

### **BMW GROUP SUSTAINABILITY OVERVIEW - FY 2023**

#### INTRODUCTION

This document provides an overview on <u>selected information publicly available</u> in the BMW Group Report 2023, Statement on Corporate Governance, Key Aspects of BMW Group Corporate Governance, Stakeholder Engagement Policy, BMW Group Legal Compliance Code, Group Code on Human Rights and Working Conditions as well as the Supplier Sustainability Policy, and does not provide any further information. This document is a simplified illustration. It should only be read together with the BMW Group Report 2023 and the other referenced documents.

The entire BMW Group Report 2023, comprising the Combined Management Report, the Group Financial Statements and the additional Global Reporting Initiative (GRI) information, has been subject to an annual independent audit by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft ("PwC" or "Auditor"). The external audit serves to underpin the reliability and trustworthiness of the information contained therein for external users. Any links and / or disclosures that refer to additional information outside the BMW Group Report and the GRI Content Index are not part of the audit. Detailed explanations of the key figures as well as the identification of the depth of the audit can be found in the respective report chapters. For further information, including but not limited to, reporting concept, frameworks applied, publication and scope, audit and assurance levels, please refer to the section "About this Report", on pages 5 ff. of the BMW Group Report.

#### LEGAL FRAMEWORKS, REPORTING STANDARDS AND TRANSPARENCY REQUIREMENTS FOLLOWED

- German Commercial Code (HGB) (among other relevant legislation)
- German Stock Corporation Act (AktG)
- Taxonomy Regulation (Regulation (EU) 2020/852 on the Establishment of a Framework to Facilitate Sustainable Investment)
- Guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority (ESMA)
- German Corporate Governance Code
- Global Reporting Initiative (GRI)
- Sustainability Accounting Standards Board (SASB)
- Task Force on Climate-related Financial Disclosures (TCFD)
- UN Global Compact Progress Report: see references in GRI Content Index

### REFERENCED BMW GROUP DOCUMENTS

- BMW Group Report
- Statement on Corporate Governance
- Key Aspects of BMW Group Corporate Governance
- Stakeholder Engagement Policy
- BMW Group Legal Compliance Code
- Group Code on Human Rights and Working Conditions
- Supplier Sustainability Policy





### STRATEGIC GOALS OF THE BMW GROUP

#### HOLISTIC SUSTAINABILITY PERSPECTIVE

With its inspiring and innovative products, the BMW Group is committed to first-class individual mobility and contributes to sustainable development. It aims to find the right balance between business, the environment and society. The key areas of focus within the strategy are electrification, digitalisation and sustainability or circularity. This enables us to seamlessly merge enjoyment and responsibility, without compromising, and to achieve our growth and profitability objectives.

#### **BMW GROUP STRATEGIC OBJECTIVES BY 2025**



The BMW Group decarbonisation targets by 2030 (base year 2019) during the use phase, in the upstream supply chain and in production were notified to the Science Based Targets initiative (SBTi) and validated.



