



2022

ENVIRONMENTAL, SOCIAL, GOVERNANCE REPORT UPDATE
(formerly Sustainability Report)

BOSE

TABLE OF CONTENTS

- 01 LETTER FROM OUR PRESIDENT AND CHIEF OPERATING OFFICER
- 04 ABOUT THIS REPORT
- 05 ESG PROGRAM SUMMARY
- 06 ENVIRONMENTAL DATA SUMMARY
- 07 PRODUCT SUSTAINABILITY
- 08 ENVIRONMENTAL INITIATIVES
- 09 OUR PEOPLE
- 12 OUR COMMUNITIES



Letter from Our President and Chief Operating Officer

At Bose, we're committed to achieving a positive Environmental, Social, and Governance (ESG) impact and continuously evolving our maturity in this area. This past year brought significant challenges across the globe as we battled the ongoing pandemic, debated the shifting work environment, and faced new geopolitical instability and continuing supply chain disruptions. Through it all, our employees worked tirelessly to innovate new products, deliver value in creative ways, and make a difference in our communities through volunteering and corporate giving initiatives.

To drive real change, we realize the need to extend social and environmental accountability beyond our day-to-day operations. Our Planetears Employee Resource Group helps raise awareness of and promotes advocacy for environmental protections, and sponsors initiatives that have a positive impact inside and outside of Bose. Furthermore, with our commitment comes the responsibility to make sure that our suppliers adhere to these same ESG and responsible sourcing practices.

Reflecting the societal focus on diversity, equity, and inclusion, we've experienced a significant level of passion and engagement from employees across the company in this area. To help harness that energy to drive meaningful progress, we created a new Diversity Council this year, comprised of Bose employees worldwide. Designed to ensure that all voices are heard, this council aims to help local leaders foster an environment of elevated trust, safety, and wellbeing for all.

When Dr. Amar Bose founded our company in 1964, he focused on not only bringing new ideas and innovative products to market, but also to changing the way people experience music. As an educator and researcher, he was committed to curiosity, creative engagement, and collective problem solving—all of which form the heart of our business today and are core to solving ESG challenges in our industry, our communities, and across the world.

This report details our performance and initiatives, but time and innovation never stand still. As we move through this year, Bose will continue to evolve and improve, accelerating toward new products, more extraordinary user experiences, and more impactful sustainability strategies.

Sincerely,

JIM SCAMMON

PRESIDENT AND CHIEF OPERATING OFFICER



At Bose, we're continuing to evolve our Environment, Social, and Governance (ESG) strategy, redefining aspects of what was previously referred to as Sustainability, to better align with stakeholder expectations.

THE BOSE ESG VISION

Bose Corporation's commitment to environmental, social, and governance stewardship is a reflection of our essence and values. By applying our Guiding Principles to these three pillars of ESG, Bose will increase the value that we provide to our communities.



THE BOSE ESG GOVERNANCE & STRATEGY

Governance

To drive impactful change, ESG must be woven throughout a business and its value chain. At Bose, we follow a clear, well-established ESG governance structure that drives cross-functional support and accountability from top leadership across our global operations.

- **ESG Senior Leadership Team:**
C-Suite executives directing strategic ESG decision-making
- **ESG Leadership Enablement Team:**
Key leadership overseeing and enabling ESG strategy execution
- **ESG Execution Team:**
Cross-functional personnel developing and implementing processes to embed ESG efforts into standard business practices

Strategy

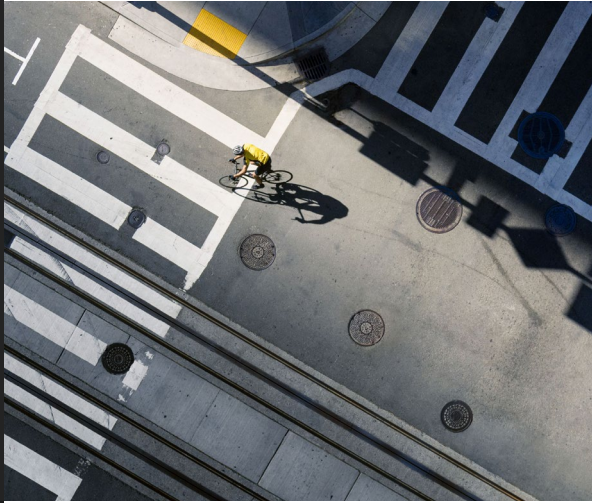
Our ESG approach uses leading management practices to drive ESG progress across the business. We employ a strategic framework to shape and guide our efforts, measure our progress and ambitions against a maturity model, and operationalize those ambitions through a focused roadmap. Annually revisiting that roadmap helps ensure the actions we're taking achieve a positive impact for our company and stakeholders: inspiring our employees, supporting our communities, creating operational efficiencies, promoting supply chain responsibility, and innovating more sustainable products for our customers.

