

Supervisory board report

“In both strategic and operational terms, the Bosch Group made good progress in 2015.”

Ladies and gentlemen,

In both strategic and operational terms, 2015 was a successful year for the Bosch Group. In this context, the complete acquisition of the former joint ventures Automotive Steering and BSH Hausgeräte was of special relevance. At the same time, it was a challenging year, especially as a result of comprehensive reorganization programs and the divestment of business areas.

In our capacity as supervisory board, we regularly monitored the work of the board of management, and lent it our support relating to running the company, to developing Bosch Group strategy, and to individual matters affecting the company. We are obliged by law and the statutes to fulfill a number of tasks – an obligation which we fulfilled once more with the utmost care in the 2015 business year. In addition, outside of board meetings, the chairman of the supervisory board was regularly informed by the chairman of the board of management about current developments and events in the company. For us and the board of management, the highest priority is to ensure that the Bosch Group continues to develop sustainably and successfully. In this endeavor, our work together is open, conscientious, and constructive.

Among other things, the supervisory board concerned itself with the strategy of the Energy and Building Technology business sector, the carve-out of the Starter Motors and Generators division, and the realignment of the Drive and Control Technology division. In addition, it kept itself fully abreast of the board of management's other major plans for acquisitions and divestments. It also devoted its attention to the integration of Automotive Steering and BSH Hausgeräte, to the determination of target quotas for the share of women on various management bodies, and to the changing requirements Bosch has to meet to be seen as an attractive employer. The supervisory board critically examined compliance issues and antitrust investigations. It set up a committee that kept itself constantly informed about the company-internal investigations into compliance issues. The supervisory board looked in detail at business developments, risk management, as well as the financial and capital expenditure plans.

PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft (PwC) audited and issued an unqualified audit opinion on the Robert Bosch GmbH annual financial statements, the Bosch Group



consolidated financial statements, and the accompanying management reports as of and for the year ended December 31, 2015. The supervisory board discussed these documents at length and subjected them to its own examination. All members of the supervisory board had access to the auditor's reports. Moreover, at the supervisory board meeting, the auditor reported on the main findings of the audit, which were then discussed in detail. The supervisory board raised no objections, concurred with the results of the audit, and approved the Robert Bosch GmbH annual financial statements and the Bosch Group consolidated financial statements.

Professor Olaf Kübler and Tilman Todenhöfer, two long-standing members of the supervisory board, stood down in April after reaching the mandatory retirement age. Professor Kübler was also a limited partner of Robert Bosch Industrietreuhand KG. As one of the managing partners of the Industrietreuhand and a former member of the board of management of Robert Bosch GmbH, Tilman Todenhöfer had close ties with the company for many years, helping to shape its development. The supervisory board would like to thank Olaf Kübler and Tilman Todenhöfer for all they have done

to support the committee's work. We are pleased to welcome Professor Elgar Fleisch and Professor Michael Kaschke as their successors.

The supervisory board would also like to thank the board of management and all Bosch Group associates for their dedication over the past year. The company could not be successful without their hard work.

Stuttgart, April 2016

For the supervisory board

With best regards,

Franz Fehrenbach,
Chairman