

Environmental Report

BMW 530iA

Abstract

Goal and scope:

The scope of the study is the life cycle assessment of the BMW 530iA with start of production in 2016. Its purpose is to assess the environmental impacts of the entire vehicle and its components according to the product responsibility strategy of the BMW Group. The comparison of the previous and the new model clearly states the improvements in terms of environmental impact reduction. These results are important for the further development and optimization of the next BMW 5series generation as well as for the next set of targets.

System boundaries:

The system boundaries consist of all material and energy flows, input and output collected according to ISO 14040 with the following level of detail:

- From sourcing and production of raw materials to production, to use phase, to recycling (incl. transport logistic).
- Use phase: assumed mileage 250.000 km (new European driving cycle)
- Software and database GaBi 6©.
- Material data from material balance of the BMW 530iA.
- The impact assessment is based on the CML-method (November 2009) developed at Leiden University in the Netherlands (Guinée and Lindeijer 2002).
- A critical review of the environmental report is done by an external auditor.
- The compilation and assessment process was verified by TÜV Rheinland assessing compliance with the internal process description as well as verifying data and environmental information used (validation attached).

The functional unit and the reference flow are defined as the BMW 530iA vehicle, at SOP (start of production) in 2016 and 2011, with a 4-cylinder gasoline motor as an ECE-basis version with a use phase of 250.000 km according to the new European driving cycle.

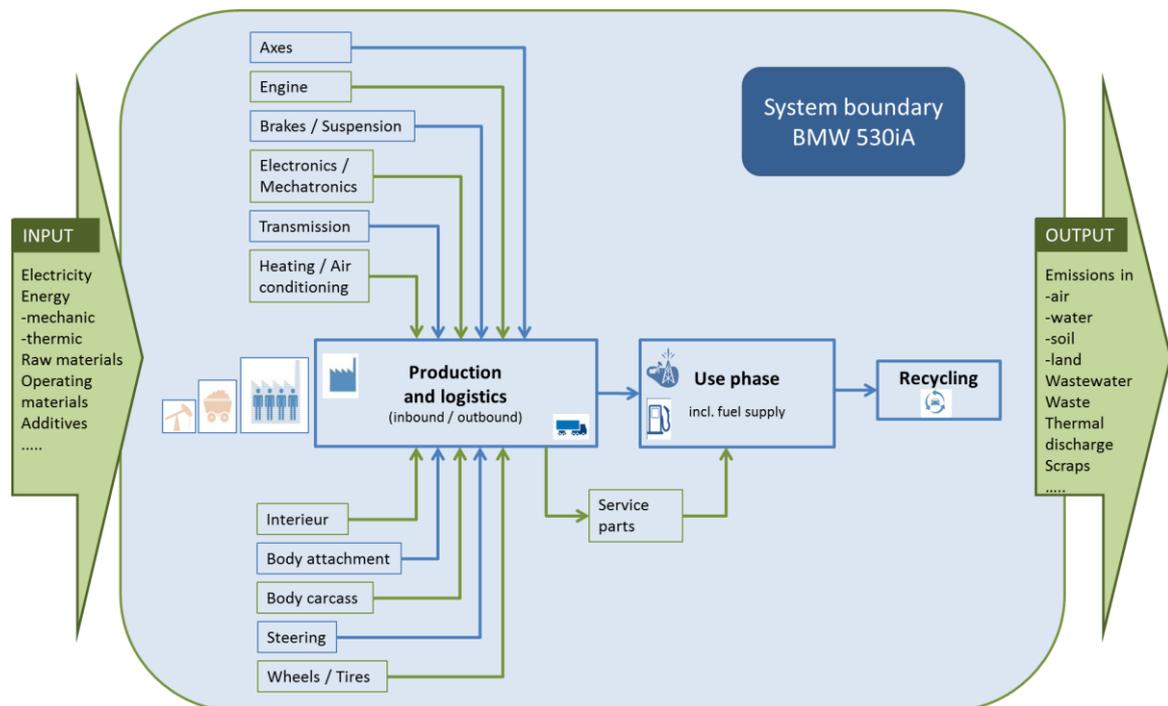


Fig. 1: Flowchart input / output data of the BMW 5series

The LCA according to ISO 14040/44 refers to environmental aspects and potential environmental impacts along the life cycle of a product from the raw material extraction to the manufacturing process, to the use phase, and to the recycling at the end of the vehicle's life.

Facts:

The life cycle assessment (LCA) of the BMW 530iA and its predecessor shows the following environmental impacts across the whole life cycle in terms of Global Warming Potential (GWP) (fig. 2). The environmental impacts determined by the LCA are measured in different units. The GWP, for example, is stated in kilogram CO₂-equivalents (kg CO₂e).

Sustainability targets have been already defined at the earliest strategic development phase and further monitored until the Start-of-Production of the vehicle throughout the LCA. Energy saving targets and renewable source for the electricity have been established in the BMW production plants.

Materials for the 5series are chosen by considering the sustainability targets, this is one of the reasons for having chosen as much as possible secondary aluminum and recycled thermoplastics.

