

Employee Relations Policy (for RO-IN associates)



BOSCH

Invented for life

Contact:

Suman Mitra (RBIN/HRL-P, -/HRC2),
Nandini S B (RBIN/HRL-P)

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Author & Issuing Department: Nandini S B, RBIN/HRL-P

Approver: Suman Mitra (RBIN/HRL-P, RBIN/HRC2)

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Introduction

Since the inception, our founder Robert Bosch has cultivated a culture of trust, profit sharing and innovativeness. We make & deliver products and services that improves/enhances the lives of people.

To continue nurturing this culture, our Employee Relations policy for RO-IN has been derived from the Bosch Mission statement, **'We are Bosch'**, the concept of **'We Lead Bosch'** and **Global HR Strategy**.

Our policy reiterates & reinforces Bosch values in the context of associates. This acts as a guiding principle for Employee Relations decisions in our day to day work at the locations/plants.

We adopt this policy by following a similar behaviour in similar situation which distinguishes Bosch and sets us apart from others.

A company trusted by its Employees & Stakeholders

We, at Bosch, deliver products to the world that are **'Invented for Life'**. We care about the impact of our decisions on customers, environment and our associates.

Our objective, in the spirit of Robert Bosch is to aim to secure our company's future by ensuring strong and meaningful development and preserving its financial independence.

By our actions and operations as a company, we want to bring about a **positive change** in the lives of the **people, society and community** at large.

As an employer, we strive to do this by **investing in the right human resources** and **developing them**.

We find and Develop leaders with the spirit of "We are Bosch" and "We Lead Bosch".

With globalization, diversification, acquisitions, Bosch in India is growing along with the no. of manufacturing units & offices.

This has resulted in the need for a **standardized employee relations policy** & practices aimed at increasing productivity and overall efficiency of plants.

A proactive & focussed approach

We, at Bosch believe in a proactive and future oriented approach. Our actions are always result-focused.

We follow continuous improvement process (CIP) in our daily work which is ingrained in our DNA.

Our strategic focal points include **focussing on customers, shaping change and striving for excellence**. All of these cannot be possible without the right associates.

Hence, we believe in having a strong Employee Relations policy to aid the business move forward and being cost competitive at the same time.

With over 20,000 permanent associates present all across RO India, it is imperative in the current business scenario to have a comprehensive Employee Relations policy which acts as an overarching policy to derive the entity strategies.

As far as manufacturing, quality and BPS are concerned, worldwide, we operate by a common corporate culture and defined standards in a Bosch way.

A similar **standardization** is aimed **country level** for **Employee Relations** in India through this policy.

Corporate Culture

'We are Bosch' defines us. Bosch culture is one of our biggest strengths. Worldwide, our distinctive corporate culture is a common bond we share. We live by our values and strive for continuous improvement. We are proud to work for Bosch.

'One HR' defines Human Resources function in the Bosch world consisting of three pillars:

HR Business partners, HR Shared services (HRS-IN) and HR Centre of Excellence (CoE)

Employee Relations: While this term is relatively new in the context of Bosch language, the impact of this philosophy will be long lasting. It entails the transition from **Industrial Relation** to **Employee Relation** philosophy in RO India.

We actively **contribute to business** and **organizational transformation**.

Responsibility & Implementation

The **corporate Employee Relations team** is responsible for the **creation** of RO-IN Employee Relations policy in **collaboration** with the core team and **updating** the same.

Implementation is the responsibility of the **Business heads** and **location HRLs** with **consensus of all the Departments**.

Guidance is given by RBIN/HRL-P, -/HRC2. Operational tasks are carried out by the plants and entities at their respective manufacturing locations.

Employee relations is a clear responsibility of the Local management.

Employee relations is a journey and philosophy to be followed by every business manager in the organization.

We aim have the best in class ER practices with evolutionary and revolutionary approaches.

Review, Monitoring & Audit

Bosch believes and follows a **4-eye principle** approach where one person gives input, i.e., the data entry and another person verifies the same.

The person monitoring/verifying is an external authority and not part of the team taking care of the compliance at the location.

The principle is applied in Employee Relations Audit as well and we track the compliance on a real time basis.

Employee Relations Quick Check is used as a tool to **assess the process maturity** of all ER processes in every plant.

In order to adhere to our 4-eye principle, **yearly audit** with respect to **legal compliance** is carried out by the Cross Functional Team (CFT) formed from all the plants.

Compliance

Each Bosch unit has to be compliant with the Employee Relations policy and **all statutory provisions under labour laws**.

Compliance with the **social and environmental aspects** of the business also has to be taken care of by the respective locations.

Any employee can **report violation** of laws to the local management and they shall take **immediate steps to rectify the violation**.

The local management shall take proactive action with the assistance of Corporate Employee Relations and **put in place measures to ensure a similar violation does not recur in the future**.

The **findings are documented** and **reported to the plant management** and corporate employee relations team.

Corporate Labour Priorities/ Policy Guidelines

At Bosch, our policies are framed to **protect the interests of our associates**. Employee relations policy provides the guidelines for focussed approach on all **Labour issues, Compliance** and to **develop the capabilities** of our HR/ER colleagues.

