

Welcome to your CDP Climate Change Questionnaire 2023

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Bayerische Motoren Werke – literally Bavarian Motor Works – was founded in 1917 and became a based-on-shares-company (“Aktiengesellschaft”) in 1918. Having started with aero engines and motorcycles the BMW Group in more than a 100 years has developed to one of the top 15 largest car manufacturers. BMW, MINI, Rolls-Royce Motor Cars and BMW Motorrad are amongst the strongest premium brands in the industry.

It is a well-proven strength of BMW Group to adapt to change – technological, socio-economical, cultural – and see the possibilities in it. Digitalization has brought new opportunities for the automobile industry, ranging from autonomous driving to connectivity and automatization in production.

Globalization, as another example, opened markets and led to a really global production network. BMW Group successfully operates from a solid basis of financial strength, continuous innovation and profitable further growth. The company will continue to focus on individual mobility in the premium segment, producing cars and motorcycles in 31 production sites on five continents and delivering to customers in more than 140 markets. Fulfilling customers’ demands is at the heart of everything people at BMW Group do.

Sustainability is a key component of the company’s strategic approach and competitive edge. With climate targets, against which all workers and managers plan, steer, measure and report, BMW Group is looking ahead to the year 2030.

Long-term thinking and responsible action have been cornerstones of BMW’s success. Striving for sustainability along the entire value-added chain, decarbonizing the supply chain and taking steps towards a more circular economy are prime objectives firmly embedded in the corporate strategy. As a premium manufacturer, BMW Group aspires to lead in terms of sustainability and not just follow others on the way. The company therefore has placed this topic at the core of its corporate strategy. This change has involved taking a major step, as the BMW Group is including sustainability as a prime factor in its corporate decision-making processes. Using an “environment radar” which includes ecological and social criteria, engaging in dialogue with



stakeholders and taking sustainable issues into account in all decisions are key elements of our management. Corporate sustainability measured in balanced scorecard terms (at Group level) was first included as a formal corporate objective in 2009. Today, projects must be measured in terms of the consumption of resources, emission levels as well as the social and socio-political consequences of the various solutions at hand.

The Board of Management works to ensure that the BMW Group strategy is aligned with those criteria in the long term. In 2019, the special-purpose Sustainability Board was fully integrated into the regular Board of Management meetings, allowing these issues to be even more consistently integrated into the company’s decision-making processes. Since then, sustainability issues have been treated like every other topic and discussed as needed at fortnightly Board of Management meetings. All specific decisions referred to the Board of Management are subject to a mandatory evaluation. In addition, the Board of Management receives an update on the development of the most relevant sustainability KPI’s as well as on current developments on sustainability issues every quarter.

Forward-looking statements:

This report contains various forward-looking statements concerning future developments that are based on the current status of the BMW Group’s assumptions and forecasts. These statements are therefore subject to a variety of predictable and unpredictable risks, uncertainties and other factors, which means that the actual outcome could differ considerably to those statements.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

January 1, 2022

End date

December 31, 2022

Indicate if you are providing emissions data for past reporting years

No

C0.3

(C0.3) Select the countries/areas in which you operate.

Argentina
Australia
Austria
Belgium
Brazil
Bulgaria
Canada
China
Czechia
Denmark
Finland
France
Germany
Greece
Hungary
India
Indonesia
Ireland
Italy
Japan
Luxembourg
Malaysia
Mexico
Netherlands
New Zealand
Norway

Poland
Portugal
Republic of Korea
Romania
Russian Federation
Singapore
Slovakia
Slovenia
South Africa
Spain
Sweden
Switzerland
Thailand
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

EUR

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-TO0.7/C-TS0.7

(C-TO0.7/C-TS0.7) For which transport modes will you be providing data?

Light Duty Vehicles (LDV)

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	DE0005190003

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Board-level committee	i) POSITION IN THE CORPORATE STRUCTURE The highest level of direct responsibility for climate-related issues is the Board of Management (BoM). All projects with possible impact

	<p>on climate submitted to the Board for decision must include a sustainability assessment of the planned project and / or the alternatives presented for decision. In addition, every BoM member oversees the relevant contributions of the division under his / her responsibility with a view to reducing the climate impact of the company, in awareness of the company's net zero vision and the relevant interim targets. For example, the board member for R&D oversees the breaking down of the product related targets in terms of the use phase as well as the production and supply chain footprint. Under the responsibility of the board member for purchasing, the integration of CO2 as well as secondary material rates are driven forward. The sales division drives forward the integration of climate-related information into the customer interface and is also involved in the development of circularity strategies in order to e.g. ensure a proper recycling of waste EV batteries.</p> <p>ii) RESPONSIBILITIES RELATED TO CLIMATE ISSUES The Board of Management determines the strategic direction with regard to sustainability topics and climate change.</p> <p>ii) EXAMPLES OF CLIMATE-RELATED DECISIONS A recent example of a climate-related decision made by the Board of Management is the commitment to pursue a verifiable and consistent path towards climate neutrality by 2050. In 2020, the Board of Management approved the BMW Group's integrated sustainability strategy, with concrete science-based targets for the first stage up to 2030: by drastically reducing the carbon footprint compared to 2019 per vehicle by 2030 - in production by 80 percent, during the use phase by 50 percent and in the supply chain by more than 20 percent. In combination this means at least reducing emissions by 40 percent over the total BMW Group climate footprint. In July 2022, the board tasked the corporate strategy team with defining the next generation of BMW Group climate-related targets. This is ongoing. In 2022, the Board of Management took further steps and decisions in our transformation process with the NEUE KLASSE, which is expected to set standards in electrification, digitalization and circularity. In 2025, this tipping point heralds another typical BMW shift – towards a new product offering, a new mindset, a new company.</p>
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C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – all meetings	Reviewing and guiding annual budgets Overseeing major capital expenditures Overseeing acquisitions, mergers, and divestitures Reviewing innovation/R&D priorities Overseeing and guiding employee incentives Reviewing and guiding strategy Overseeing and guiding the development of a transition plan Monitoring the implementation of a transition plan Overseeing the setting of corporate targets Monitoring progress towards corporate targets Overseeing and guiding public policy engagement	<p>i) WHO BRIEFS THE BOARD ON WHAT</p> <p>The BMW Group’s long-term corporate strategies are determined by the Board of Management. Responsibility for implementing the Group’s sustainability goals therefore lies with the full Board. We selected “scheduled – all meetings” as well as the respective “governance mechanisms” because it is OBLIGATORY and an integral component for EVERY SUBMISSION to the Board of Management to assess implications on sustainability issues such as resource consumption or impact on the environment.</p> <p>ii) CLIMATE ISSUES AS SCHEDULED AGENDA ITEMS</p> <p>According to our vision of being a very successful and sustainable premium provider of individual mobility many decisions are directly or indirectly linked to climate-related issues. Sustainability is a core principle in our BMW Group strategy and anchored in the strategic approach. As part of the procedures for managing sustainability on an integrated basis at corporate level, a Group target system has been created, which has been implemented for each of the Board members’ areas of responsibility.</p> <p>iii) CONTRIBUTION TO BOARD OVERSIGHT</p> <p>When the Board is reviewing and guiding our strategy, business plans, annual budgets or overseeing major capital expenditures, acquisitions and divestitures sustainability plays a key role as part of our strategic approach. This is how the governance mechanisms contribute to the Board’s oversight of climate issues.</p> <p>EXAMPLE: The BMW Group sees the transformation to all-electric, connected, sustainable mobility as an opportunity and has developed a clear roadmap that consists of three phases. In the first phase, the Group began pioneering e-mobility as early as 2007 with project I, enhancing the technology and then developing electrified vehicles for series production. In the second</p>

	<p>Overseeing value chain engagement</p> <p>Reviewing and guiding the risk management process</p>	<p>phase, which is currently underway, we are introducing electrification to the product portfolio with a new model initiative based on smart vehicle architectures and our highly flexible production network. At the end of 2025, the share of electrified cars in the BMW Group’s total deliveries is scheduled to rise to at least 30%.</p> <p>From 2025, the third phase will begin with the Neue Klasse, which will be characterised by three key aspects: a completely redefined IT and software architecture, a new generation of electric drive systems and batteries, and a new level of sustainability across the entire vehicle life cycle. The climate targets set by the Group have been implemented at the level of product lines down to the individual derivative. Each one of them has targets for efficiency as well as the supply chain footprint, thereby linking the corporate targets for Scope 3 upstream and Scope 3 downstream to individual decisions in the development and the purchasing process. Achievement of these targets (as well as need for additional measures or target modifications) is monitored and reported integrated into the regular process of product project decision making in the board.</p>
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C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	<p>Mitigating the impact of climate change is one of the greatest challenges of our time and requires a massive effort, not only on the part of society as a whole, but also from policymakers and the business community. The BMW Group is also involved in these endeavours. By 2050 at the latest, we intend to achieve the target of net zero in terms of our emissions across the entire value chain. The BMW Group is pursuing a clear strategy of decarbonisation across the entire life cycle of its vehicles and has defined specific targets in order to do so. With this holistic approach, we are moving forward on a path in line with the climate protection targets designed to limit global warming enshrined in the Paris Climate Agreement.</p>



		<p>COMPETENCE AND EXPERTISE</p> <p>Sustainability and climate-related issues are part of the BMW Group’s long-term corporate strategies which are determined by the Board of Management. Responsibility for implementing the Group’s sustainability goals lies with the full Board. The BMW Group is taking action to mitigate the impact of climate change and to adapt to changing climatic conditions.</p> <p>Within the BMW Group, the Board of Management is directly responsible for all matters relating to climate change including dealing with the consequences of climate change. Accordingly, the individual members of the Board of Management are each charged with the task of ensuring that their portfolios are strategically aligned with the stated objectives. Moreover, each submission presented to the Board of Management is required to be assessed from a sustainability perspective and thus also with regard to climate-related aspects. The board members have been continuously informed about the relevant legal requirements, the policies in place and expected, the technical options available for their achievement as well as the economic implications of climate change and its mitigation continuously over the last years.</p> <p>ENGAGEMENT</p> <p>In 2021, the BMW Group was the first German automotive manufacturer to join the “Business Ambition for 1.5° C” campaign launched by the Science-Based Targets initiative (SBTi). By joining the initiative, the BMW Group is also part of the international “Race to Zero Campaign” organized by the United Nations.</p> <p>In 2022, we further advanced our hydrogen fuel cell technology, which has the potential to become a sustainable complement to battery-powered e-drive systems.</p>
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C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Chief Executive Officer (CEO)

Climate-related responsibilities of this position

- Managing annual budgets for climate mitigation activities
- Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
- Managing climate-related acquisitions, mergers, and divestitures
- Providing climate-related employee incentives
- Developing a climate transition plan
- Implementing a climate transition plan
- Integrating climate-related issues into the strategy
- Setting climate-related corporate targets
- Monitoring progress against climate-related corporate targets
- Managing public policy engagement that may impact the climate
- Managing value chain engagement on climate-related issues
- Assessing climate-related risks and opportunities
- Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

Within the BMW Group, the Board of Management is directly responsible for all matters relating to climate change (CC) including dealing with the consequences of climate change. Accordingly, the individual members of the Board of Management are each charged with the task of ensuring that their portfolios are strategically aligned with the stated objectives. Moreover, each submission presented to the Board of Management is required to be assessed from a sustainability perspective and thus also with regard to climate-related aspects.

