



Annual financial results 2020

Bosch diversification stabilizing factor in North America as company achieves sales of \$12.3 billion

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- ▶ More than \$360 million CAPEX for region in 2021; \$250 million in mobility solutions
- ▶ Future focus on key growth areas of electromobility and AIoT in region
- ▶ Bosch reached carbon neutrality goal at 400 locations worldwide, including North America

FARMINGTON HILLS, Mich. – Bosch, a leading global supplier of technology and services, ended its 2020 fiscal year with \$12.3 billion (10.8 billion euros) in consolidated sales in North America.

“The COVID-19 pandemic had a substantial impact on our business, particularly in the second quarter of 2020,” said Mike Mansuetti, president of Bosch in North America. “Our associates responded with great poise, agility and creativity to help us meet the significant challenges we faced. As a result, we were able to rebound successfully in the second half of the year.”

Due to the pandemic, sales in North America were 15 percent below the previous year’s level. However, once again, Bosch’s broad diversification served as a stabilizing force, blunting the impact of the crisis on the region’s business results. While the Mobility Solutions business sector suffered the effects of declining worldwide automotive production (even prior to the pandemic), demand for household appliances and power tools increased significantly, boosting sales in North America’s Consumer Goods business sector to \$2.9 billion, a 12 percent increase.

“For the current year, we are optimistic about building upon the results of the second half of 2020 and the start of 2021, but also expect on-going challenges due to industry-wide headwinds such as the semiconductor shortage,” said Mansuetti.

Investment to support customers

Despite the global economic challenges of 2020, Bosch continues to invest in North America across its portfolio as the company plans capital expenditure investments of approximately \$360 million (315 million euro) in 2021.

For its Mobility Solutions business sector, Bosch will invest more than \$250 million (218 million euro) in North American capital expenditures for 2021 in support of its customers. At its Charleston, South Carolina facility, Bosch is ramping up production to support powertrain electrification as part of the company's investment and growth in the area of electromobility. At the same time, the facility is also experiencing growth in its on-going support of the internal combustion engine. Bosch continues to offer its customers technologically-neutral options for the powertrain with an enduring focus on increasing efficiency and reducing emissions. The Charleston facility expects to invest \$80 million (70 million euro) by 2023 to support these areas.

AIoT solutions in the North American region

Bosch in North America is extending the company's global focus on AIoT, where artificial intelligence (AI) meets the internet of things (IoT), via AIoT solutions and projects originating in the region.

In 2020, Bosch introduced the [Virtual Visor, a transparent LCD and intuitive camera, which replaces the traditional vehicle sun visor completely](#). Bosch technology utilizes intelligent algorithms to intuitively block the sun's glare and not the view of the road ahead. The connected system, which was developed in the United States, uses artificial intelligence to locate the driver within the image from a driver-facing camera. It also utilizes AI to determine the landmarks on the face – including where the eyes, nose and mouth are located – so that it can identify shadows on the face. The algorithm analyzes the driver's view, darkening only the section of the display through which light hits the driver's eyes. The rest of the display remains transparent, no longer obscuring a large section of the driver's field of vision.

After sending its [Soundsee technology that uses artificial intelligence to analyze audio data to the International Space Station \(ISS\)](#) at the end of 2019, Bosch [announced in 2020 it was part of a project which was awarded \\$5.8 million through NASA's Tipping Point program](#) to develop a system for magnetic resonance-based wireless charging for use in lunar settings. This includes the precise autonomous navigation of robots to the wireless charging station. The project showcases Bosch's expertise in AIoT, as Bosch will contribute AI-driven intelligent data analytics and wireless connectivity solutions to the project. Bosch researchers in Pittsburgh and Sunnyvale, Calif. will focus on intelligent

processing capability that will enable autonomous navigation of robots on the Moon's surface.

Bosch reached carbon neutrality goal at its 400 locations worldwide

Bosch is pressing ahead with its climate action targets as planned, and has reached a major milestone with the climate-neutral status of its more than 400 locations worldwide in spring 2020. This has already been confirmed by independent testing. As a result, Bosch is the first global industrial company whose own locations no longer leave a carbon footprint – this also includes the sites in North America. Many of the company's activities across North America have contributed to achieving this goal, with energy efficiency as a primary lever. For example, the Charleston facility is one of more than 100 Bosch locations worldwide that have deployed the Bosch cloud-based-energy platform, which applies intelligent algorithms to reduce the energy consumption of machines and thus increases the efficiency of production processes.