MATERIALITY ASSESSMENT: UNDERSTANDING OUR IMPACTS

In FY22, Bose completed a materiality assessment on climate change and circularity. The assessment will help us establish the measurements, targets, actions, and capability building required to improve our footprint in climate change and product circularity.



About This Report



This report provides updates to reflect key activities and accomplishments in environmental, social, and governance at Bose Corporation during our 2022 fiscal year.

THE BOSE REPORTING APPROACH

Bose reports annually on our sustainability efforts. Every two years, Bose produces a full ESG report (most recently in July 2021). And in off years, we issue brief report updates like this one, to ensure stakeholder access to timely information on our core metrics and our most impactful ESG activities.

REPORTING PERIOD

This report covers Bose Corporation's 2022 fiscal year (April 1, 2021–March 31, 2022) and highlights from early FY23.

REPORTING SCOPE AND BOUNDARIES

This report highlights ESG-related activities and impacts under Bose Corporation's operational control globally but is not all-inclusive. It also includes select supplier- and product-related impacts. In this report, "Bose," "the company," "we," "our," "its," and similar terms are used for convenience to refer to Bose Corporation and its subsidiaries and branches. Data contained in this report pertaining to carbon emissions, energy, and health and safety are subject to restricted boundaries due to data availability.

Health and Safety

Data boundaries for health and safety metrics reflect major facilities that were under our operational control at any point in FY22.

Carbon Emissions and Energy Consumption

Data includes all major facilities under our operational control at the end of FY22. Energy figures are based on actual energy data or estimates when actual data are not available and include electricity and fuel consumption. Bose uses the Greenhouse Gas Protocol, The Climate Registry (TCR), and the U.S. EPA for all emissions conversion factors. Carbon emissions calculations include CO₂, CH₄, and N₂O.

ESG Program Summary

FISCAL YEAR 2022 AT A GLANCE

OUR COMPANY

ANNUAL SALES
~3.0 Billion (USD)

WORLDWIDE EMPLOYEES
~6,000

COMPANY HEADQUARTERS
Framingham
Massachusetts, US



Regular employees make up 95% of Bose employees

HEALTH AND SAFETY

INCIDENT RATE

1.74

Total reported incidents per 200,000 person-hours

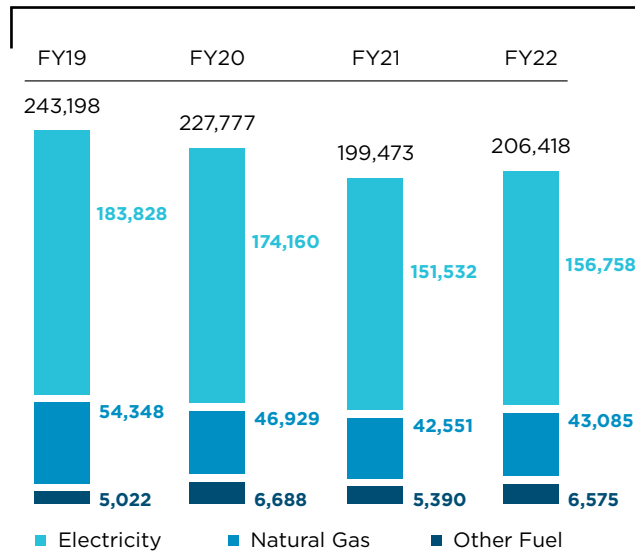
DART RATE

0.35

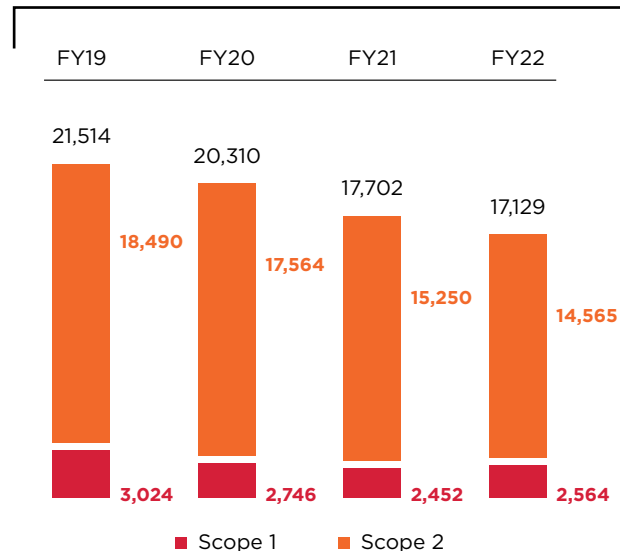
Total days away, restricted or transferred (DART) incidents per 200,000 person-hours

