of tax)	(122)	3,799
<b>Total Comprehensive Income for the year</b>	<b>12,050</b>	<b>8,624</b>

(Source- Annual Report 2021-22)

---

## Recommendations

- Investing in research and development of sustainable technologies to reduce the environmental impact of products and operations by setting ambitious targets for reducing greenhouse gas emissions, water usage, and waste generation throughout the value chain.
- Explore renewable energy sources and energy efficiency measures to decrease reliance on fossil fuels and minimize carbon footprint by assessing the environmental risks associated with supply chain operations, ensuring sustainable sourcing practices.
- Strengthen employee welfare programs, ensuring fair remuneration, a safe working environment, and opportunities for skill development and career growth, foster diversity and inclusion in the workplace by implementing policies that promote equal opportunities and support underrepresented groups.
- Promote work-life balance and employee well-being initiatives, including mental health support, flexible work arrangements, and family-friendly policies. Engage with local communities through philanthropic activities, support for education, and initiatives that address societal challenges.
- Enhance transparency and accountability by regularly disclosing ESG performance metrics, targets, and progress reports. Ensure a diverse and independent board of directors with appropriate expertise to oversee ESG-related risks and opportunities.
- Strengthen risk management systems to identify, assess, and mitigate ESG risks across the organization. Align executive compensation structures with ESG goals to incentivize responsible and sustainable business practices.

---

## Stakeholder Engagement:

- Continuously Engage with stakeholders, including customers, suppliers, employees, investors, and local communities, to understand their ESG concerns and expectations.
- Collaborate with industry peers, governmental organizations, and non-profit entities to drive collective action on pressing ESG issues.
- Participate in relevant ESG reporting frameworks, such as the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB), to ensure comprehensive and standardized ESG disclosures.
- It's important to note that the ESG landscape is dynamic, and companies should regularly review and adapt their strategies to align with evolving best practices and stakeholder expectations.

## ESG Trends

We anticipate new tensions between managing near-term risks and significantly advancing longer-term sustainability goals in 2023 because of ongoing geopolitical unrest, persistent inflation, an impending recession, and worsening physical impacts of climate change. Despite these challenges, we believe that the sustainable debt market will aid in the advancement of sustainability goals.

As new sustainability disclosure standards take effect around the world, stakeholders will be faced with the complexity and potential challenges of aligning these initiatives. Another challenge for companies and investors will be the rising risk of environmental, social, and governance (ESG)-related litigation, including over sustainability disclosure. Climate change and related issues such as water scarcity and biodiversity loss are likely to dominate stakeholder discussions, with long-term climate goals potentially reevaluated to address immediate needs.

---

The long-term viability of sustainable employment practices, which have been implemented in recent years in response to significant shifts in workforce expectations, will be tested in many markets by recessionary risks. Meanwhile, new human rights regulations will impose new requirements on business supply chain management. These trends are expected to have an impact on a wide range of stakeholders, including businesses, investors, and workers, as well as communities, regulators, and policymakers.

## **ESG Trends in India**

Environmental, Social, and Governance (ESG) trends have gained significant momentum in India in recent years. ESG factors are being increasingly considered by companies, investors, regulators, and consumers as they recognize the importance of sustainable and responsible business practices.

**Renewable Energy Transition:** India has made remarkable progress in renewable energy adoption. The country aims to achieve 40% of its energy capacity from renewable sources by 2030. This focus on clean energy aligns with environmental goals and reduces carbon emissions.

**Sustainable Infrastructure Development:** With rapid urbanization and economic growth, India is investing in sustainable infrastructure projects such as smart cities, green buildings, and public transportation systems. These initiatives promote energy efficiency, reduce environmental impact, and enhance quality of life.

**Water Conservation and Management:** Water scarcity is a significant concern in India. ESG initiatives are emphasizing water conservation, wastewater treatment, and efficient water management practices across industries. Companies are increasingly adopting sustainable water practices to minimize their impact on water resources.

**Responsible Supply Chain Management:** Companies are under increased scrutiny to ensure their supply chains adhere to ethical and sustainable practices. ESG considerations

---

include responsible sourcing, fair labor practices, human rights protection, and eliminating child labor and forced labor from supply chains.

**Gender Diversity and Inclusion:** Promoting gender diversity and inclusion is a growing ESG focus in India. Efforts are being made to increase women's representation on corporate boards and in senior leadership positions. This trend is driven by regulatory requirements, investor expectations, and recognition of the value of diverse perspectives.

**Impact Investing:** Investors in India are increasingly incorporating ESG factors into their investment decisions. Impact investing, which aims to generate positive social and environmental impact alongside financial returns, is gaining traction. This approach encourages investments in sectors such as clean energy, healthcare, education, and sustainable agriculture.