The BMW Group's long-term corporate strategy is determined by the Board of Management. Responsibility for implementing the Group's

sustainability goals also lies with the full Board. Significant decisions are therefore also evaluated from the point of view of sustainability. This ensures that sustainability issues are systematically integrated in decision-making processes, allocated to defined entities within the divisions and linked to compensation at top management levels.

As part of the procedures for managing sustainability on an integrated basis at corporate level, a Group target system has been created which has been implemented for each of the Board members' areas of responsibility. The BMW Group has set itself the target of decarbonising its vehicle fleet by an average of 40 % overall over the entire life cycle by 2030, compared to the base year 2019 on a per vehicle basis. In this context, specific targets have been set within vehicle development for the scope of the vehicle's use phase, production and supply chain. Based on these targets, specific carbon requirements for each vehicle project are derived, digitally managed and monitored. The targets are implemented within the purchasing process under the lead of a dedicated function. Thus, an integrated approach to target management ensures that the BMW Group's vehicle projects make a positive contribution towards achieving the sustainability targets that have been set.

Position or committee

Other C-Suite Officer, please specify

Chief Production Officer, Member of the Board of Management of BMW AG, responsible for Production

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities

Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)

Managing climate-related acquisitions, mergers, and divestitures

Providing climate-related employee incentives

Developing a climate transition plan

Implementing a climate transition plan

Integrating climate-related issues into the strategy

Setting climate-related corporate targets

Monitoring progress against climate-related corporate targets

Managing public policy engagement that may impact the climate

Managing value chain engagement on climate-related issues

Assessing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

Within the BMW Group, the Board of Management is directly responsible for all matters relating to climate change (CC) including dealing with the consequences of climate change. Accordingly, the individual members of the Board of Management are each charged with the task of ensuring that their portfolios are strategically aligned with the stated objectives. Moreover, each proposal presented to the Board of Management is required to be assessed from a sustainability perspective and thus also with regard to climate-related aspects.

Exemplary details for Chief Production Officer:

i) POSITION IN THE CORPORATE STRUCTURE

The Member of the Board of Management of BMW AG production (MBoMP) leads the BMW Group Production. He is accountable for all decisions for the worldwide production, based on the strategic orientation and decision framework stipulated at BoM meetings being the highest body.

ii) RESPONSIBILITIES REGARDING CLIMATE-RELATED ISSUES

We are facing the challenge of conserving resources and tackling CC, which has a very high relevance for our production processes. We require a reliable supply of resources for the production of our vehicles. The energy we consume generates emissions. Therefore, the responsibility for CC also lies with the MBoMP. In recent years, the BMW Group has made a great deal of progress in terms of resource consumption. Between 2006 and 2020, the BMW Group reduced its average resource consumption and emissions generated per vehicle by 56.7 %, an improvement of 6.5 % year on year. In this timeframe, carbon emissions per vehicle produced were reduced even by 78.1 %. Nevertheless, the BMW Group has already set itself the next target: compared to 2019, these emissions levels are to be reduced by a further 80 % per vehicle by 2030. Since 2021, the external electricity supply of the BMW Group production facilities has been fully covered by renewable energy. Our new plant in Debrecen Hungary will have no supply of fossil energy from the outset and thereby make a huge contribution to reducing the need for natural gas. In addition, the Group is making the remaining carbon emissions from Scope 1 & 2 completely carbon-neutral

by using high quality voluntary offset certificates. These are not considered as a contribution to achieving the above mentioned reduction targets but represent an additional measure.

iii) RATIONALE FOR WHY RESPONSIBILITY LIES WITH THAT POSITION

The top decision making body for production that also monitors CC related issues is the “production circle”, led by the MBoMP. Decisions binding for production are made there for e.g. yearly targets or technical measures. The steering function of our international environmental network controls these measures. In case half year target monitoring shows deviations, countermeasures are defined and decided in the “production circle” to achieve target achievement.

Position or committee

Other C-Suite Officer, please specify

Chief Development Officer, Member of the Board of Management of BMW AG, responsible for Development

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities

Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)

Developing a climate transition plan

Implementing a climate transition plan

Integrating climate-related issues into the strategy

Setting climate-related corporate targets

Monitoring progress against climate-related corporate targets

Managing public policy engagement that may impact the climate

Managing value chain engagement on climate-related issues

Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

Within the BMW Group, the Board of Management is directly responsible for all matters relating to climate change (CC) including dealing with the consequences of climate change. Accordingly, the individual members of the Board of Management are each charged with the task of ensuring that their portfolios are strategically aligned with the stated objectives. Moreover, each proposal presented to the Board of Management is required to be assessed from a sustainability perspective and thus also with regard to climate-related aspects.

Exemplary details for Chief Development Officer

i) POSITION IN THE CORPORATE STRUCTURE

The Member of the Board of Management of BMW AG responsible for Development (MBoMD) leads the R&D department. He is accountable for all decisions for the R&D department, based on the strategic orientation and decision framework stipulated at Board of Management (BoM) meetings being the highest body.

ii) RESPONSIBILITIES REGARDING CLIMATE-RELATED ISSUES

The MBoMD is responsible for all the activities in the R&D department. A key issue is energy consumption and CO₂-emissions of BMW Group's worldwide vehicle fleet. Therefore, a key process entails us defining specific CO₂-targets for each product line and each new vehicle project in order to achieve our strategic targets on vehicle fleet CO₂-emissions as well as all regulatory requirements worldwide. Our Strategy unit is responsible for monitoring and further developing these targets.

The "Complete Vehicle Architecture" unit within the R&D department coordinates the development and implementation of fuel-saving technologies in the individual vehicle projects. The top decision making bodies such as the "development circle" inside the R&D department are led by the MBoMD. Decisions binding for the R&D department are made there for e.g. Efficient Dynamics measures to reach the vehicle specific CO₂-emission/efficiency targets in the use phase as well as setting targets for the CO₂-footprint in the supply chain. Vice versa, this entity is monitoring target achievement continuously and contributes to the transparency provided to stakeholders via the BMW Group Integrated Report by aggregating the relevant data.

iii) RATIONALE FOR WHY RESPONSIBILITY LIES WITH THAT POSITION

The MBoMD monitors CC related issues through the top decision making bodies described above (development circle). All technical issues and all vehicle projects as well as strategic questions about electrification or digital services are discussed there. Decisions on strategic targets on

vehicle fleet CO2-emissions to be made in the BoM are analyzed technically and aligned with representatives of the corresponding departments.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	Sustainability, including climate-related aspects, has been integrated at all corporate levels of the BMW Group since 2009 as a strategic objective based on specific targets and metrics. Sustainability is therefore an explicit component of the company’s management system. This means that sustainability as a corporate objective is broken down to the level of business areas and divisions. As a result, the personal targets set for managers include sustainability aspects and criteria which have an effect on their performance-based remuneration.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Chief Executive Officer (CEO)

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Shares

Performance indicator(s)

Progress towards a climate-related target
Reduction in emissions intensity

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

The compensation of the CEO has three components: Fixed remuneration consists of a base salary (paid monthly) and other remuneration elements as the use of company cars. The variable remuneration comprises a bonus, a Performance Cash Plan (PCP) and secondly share-based remuneration components.

The bonus is made up of two components, a corporate earnings-related bonus (50 %) and a personal performance-related bonus (50 %). The personal performance-related bonus is derived in terms of a performance factor. The Supervisory Board sets the performance factor on the basis of its assessment of the contribution of the CEO to sustainable and long term oriented business development over a period of at least three financial years. The following citation of our Group report p. 264 explains the criteria for the performance factor: "Criteria for the cross-divisional ESG targets include in particular: innovation performance (environmental, e.g. reduction of carbon emissions), development of the BMW Group's reputation based on ESG aspects (e.g. corporate culture, promotion of integrity and compliance), adaptability, attractiveness as an employer, leadership performance".

The amount of the variable share-based remuneration also depends on the fulfilment of financial and non-financial objectives derived from the business strategy, since 50 % of the target cash amount earmarked for share purchases is linked to a financial key indicator (RoCE in the Automotive segment), and 50 % is linked to strategic focus targets.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The BMW Group aims to be the most successful and sustainable premium provider of individual mobility. The business strategy focuses on the customer and the provision of sustainable individual mobility in the premium segment, taking into account high profitability, in order to secure the Company's independence in the future. The remuneration system contributes to the implementation of the business strategy and the sustainable and longterm development of the Company. It also takes into account the concerns of the Company's important stakeholders (in particular, shareholders, customers, and employees). The incentive effects of the various remuneration components have a complementary

effect.

The fixed basic remuneration counteracts the temptation to take disproportionately high risks in order to achieve shortterm goals, and thus contributes to the long-term development of the Company.

The variable bonus is divided into two parts which have different incentive effects. The earnings-related component of the bonus rewards recipients for achieving the Company's financial targets in the vesting year, and promotes the earnings-related parts of the business strategy. In contrast, the performance component of the bonus is based on non-financial performance criteria, which are also derived from the business strategy. In this respect, the performance component of the bonus also offers particular incentives to encourage individuals to pursue the goals of the business strategy consistently for the long-term development of the Company. These goals do not have to be directly reflected in the key financial indicators for a given vesting year.

The obligation to use the total net amount to purchase shares of common stock in the Company and to hold these shares for at least four years also motivates the members of the Board of Management to strive to ensure the long-term positive development of the Company, as this in turn promotes sustainable positive developments in the price of BMW shares.

Entitled to incentive

Board/Executive board

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Shares

Performance indicator(s)

Progress towards a climate-related target

Reduction in emissions intensity

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

The compensation of Board of Management members has two components: Fixed remuneration consists of a base salary (paid monthly) and other remuneration elements as the use of company cars. The variable remuneration comprises a bonus, a Performance Cash Plan (PCP) and share-based remuneration components. The bonus is made up of two components, a corporate earnings-related bonus (50 %) and a personal performance-related bonus (50 %). The personal performance-related bonus is derived in terms of a performance factor. The Supervisory Board sets the performance factor on the basis of its assessment of the contribution of the relevant Board of Management member to sustainable and long term oriented business development over a period of at least three financial years. The following citation of our Group report p. 264 explains the criteria for the performance factor: "Criteria for the cross-divisional ESG targets include in particular: innovation performance (environmental, e.g. reduction of carbon emissions), development of the BMW Group's reputation based on ESG aspects (e.g. corporate culture, promotion of integrity and compliance), adaptability, attractiveness as an employer, leadership performance".

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The BMW Group aims to be the most successful and sustainable premium provider of individual mobility. The business strategy focuses on the customer and the provision of sustainable individual mobility in the premium segment, taking into account high profitability, in order to secure the Company's independence in the future. The remuneration system contributes to the implementation of the business strategy and the sustainable and long-term development of the Company. It also takes into account the concerns of the Company's important stakeholders (in particular, shareholders, customers, and employees). The incentive effects of the various remuneration components have a complementary effect.

The fixed basic remuneration counteracts the temptation to take disproportionately high risks in order to achieve short-term goals, and thus contributes to the long-term development of the Company.

The variable bonus is divided into two parts which have different incentive effects. The earnings-related component of the bonus rewards recipients for achieving the Company's financial targets in the vesting year, and promotes the earnings-related parts of the business strategy. In contrast, the performance component of the bonus is based on non-financial performance criteria, which are also derived from the business strategy. In this respect, the performance component of the bonus also offers particular incentives to encourage individuals to pursue the goals of the business strategy consistently for the long-term development of the Company. These goals do not have to be directly reflected in the key financial indicators for a given vesting year.