ENERGY AND CARBON

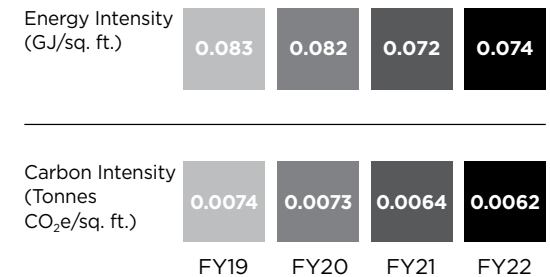
Energy Use at Major Facilities (GJ)



Carbon Emissions at Major Facilities (Tonnes CO₂e)



Energy and Carbon Intensity Across Major Facilities



In FY22, despite having a colder winter and opening office locations at a higher capacity, we're pleased to have achieved an overall carbon reduction.

Our carbon emissions and energy use figures from prior years were updated due to implemented improvements in data collection and calculations. In FY22 we expanded our tracking efforts for additional sites in China, Japan, United Kingdom, and Portugal. These data points were not included in the CDP baseline. Additional expansion efforts for data collection will continue in future reporting years.

Environmental Data Summary

As part of our ongoing strategic initiative to drive further transparency surrounding our environmental impact, Bose is tracking and disclosing data pertaining to water, waste, and hazardous waste disposal.

WATER

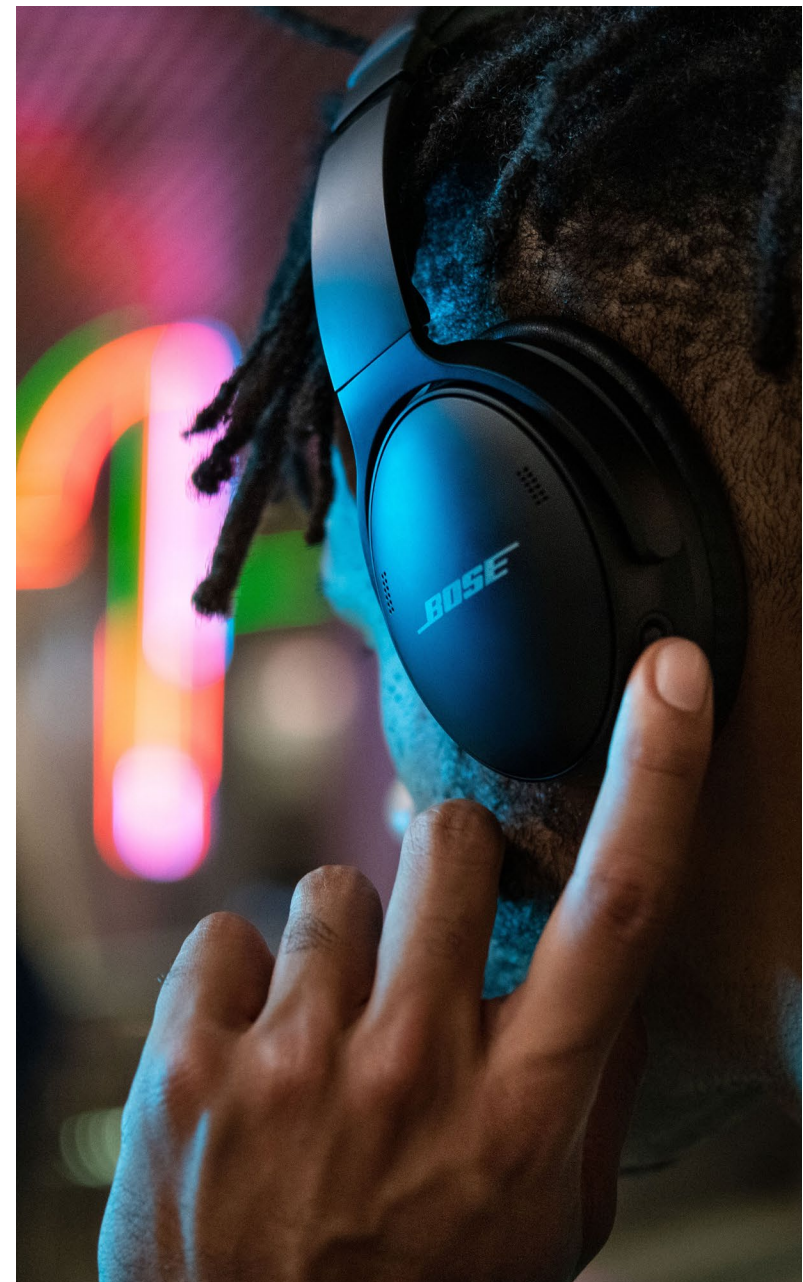
	FY20	FY21	FY22
Total (cubic feet)	2,756,026.72	1,618,241.82	2,438,370.94