This allows us to secure the future. Some of the policy guidelines are as follows:

- We **respect** and treat all our associates with **dignity** and provide a clean and hygienic work environment adhering to all the labour laws
- We appreciate and **encourage diversity** in associates as it increases team performance which is vital for our success
- We **respect Corporate guidelines** for handling of **temporary employees** in any form
- We **respect and follow** the Corporate guidelines regarding **outsourced activities** and employment of associates/**Contract Labour**
- We **do not discriminate** any employee based on gender/ race/ religion/ language/ region
- We are an **equal opportunity employer**
- We focus on **meeting common interests**

- We implement corporate guidelines regarding **working time** of the employees and their terms of employment in accordance with applicable laws
- We work to **improve** further our **workplace** and **work environment** further and protect our **competitive advantage**
- We **live by our values**. We deal **fairly** with our associates with respect to all the issues
- We do not compromise on health, safety and quality standards and follow the order of **SQCD (Safety, Quality, Cost, Delivery)**
- We **do not employ child labour**
- We **seek and give feedback**, and lead with **trust, respect and empathy**
- We take **disciplinary action** as when and when required. It is done by the disciplinary authorities at the respective locations when associates engage in activities prohibited by the **standing orders and terms of employment**
- We ensure **principle of natural justice** is followed
- At international level, we **adhere** to OECD **guidelines** applicable to us
- We delight our customers with **operational excellence** and **user-centric solutions** derived from business needs

Collective Dialogue

We believe in **Openness and trust** which is one of our **Core values**.

We **communicate** important company matters in a **timely manner** openly, **frequently** and **across all levels**.

We ensure direct link is established and message from the plant management/ business heads reaches up to the last associate in the plant.

We **share business knowledge** and **address the concerns** of our associates in a regular manner.

We **encourage dialogue** with the HR Department that is **beyond** the regular Long term settlement (LTS) discussions.

In case of **closure** or separation or **Joint Venture (JV)** or **takeover** of any particular unit, we ensure **full compliance** with respect to **labour legislations**, simultaneously keeping in mind the **welfare of our associates**.

Collective Negotiations

Bosch gives the freedom for associates to reap the benefits of **Trade Unionism** and **collective bargaining**.

We respect our associates who organize themselves into interests' groups or forming Union.

In keeping with the spirit of this policy, associates are **not discriminated** for associating themselves with groups/Unions.

The **company representatives** are assigned and **representatives from associates** (Union Office Bearers) are elected by following the procedure given in the Laws.

The **majority Union** in any plant only has the **power to negotiate** with the management in the **Long term settlement**. They discuss and come to an amicable understanding on LTS and also on everyday issues.

Employee Engagement

We work on **building trust** among our associates and strive to have an **engaged workforce** working for our organization.

We encourage **transparency** and **team work** and to work in an **agile manner**. We move ahead with the world with respect to **automation and industry 4.0** and **take our associates along** in the improvements we make.

We ensure the engagement strategies are **in line with the local culture, local laws** and follow a fair and open approach. We want to be an organization where our employees have a **pride to be associated with Bosch**.

We foster a culture of healthy relationship and trust between management and workmen and belief in senior leadership.

Relationship with immediate supervisors plays a very significant role in affecting the **employee engagement index**. Hence, we play a key role in smoothening the relationship at the shop-floor between workmen and the front line managers by training sessions, coaching, etc

Our aim is to have a **fully engaged, flexible and agile workforce** where there is a professional relationship existing without losing the **personal touch**.

Employee engagement is a **continuous process** and Employee Relations in the current business scenario is **transformational**.

External Open Social Dialogue

Bosch is always open to any social dialogue with external agency for the overall good of the business, for obtaining relevant information and networking.

This includes HR/ER Heads in other organizations, **Social communities, Trade Union leaders, Employer Associations, autonomous bodies, Govt. authorities** at various levels of hierarchy.

At a local level, there should be a sustained effort to reach out to the **local Government** authorities and engage with them on a regular basis as per the **engagement calendar** prepared in advance.

It is also necessary to be in touch with **other organizations and consultants** to be informed about relevant **market trends, competitor data,**

employee wages benchmarking and other labour related issues.

At a national level too, it is important to engage with external subject matter experts such as the **ILO office, OECD National Contact Point**, employer organizations, business associations, etc.

Governance/Conclusion

This is an **overarching Employee Relations policy**. The rules & regulations applies to every employee in Bosch India (blue collar associates and M&SS).

Using this policy as a **broad guideline**, a **detailed location and/or business unit specific strategy** may be developed. The respective policy (if any) needs to be informed to RBIN/HRL-P, -HRC2.

The aim of this policy, apart from being a broad corporate guideline, is to **contribute to the economic development** of the country by improving the **national Human development index**.

Every entity will have an **individual action plan** in place to incorporate the **corresponding state laws** and laws and also in line with the **manufacturing requirements**.

Any **violation** of the basic principles of the Employee Relations policy should be **communicated to the local HRL team** by the business or employee noticing it. HRL team to **record the same** and pass on the **information to the corporate** at the earliest and take corrective action in consultation with RBIN/HRL-P.

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