The amount of the variable share-based remuneration also depends on the fulfilment of financial and non-financial objectives derived from the business strategy, since 50 % of the target cash amount earmarked for share purchases is linked to a financial key indicator (RoCE in the Automotive segment), and 50 % is linked to strategic focus targets. The obligation to use the total net amount to purchase shares of common

stock in the Company and to hold these shares for at least four years also motivates the members of the Board of Management to strive to ensure the long-term positive development of the Company, as this in turn promotes sustainable positive developments in the price of BMW shares.

Entitled to incentive

Executive officer

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Progress towards a climate-related target

Reduction in emissions intensity

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

Every Board of Management member agrees with its executive officers corporate and divisional targets in terms of balanced scorecards. Examples for divisional targets in the area of climate change are: CO₂-emission reductions of the BMW Group fleet; emission, waste, and energy reduction targets for each production site and for the central departments as well as targets regarding external sustainability ratings and indexes such as MSCI ESG, Sustainalytics, ISS ESG, and CDP. Achieving these targets is directly linked to the variable income component.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The BMW Group aims to offer its employees interesting, futureproof jobs with attractive conditions and secure prospects. At the same time, we want to offer employees the opportunity to develop personally as well as help shape the BMW Group's future. By doing so, we are able to lay

the foundations for long-term success in the competitive market for talented professionals.

Key factors in the BMW Group's attractiveness as an employer include a positive perception of the Company, exciting, future-oriented tasks, individual opportunities for personal development and flexibility, attractive working conditions including remuneration and additional benefits, and a modern working environment.

Based on their overall remuneration package, we aim to ensure that our employees earn above median for the respective labour markets. To confirm this, we conduct remuneration studies each year on a worldwide basis. The BMW Group also consistently applies the principles of performance-related compensation. The total salary package consists of a monthly remuneration and a variable component dependent on the BMW Group's overall performance. Added to this are extras that differ by country, such as company pension plans and an attractive range of mobility-related services such as subsidised local public transport tickets and rail cards.

Entitled to incentive

Management group

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Progress towards a climate-related target
Reduction in emissions intensity

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

Executive officers agree detailed targets with their respective management group. As an example, Senior Vice President "Corporate Strategy", agrees with "Vice President Sustainability, Mobility" detailed targets. Some examples are:

- Further development and implementation of the sustainability strategy in all divisions;

- Integration of objectives for the corresponding year in the objective management process for plants;
- Assurance of the target achievement concerning sustainability ratings and indexes such as MSCI ESG, Sustainalytics, ISS ESG, and CDP;
- Organization of the implementation and maintenance of the BMW Group-wide standardized environmental management system of which one element is our database Ecofacts for all environmental data;
- Support and further development of the external international sustainability network.

Another example are targets agreed between plant managers and their management group for resource efficiency (e.g. energy consumption per vehicle produced). Achieving these targets is directly linked to the variable income component.

Explain how this incentive contributes to the implementation of your organization’s climate commitments and/or climate transition plan

The BMW Group aims to offer its employees interesting, futureproof jobs with attractive conditions and secure prospects. At the same time, we want to offer employees the opportunity to develop personally as well as help shape the BMW Group’s future. By doing so, we are able to lay the foundations for long-term success in the competitive market for talented professionals.

Key factors in the BMW Group’s attractiveness as an employer include a positive perception of the Company, exciting, future-oriented tasks, individual opportunities for personal development and flexibility, attractive working conditions including remuneration and additional benefits, and a modern working environment.

Based on their overall remuneration package, we aim to ensure that our employees earn above median for the respective labour markets. To confirm this, we conduct remuneration studies each year on a worldwide basis. The BMW Group also consistently applies the principles of performance-related compensation. The total salary package consists of a monthly remuneration and a variable component dependent on the BMW Group’s overall performance. Added to this are extras that differ by country, such as company pension plans and an attractive range of mobility-related services such as subsidised local public transport tickets and rail cards.

Entitled to incentive

All employees

Type of incentive

Non-monetary reward

Incentive(s)

Other, please specify
career path

Performance indicator(s)

Energy efficiency improvement

Incentive plan(s) this incentive is linked to

Not part of an existing incentive plan

Further details of incentive(s)

The BMW Group has implemented a worldwide employee's idea management system a long time ago. In addition to the permanently active online supported suggestion scheme campaigns have been running to specific subjects, for example energy saving measures. Implemented improvement ideas result in a bonus paid to the employee, which is proportional to the amount of qualitative benefits (e.g. improved air quality or ergonomics) as well as cost savings.

(Sustainability and carbon saving related) Target achievement is one main criterion for the annual, individual performance appraisal and therefore does not only influence the pay out of the personal bonus but the future career of employees from relevant areas.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The BMW Group's ideas management system encourages employees to contribute ideas on matters that do not fall within their normal remit. Employee ideas that generate a positive effect for the BMW Group with regard to efficiency or sustainability are rewarded with the payment of a bonus. In 2022, a total of 5,028 ideas were submitted (2021: 4,810). A total of 1,188 ideas were implemented during the year under report (2021: 1,318), resulting in first-year benefits totalling EUR 20.5 million (2021: EUR 30.4 million). As in the previous year, around one-third of the ideas implemented in 2022 were primarily related to sustainability.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	2	In line with BMW Group's internal management system, the outlook of BMW Group's annual report covers a period of one year. Opportunities and risks are assessed in the internal risk report and in the risk report of the annual report with respect to a period including the current business year and the two following years.
Medium-term	2	12	BMW Group's corporate planning considers the next twelve years following the current business year. We understand this as medium-term horizon in the sense of CDP.
Long-term	12	30	When it comes to climate risks identification and evaluation an ADDITIONAL long-term TIME HORIZON OF 30 YEARS is considered, especially for the valuation of potential impacts due to physical climate related risks.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

The management of risks and opportunities is essential in order to respond appropriately to any changes that occur in political, economic, ecological, social, technological or legal conditions. The BMW Group has put a comprehensive risk management system in place to effectively manage these risks as they arise.

Risk management is organised as a decentralised, groupwide network and steered by a centralised risk management function. The various BMW Group divisions are represented by Network Representatives. The responsibilities and tasks of the centralised risk management function and the Network Representatives are clearly documented and accepted. In addition, a network of climate experts has been appointed to cover the various aspects involved in climate risk identification and evaluation. Those climate experts also consult the Network Representatives mentioned before. The scope of climate change related risks and opportunities (CCR&O) identification and management includes BMW Group-wide direct physical risks and opportunities (R&Os) as well as indirect / transitory R&Os, e.g. from regulation and changing consumer behavior. The results of the environmental risk management process are part of the regular reporting to the Board of Management / Supervisory Board, at least twice a year and regularly for risks with significant impact for the short-term horizon.

i) DEFINITION OF SUBSTANTIVE FINANCIAL OR STRATEGIC IMPACTS:

Substantial financial or strategic impact is defined as risks with low, medium and high risk amounts. Risk / opportunity is defined as any event which might occur with a certain probability that could have a negative / positive impact on the achievement of targets. Main targets are growth, profitability, efficiency and sustainable levels of business. Materiality for prioritization is measured as amount of risk (average negative impact on earnings), including climate change related risks, for profit/loss and cash flow as well as image / reputation by the magnitude of impact and likelihood of occurrence. The amount of risks is classified as low (EUR 0-200 million), medium (EUR >200-1,000 million) and high (EUR >1,000 million). These thresholds are used for the grouping of short-term risks. Mid- and long-term risks have been assessed qualitatively. A quantification will be implemented step-by-step along with the implementation of the CSRD/ESRS reporting requirements.

ii) QUANTIFIABLE INDICATORS TO DEFINE SUBSTANTIVE FINANCIAL OR STRATEGIC IMPACT:

The amount of short-term risks is classified as low (EUR 0-200 million), medium (EUR >200-1,000 million) and high (EUR >1,000 million). CCR&O are allocated to categories (regulatory, reputational, shifts in customer demand, operational, physical). Risk catalogues help the risk management network representatives to reflect / categorize and aggregate all CCR&O. All locations (plants, logistic issues etc.) are considered as well as risks in the supply chain. Important weather-related risks considered are flooding, tornados, hail or interruption of supply chains due to climate change. Assessment, evaluation and prioritization of CCR&Os is supported by a team of risk / insurance managers and external expertise. Physical risks are covered by insurances and are part of the annual reassessment with our insurance companies. Short-term risks reported to the centralized risk management from the network are aggregated / prioritized and reported to the Board of Management / Supervisory Board. In strategic planning material short- to long-term CCR&O are reflected.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Risk management is organised as a decentralised, Groupwide network and steered by a centralised risk management function. The various BMW Group divisions are represented by Network Representatives. The responsibilities and tasks of the centralised risk management function and the Network Representatives are clearly documented and accepted.

PROCESS TO IDENTIFY (SUBSTANTIVE) CLIMATE-RELATED RISKS AND OPPORTUNITIES

The BMW Group considers our worldwide operations within the identification process of risks / opportunities driven by climate parameters. According to Group-wide guidelines, every employee and manager has a duty to report risks via the relevant reporting channels. The key elements of an appropriate risk culture are embedded in the BMW Group's core values, the BMW Group Risk Management Policy and the BMW

Group Risk Management Guidelines as well as in the BMW Group's overall risk strategy. New information and requirements are continuously incorporated in the BMW Group's risk management system, thereby ensuring its ongoing development.

In our Adaptation to Climate Change project, we identified and assessed climate-related risks comprehensively on the basis of two different time horizons (2034 and 2050) as well as various climate change scenarios.

ii) PROCESS TO ASSESS (SUBSTANTIVE) CLIMATE-RELATED RISKS AND OPPORTUNITIES:

The BMW Group utilises standardised methods to assess risks. All significant short-term risks are measured using value-at-risk models and assessed on the basis of uniform loss distribution metrics, thereby enabling better comparability of risks for both internal and external reporting purposes. Risks are measured net of any risk mitigation measures that are already taking effect (net basis). Risks are classified according to the risk amount (average earnings impact, taking into account the probability of occurrence). The earnings impact may be significantly higher if the risk actually materialises (worst-case scenario). Risks are classified as low (EUR 0-200 million), medium (EUR >200-1,000 million) and high (EUR >1,000 million).

For mid- to long-term climate-related risks a qualitative assessment has been performed. During the 2022 reporting year, all material risks for the BMW Group were considered for the first time in view of their sensitivity regarding climate change. The climate-relevant portions were analysed in accordance with TCFD for three different climate scenarios. For the medium-term timescale until 2034, we distinguish between transitory and physical climate risks. For the long-term timescale until 2050, the measurement focuses on the physical climate risks. The three scenarios applied to identify and assess climate-related risks are based on the scenarios of the Shared Socioeconomic Pathways (SSP) of the Intergovernmental Panel on Climate Change (IPCC). These climate scenarios range from a low-emissions scenario with global warming of < +1.5°C (Paris Agreement, SSP1-2.6), a medium scenario with warming of an average of +2.5°C (the middle path, SSP2-4.5) to > +4°C (fossil development, SSP5-8.5). The BMW Group has committed to aligning its business activities with the low-emissions scenario of the Paris Agreement and has consistently based its long-term corporate planning on this.

iii) PROCESS TO RESPOND TO (SUBSTANTIVE) CLIMATE-RELATED RISKS AND OPPORTUNITIES:

The results of the environmental risk management process are part of the regular reporting to the Board of Management (BoM) / Supervisory Board, at least twice a year and regularly for risks with significant impact in the short-term horizon.