WASTE

	FY20	FY21	FY22
Nonhazardous Waste Disposal (metric tonnes)	24.64	13.26	16.71
Landfill (metric tonnes)	707.71	629.80	722.87
Recyclables (metric tonnes)	5,677.63	5,212.06	5,239.69
Universal Waste (metric tonnes)	10.47	8.93	11.42
Waste-to-Energy (metric tonnes)	323.19	94.07	130.68
Total	6,743.64	5,958.12	6,121.37

HAZARDOUS WASTE DISPOSAL

	FY20	FY21	FY22
Other (total metric tonnes)	47.53	39.00	34.99



Product Sustainability

At Bose, our enterprise is inspired by innovation: leveraging our culture of research and invention to create new products that change lives. For more than half a century, the Bose name has been synonymous with audio technology, giving people a richer sound experience—capturing what they love to hear and canceling out the noise that they don't.

We're always thinking, researching, and looking for new directions to channel our culture of innovation. As the world moves farther and faster toward embracing ESG, we're committed to supporting that shift through advances in efficiency and reparability, and by creating sustainable products that both delight the senses and drive sustainable behaviors. A recent example? The immersive sensory experience we created for an all-electric vehicle, which uses audio engineering to amplify the thrill of the drive—right down to the way the vehicle sounds when you hit the accelerator—enticing traditional gas-car users to experience a more sustainable driving adventure.

ENGAGEMENT ACROSS OUR SUPPLY CHAIN

Building Bose products and getting them to market requires a global system of suppliers, contract manufacturers, and distributors. To ensure our values of doing business ethically, responsibly, and with integrity extend to the furthest touchpoints in our supply chain, we continuously monitor that each of our suppliers meets our values of doing business ethically, responsibly, and with integrity.

Supplier Resiliency Assessment

In 2021, we rolled out an improved process to assess new suppliers' maturity around social factors and business continuity. Developed by our Supply Chain Resiliency team (with input from legal counsel and trade compliance representatives) to address gaps in our due diligence, the process is aligned with Responsible Business Alliance (RBA) assessment standards and allows us to assign supplier risk levels pursue further assessment and audit as appropriate. To date, we have trained 71 members of our commodities group on the new assessment.

Additional supplier assessment and compliance engagement over the past year included:

- Financial assessment (223 suppliers assessed with 96% response rate)
- COVID-19 reassessment to gauge ongoing supplier health and safety standards (82% of 213 responded)
- Supplier Code of Conduct acknowledgement, to confirm Tier 1 and Tier 2 supplier compliance with our requirements pertaining to labor, ethics, health and safety, the environment, and management systems (82% of 300 responded)



VOLUNTARY SUBSTANCE REMOVAL

Bose continues to uphold its commitment to using the safest materials in our products. We've developed a Voluntary Substance Removal roadmap to eliminate material that are not within our ESG guidelines. Phase 1 substance restrictions has incorporated the restriction in all new products. To date, Polyvinyl Chloride (PVC) and Halogenated Flame Retardants (HFRs) have been removed from all new in-scope products.

Voluntary Substance Removal Phase 2 evaluations have been completed. The cross-functional team is focused on the following chemicals for removal from our new products:

- Lead in copper alloy currently exempted in EU RoHS
- Halogen in internal plastic parts greater than 0.5g
- VOC in ink and adhesive

Further substance restrictions will be assessed and will align with our future prioritization of circularity initiatives.