# $\Upsilon$ ENVIRONMENTAL INDICATORS (1/4)

|            | Торіс                       | Sub-topic                                                  | Annual Report (page) | 2023 Figure Unit                                 | Value chain | Aggregation |
|------------|-----------------------------|------------------------------------------------------------|----------------------|--------------------------------------------------|-------------|-------------|
|            | CO2 Footprint (Scope 1,2,3) | Total – absolute number                                    | 307                  | 134,699,641 t CO2   CO2e                         |             | •           |
|            | Scope 1                     | Total – Scope 1                                            | 307                  | 713,933 t CO2   CO2e                             | •           | ۲           |
|            | Scope 1                     | BMW Group locations                                        | 307                  | 595,257 t CO2   CO2e                             |             | ۲           |
|            | Scope 1                     | Company vehicles                                           | 307                  | 113,431 t CO2   CO2e                             |             |             |
|            | Scope 1                     | Company owned planes                                       | 307                  | 5,245 t CO2   CO2e                               |             | ۲           |
| ors        | Scope 2                     | Total – Scope 2                                            | 307                  | 110,141 t CO2   CO2e                             |             | ۲           |
| , ti       | Scope 2                     | Electricity/heat purchased by BMW locations                | 307                  | 110,141 t CO2   CO2e                             |             | ۲           |
| Indicators | Scope 3                     | Total – Scope 3                                            | 308                  | 133,875,567 t CO2   CO2e                         |             | ۲           |
|            | Scope 3                     | Logistics - Material Supply of the Plants and Distribution | 308                  | 2,746,124 t CO2   CO2e                           |             | •           |
| related    | Scope 3                     | Logistics - Aftersales Logistics                           | 308                  | 183,417 t CO2   CO2e                             |             |             |
|            | Scope 3                     | Business trips                                             | 308                  | 115,469 t CO2   CO2e                             |             | •           |
| and        | Scope 3                     | Employees' commuter traffic                                | 308                  | 166,273 t CO2   CO2e                             | •           |             |
|            | Scope 3                     | Upstream chain                                             | 308                  | 34,267,874 t CO2   CO2e                          | •           |             |
| Emissions  | Scope 3                     | Use phase                                                  | 308                  | 94,774,779 t CO2   CO2e                          | •           | <b></b>     |
| ji:        | Scope 3                     | Disposal                                                   | 308                  | 1,621,631 t CO2   CO2e                           | •           | <b>(</b> )  |
|            | Vehicle                     | CO2emissions of the EU new vehicle fleet (in g/km)         | 9                    | 102.1 gCO2/km                                    | •           | 0           |
| Carbon     | Vehicle                     | CO2emissions per vehicle produced (in tonnes)              | 9                    | 0.28 tons per vehicle produced                   |             | 0           |
| - E        | Vehicle                     | Battery electric vehicles (BEV) sold                       | 66                   | 375.716 number of vehicles                       | • •         | <b>(</b>    |
| 0          | Vehicle                     | Plug-in hybrid vehicles (PHEV) sold                        | 66                   | 190,159 number of vehicles                       | • •         | <u> </u>    |
|            | Supplier                    | Supplier with agreed-upon decarb. measures                 | 114                  |                                                  | •           | <b>(</b> )  |
|            | Supplier                    | CDP coverage of purchasing volume                          | 114                  | 84 %                                             | •           |             |
|            | Supplier                    | Due diligence in the supplier network                      | 113                  | Qualitative                                      | •           | •           |
|            | CO2 Fleet Figures           | Aggregated CO2 fleet figures worldwide                     | 99                   | 185.4 (Global; SBTi) g CO2 / km                  | •           | <b>(</b> )  |
|            | WLTP                        | Aggregated CO2 fleet figures                               | 99                   | 102.1 (EU) g CO2 / km                            | •           | õ           |
| <u>.</u>   | WLTP                        | Fuel consumption                                           | 326                  | details per model cf. AR 1/100 km (per model)    |             |             |
| Metrics    | WLTP                        | CO2 emissions                                              | 326                  | details per model cf. AR g / km (per model)      |             | 0           |
|            | WLTP                        | Electricity power consumption                              | 326                  | details per model cf. AR kWh / 100 km (per model | )           | <u> </u>    |
| Regulatory | WLTP                        | Electricity range                                          | 326                  | details per model cf. AR km (per model)          | ,           |             |
| 음          | NEDC - Fuel consumption     | Fuel consumption                                           | 326                  | details per model cf. AR 1/100 km (per model)    |             |             |
| g          | NEDC - Fuel consumption     | CO2 emissions                                              | 326                  | details per model cf. AR g / km (per model)      |             | <u> </u>    |
| LE         | NEDC - Fuel consumption     | Electricity power consumption                              | 326                  | details per model cf. AR kWh / 100 km (per model | )           |             |
|            | Emissions                   | Real Driving Emissions (RDE)                               | AOS                  | details per model cf. AR depends on pollutant    | •           |             |
| Ņ          | Pollutant emissions         | Nitrogen oxides (NOx)                                      | 95                   | Qualitative                                      | •           |             |
| Pollutants | Pollutant emissions         | Carbon monoxide (CO)                                       | 95                   | Oualitative                                      | •           |             |
| Ē          | Pollutant emissions         | Particulate matter (PM)                                    | 95                   | Qualitative                                      | •           |             |
| Pe         | Pollutant emissions         | Sulphur oxides (SOx)                                       | 95                   | Qualitative                                      | •           |             |
|            | Solvent Emissions           | Volatile organic compounds (VOC)                           | 108                  | 0.52 kg per vehicle                              | -           |             |