BMW Group's process of monitoring and steering CCR&O is part of A) the enterprise risk management process (ERMP), integrated in B) the Strategy & Structure Circle resp. BoM and part of C) the management process established to ensure the reduction of CO2 emissions of BMW Group's vehicle fleet.

A) ERMP comprises measurement, management and monitoring of CCR&Os in a decentralized structure. Within this internal risk management network covering all organizational levels, dedicated managers are responsible for reporting and managing CCR&Os. Assessment of CCR&Os

at plant level and relevant central department units is carried out in terms of the ERMP by the responsible network representatives. Audits for ISO14001, in place in all plants and relevant central units, verify our “on-site” CCR&O assessment and monitoring processes regularly. The results of the ERMP are reported to a steering committee which prioritizes CCR&Os reported to the BoM. In 2022, climate experts have been appointed and incorporated into the Risk Management Network.

B) In the Strategy & Structure Circle (consisting of the top management of the company divisions) tasks and measures for the climate protection strategy of the BMW Group are discussed and proposed to the BoM, setting the strategic course including sustainability issues.

C) The fleet CO₂ strategy, corresponding targets for each vehicle project and their fulfilment are set and monitored by corporate planning, which reports directly to the BoM. CO₂ targets are refined and adjusted in line with new regulations and alterations in demand and offer of new cars.

iv) CASE STUDY:

TRANSITIONAL RISKS

Situation: Transitional risks can derive from regulation or shift in market opportunities for new products, e.g. from upcoming regulations or shift in consumer preferences.

Task: BMW Group’s Strategy unit is responsible for monitoring and further developing targets on vehicle fleet CO₂-emissions to meet all regulatory requirements worldwide as well as to shape transformation with attractive, electrified products and innovative mobility services, thus integrating the analysis of the external political and regulatory framework, and the assessment of customers and market development.

Action: These targets and corresponding measures together with an assessment of financial implications are aligned within the affected departments and discussed in the Product & Customer Circle (senior vice president level) and then brought to the BoM as highest body for decision. The “Complete Vehicle Architecture” unit within the R&D department coordinates the development and implementation of fuel-saving technologies in the individual vehicle projects to achieve the CO₂-targets and to leverage business opportunities with new products and services.

Result: For example, as a result of this management process it was decided to launch further models featuring hybrid technology and additional all-electric models. At the end of the reporting period, the BMW Group had a total of 12 BEV motor variants in eight different models available to order. Moreover, in the course of 2022, the BMW Group either launched or revised seven different PHEV engine variants. At the end of 2022, a total of 19 PHEV engine variants in a total of 13 models were available to order worldwide.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	<p>RELEVANCE AND INCLUSION IN RISK ASSESSMENT: Climate-related risks from current regulation are generally relevant for BMW Group and the automotive industry. More specifically, the tightening of current climate-related regulation can include risks for BMW. BMW Group Risk Management uses a comprehensive risk catalogue with experts of the risk categories responsible for validation of their risk categories. The risk catalogue also covers potential climate-related risks and thus ensures that significant climate-related risks are assessed, reported and validated in the BMW Group risk management process. In the internal risk catalogue climate-related risks of “current regulation” are included in the risk categories “external / global environment; new regulations” for tightening of current regulation or “product development and manufacturing; product introduction” if current regulation exposes risks in the homologation and production of vehicles.</p> <p>COMPANY SPECIFIC EXAMPLE: A company specific example is the introduction of increased taxation schemes. Taxation is directly related to the total cost of ownership (TCO) for the customer. If the vehicles of a car manufacturer are especially negatively affected by an increased taxation scheme this will impact the purchase decision. The risks are sector specific, but possess an increased risk level for the BMW Group as premium car manufacturer (e.g. cars with larger engine sizes). An example is that a couple of EU-markets focus their incentives on BEV and no longer on PHEVs (e.g. France, UK and Germany) with potential negative impact on our future PHEV sales (2022: 218,040 PHEV worldwide). In a similar way nearly all of our worldwide passenger car sales are affected by emission taxation and regulation schemes. If these are changed, namely on short notice, with negative impacts on sales figures as this could for e.g. be the case for our PHEV offers it might result in a decrease in sales volume. E.g., a drop in sales of 1 % might have an estimated impact between EUR 150 and 250 million gross profit, depending on the models affected.</p>
Emerging regulation	Relevant, always included	<p>RELEVANCE AND INCLUSION IN RISK ASSESSMENT: Climate-related risks from emerging regulation are generally relevant for BMW Group and the automotive industry as a whole. BMW Group Risk Management uses a comprehensive risk catalogue with experts of the risk categories responsible for validation of their risk categories. The risk catalogue also covers potential climate-related risks and thus ensures that significant climate-related risks are assessed, reported and validated in BMW Group’s risk management process. In the</p>

		<p>internal risk catalogue climate-related risks of “emerging regulation” are included in the risk categories “external / global environment; new regulations” for new regulation which limit the use of BMW Group vehicles or “product development and manufacturing; product introduction” if emerging regulation exposes risks in the homologation and production of vehicles.</p> <p>COMPANY SPECIFIC EXAMPLE: The introduction of new climate-related regulation, mostly for CO2 or local emissions can include risks for BMW. For example, local restrictions affecting product usage in specific sectors may limit our sales in individual markets. More specifically we face risks as provider of premium mobility. Regulators could propose uneven distribution of reduction efforts required to meet regional fleet targets. At the same time the BMW Group as premium manufacturer has to meet high quality and comfort demands of their customers. A deciding factor in achieving e.g. the EU27 targets for 2035, is the uptake of e-mobility. However, the framework conditions have not yet been solidified in the majority of states and cities. The uncertainty of regulations regarding incentives for the accelerated introduction of alternative drive vehicles and the available charging infrastructure have major influence on the volatility of the e-mobility business case. The development of market shares for battery electric and plug-in hybrid electric vehicles are not yet easily predicted. The uncertainty member state policies in the future and the possibility of low emission zones with stricter limits constitutes a risk. This may affect regional and local demand for our vehicles and hence have a negative impact on sales, margins and, possibly, the residual value of these vehicles. E.g. a drop in sales of 1 % might have an estimated impact between EUR 150 and 250 million gross profit, depending on the models affected.</p>
Technology	Relevant, always included	<p>RELEVANCE AND INCLUSION IN RISK ASSESSMENT: Climate-related risks from technology are generally relevant for BMW Group and the automotive industry as a whole. BMW Group Risk Management uses a comprehensive risk catalogue with experts of the risk categories responsible for validation of their risk categories. The risk catalogue also covers potential climate-related risks and thus ensures that significant climate-related risks are assessed, reported and validated in the BMW Group risk management process. In the internal risk catalogue climate-related risks of “technology” are included in the risk category “product development and manufacturing” for risks in the homologation process and necessary changes for the production planning of vehicles.</p> <p>COMPANY SPECIFIC EXAMPLE: Climate change is a driving force for the transformation of the automotive industry. Electrification is a priority area in our BMW Group Strategy, which provides us with a strategic roadmap. We are monitoring technological improvements, e.g. the</p>

		<p>development of battery cells. A potential risk could be that competitors gain a competitive advantage by finding better technology solutions. Further risk could emerge from the complexity of such new technologies and its handling which could lead to increased development / quality costs. However, the systematic electrification of its products, with a wide range of attractive models, is proving to be a key success factor for the BMW Group. High demand for BMW and MINI brand all-electric vehicles gave rise to dynamic sales growth in this area in 2022. Overall, the BMW Group delivered a total of 215,752 all-electric vehicles to customers, more than doubling the number achieved one year earlier (2021: 103,854 units; + 107.7 %) . Due to our strong position in e-mobility and corresponding technologies we see climate change driven technological changes as an opportunity rather than a risk. To sustain our leading role, we concentrate all our technological expertise relating to battery cells at our battery competence centre in Munich (Germany), where we began pooling our experience and comprehensive expertise in 2019. The centre represents the entire value chain of the battery cell technology – from R&D, through to the composition and design of the battery cells to recycling. The BMW Group has invested a total of EUR 200 million in the competence centre and employs 200 people here.</p>
<p>Legal</p>	<p>Relevant, always included</p>	<p>RELEVANCE AND INCLUSION IN RISK ASSESSMENT: Climate-related legal risks are generally relevant for BMW Group and the automotive industry. Potential risks in that category are related to compliance with the law - a basic prerequisite for our success. Applicable law provides the binding framework for the BMW Group’s worldwide activities. As a result of its global operations, we are exposed to various legal risks, including those related to climate-related regulations. BMW Group Risk Management uses a comprehensive risk catalogue with experts of the risk categories responsible for validation of their risk categories. The risk catalogue also covers potential climate-related risks and thus ensures that significant climate-related risks are assessed, reported and validated in the BMW Group risk management process. In the internal risk catalogue climate-related risks of “legal” are included in the risk category “litigations and contractual or compliance cooperation’s violation”.</p> <p>COMPANY SPECIFIC EXAMPLE: A Compliance Management System is in place at BMW Group to ensure that the representative bodies, managers and staff consistently act in a lawful manner (BMW Group Report 2022, p. 143 ff.).</p> <p>In a number of markets, the legislation, which addresses advertisement and public claims on the environmental performance of companies and products is tightening and thereby restricting possibilities to make environmental and</p>

		<p>namely climate related claims vis-a-vis the public and media. The fast, fragmented national development of such new rules, which is not yet based on an EU wide legislative framework, creates the risk of communication not being adapted to the full extent needed and at the time required. At a European Community level, the discussion about the so-called “green claims directive” has only just started and will not create predictability and certainty in the very short time. Thus, there is a risk that communication and advertisement material may not be fully compliant with legal requirements. In order to address this risk, the BMW Group in addition to existing compliance procedures is preparing additional internal rules and information, including web based trainings for employees in charge of taking decisions in the field of communication and advertisement.</p>
Market	Relevant, always included	<p>RELEVANCE AND INCLUSION IN RISK ASSESSMENT: Climate-related market risks are generally relevant for BMW Group and the automotive industry as a whole. BMW Group Risk Management uses a comprehensive risk catalogue with experts of the risk categories responsible for validation of their risk categories. The risk catalogue also covers potential climate-related risks and thus ensures that significant climate-related risks are assessed, reported and validated in the BMW Group risk management process. In the internal risk catalogue climate-related risks of “market” are included in the risk category “customer (market, after sales and product related services”).</p> <p>COMPANY SPECIFIC EXAMPLE: Changes in customer behavior, which can also be brought about by changes in attitudes, values, environmental factors and fuel or energy prices or political and public discussions can pose risks to BMW Group. The transition to electric drivetrains is fundamentally different from past shifts in customer demand due to a multitude of external factors impacting customer choice when it comes to deciding in favor of a new technology: technical performance, range, cost compared to conventional fuels and drivetrains, tax-incentives, infrastructure density – all impacts on customer choice. This is not happening as a rational calculus but is filtered and partially distorted through media coverage, lacking or contradicting information and interpretation of facts. While this affects namely our private customers, corporate customers, who represent a large share of BMW sales in the EU, consider their fleets as an important contributor to meeting their own climate objectives and weigh these against a rational total cost of ownership perspective of competing drivetrain options. Acknowledging this situation, the answer of the BMW Group is twofold: Choice/flexibility and transparency: customers can choose the vehicle segment that best suits their living environment. The popular BMW X3 is a good example of this. Four different drivetrain variants are offered: efficient diesel and petrol, plug-in hybrid and pure electric. In addition, the BMW Group provides full transparency on the sustainability aspects of its products. Starting in the EU we will offer a digital</p>