**Green Finance and ESG Reporting:** Financial institutions are integrating ESG considerations into their lending and investment practices. Banks and other financial entities are developing green finance products and services to support sustainable projects. Additionally, companies are adopting ESG reporting frameworks to provide transparent information on their ESG performance.

**Investor Activism:** Shareholder activism is growing in India, with investors using their influence to drive ESG-related changes in companies. Institutional investors are increasingly engaging with companies on ESG issues, exercising their voting rights, and pushing for greater corporate accountability and sustainability.

## **International ESG Trends**

ESG considerations have become more integrated into investment decision-making processes. Investors are increasingly recognizing the importance of evaluating environmental and social risks alongside financial metrics. This trend has led to the development of various ESG investment strategies and the incorporation of ESG factors into mainstream financial analysis.

---

**Regulatory Developments:** Governments and regulatory bodies around the world are taking steps to promote ESG practices. Many countries have introduced or strengthened regulations related to ESG reporting, disclosure, and corporate governance. For example, the European Union introduced the Sustainable Finance Disclosure Regulation (SFDR), which requires financial market participants to disclose how they integrate ESG factors into their investment decision-making processes.

**Climate Change Focus:** Climate change has emerged as a dominant ESG theme globally. Investors are increasingly concerned about the physical and transition risks associated with climate change. There is growing pressure on companies to disclose their carbon emissions, set emission reduction targets, and develop climate risk mitigation strategies. Initiatives like the Task Force on Climate-related Financial Disclosures (TCFD) have gained traction, encouraging companies to provide consistent and comparable climate-related disclosures.

**Social Impact and Diversity:** Social factors, including employee welfare, human rights, and diversity and inclusion, are gaining prominence within the ESG landscape. Investors are looking for companies that prioritize employee well-being, demonstrate commitment to diversity in the workforce, and contribute positively to their communities. Issues like gender and racial diversity, equal pay, and labor practices have become key considerations for ESG-focused investors.

**Impact Investing:** Impact investing, which aims to generate positive social and environmental outcomes alongside financial returns, has gained momentum. Investors are allocating capital to projects and companies that address societal and environmental challenges, such as renewable energy, affordable housing, and healthcare access. This trend reflects a growing recognition of the potential to align investment objectives with positive social and environmental impact.

---

## References

1. Bosch Limited, Annual Report 2021-22

[https://www.bosch.in/media/our\\_company/shareholder\\_information/2022/annual\\_report.pdf](https://www.bosch.in/media/our_company/shareholder_information/2022/annual_report.pdf)

2. Bosch Limited, Sustainability Report 2022

[https://assets.bosch.com/media/global/sustainability/reporting\\_and\\_data/2022/bosch-sustainability-report-2022.pdf](https://assets.bosch.com/media/global/sustainability/reporting_and_data/2022/bosch-sustainability-report-2022.pdf)

3. Bosch Limited, Corporate Social Responsibility (CSR) Policy Revised (2021)

[https://www.bosch.in/media/our\\_company/corporate\\_social\\_responsibility/chdp/csrfinal.pdf](https://www.bosch.in/media/our_company/corporate_social_responsibility/chdp/csrfinal.pdf)

4. Bosch Limited, BRIDGE Brochure

<https://www.bosch.in/our-company/our-responsibility/corporate-social-responsibility/bridge/#downloads>

5. Bosch Limited, Primavera Brochure

[https://www.bosch.in/media/our\\_company/corporate\\_social\\_responsibility/pdf/primavera-brochure.pdf](https://www.bosch.in/media/our_company/corporate_social_responsibility/pdf/primavera-brochure.pdf)

6. Bosch Limited, Basic principles of social responsibility at Bosch

[https://assets.bosch.com/media/en/global/sustainability/reporting\\_and\\_data/basic-principles-of-social-responsibilities.pdf](https://assets.bosch.com/media/en/global/sustainability/reporting_and_data/basic-principles-of-social-responsibilities.pdf)

7. Bosch Limited, Code of Business Conduct

[https://assets.bosch.com/media/en/global/sustainability/strategy/vision\\_and\\_goals/bosch-code-of-business-conduct.pdf](https://assets.bosch.com/media/en/global/sustainability/strategy/vision_and_goals/bosch-code-of-business-conduct.pdf)

---

8. Bosch Limited, Guidelines of Work Safety and Environmental Protection

[https://assets.bosch.com/media/en/global/sustainability/strategy/management\\_and\\_organisation/principles-of-work-safety-and-environmental-protection.pdf](https://assets.bosch.com/media/en/global/sustainability/strategy/management_and_organisation/principles-of-work-safety-and-environmental-protection.pdf)

9. Images : Google, Annual Report.