Glossary: WLTP = Worldwide harmonized Light vehicles Test Procedure; NEDC = New European driving Cycle; SBTi = Science Based Targets initiative Links: Aftersales Online System (AOS) available at <a href="https://aos.bmwgroup.com/web/oss/service/real-driving-emissions">https://aos.bmwgroup.com/web/oss/service/real-driving-emissions</a>

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# $\Psi$ ENVIRONMENTAL INDICATORS (2/4)

|           | Торіс                                   | Sub-topic                                            | Annual Report (page) | 2023 Figure Unit             | Value chain | Aggregation |
|-----------|-----------------------------------------|------------------------------------------------------|----------------------|------------------------------|-------------|-------------|
|           | Energy Consumption – Total              | Total energy consumption                             | 309                  | 6,380,652 MWh                |             | ۲           |
|           | Energy Consumption – Segment            | Vehicle production                                   | 309                  | 4,954,639 MWh                | •           | <b>(</b>    |
|           | Energy Consumption – Segment            | Motorcycle production                                | 309                  | 105,614 MWh                  |             | <b>(</b>    |
|           | Energy Consumption – Segment            | Non-manufacturing areas                              | 309                  | 890,617 MWh                  | •           | •           |
|           | Energy Consumption – Source             | Electricity                                          | 309                  | 2,711,392 MWh                |             | •           |
| 2         | Energy Consumption – Source             | Community heating                                    | 309                  | 354,015 MWh                  |             | •           |
| Energy    | Energy Consumption – Source             | Community cooling                                    | 309                  | 23,516 MWh                   | •           | ۲           |
| <u>لت</u> | Energy Consumption – Source             | Other fossil fuels                                   | 309                  | 7,931 MWh                    | •           | ۲           |
|           | Energy Consumption – Source             | Natural gas                                          | 309                  | 3,170,701 MWh                | •           | ۲           |
|           | Energy Consumption – Source             | Biogas (landfill gas)                                | 309                  | 107,864 MWh                  | •           | •           |
|           | Energy Consumption – Source             | Other biogenic fuels                                 | 309                  | 1,109 MWh                    | •           | ۲           |
|           | Energy Consumption – Source             | Solar Photovoltaic (PV)                              | 309                  | 4,123 MWh                    | •           | ۲           |
|           | Energy Consumption – Specific           | Energy consumption per vehicle produced              | 109                  | 1.97 MWh / vehicles produced |             | 0           |
|           | Material Supply of the Plants (inbound) | Transport volume                                     | 310                  | 23,099 million t km          | •           | •           |
|           | Material Supply of the Plants (inbound) | CO2 emmisions associated                             | 310                  | 1,229,301 t CO2e             | •           | •           |
|           | Distribution of Vehicles (outbound)     | Transport volume                                     | 310                  | 31,263 million t km          | •           | •           |
|           | Distribution of Vehicles (outbound)     | CO2 emmisions associated                             | 310                  | 1,516,823 t CO2e             | •           | •           |
| Logistics | Total (inbound & outbound)              | Transport volume                                     | 310                  | 54,362 million t km          | •           | •           |
| gisl      | Total (inbound & outbound)              | CO2 emmisions associated                             | 310                  | 2,746,124 tCO2e              | •           | •           |
| Ľ.        | Carriers                                | Sea                                                  | 310                  | 76.7 % share in terms of tkm | •           | •           |
| st        | Carriers                                | Road                                                 | 310                  | 14.2 % share in terms of tkm | •           | •           |
| ransport  | Carriers                                | Rail                                                 | 310                  | 7.5 % share in terms of tkm  | •           | •           |
|           | Carriers                                | Air                                                  | 310                  | 1.6 % share in terms of tkm  | •           |             |
|           | Carriers                                | Sea                                                  | 310                  | 41.7 % share in terms of CO2 | •           |             |
|           | Carriers                                | Road                                                 | 310                  | 30.9 % share in terms of CO2 | •           |             |
|           | Carriers                                | Rail                                                 | 310                  | 5.2 % share in terms of CO2  | •           |             |
|           | Carriers                                | Air                                                  | 310                  | 22.2 % share in terms of CO2 | •           |             |
|           | Water Consumption                       | Potable water consumption per vehicle manufactured   | 311                  | 1.78 m3 per vehicle          | •           | 0           |
|           | Water Consumption                       | Total consumption in BMW Group plants                | 311                  | 5,049,144 m3                 | •           | <b>(</b>    |
| ē         | Water Consumption                       | of drinking water                                    | 311                  | 83.8 %                       | •           |             |
|           | Water Consumption                       | of groundwater                                       | 311                  | 15.9 %                       | •           |             |
|           | Water Consumption                       | of surface water                                     | 311                  | 0,1 %                        | •           |             |
|           | Water Consumption                       | of rainwater                                         | 311                  | 0.2 %                        | •           |             |
|           | Waste generated                         | Total                                                | 312                  | 927,880 t                    |             |             |
|           | Waste generated                         | For recycling and thermal utilisation                | 312                  | 922,554 t                    |             |             |
| 면         | Waste generated                         | For disposal                                         | 312                  | 5,326 t                      |             |             |
| Waste     | Waste generated                         | For disposal per vehicle produced                    | 312                  | 2.12 Kg per vehicle          |             |             |
| 5         | Waste – solvents                        | Solvent emissions per vehicle produced               | 312                  | 0.52 Kg per vehicle          |             |             |
|           | Circular Economy                        | Circular Economy, Resource Efficiency, Renew. Energy | 107                  | Oualitative                  |             |             |
|           | Circular Economy                        | carcalar Leonomy, Resource Encicity, Renew, Energy   |                      | Quantative                   | •           | ₩           |