		vehicle footprint for the new 5series (2023 onwards). This new set of information will facilitate a rational, fact-based choice and at the same time support a sustainable vehicle usage.
Reputation	Relevant, always included	<p>RELEVANCE AND INCLUSION IN RISK ASSESSMENT: Climate-related reputation risks are generally relevant for BMW Group and the automotive industry as a whole. Climate-related reputation risks are often closely linked to other climate-related risks. BMW Group Risk Management uses a comprehensive risk catalogue with experts of the risk categories responsible for validation of their risk categories. The risk catalogue also covers potential climate-related risks and thus ensures that significant climate-related risks are assessed, reported and validated in the BMW Group risk management process including their reputational effects. Additional to financial risks, significant reputational risks (including those stemming from financial risks) are reported at least twice a year to the risk management steering committee and the Board of Management. These include risks related to climate.</p> <p>COMPANY SPECIFIC EXAMPLE: Introduction of new climate-related regulation, mostly for CO2 or local emissions, can induce reputation risks specific for the BMW Group as premium manufacturer. We have to meet high quality and comfort demands of our customers. If we would not be able to comply with CO2-emission targets, we could face negative press with corresponding negative impact on our reputation and customer churn in addition to potential penalties. E.g., a drop in sales of 1 % might have an estimated impact between EUR 150 and 250 million gross profit, depending on the models affected. However, BMW Group increases continuously the CO2 efficiency of its vehicles. Since 2007, BMW Group's Efficient Dynamics is a comprehensive technologic approach. It includes Efficient Dynamics technologies such as highly efficient automobiles with gradually refined combustion engines, lightweight construction, improved aerodynamics and coordinated energy management as well as plug-in hybrids and battery electric vehicles. By achieving or – as currently in Europe – overachieving legal requirements, we ensure the integrity of customer perception.</p>
Acute physical	Relevant, always included	<p>RELEVANCE AND INCLUSION IN RISK ASSESSMENT: Acute climate-related physical risks are generally relevant for BMW Group and the automotive industry as a whole. Especially if the number of natural catastrophes rises, BMW Group could be affected both on the demand and production side. BMW Group Risk Management uses a comprehensive risk catalogue with experts of the risk categories responsible for validation of their risk categories. The risk catalogue also covers potential climate-related risks and thus ensures that</p>

		<p>significant climate-related risks are assessed, reported and validated in the BMW Group risk management process. In the internal risk catalogue climate-related risks of “acute physical” are included in the risk category “external / global environment; environment; natural risks”.</p> <p>COMPANY SPECIFIC EXAMPLE: On the one hand natural disasters could have a lasting negative impact on the global economy and international capital markets. As another example related production stoppages and downtimes represent risks which the BMW Group addresses through appropriate precautions. These risks vary widely with the degree of damage. E.g. a tornado could damage the BMW Group plant Spartanburg (USA) and cause a breakdown of production up to 12 months. This would represent a damage in the amount of up to EUR 5 billion. However, due to our flexible production system we can shift volumes between plants and / or we can catch up lost volumes in the affected plant itself (depending on the natural disaster and its affects). In combination with our worldwide insurance solution possible financial implications can be reduced to a large extent.</p>
<p>Chronic physical</p>	<p>Relevant, always included</p>	<p>RELEVANCE AND INCLUSION IN RISK ASSESSMENT: Chronic climate-related physical risks are generally relevant for BMW Group and the automotive industry as a whole. If economic and living conditions worsen, e.g. through water shortages, BMW Group could be affected both on the demand and production side. BMW Group Risk Management uses a comprehensive risk catalogue with experts of the risk categories responsible for validation of their risk categories. The risk catalogue also covers potential climate-related risks and thus ensures that significant climate-related risks are assessed, reported and validated in the BMW Group risk management process. In the internal risk catalogue climate-related risks of “chronic physical” are included in the risk category “external / global environment; environment; natural risks”.</p> <p>COMPANY SPECIFIC EXAMPLE: On the one hand worsening living and economic conditions and potential international conflicts arising out of consequential migration movements could have a lasting negative impact on the global economy and international capital markets. As another example production stoppages and downtimes e.g. due to water shortages represent risks, even though BMW Group production sites are planned accordingly to avoid such risks. These risks vary widely with the interruption duration. E.g. a one week breakdown of production of our Rosslyn site (South</p>

		<p>Africa) located in a region with water stress could lead to an estimated impact between EUR 10 and 15 million gross profit (inherent risk before mitigation). However, due to our flexible production system we can shift volumes between plants and / or we can catch up lost volumes in the affected plant itself. In combination with our worldwide insurance solution possible financial implications can be reduced to almost zero.</p>
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C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Emerging regulation

Mandates on and regulation of existing products and services

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

i) CLEAR DESCRIPTION:

Emission regulations (e.g. EU27 countries including Norway and Iceland, USA or China) are implemented and challenge car manufactures to adapt their products to meet these standards (lower emission figures for harmful substances). Concerning CO2 ever more ambitious fleet consumption targets have been set worldwide and continue to be tightened further. The next generation of regulatory requirements aiming at zero emission new cars in Europe by 2035 has recently been politically decided.

Further, the trend towards megacities and the overall traffic and emission situation within those cities will probably lead to a growing number of low emission zones in urban areas, in which only vehicles, that meet strict emission requirements, will be allowed to enter. For car manufacturers these regulatory risks may entail the need for significant short-term investments to avoid risks such as payments of penalties or effects on local demand for the BMW Group vehicles up to loss of allowances to offer individual mobility at all (strict emissions zones), with negative impact on sales or margins of these vehicles.

ii) COMPANY-SPECIFIC EFFECT:

The risks from air pollution limits exist for all members of the automotive sector. Regulators (e.g. in EU, USA, China) could propose selective, unpredicted reduction requirements to meet regional fleet targets whose design may impact the relative position of the BMW Group in its competitive environment. To achieve worldwide ambitious fleet consumption targets, we need a significant and steeply growing share of electrified vehicles. Here we see significant market pull in many regions and success of our products. However, the framework conditions for e-mobility have not yet been solidified in the majorities of states and cities. The uncertainty of regulations regarding incentives for the accelerated introduction of alternative drive vehicles (granting super credits for fleet limits, user benefits in urban areas, taxation etc.) and the available charging infrastructure have major influence on the volatility of the e-mobility business case and vehicle sales. Furthermore, short-term regulatory changes against our expectations such as tightened emission limits or introduction of new low-emission or prohibited zones could reduce the product portfolio in some world regions offered to customers. Those effects entail the risk of a decline in vehicle sales and margins.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

180,000,000

Potential financial impact figure – maximum (currency)

260,000,000

Explanation of financial impact figure

i) APPROACH:

Nearly all of our worldwide passenger car sales are affected by emission taxation and regulation. If the taxation or regulation is changed on a short notice (1-2 years) adversely to expectations, it might result in a decrease of sales volume. Consequently, benefits on continental or national levels might drop, resulting in an impact on the overall annual result.

We assessed this risk under 3 different SSP scenarios, with highest effects expected under SSP1-2.6, where the mid-term effect is assessed as going up by factor 1,5.

ii) CALCULATION:

E.g., BMW sales totalled to 2,399,632 units in 2022. A drop in sales of 1 % might have an estimated impact between EUR 180 and 260 million gross profit, depending on the models affected.

iii) ASSUMPTIONS:

The figures depend on the regional changes in taxation and regulations and the models hereby affected.

Cost of response to risk

7,178,000,000

Description of response and explanation of cost calculation

CASE STUDY:

Situation: Emission regulations are implemented and challenge car manufactures to adapt their products to meet these standards (lower emission figures) over time. Further, the trend towards megacities and the overall traffic and emission situation within those cities will probably lead to a growing number of low emission zones in urban areas, in which only vehicles, that meet strict emission requirements, will be allowed to enter.

Regulations are monitored on a regular basis.

Task: We anticipate uncertainty in future taxation systems by increasing the CO2 efficiency of our vehicles. BMW Group's Efficient Dynamics (ED) is a comprehensive technologic approach. It includes ED technologies (e.g. gradually refined combustion engines) as well as PHEVs and BEVs.

Action: In order to cope with regulations BMW Group invests into R&D to increase CO2-efficiency. CO2 management is included in the corporate strategy (target setting, monitoring) and the product development process. We invest major budgets in CO2-reduction ED technologies each year.

The BMW Group aims not only to meet the statutory carbon emissions limits, but to undercut them. Within the EU, average carbon fleet emissions, taking into account regulatory requirements and in accordance with WLTP, were 105.0 g CO2/km.

Furthermore, we invest a significant share of the R&D expenditure in PHEVs / BEVs.

Result: We have thus reduced the carbon emissions of the new vehicle fleet EU by a further 10.9 g compared to the previous year (2021: 115.9 g CO2/km). We remained significantly below the limit of 127.5 g CO2/km applicable to the BMW Group in the year under report by 22.5 g CO2/km, continuing the trend seen in recent decades, driven by the electrification of the vehicle fleet and the fleet-wide deployment of innovative Efficient Dynamics technologies. The systematic electrification of its products, with a wide range of attractive models, is proving to be a key success factor for the BMW Group. Overall, the BMW Group delivered a total of 215,752 all-electric vehicles to customers, more than doubling the number achieved one year earlier (2021: 103,854 units; + 107.7 %).

COST CALCULATION:

The cost of management is set equal to R&D expenditures in 2022 (EUR 7.178 billion). Due to competitive advantage issues, we are not able to give here exact numbers but state that ED technologies / electrification took a significant share of the 2022 R&D expenditure.

Comment

N/A

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Other, please specify

extreme weather events

Primary potential financial impact

Decreased revenues due to reduced production capacity

Company-specific description

i) CLEAR DESCRIPTION: Climate change causes a higher frequency of temperature extremes and extreme weather events (e.g. heatwaves, storms and floods). Those extremes may lead to damaged production sites, damaged transportation infrastructure or disruptions in production capacity due to affected energy structures or shortages in energy or water availabilities.

ii) COMPANY-SPECIFIC EFFECT: Production sites of BMW Group in vulnerable regions are affected. This is for example of particular concern for the production sites in the USA (South Carolina), South Africa, India or Brazil (e.g. storms, temperature extremes and extreme dryness). The BMW Group faced several damages due to extreme weather events in the last years. As a consequence BMW was under pressure to produce the ordered vehicles. A feasibility study was carried out for evaluation of natural risks (including extreme weather events) regarding all BMW productions sites worldwide.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

1

Potential financial impact figure – maximum (currency)

900,000,000

Explanation of financial impact figure

i) APPROACH:

These vary widely with the degree of damage. E.g. a strong storm could cause severe damages to the plant in Spartenburg and cause a break in production for a number of days to months.

ii) CALCULATION:

In 2022, 416,301 units were produced at this site. Given that prevention measures are proactively taken, the damage cost and lost revenue would be up to EUR 900 million.

iii) ASSUMPTIONS:

However, due to our flexible production system we can shift volumes between plants and / or we can catch up lost volumes in the affected plant itself. In combination with our worldwide insurance solution possible financial implications can be reduced to a large extent.