Environmental Initiatives

At Bose, we are continuously working towards excellence and our longtime focus on Lean principles and continuous improvement has helped make us a dynamic and productive company.

That same mindset powers our approach to addressing our environmental impact. To save both cost and the planet, our many initiatives focus on shrinking our carbon footprint, reducing water consumption, innovating more effective products and packaging, and maximizing use of resources via reuse and recycling—all while continuously delivering the outstanding products our consumers expect.

EARTH MONTH CAMPAIGN

Each year since 2015, Bose has celebrated Earth Month with a program of corporate-led and volunteer activities promoting cleaner living and a healthy, sustainable environment. Throughout April 2021, our Environmental Health and Safety (EHS) department used our Yammer social platform to encourage employees to “Restore Our Earth,” with participants challenged to minimize plastics use, generate less waste, and keep their communities clean. To raise awareness on how lifestyles translate to environmental impact, we directed our people to tools where they could quantify their personal carbon footprint, then asked them to share their findings on Yammer, along with activities they pursue to make a difference. Participants discussed efforts such as river trail cleanup, neighborhood trash collection, planting trees (including at our headquarters campus) and tending community gardens, adopting plant-based meals, and reducing plastic waste by switching to reusables.

PHASING OUT SINGLE-USE PLASTICS IN CAFETERIAS

In Massachusetts, Bose employees envisioned a plan to reduce single-use plastics in our corporate cafeterias and worked with leadership to substitute alternatives. The first phase of this shift using compostable products eliminated 597,000 plastic cups annually when the project was introduced, and we’re exploring further replacement options for plastic food packaging, to-go containers, utensils, and straws.

Our People

Our people are the heirs to our founder's vision, pursuing innovation in an environment that encourages them to think beyond conventional boundaries. By giving free rein to their imaginations and ideas, our people drive our progress and deliver transformative products to market.

As we move to a hybrid work model, our goal is to cultivate new joy in our employees through activities that ignite their passion. At the same time, we're nurturing a more inclusive, engaging, and inspiring work environment, driving an ethic of empathy and curiosity, and finding new ways to ensure all voices are heard and valued.



Celebrating Transgender Awareness Day

In March 2021, Bose recognized Transgender Awareness Day, raising visibility of the transgender community and its mission. This was communicated to the company by Kevin Manzolini, Vice President and Chief Engineering Officer and executive sponsor of our RainBose Employee Resource Group.



Diversity Awareness & Unconscious Bias Training

As part of ongoing efforts to educate our employees on implicit and explicit biases, our Diversity Council and Talent Development team collaborated to introduce a new Diversity Awareness e-learning program for all Bose employees.

Feedback sessions with our Diversity Council revealed that it has helped some of our people recognize their own biases and blind spots.

The Diversity Awareness program includes coursework targeted specifically to our people managers, hiring managers, and senior and executive leaders. Later, we introduced additional self-paced eLearning modules for all employees.

DIVERSITY, EQUITY, INCLUSION, AND BELONGING AT BOSE

At Bose, Diversity, Equity, Inclusion, and Belonging (DEIB) are integral to our DEIB program. We embrace diverse communities and the unique voices we serve, and we recognize that society's expectations for social, environmental, and economic equity will only continue to grow. Through improving our ESG performance, our goal is to further that change and create value—for people, for our business, and for society.

Bose Diversity Council

We launched a Diversity Council to advocate for diversity and inclusion and support efforts across the business. More than an executive-led or leadership group, the Diversity Council is made up of employees from every level and region of the organization, brought together by their commitment to making Bose a more diverse and inclusive workplace. Currently, the council comprises ten core members representing a wide demographic scope, along with other employees who support council initiatives. In the future we're developing goals and strategies to expand the council's capabilities and its reach across all areas of our business.

Improving Inclusive Hiring

Unconscious bias can easily seep into job descriptions. In 2021, Bose began using a software to help hiring managers assure that our job listings are free of any racial, gender, or age bias, furthering our goal of more diverse hiring.

In FY22, we provided compliance training to all global employees and achieved an average completion rate of over 99%. Compliance training covered over 10 focus areas, including topics such as Anti-bribery and Corruption, Information Security, and Anti-harassment.



EMPLOYEE GROWTH & SUCCESS

Global Campus 2100+

To help every Bose employee thrive, in May 2021 we began partnering with online eLearning marketplace OpenSesame to provide high-quality learning and development content enterprise-wide via Global Campus—our learning management system. The platform gives our people access to over 2,100 courses across more than 90 topic areas, including business skills, safety and compliance, technology, ESG, and industry-specific coursework.