# $\Upsilon$ ENVIRONMENTAL INDICATORS (3/4)

|            | Торіс                          | Sub-topic                                                                                                               | Annual Report (page)       | 2023 Figure Unit                                 | Value chain | Aggregation |
|------------|--------------------------------|-------------------------------------------------------------------------------------------------------------------------|----------------------------|--------------------------------------------------|-------------|-------------|
| >          | Electrification – vehicle      | Share of all-electric vehicles (BEV) in deliveries                                                                      | 66                         | 14.7 %                                           | •           | ۲           |
| Electrify  | Electrification – vehicle      | All-electric vehicles (BEV delivered)                                                                                   | 66                         | 375,716 #                                        | •           | ۲           |
| lec        | Electrification - charging     | Charging points available to customers worldwide                                                                        | 102                        | > 2,000,000 #                                    | ۲           | ۲           |
| ш.         | Electrification - charging     | IONITY charging points                                                                                                  | 102                        | 3,300 #                                          | •           | 0           |
| -          | Taxonomy Eligibility           | Revenue                                                                                                                 | 87                         | 91.9 %                                           |             | ۲           |
| E E        | Taxonomy Eligibility           | CapEx                                                                                                                   | 88                         | 99.8 %                                           |             | ۲           |
| UO UO      | Taxonomy Eligibility           | OpEx                                                                                                                    | 89                         | 100 %                                            |             | ۲           |
| ě          | Taxonomy Alignment             | Revenue                                                                                                                 | 87                         | 15.2 %                                           | •           | ۲           |
| 5          | Taxonomy Alignment             | CapEx                                                                                                                   | 88                         | 26.0 %                                           |             | ۲           |
|            | Taxonomy Alignment             | OpEx                                                                                                                    | 89                         | 31.1 %                                           |             | ۲           |
| ne         | ESG - Due Diligence            | Reviewed potential and active supplier locations using<br>cross-industry assessment programmes (RBA, RSCI)              | 113                        | 95 #                                             | •           | ۲           |
| Chain D    | ESG - Due Diligence            | Contractual agreements with suppliers that specified decarbonisation measures                                           | 114                        | 707 #                                            | •           | ۲           |
| Dilio      | ESG - Due Diligence            | Reviewed supplier compliance with contractually agreed<br>decarbonization measures in the supply chain                  | 114                        | 72 #                                             | ٠           | ۲           |
| Sul        | ESG - Due Diligence            | Supplier relationships terminated premature                                                                             | 114                        | 0 #                                              | •           | ۲           |
|            | ESG - Due Diligence            | Indication of potential violations in the supply chain                                                                  | 313                        | 11 #                                             | •           | •           |