Cost of response to risk

150,000,000

Description of response and explanation of cost calculation

CASE STUDY:

Situation: Climate change causes a higher frequency of temperature extremes and extreme weather events (e.g. heatwaves, storms and floods). Those extremes may lead to damaged production sites, damaged transportation infrastructure or disruptions in production capacity due to affected energy structures or shortages in energy or water availabilities.

Task: To avoid production stoppages, BMW Group had to identify sites at risk and is taking specific preventive measures, e.g. our flexible production system where we can shift volumes between plants.

Action: BMW Group uses a natural hazard risk analysis tool. Depending on individual vulnerability, exact geographical position and elevation all relative risks (in %) are analyzed for hazards like flood, storm, extreme temperatures etc. Each existing and new location is analyzed and mitigation measures are taken. Specific analyzing tools include a site selection tool.

Result: All results are considered for choosing new locations and defining mitigation measures. Vulnerability to direct physical climate risks is evaluated at 100 % of production sites and preparedness plans exist. To avoid production stoppages, we have already taken preventive measures at our production sites and other premises, such as the installation of sluiceways at the plant in Chennai, India. Further examples are the inclusion of risks of flooding after hard rain in the planning of our new plants in Brazil and Mexico. As well as for Spartanburg, a plan to minimize damages in case of extreme weathers exists (e.g. removal of vehicles from danger zones). For remaining risks tailor-made insurance contracts covering risks at our locations worldwide exist. Complementary we increase energy and water efficiency in our production network to increase resource independency.

COST CALCULATION:

The cost of managing the risk contain: Insurance premiums for our locations including the production facilities and supply chain interruptions, which were below EUR 50 million. Tool development and personnel costs of risk engineers made several EUR 100,000. Resource efficiency investments are year by year roughly above EUR 100 million.

Comment

N/A

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Markets

Primary climate-related opportunity driver

Other, please specify

Increased capital availability

Primary potential financial impact

Increased access to capital

Company-specific description

i) CLEAR DESCRIPTION:

The number of sustainable investment funds operating in Europe and US is growing. Private investors look upon sustainability ratings as indicator for future performance and therefore may grant credits at lower interest rates. Companies with a good sustainability rating could therefore profit from those lower interest rates and have a competitive advantage against other companies.

On the basis of the phased introduction of the EU taxonomy in the Delegated Acts, in 2022 companies such as the BMW Group are required to report the taxonomy-aligned proportion of revenues, capital expenditures and operational expenditures for the first two environmental objectives.

ii) COMPANY-SPECIFIC EFFECT:

Many ratings and awards attest the BMW Group sustainability leadership. Efficient technologies, solutions for sustainable mobility, and clean production are just some of the aspects that ensure the leading role of the BMW Group regarding sustainability. Market research and media analyses show that the corporate image of the BMW Group is influenced very positively by its sustainability performance, thus increasing its attractiveness for potential investors. The reputation is directly influencing our credit rating and thus our funding costs for the financial service business. The BMW Group has a long-term credit rating of “A2” by Moody’s and A by “Standard & Poor’s” – which is the best rating for an European OEM. We are since many years one of the leading companies in the sustainability ratings CDP and represented in the MSCI ESG, Sustainalytics and ISS ESG indexes.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

80,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

i) APPROACH:

Our sustainability reputation is directly influencing our credit rating and thus our funding costs for the financial service business.

ii) CALCULATION:

E.g.: a potential advantage could be -0.10 %-points interest rate relative to our competitors, which equals approximately EUR 80 million income.

iii) ASSUMPTIONS:

We assumed a constant funding volume for the financial service business.

Cost to realize opportunity

13,932,000,000

Strategy to realize opportunity and explanation of cost calculation

CASE STUDY:

Situation: The number of sustainable investment funds operating in Europe and US is growing. Private investors look upon sustainability ratings as indicator for future performance and therefore may grant credits at lower interest rates.

Task: Ecological reputation relies on the ecological performance of BMW Group and its products. As many ratings and awards attest the BMW Group sustainability leadership, it has to secure this position.

Action: Among other objectives, to maintain BMW Group's good reputation regarding sustainability we invest in efficient technologies, solutions for sustainable mobility and clean production.

(1) Basis for our reputation are the results achieved in product and production efficiency. a broad range of PHEV in our main product lines and BEV (2022: 433,792 PHEVs / BEVs sold) as well as mobility services add to the substances behind our reputation. Likewise contributes our "Clean Production" approach to reduce negative impacts on the environment (e.g. -78 % in CO2 emissions per vehicle produced from 2006 to 2020). Compared with the base year 2019, the BMW Group intends to reduce the average amount of carbon emissions per vehicle produced by a further 80% by 2030.

(2) We improve image and reputation by transparent communication e.g. since 2020, through our new approach to reporting for the BMW Group, ratings such as CDP or investor relation meetings and conferences.

(3) The BMW Group put a strong focus on scope 3 upstream emissions in 2020 and addressed the impact of electrification on the supply chain

carbon footprint as a strategic need for action.

Result: The BMW Group has maintained a good ranking in prestigious sustainability ratings in 2022. For instance, the BMW Group is represented in the MSCI ESG, Sustainalytics and ISS ESG indexes and is well positioned in its sector in all three. Due to its transparent reporting of carbon emissions, the BMW Group is again in the top grouping of the CDP rating list.

COST CALCULATION:

Improving resource- and CO2-efficiency in our operations / of our products is integral part when developing and realizing solutions to meet our customer's needs. People are behind all that which is why we set management costs equal to personnel expenses (EUR 13,932 million in 2022). These contain also several FTEs (e.g. in Investor Relations) to realize a transparent communication to all stakeholders.

Comment

N/A

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

Yes, we have a climate transition plan which aligns with a 1.5°C world

Publicly available climate transition plan

Yes

Mechanism by which feedback is collected from shareholders on your climate transition plan

We have a different feedback mechanism in place

Description of feedback mechanism

The BMW Group is fully committed to the climate protection targets set out in the Paris Agreement. We are taking ambitious steps to contribute to progressive decarbonization. At its base is our holistic carbon reduction strategy. By 2050 at the latest, we intend to achieve net zero in terms of our carbon emissions across the entire value chain. The BMW Group's ambitious decarbonization targets are part of its integrated corporate target system. They are in line with the climate protection targets set out in the Paris Agreement and validated by the Science Based Targets initiative (SBTi). These targets are being implemented under the responsibility of the Board of Management in the BMW Group's various departments and thus consistently throughout the organization. With these targets in mind, we are moving forward along a pathway in line with the Paris Agreement set to limit global warming. On this basis, we also became the first German automobile manufacturer to join the Business Ambition for 1.5°C initiative of the SBTi in 2021. The BMW Group is therefore also part of the international Race to Zero Campaign initiated by the United Nations.

FEEDBACK MECHANISM FOR INVESTORS:

- BMW Group Xchange encompasses all formats such as the BMW Group Dialogues, the rad^ohub and the FUTURE FORUM, providing suitable platforms to engage in dialogue with a variety of target groups. The formats take place several times a year. The results of these stakeholder dialogues are documented and incorporated in the Group's strategic considerations. In 2022, the climate neutrality goal of the BMW Group was a key topic.
- Our Investor Relation department continuously gathers information (outside-in perspective) during meetings and calls with investors and analysts and relay input regarding new and/or changing requirements to the BMW Group organization.
- Regular, in-depth communication with capital market players has always been given a high priority within the BMW Group. Against the background of the Paris Climate Agreement, policymakers in Europe are also increasingly addressing the issues of climate protection and sustainability. For example, the EU Action Plan for Sustainable Finance aims to direct capital flows towards sustainable economic activities.
- Our Annual General Meeting is another important feedback mechanism on our climate transition plan. Shareholders can interact with the Board of Management and the Supervisory Board on the climate transition plan.

Frequency of feedback collection

More frequently than annually

Attach any relevant documents which detail your climate transition plan (optional)

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy
Row 1	Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios IEA B2DS	Company-wide		<p>i) IDENTIFICATION OF SCENARIO: The BMW Group is committed to achieve climate neutrality by 2050 latest. In order to update the ambitious climate targets and adapt them to the latest strategies and plans of the BMW Group, the IEA scenarios “B2DS” and “STEPS” were taken into account in volume planning. In particular, these assumptions were used for the composition of the electricity mix in the regions, manufacturing processes and for the use of our products (charging).</p> <p>ii) PARAMETERS AND KEY ASSUMPTIONS WITH MATERIAL IMPACT: The scenarios therefore take two bookmarks into account: the IEA's most transitory approach BD2S, which is used as a basis for achieving a 1.5° path, and the less demanding approach with STEPS. The achievement of these scenarios at a societal level is largely beyond the control of the BMW Group. However, by aligning its corporate planning with these scenarios, BMW Group plays its part to contribute to a positive outcome. All possible starting points are currently being examined for the levers that can be influenced by BMW (e.g. electrification of our product portfolio, CO2 mitigation measures in our production as well as supply chain and renewable energy for the use (charging) of our BEV vehicles).</p>

			<p>iii) ANALYTICAL CHOICES: The BMW Group focuses both on mitigating and adapting to the consequences of climate change. To ensure that the required targets are continuously updated, the BMW Group will introduce an annual review from 2023 onwards.</p> <p>While outlining our strategy and targets we looked at a mix of sector decarbonization and annual contraction approaches based on SBTi guidelines. Specifically this translated into different pathways for different scopes, while ensuring that the overall lifecycle reductions of 40% by 2030 over 2019 baseline on a per vehicle basis was compatible with the long term scenario of net zero by 2050.</p> <p>For scope 1 and 2, we adopted the annual contraction approach to set our pathway to 1.5 degree scenario. For scope 3 downstream, we used the absolute reduction approach following the SBTi WB2C pathway. Scope 3 upstream targets were set using an internal translation of required reductions to bring down the overall lifecycle emissions by 40% by 2030 over 2019 baseline on a per vehicle basis.</p> <p>Thus our target setting follows a mixed approach based on long term 1.5 deg compatible scenarios.</p> <p>iv) SCENARIO USE: Both scenarios were used quantitative and qualitative.</p>
<p>Physical climate scenarios Customized publicly available physical scenario</p>	<p>Company-wide</p>	<p>1.5°C</p>	<p>Climate change may also impact the BMW Group business model. Consequently, the Company analyses several of climate scenarios, identifies and measures climate-related risks and opportunities and adopts the relevant measures.</p> <p>i) IDENTIFICATION OF SCENARIO: During the 2022 reporting year, all material risks for the BMW Group were considered for the first</p>