Another example is Bosch Rexroth's facility in Fountain Inn, South Carolina, which requires an incredible amount of electricity for its mobile hydraulics production. It now has the first large-scale solar array for the company in North America. In November 2020, the plant started producing energy from 3,300 solar panels spread out over five acres of adjacent land. The energy produced feeds directly into the plant and can provide roughly 25 percent of the power for one of the campus buildings.

The company continues to bring ecological solutions via its product portfolio as well. Bosch Home Appliances [recently announced it has received the 2021 ENERGY STAR Partner of the Year Award from the U.S. Department of Energy](#).

Bosch also aims to reduce CO₂ emissions along its entire value chain, from suppliers to customers, by 15 percent by 2030 from their 2018 level – a reduction of 67 million metric tons of carbon dioxide emissions.

Bosch Group: Outlook for 2021 and strategic course

The Bosch Group achieved a positive result in 2020 despite the coronavirus pandemic and had a successful start to the first quarter of 2021. "Bosch came through the first year of the coronavirus pandemic well," said Dr. Volkmar Denner, the chairman of the board of management of Robert Bosch GmbH. However, the company expects another challenging year, primarily due to ongoing pandemic risks. To develop new business opportunities on the back of the profound technological and ecological changes currently occurring, Bosch is combining the internet of things (IoT) with artificial intelligence (AI) and is concentrating on electromobility. "We are one of the winners in the transition to

electromobility, and we are significantly expanding our software business by tying in artificial intelligence,” said Denner.

Global efforts to combat climate change are boosting electrification and green hydrogen. Electrification offers Bosch new opportunities in several business areas, since it requires solutions not only for electric driving in cars, but also for electric heating in buildings. In powertrain technology, electromobility is establishing itself as Bosch’s core business. Fuel cells convert hydrogen into electricity, and Bosch is developing both stationary and mobile fuel-cell solutions. From 2021 to 2024, Bosch plans to invest \$1.2 billion (1 billion euros) in fuel-cell technology.

Contacts:

Alissa Cleland – North American region

Phone: +1 248-876-1587

Alissa.Cleland@us.bosch.com

Twitter: @alissacle

Matt Haran – Financial and human resources

Phone: +1 248-876-2594

Matt.Haran@us.bosch.com

@BoschUSA

Tim Wieland – Technology and product

Phone: +1 248-876-0288

Tim.Wieland@us.bosch.com

Twitter: @timwieland

About Bosch

Having established a regional presence in 1906 in North America, the Bosch Group employs 34,700 associates in more than 100 locations, as of December 31, 2020. In 2020, Bosch generated consolidated sales of \$12.3 billion in the U.S., Canada and Mexico. For more information, visit www.bosch.us, www.bosch.ca and www.bosch.mx.

The Bosch Group is a leading global supplier of technology and services. It employs roughly 395,000 associates worldwide (as of December 31, 2020). The company generated sales of \$81.7 billion in 2020. Its operations are divided into four business sectors: Mobility Solutions, Industrial Technology, Consumer Goods, and Energy and Building Technology. As a leading IoT provider, Bosch offers innovative solutions for smart homes, Industry 4.0, and connected mobility. Bosch is pursuing a vision of mobility that is sustainable, safe, and exciting. It uses its expertise in sensor technology, software, and services, as well as its own IoT cloud, to offer its customers connected, cross-domain solutions from a single source. The Bosch Group’s strategic objective is to facilitate connected living with products and solutions that either contain artificial intelligence (AI) or have been developed or manufactured with its help. Bosch improves quality of life worldwide with products and services that are innovative and spark enthusiasm. In short, Bosch creates technology that is “Invented for life.” The Bosch Group comprises Robert Bosch GmbH and its roughly 440 subsidiary and regional companies in 60 countries. Including sales and service partners, Bosch’s global manufacturing, engineering, and sales network covers nearly every country in the world. The basis for the company’s future growth is its innovative strength. At 126 locations across the globe, Bosch employs some

73,000 associates in research and development, as well as roughly 30,000 software engineers.

Additional information is available online at www.bosch.us, www.iot.bosch.com, <https://us.bosch-press.com/>, <https://twitter.com/BoschPress>

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