| ~          | Remuneration                   | Share of ESG targets of total target                                                                                    | 257                        | 39 %                                             | •           | <b>(</b>    |
| EUR        | Remuneration                   | Performance factor share of cross-divisional targets with ESG criteria                                                  | 226                        | 50 %                                             | •           | ۲           |
|            |                                |                                                                                                                         |                            |                                                  |             |             |
| olicy      | Environmental Protection       | Expects all suppliers to comply with national and internation<br>management system according to ISO 14001 or Eco-Manage | ement and Audit Scheme (E  | MAS).                                            | •           | ۲           |
| <b>e</b>   | CO <sub>2</sub> Reduction      | Demands from suppliers to provide transparency regarding e via LCA, CDP Supply Chain Program or CO2 questionnaire).     |                            |                                                  |             | <b>A</b>    |
| ainability |                                | Expects suppliers to implement effective measures to reduce<br>line with Paris Agreement.                               |                            |                                                  | •           | ₩           |
| Sust       | Material Restrictions          | Suppliers and sub-suppliers shall comply with all applicable I<br>substances.                                           | aws and regulation regardi | ing the restriction and registration of chemical |             | <b>#</b>    |
| ie.        |                                | Suppliers shall adopt new process and best practice also to a                                                           | ddross onvironmont hoalth  | h & safety concerns                              | •           | <b>A</b>    |
| Supplie    | Biodiversity and Deforestation | Supply chain activities – including raw material production an<br>deforestation and forest degradation.                 |                            |                                                  | •           |             |

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# $\Psi$ ENVIRONMENTAL INDICATORS (4/4)

|          | Торіс                     | Sub-topic                                        | Annual Report (page) | 2023 Figure Unit   | Value chain | Aggregation |
|----------|---------------------------|--------------------------------------------------|----------------------|--------------------|-------------|-------------|
|          | Materials used – vehicles | Steel and iron                                   | 311                  | 48.4 % per vehicle | •           |             |
|          | Materials used – vehicles | Non-ferrous metals                               | 311                  | 21.0 % per vehicle | •           |             |
| <u>v</u> | Materials used – vehicles | Thermoplastic resins                             | 311                  | 12.5 % per vehicle | •           |             |
| iria     | Materials used – vehicles | Elastomers                                       | 311                  | 3.6 % per vehicle  | •           |             |
| ate      | Materials used – vehicles | Duromers                                         | 311                  | 2.0 % per vehicle  | •           |             |
| Σ        | Materials used – vehicles | Textiles                                         | 311                  | 1.1 % per vehicle  | •           |             |
|          | Materials used – vehicles | M.O.N. (mod. organ. natural mat.)                | 311                  | 0.3 % per vehicle  | •           |             |
|          | Materials used – vehicles | Others (including glass and operating materials) | 311                  | 11.1 % per vehicle | •           |             |

### CIRCULAR ECONOMY, RESOURCE EFFICIENCY AND RENEWABLE ENERGY

The significance of the circular economy concept continues to grow against a backdrop of increasingly scarce resources, upward price trends on raw materials markets, geopolitical tensions and the need to meet sustainability targets. For these reasons, the BMW Group is taking further steps to increase the proportion of recycled materials in its products and thus reduce its dependence on primary raw materials. The BMW Group is also continually enhancing its local supply chains in line with the "local for local" principle. At all levels of in-house production, we remain committed to consistently conserving resources, continuously improving energy efficiency and further reducing carbon emissions.