			<p>time in view of their sensitivity regarding climate change. The climate-relevant portions were analysed in accordance with TCFD. For the medium-term timescale until 2034, we distinguish between transitory and physical climate risks. The BMW Group applies scenarios to identify and assess climate-related risks, which are based on the scenarios of the Shared Socioeconomic Pathways (SSP) of the Intergovernmental Panel on Climate Change (IPCC).</p> <p>ii) PARAMETERS AND KEY ASSUMPTIONS WITH MATERIAL IMPACT: The selected climate scenario is a low-emissions scenario with global warming of < +1.5°C (Paris Agreement, SSP1-2.6). The sustainable and “green” pathway describes an increasingly sustainable world. Global commons are being preserved, the limits of nature are being respected. The focus is more on human well-being than on economic growth. Income inequalities between states and within states are being reduced. Consumption is oriented towards minimizing material resource and energy usage. This scenario with 2.6 W/m² by the year 2100 is a remake of the optimistic scenario RCP2.6 and was designed with the aim of simulating a development that is compatible with the 2°C target. This scenario assumes climate protection measures being taken.</p> <p>iii) ANALYTICAL CHOICES: The BMW Group has committed to aligning its business activities with the low-emissions scenario of the Paris Agreement and has consistently based its long-term corporate planning on this.</p> <p>iv) SCENARIO USE: This scenario was used quantitative and qualitative.</p>
Physical climate scenarios Customized publicly available physical scenario	Company-wide	4.1°C and above	<p>Climate change may also impact the BMW Group business model. Consequently, the Company analyses a wide range of climate scenarios, identifies and measures climate-related risks and opportunities and adopts the relevant measures.</p> <p>i) IDENTIFICATION OF SCENARIO:</p>

		<p>During the 2022 reporting year, all material risks for the BMW Group were considered for the first time in view of their sensitivity regarding climate change. The climate-relevant portions were analysed in accordance with TCFD. For the long-term timescale until 2050, the measurement focuses on the physical climate risks. The BMW Group applies scenarios to identify and assess climate-related risks, which are based on the scenarios of the Shared Socioeconomic Pathways (SSP) of the Intergovernmental Panel on Climate Change (IPCC).</p> <p>ii) PARAMETERS AND KEY ASSUMPTIONS WITH MATERIAL IMPACT: The selected climate scenario is a high-emissions scenario with global warming of > +4°C (fossil development, SSP5-8.5). Fossil-fueled Development. Global markets are increasingly integrated, leading to innovations and technological progress. The social and economic development, however, is based on an intensified exploitation of fossil fuel resources with a high percentage of coal and an energy-intensive lifestyle worldwide. The world economy is growing and local environmental problems such as air pollution are being tackled successfully. With an additional radiative forcing of 8.5 W/m² by the year 2100, this scenario represents the upper boundary of the range of scenarios described. It can be understood as an update of the RCP8.5, now combined with socioeconomic reasons.</p> <p>iii) ANALYTICAL CHOICES: In addition to the transitory risks, the BMW Group also measures physical risks. In doing so, the increasing frequency and intensity of acute extreme weather events, such as heatwaves, storms and floods, are taken into account, along with longer-term changes such as in terms of temperature and rainfall. In order to measure such risks, we draw on external data that evaluate the development of acute and persistent natural phenomena across the global warming scenarios and across time.</p> <p>iv) SCENARIO USE: This scenario was used quantitative and qualitative.</p>
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C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

RATIONALE FOR SELECTING SCENARIOS DISCLOSED:

The BMW Group is committed to achieve climate neutrality by 2050 latest. In order to update the ambitious climate targets and adapt them to the latest strategies and plans of the BMW Group, the IEA scenarios “B2DS” and “STEPS” were taken into account in volume planning. During the 2022 reporting year, all known and foreseeable material risks for the BMW Group were considered in view of their sensitivity regarding climate change. The climate-relevant portions were analysed in accordance with TCFD for three different climate scenarios. For the medium-term timescale until 2034, we distinguish between transitory and physical climate risks. For the long-term timescale until 2050, the measurement focuses on the physical climate risks.

The BMW Group applies scenarios to identify and assess climate-related risks, which are based on the scenarios of the Shared Socioeconomic Pathways (SSP) of the Intergovernmental Panel on Climate Change (IPCC). These climate scenarios range from a low-emissions scenario with global warming of $< +1.5^{\circ}\text{C}$ (Paris Agreement, SSP1-2.6), a medium scenario with warming of an average of $+2.5^{\circ}\text{C}$ (the middle path, SSP2-4.5) to $> +4^{\circ}\text{C}$ (fossil development, SSP5-8.5).

FOCAL QUESTIONS:

Corporate planning:

1) Are emission reduction targets taken into account as an integrated part of corporate planning and are the effects of these on target achievement or possible target failures included directly in this planning?

2) Are the emission reduction targets science-based and anchored in the overall strategy?

Are the BMW Group’s goals sufficiently ambitious and specific to all scopes?

Risk and opportunity assessment:

How is climate change impacting the BMW Group business model? What is the impact of climate-related risks and opportunities? Which relevant measures need to be adopted?

Results of the climate-related scenario analysis with respect to the focal questions

RESULTS AND INFLUENCE ON BUSINESS STRATEGY AND FINANCIAL PLANNING:

Corporate planning:

- 1) The transition scenarios are considered as bookmarks in corporate planning. The BMW Group's climate targets are an integral part of the corporate strategy and are regularly reviewed in a continuous process...
- 2) The goals are derived from the current SBTi guidelines and comply with science-based principles. Several climate scenarios (IEA, SBTi) are considered. The usage of climate scenarios in all scopes ensures ambitious goals necessary to achieve the respective target paths.

Risk and opportunity assessment:

Transitory climate risks arise from the transition to a low-emissions society across all sectors that is necessary in order to mitigate climate change. These risks become particularly apparent when conditions change more quickly or differently than expected. The transitory climate risks were identified and measured for five different risk dimensions: #1 Technology, #2 Market and competition, #3 Capital and financial markets, #4 Politics, legal affairs and regulatory framework, #5 Society.

It cannot be ruled out that more decisive measures will have to be taken globally in the next few years in order to achieve the < +1.5°C target. For the BMW Group, this is reflected in the risk dimensions #2 and #4 as well as in corporate planning while setting ambitious targets in line with the B2DS scenario.

In measuring physical risks, the increasing frequency and intensity of acute extreme weather events, such as heatwaves, storms and floods, are taken into account, along with longer-term changes such as in terms of temperature and rainfall. For the BMW Group, this may result in damage to assets such as buildings, vehicles and may lead to downtime at BMW Group sites or at suppliers' sites.

EXAMPLES:

PHYSICAL CLIMATE RISKS: Climate change is likely to cause natural disasters and extreme weather events to occur more frequently at our and supplier locations, with the risk of damage to inventories and products and possible impacts on component deliveries and consequently supplies to production plants.

TRANSITORY CLIMATE RISKS: Any short-notice tightening of legislation or regulations in the BMW Group's principal markets (EU, US, China) may exceed the speed at which BMW Group and its suppliers can respond and pose risks in terms of delivery volume, costs and residual values.

DECISIONS/ACTIONS INFORMED BY RESULTS / TIMELINE:

The BMW Group is consistently implementing the transformation towards all-electric, connected mobility. Beginning in 2025, we will take the next step in our transformation process with the NEUE KLASSE, which is expected to set standards in electrification, digitalisation and circularity. The NEUE KLASSE is distinguished by its new cluster architecture (NCAR), which is entirely focused on BEVs (battery electric vehicles) and expected to provide significant gains in efficiency.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>STRATEGY / INFLUENCE: Risks and opportunities related to the growing demand from customers and other stakeholders for products with low carbon footprint have influenced our product-related strategy and product portfolio. The BMW Group is systematically continuing to electrify its model range as a key component of its product strategy. Our electrified vehicles are playing a major role in reducing fleet emissions and thus achieving our ambitious strategic carbon reduction targets. In 2022, the BMW Group delivered a total of 433,792 electrified vehicles to customers, i.e. significantly more units than in the previous year (2021: 328,314 units; + 32.1 %).</p> <p>TIME HORIZONS: a) Short-term: The share of electrified vehicles in total deliveries might exceed 30 % by as early as 2025. In our view, the NEUE KLASSE has the potential to additionally accelerate the market penetration of electric mobility, and thus a 50 % share of all-electric vehicles in the BMW Group's global unit sales could be achieved even earlier than 2030. This positive expectation for future sales will also play a key role in the review of our carbon emissions reduction targets scheduled to take place in 2023.</p>

		<p>b) Mid- to long-term: The BMW Group’s electrified vehicles are characterised by high efficiency and thus low consumption when driving. However, we have greater aspirations: our vehicles need to be as eco-friendly as possible, not only during their locally carbon-free use phase, but also in terms of their overall footprint. Therefore, we attribute great importance to including environmental and social aspects when producing components such as electric motors, high-voltage storage units and battery cells. Other approaches to mitigating the environmental impacts include recycling and reusing high-voltage storage units from BEV and PHEV models.</p> <p>SUBSTANTIAL STRATEGIC DECISIONS:</p> <ul style="list-style-type: none"> - R&D expenditures of EUR 7,178 million of which a substantial portion relates to the sixth generation of electric drives and the NEUE KLASSE - At the end of the reporting period, the BMW Group had a total of 12 BEV motor variants in eight different models available to order. New additions include the BMW i7 and the BMW iX1. At the end of 2022, a total of 19 PHEV engine variants in a total of 13 models were available to order worldwide.
<p>Supply chain and/or value chain</p>	<p>Yes</p>	<p>STRATEGY / INFLUENCE: The BMW Group’s Purchasing and Supplier Network is responsible for the global procurement and quality assurance of production materials, raw materials, components, capital goods and services as well as the in-house production of vehicle components. Our overall target is pressing ahead with our efforts to decarbonise our own supply chain. Here, the rapid increase of the share of BEVs puts additional pressure on scope 3 upstream emissions as, in the absence of strong measures taken, a BEV can have up to twice the carbon footprint of a conventional vehicle due to the very high energy intensity of battery materials.</p> <p>TIME HORIZONS:</p> <p>a) Short-term :</p> <p>In order to contribute to climate change mitigation in its SUPPLY CHAIN, the BMW Group has established a firm commitment to make carbon-reducing measures an award criterion in its supplier network; In 2022, the number of contractual agreements with suppliers on carbon-reducing measures</p>

		<p>increased to 468 awards (2021: 429 awards), including agreements on the use of secondary raw materials, biomaterials and carbon-reduced steel routes. Green electricity offers the greatest potential for reducing carbon emissions in the supply chain. The BMW Group makes its use for direct suppliers (Tier-1) and energy-intensive processes in the upstream chain (n-Tier) a criterion for awarding new contracts to manufacture energy -intensive components and materials (2022: 343 contracts, 2021: 427 contracts).</p> <p>b) Mid- to long-term:</p> <ul style="list-style-type: none"> - Reducing carbon emissions in the supply chain by at least 20 % (base year 2019) per vehicle by 2030, thus not only compensating the above effect of electrification but achieving a “net” reduction on the overall average product carbon footprint.. <p>SUBSTANTIAL STRATEGIC DECISIONS:</p> <ul style="list-style-type: none"> - Establishment of CO2 indicators as a binding criterion for supplier nomination. - Implementation of Secondary Material Quota as an additional metric with significant climate impact. - Introducing green electricity as a mandatory criterion for awarding new contracts in our supply chain. - Agreements reached with 23 suppliers regarding carbon reduction measures in production scenarios already began to take effect in 2022. As a result, the BMW Group helped reduce carbon emissions at the production facilities of its suppliers by approximately 1.0 million tonnes in the reporting period.
Investment in R&D	Yes	<p>STRATEGY / INFLUENCE:</p> <p>Climate change is influencing our industry with the need to decrease emissions, the trend to e-mobility and mobility services n. R&D is therefore of key importance for the BMW Group as a premium provider within the transformation of the industry. With its BMW Group Strategy, the Group is focusing on e-mobility, digitalization and circularity.</p> <p>TIME HORIZONS:</p> <p>a) Short-term:</p> <p>By offering sustainable individual mobility BMW mitigates climate-related physical risks and develops business opportunities. Our targets: 50 % reduction in carbon emissions during a vehicle’s use phase until 2030. E.g. by 2025, the proportion of electrified vehicles in the total deliveries is to rise to at least</p>