Scalable to add more content as new learning initiatives and team-specific needs arise, OpenSesame seamlessly incorporates into Global Campus for ease of access. In less than a year since we launched the platform, our employees have completed 3,310 classes.

Our ERG: Planeteers to the Rescue

Our new Planeteers group brings together employees with a passion to raise environmental awareness and minimize impacts both internally and externally. Through team initiatives, the group is inspiring the Bose global community to act together in reducing waste, conserving resources, and mitigating climate change. This year, team members attended the MIT Sustainability Summit, organized Earth Month events, and led efforts to reduce single-use plastics in the workplace.

EMPLOYEE RESOURCE GROUPS

Our Employee Resource Groups (ERGs) provide forums for learning, exchanging knowledge, and strengthening bonds within and among our diverse employee communities. With newly dedicated budgets and stronger training resources, our ERGs have grown significantly, gaining maturity and improving governance. Now with seven total groups, our Bose ERGs include:

- Women@Bose
- Planeteers
- Black@Bose

GLOBAL PEOPLE MANAGEMENT INITIATIVE

In July 2021, our longtime Global People Manager Initiative (GPMI) was retooled into a fully virtual learning program offering both real-time, instructor-led events and self-paced, on-demand content. All coursework is focused around specific behaviors associated with great people management at Bose: inspiration, support, development, recognition, and modeling the Bose way.

GPMI's "People Management Essentials" workshop comprises four real-time sessions along with eLearning coursework. Employees may also explore elective coursework in managing performance, engaging employees, and attracting talent, and may use the platform to enable peer-to-peer collaboration across the Bose global network.



Rising Talent & Enterprise Leadership Program

Our new **Rising Talent** program launched in 2021 with the goal of training top early-career talent in foundational business and professional skills. Combining eLearning, live webinars with internal and external speakers, and a virtual learning and collaboration community (The Hive). The six-month program offers modules on networking, global cross-functional collaboration, finance, strategy, goal setting, and emotional intelligence, plus optional pop-up events on deepening critical thinking skills and developing a personal brand. The program boasted an inaugural cohort of 152 participants, and benefits Bose by encouraging talent engagement and retention.

Another new effort, our **Enterprise Leadership Program** (ELP) designed to engage a small pipeline cohort for twelve months of intensive Enterprise Leadership skills training. All virtual, with high interaction and small-group activities to encourage relationship building across business units and geographies, the program includes 1:1 coaching and development plans, 1:1 peer mentoring, Harvard Leadership program content customized for Bose, a Leadership Connect speaker series, a leadership values assessment and debrief to build self-awareness, and other content. The program's 26 initial graduates represented all of our global operating countries and business units.





Our Communities

Bose encourages our employees to channel their passions into creating meaningful change in our communities. Through volunteering, individual and corporate giving, and using our expertise to support STEAM education, Bose and our people are living our values and making a difference.

PROMOTING YOUNG WOMEN IN STEAM

The Massachusetts-based Ron Burton Training Village (RBTV) S.T.E.M. Journey is a free multi-year program designed to increase childrens' exposure and access to science, technology, engineering, and math. In March 2022, Bose partnered with RBTV on an all-day hybrid event in which Bose employees walked 39 sixth- to tenth-grade female students through sessions discussing our ESG practices, sustainable design principles, and acoustics, with a hands-on activity to design efficiencies and sustainability for rubber-band-powered cars. A panel of female engineers from Women@Bose offered the students career advice and encouragement, and members of our Planeteers group discussed empowering others to make sustainable change.

CORPORATE GIVING: 80¢ PROGRAM STAYING STRONG AFTER 10 YEARS, AND COUNTING

In 2012, our Tijuana manufacturing facility launched the 80¢ Campaign, through which our people can donate MEX80¢ a day from their paychecks to support local healthcare and service organizations—the equivalent of US25¢. Today, 70% of our Tijuana employees participate, funding vital work at four local organizations:

- **Foundation Castro Limon**, a nonprofit that raises funds to provide care for children and adolescents with cancer
- **Hospital Infantil de las Californias**, another nonprofit that helps children with physical disabilities
- **Hospital Mental de Tijuana**, which provides psychological and psychiatric care to improve quality of life for people experiencing mental illnesses
- **Asilo el Refugio**, an elder-care institution that hosts 205 seniors who have no families

BOSE