The BMW Group pursues the strategic aim of reducing the proportion of primary materials in its value chain. An important starting point in this endeavour is to close cycles for certain materials and components. With this objective in mind, the BMW Group returns selected production residues to the supplier, enabling those materials to be recovered and reused in a new production process. At the BMW Group, the circular economy principle ("Design for Circularity") is already being implemented as an operational concept in the design of the NEUE KLASSE by the corporate function "Total Vehicle Development" and systematically applied in the development of new vehicle models.

### RAW MATERIALS

For the BMW Group, the responsible procurement of raw materials is the result of a holistic approach that takes economic, ecological and social aspects equally into account. Our commitment to upholding environmental and social standards as well as human rights throughout our raw materials supply chains is set out in, among other places, the BMW Group Supplier Code of Conduct in which we oblige our Tier-1 suppliers to pass on our requirements to their upstream sub-suppliers. There are also raw materials specific statements such as the High Level Commitment for sustainable natural rubber.

Annual risk analyses form the basis for implementing raw materials-related preventive and remedial measures to reduce environmental and human rights risks. Key levers in this respect are to forgo, substitute or reduce the use of primary raw materials that entail a high level of risk. The BMW Group's secondary raw materials strategy is of vital significance in this context. We also focus in particular on collaborating closely with our partners in the supplier network as well as in multistakeholder initiatives and projects. We use scientific findings to gain an even better understanding of the extraction processes of raw materials and take them into account accordingly when analysing the level of risk. Study.

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## 📅 SOCIAL INDICATORS

| Value Chain Legend | Aggregation - |
|--------------------|---------------|
| Upstream           | ☴ Vehicle     |
| Own Operations     | Global        |
| Downstream         | DE            |

| 1              | Горіс                                                                             | КРІ                                            | Annual Report (page) | 2023 Figure Unit      | Value chain | Aggregation |
|----------------|-----------------------------------------------------------------------------------|------------------------------------------------|----------------------|-----------------------|-------------|-------------|
| V              | Nomen in Management                                                               | Share at BMW Group level                       | 9                    | 20.8 %                | •           | •           |
|                | Employed - BMW Group                                                              | Absolute                                       | 115, 314             | 154,950 Employees     |             | ۲           |
| Ē              | Employed – Automotive                                                             | Absolute                                       | 314                  | 142,441 Employees     |             | ۲           |
| Ē              | Employed – Motorcycles                                                            | Absolute                                       | 314                  | 3,996 Employees       | •           | •           |
| Ē              | Employed - Financial Services                                                     | Absolute                                       | 314                  | 8,413 Employees       | •           | ۲           |
| 8 E            | Employed – Other                                                                  | Absolute                                       | 314                  | 100 Employees         | •           | ۲           |
| Š Ē            | Employed - Fixed contract                                                         | Absolute                                       | 314                  | 14,536 Employees      | •           | ۲           |
| Ē              | Employed - Fixed contract                                                         | Share of women (only BMW AG)                   | 314                  | ~24%                  | •           | ۲           |
| Ъ.             | Employed – Part-time contract                                                     | Absolute                                       | 314                  | 7,973 Employees       | •           | ۲           |
| Ē              | Employed - Regions                                                                | Employees in Germany                           | 315                  | 87,304 Employees      | •           |             |
| Ē              | Employed - Regions                                                                | Employees outside Germany                      | 315                  | 67,646 Employees      | •           | ۲           |
| ī              | _eaving                                                                           | Total number of employees leaving BMW AG       | 316                  | 3,107 Employees       | •           | ۲           |
| Ī              | _eaving                                                                           | Voluntarily left company                       | 316                  | 911 Employees         | •           | ۲           |
| Ī              | Disabilities                                                                      | Share of employees with severe disabilities    | 121                  | 6.0 %                 | •           | ۲           |
| ٦              | Training and further education                                                    | Average hours of training per employee         | 316                  | 23.7 Hours            | •           | ۲           |
| <u>م</u> ا     | Spending on employee training and development                                     | Absolute                                       | 115                  | 469 Million EUR       | •           | ۲           |
| Labour         | Apprentices and participants in young talent programs                             | Absolute                                       | 116                  | 5,007#                | •           | ۲           |
| <u>ן ב פ</u> ו | _abour standards and human rights                                                 | Global implementation                          | 142                  | Qualitative           | •           | •           |
|                | Number of work stoppages                                                          | Days idle                                      | 319                  | 0 days                |             | •           |
|                | Safety- and compliance-related technical actions                                  | Voluntary                                      | 95                   | ~1.8 Million vehicles | •           | ۲           |
|                | Sickness Rate                                                                     | Share of paid hours absent / contractual hours | 118                  | 3.8%                  | •           | ۲           |
|                | Accident Frequency Rate                                                           | Number of workplace accidents resulting in at  | 119                  | 2.0 Ratio             |             | A state     |
|                |                                                                                   | least 1 lost day per 1 million hours worked    |                      |                       | -           | <b>V</b>    |
|                | Total expenditure on Corporate Citizenship<br>(e.g. Culture and Sport, Education) | Absolute                                       | 122                  | 44.2 Million EUR      | •           | ۲           |