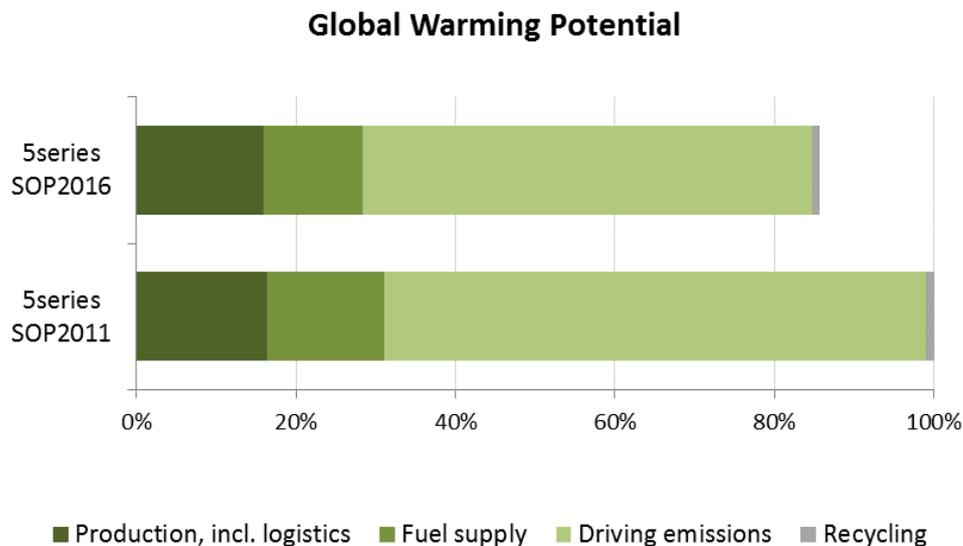


Fig. 2: Distribution of global warming potential over life cycle of BMW 5series

Sensitivity analysis:

A sensitivity analysis of different scenarios was carried out for estimating the effect of the choices made regarding methods and data on the results of the study.

Examples of the scenarios considered in the sensitivity analysis are:

- Influence of the data robustness on the life cycle assessment results.
- Influence of the different consumption scenarios during use phase.

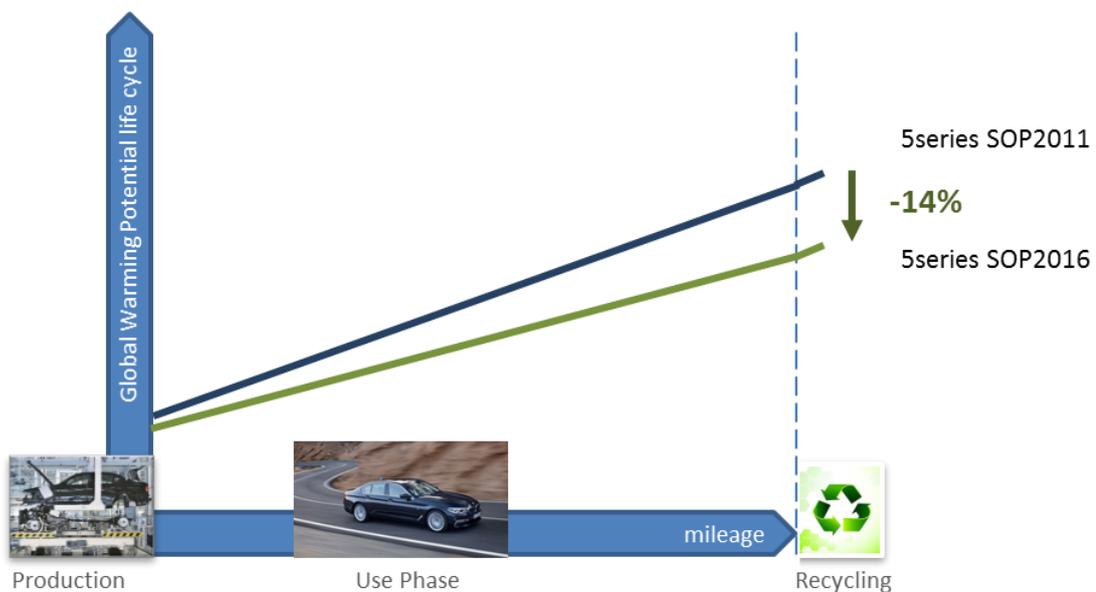


Fig. 3: Global warming potential of BMW 530iA along the life cycle

We succeeded to produce the new BMW 530iA with Global Warming Potential around 14% less than its previous model (SOP in 2011) by establishing sustainability measures and actions in the entire supply chain (fig. 3).

Validation

TÜV Rheinland LGA Products GmbH confirms that a critical review of the life cycle assessment (LCA) study of **BMW AG, Petuelring 130, 80788 München** for the following passenger car

BMW 530iA – 2016 model year

was performed.

Proof has been provided that the requirements of the international standards

- ISO 14040:2006: Environmental management – life cycle assessment – principles and framework
- ISO 14044:2006: Environmental management – life cycle assessment – requirements and guidelines
- ISO/TS 14071:2014: Environmental management – life cycle assessment – critical review processes and reviewer competencies: additional requirements and guidelines to ISO 14044:2006

are fulfilled.

Results:

- The LCA study was carried out according to the international standards ISO 14040:2006 and ISO 14044:2006. The methods used and the modelling of the product system correspond to the state of the art. They are suitable to fulfill the goals stated in the study. The report is comprehensive and provides a transparent description of the framework of the LCA study.
- The assumptions used in the LCA study, especially fuel consumption based on the current NEDC (New European Driving Cycle), were verified and discussed.
- The assessed samples of data and environmental information included in the LCA study are plausible.

Review process and level of detail:

Verification of input data and environmental information as well as the check of the LCA process was performed in course of a critical data review. The data review considered the following aspects:

- Check of the applied methods and the product model,
- Inspection of technical documents (e.g. type approval documents, parts lists, supplier information, measurement results, etc.) and
- Check of LCA input data (e.g. weights, materials, fuel and electricity consumption, emissions, etc.).

Cologne, 24th November 2016



Guido Volberg
Division Manager

Responsibilities:

Sole liability for the content of the LCA rests with BMW AG. TÜV Rheinland LGA Products GmbH was commissioned to review said LCA study for compliance with the methodical requirements, and to verify and validate the correctness and credibility of the information included therein.