| >               | Human Rights and Working Conditions   | Suppliers called upon to adhere to UNGC and ILO                                                                                    | • | ۲ |
|-----------------|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|---|---|
| oilit           | Health and Safety                     | Expects all suppliers to adhere to ISO 45001 or similar guidelines                                                                 | • | ۲ |
| stainal<br>icy  | Responsible Sourcing of Raw Materials | Stakeholder dialogue that facilitates use of raw materials from audited sources only,<br>adherence to OECD supply chain guidelines | • | ۲ |
| olier Su<br>Pol | Indigenous People                     | Supplier have to act in compliance with UN Declaration on the Rights of Indigenous Peoples                                         | • | ۲ |
| Supp            | Animal Welfare                        | Expects suppliers to follow principles such as "3R" (reduction, refinement, replacement) regarding animal testing                  | • | ۲ |

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[ LINK ]
Supplier Sustainability Policy
[ LINK ]

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### **GOVERNANCE INDICATORS (1/2)**

|                                        | Topics                          | Sub-topics                                                                       | Page / Pages |
|----------------------------------------|---------------------------------|----------------------------------------------------------------------------------|--------------|
|                                        | Annual Report                   |                                                                                  |              |
|                                        | Governance Structure            | Board of Management                                                              | 27           |
|                                        | Governance Structure            | Supervisory Board                                                                | 30           |
|                                        |                                 | Overview                                                                         | 256          |
|                                        |                                 | Remuneration of the Members of the Board of Management                           | 258          |
|                                        | Remuneration                    | Remuneration of the Members of the Supervisory Board                             | 297          |
| j;                                     | Remaneration                    | Comparison of Change in Remuneration and Earnings pursuant to § 162 (1) Sentence |              |
| ē                                      |                                 | 2 No. 2 of the German Stock Corporation Act (AktG)                               | 297, 300     |
| ö                                      |                                 | Other Considerations                                                             | 304          |
| Jovernance, human Rights and Diversity | Internal Control System         |                                                                                  | 146          |
| R                                      |                                 | Compliance as a corporate function                                               | 142          |
| <u>i</u>                               |                                 | Compliance Management System (CMS)                                               | 142          |
| E E                                    |                                 | Compliance network                                                               | 144          |
| Ē                                      | Compliance and Human Rights     | Compliance training                                                              | 144          |
| 르                                      |                                 | Compliance and notification system                                               | 144          |
| 2                                      |                                 | CMS monitoring and controls                                                      | 144          |
| - E                                    |                                 | Regular compliance reporting to the Board of Management and Supervisory Board    | 144          |
| Ver                                    |                                 | Human Rights                                                                     | 145          |
| Ĝ                                      | Key Aspects of Corporate Govern |                                                                                  |              |
|                                        |                                 | Number of Shares Outstanding                                                     | 2            |
|                                        |                                 | Distribution of Ordinary Shares                                                  | 2            |
|                                        | Shareholder Structure,          | Board of Management                                                              | 2,4          |
|                                        | Board of Management and         | Supervisory Board                                                                |              |
|                                        | Supervisory Board               | Presiding Board and Supervisory Board Committees                                 | 6            |
|                                        |                                 | Supervisory Board Structure and Experience                                       | 7            |
|                                        |                                 | Supervisory Board Term of Office                                                 | 8            |
|                                        | Governance System               | Board of Management                                                              | 3            |
|                                        |                                 | Supervisory Board                                                                | 3            |
|                                        | Remuneration System             | Board of Management                                                              | 12           |

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Key Aspects of BMW Group Corporate Governance

### **GOVERNANCE INDICATORS (2/2)**

| Topics                            | Sub-topics                                                                            | Page / Pages |
|-----------------------------------|---------------------------------------------------------------------------------------|--------------|
| Stakeholder Engagement Policy     |                                                                                       |              |
| Stakeholder Strategy              | Objectives to include stakeholders' perspectives                                      | 1            |
| Engagement Levels                 | Level and methods to engage                                                           | 2            |
| Monitoring                        | Measuring engagement value and output                                                 | 3            |
| Group Legal Compliance Code       |                                                                                       |              |
| Corruption Prevention             | Actions to combat bribery and corruption                                              | 12           |
| Data Protection                   | Compliance with data protection                                                       | 14           |
| Non-Discrimination                | Mutual esteem and principles                                                          | 15           |
| Compliance                        | Implementation of compliance code                                                     | 21           |
| Group Code on Human Rights an     | nd Working Conditions                                                                 |              |
|                                   | No child and forced labour                                                            | 8            |
|                                   | Freedom of association and the right to collective bargaining                         | 9            |
|                                   | Protection from discrimination                                                        | 10           |
|                                   | Right to health and occupational safety                                               | 10           |
| Employees of BMW Group and        | Remuneration                                                                          | 11           |
| Society                           | Working times                                                                         | 12           |
|                                   | Training                                                                              | 13           |
|                                   | Right to privacy – Protection of personal data                                        | 13           |
|                                   | Rights of local communities close to BMW Group sites                                  | 13           |
|                                   | Suppliers                                                                             | 14           |
| Business Partners                 | BMW Group authorized sales organization                                               | 17           |
| Implementation                    | Accountability, oversight, review, reporting, contacts and dialogue                   | 18           |
| Supplier Sustainability Policy    | recontainely orensign revent reporting, contacts and alarogee                         |              |
|                                   | Environmental Protection                                                              | 6            |
|                                   | CO2 Reduction                                                                         | 6            |
| Environmental Responsibility      | Material Restrictions                                                                 | 7            |
|                                   | Biodiversity and Deforestation                                                        | 7            |
|                                   | Responsible Sourcing of Raw Materials                                                 | 12           |
| Social Responsibility             | Animal Welfare                                                                        | 12           |
| Governance                        | Responsible and lawful conduct                                                        | 6            |
| Working Conditions                | No child and forced labour                                                            | 9            |
| Health and Safety                 | Health and safety standards and regulation                                            | 10           |
| Indigenous People                 | Rights of indigenous peoples and local communities                                    | 12           |
| Responsibility                    | Processes (due diligence, grievance mechanism, escalation)                            | 14           |
| Statement on Corporate Govern     | ance                                                                                  |              |
| Declaration of Compliance with th | he German Stock Corporation Act (AktG)                                                | 3            |
| Information on the Company's Go   |                                                                                       | 3            |
| Board of Management               |                                                                                       | 4            |
| Supervisory Board                 |                                                                                       | 8            |
| Shareholders and Annual General   | Meeting                                                                               | 4            |
| Disclosures concerning the proper | rtion of women on the board of management and at executive management levels I and II | 23           |
| Information on corporate governo  | ince practices applied beyond mandatory requirements                                  | 23           |
| mismation on corporate governa    |                                                                                       |              |

| Group Legal Compliance Code<br>(LINK) |
|---------------------------------------|
|                                       |

Supplier Sustainability Policy

**Statement on Corporate Governance** 



### DISCLAIMER

This document contains forward-looking statements that reflect BMW Group's current views about future events. The words "anticipate", "assume", "believe", "estimate", "expect", "intend", "may", "can", "could", "plan", "project", "should" and similar expressions are used to identify forward-looking statements.

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