		<p>30 %. In 2030, at least 50% of the BMW Group's vehicle deliveries worldwide are set to be fully electric models. Moreover, we intend to surpass the mark of ten million all-electric vehicles delivered to customers in total by 2030. Both the MINI and the Rolls-Royce brands are also firmly on track towards an electrified future. Based on their respective typical user profiles, the model ranges of the two brands are set to be exclusively all-electric by the early 2030s.</p> <p>BMW Group engages in various research projects that seek to identify additional options for low-carbon and circular solutions in the supply chain and by using our venture capital instrument "BMW I ventures".</p> <p>b) Mid- to long-term: We stress test via scenario analysis our planning of product offers, sales volumes and R&D investments against upcoming regulations on climate change, taking into account the ambition of the COP21 agreement.</p> <p>SUBSTANTIAL STRATEGIC DECISIONS:</p> <ul style="list-style-type: none"> - R&D expenditures were moderately higher compared to the previous year with EUR 7,178 million (2021: EUR 6,870 million). A substantial portion of research and development expenditure relates to new models, the NEUE KLASSE, and within this context, the sixth generation of electric drives, the digitalisation of the vehicle fleet, and automated driving. - Another key development direction relates to individual mobility services, which are one enabler for electric vehicles. FREE NOW intends to grow its share of electrically powered trips to 50 % by 2025 and go all-electric by 2030. Since July 2022, the BMW Group's range of mobility services has been enlarged to include the BMW Add-On Mobility app in cooperation with SIXT.
Operations	Yes	<p>STRATEGY / INFLUENCE:</p> <p>Our company is facing the challenge of conserving resources and tackling climate change. Risks such as higher prices for CO2-emissions further motivate our efforts to maximize energy efficiency and increase the use of renewable energy. This is key for our own PRODUCTION and has significantly influenced our strategic approach: The Group's entire production facilities are geared towards electrification, profitability, sustainability and digitalisation. The strategic aims of the BMW iFACTORY form the framework – lean, green and digital. "Green" involves the use of state-of-the-art technologies to produce with the lowest possible use of resources.</p>

		<p>TIME HORIZONS:</p> <p>a) Short-term: To contribute to global climate change mitigation, the BMW Group</p> <ul style="list-style-type: none"> - continues reducing CO2 emissions through further increase of energy efficiency, utilization of combined heat and power plants (CHP); - increases the share of electricity from renewable sources (100 % renewable electricity in our plants worldwide was achieved by 2020 via various instruments). <p>Worldwide, all Group production sites and the majority of its other sites use electricity derived from renewable sources via in-house generation, direct procurement or EACs. The complex energy issues that have arisen in the wake of the war in Ukraine reinforced BMW Group's declared strategy of becoming more independent of fossil fuels. We are currently in the process of auditing to ascertain whether natural gas can be replaced by sources such as biogas, hydrogen or geothermal energy.</p> <p>b) Mid- to long-term: The BMW Group intends to reduce carbon emissions (Scope 1 and Scope 2) at all the locations of the BMW Group by a further 80 % on average per vehicle produced in comparison to 2019 by 2030. Alongside carbon emissions, other key variables are energy and potable water consumption, the volume of waste generated and the use of VOC solvents. The BMW Group intends to reduce its energy and potable water consumption, waste for disposal, and the amount of solvents used per vehicle produced by 25 % in each category by 2030 (base 2016).</p> <p>SUBSTANTIAL STRATEGIC DECISIONS:</p> <ul style="list-style-type: none"> - Opening of Plant Lydia (China) to expand its future-oriented BMW iFACTORY production strategy to China. - We have established environmental management systems at all our existing production plants and plan to install them at all future locations.
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C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Indirect costs Capital expenditures Access to capital	<p>Indirect costs</p> <p>Our company is facing the challenge of conserving resources and tackling climate change. This is also very relevant for our production processes. For this reason, we continuously increase our energy and resource efficiency and minimize CO2 and pollutant emissions in our worldwide production network. These measures help us REDUCING PRODUCTION COSTS and prepare for new legal requirements. In 2022, the BMW Group further implemented technologies and process improvements in order to increase energy and resource efficiency in our global production network.</p> <p>By 2030, the BMW Group intends to reduce carbon emissions (Scope 1 and 2) at all the locations of the BMW Group by a further 80 % on average per vehicle produced in comparison to 2019. Alongside carbon emissions, the other key variables are energy and potable water consumption, the volume of waste generated and the use of VOC solvents. The BMW Group intends to reduce its energy and potable water consumption, waste for disposal, and the amount of solvents used per vehicle produced by 25 % in each category by 2030 (base year 2016). Thus, we will continuously invest in improving energy and resource efficiency of our worldwide production network.</p> <p>Capital expenditures</p> <p>Research and development (R&D) is of key importance for the BMW Group as a premium provider. R&D expenditures were moderately higher compared to the previous year with EUR 7,178 million (2021: EUR 6,870 million). A substantial portion of research and development expenditure relates to new models, the NEUE KLASSE, and within this context, the sixth generation of electric drives. With our constantly expanding range of all-electric, battery-powered vehicles (BEV) and plug-in hybrid models (PHEV), we are serving a rapidly growing demand. In 2022, the BMW Group delivered a total of 433,792 electrified vehicles to customers, i.e. significantly more units than in the previous year (2021: 328,314; + 32.1 %). On this basis, the share of electrified vehicles had also increased significantly to 18.1 % by the end of the year under report (2021: 13.0 %). To date, the BMW Group has therefore handed over a total of more than 1.4 million vehicles with either all-electric or plug-in hybrid drive systems to customers.</p> <p>The share of electrified vehicles in total deliveries might exceed 30 % by as early as 2025. In our view, the NEUE KLASSE has the potential to additionally accelerate the market penetration of electric mobility, and thus a 50 % share of all-electric vehicles in the BMW Group's global unit sales could be achieved even earlier than 2030. This positive</p>

		<p>expectation for future sales will also play a key role in the review of our carbon emissions reduction targets scheduled to take place in 2023.</p> <p>The share of electric mobility in total sales is steadily growing and further milestones were reached in the course of 2022. With the start of production of the BMW iX1* in Regensburg, the BMW Group achieved its aim of producing at least one all-electric model at each of its German vehicle plants by 2022. Moreover, the first BMW i7 was manufactured at the BMW Group's Dingolfing plant. Production also began in Lydia, an extension of the BMW Brilliance plant in Tiexi, China, where the all-electric long-wheelbase version of the BMW 3 Series is being manufactured for the Chinese market. We produce units with electrified drivetrains in our production network at 13 locations worldwide.</p> <p>The BMW Group uses internal prices on carbon within capital expenditures approval processes, with the aim to redirect investments towards clean technologies, lower-carbon solutions, and renewable energy projects across our operations and supply chain. Internal shadow prices have a range up EUR 475 / tCO2e depending on region and emission scope, to internalize the potential future cost of carbon in the long-term. Returns on investments are assessed with the impact of the carbon implication. This enables management to arbitrate between different options and to choose the most virtuous and efficient ones in order to achieve our organization's strategic goals. This is a long-term measure, and the price is periodically reviewed and updated.</p> <p>Access to capital</p> <p>The BMW Group sees an opportunity in making a verifiable contribution towards limiting global warming and achieving economic success in doing so. By reporting comprehensively and transparently, the BMW Group is better able to ensure our access to capital markets and obtain attractive financing conditions on a long-term basis.</p>
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C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	Yes, we identify alignment with a sustainable finance taxonomy	At both the company and activity level

C3.5a

(C3.5a) Quantify the percentage share of your spending/revenue that is aligned with your organization's climate transition.

Financial Metric

Revenue/Turnover

Type of alignment being reported for this financial metric

Alignment with a sustainable finance taxonomy

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Objective under which alignment is being reported

Climate change mitigation

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)

15,705,000,000

Percentage share of selected financial metric aligned in the reporting year (%)

11

Percentage share of selected financial metric planned to align in 2025 (%)

25

Percentage share of selected financial metric planned to align in 2030 (%)

50

Describe the methodology used to identify spending/revenue that is aligned

Percentage share of revenue planned to align (according to EU taxonomy) in 2025 and 2030:

2025: Our BEV roadmap is precisely defined: By 2024, at least one in five of the BMW Group's new vehicles should be a BEV; by 2025, it will

be one in four; in 2026 one in three. That is another reason why we are in a better position with our targeted BEV ramp-up than our key competitors.

2030: Based on the strategic target for BEV share: min. 50% in segment Automotive, high taxonomy alignment assumed.

CRITERIA USED TO DETERMINE THE ALIGNMENT:

The BMW Group supports the overarching goal of the EU Taxonomy to promote the private financing of environmentally sustainable economic activities to make Europe the world's first climate-neutral continent by 2050. In 2022, we are reporting on Taxonomy alignment for the first time in relation to Environmental Objective I "Climate change mitigation" and Environmental Objective II "Climate change adaptation". Following an analysis, the BMW Group's business activities can best be summarised under the following economic activities:

- 3.3 "Manufacture of low carbon technologies for transport" including the production of passenger cars and motorcycles.
- 6.5 "Transport by motorbikes, passenger cars and light commercial vehicles" including the acquisition, financing, lease and operation of automobiles and motor-cycles.

To determine the Taxonomy alignment of the two aforementioned economic activities in the reporting year, they must be reviewed against the technical screening criteria relevant to them:

1. They make a substantial contribution to the fulfilment of the environmental objective based on the specific carbon emissions for the vehicles in question.
2. They do not cause any significant harm to other environmental objectives based on the specific requirements for each relevant economic activity ("Do no significant harm" or "DNSH").

The BMW Group has reviewed its contribution to the environmental objectives "Climate change mitigation" and "Climate change adaptation" for the reporting year. Economic activity 3.3 and 6.5 both make a substantial contribution to the achievement of Environmental Objective I "Climate change mitigation" due to the manufacture, financing and leasing of low-emissions (PHEV <50g CO₂/km WLTP until 2025) and zero-emissions vehicles (BEV and motorcycles with 0g CO₂/km). The contribution of the two economic activities to the second environmental objective "Climate change adaptation" was subsumed under environmental objective I "Climate change mitigation" for reasons of materiality.

Taxonomy-eligible REVENUES, as listed for Environmental Objective I "Climate change mitigation" are disclosed, given that Taxonomy-eligible revenues for Environmental Objective II "Climate change adaptation" are a subset of the values for Environmental Objective I "Climate change mitigation". This approach avoids double counting of revenues when determining the KPI in the numerator across multiple economic activities.

Taxonomy-aligned REVENUES of the BMW Group amounted to EUR 15,705 million, corresponding to 11 % of total Group revenues.

Financial Metric

CAPEX

Type of alignment being reported for this financial metric

Alignment with a sustainable finance taxonomy

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Objective under which alignment is being reported

Climate change mitigation

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)

5,100,000,000

Percentage share of selected financial metric aligned in the reporting year (%)

21.2

Percentage share of selected financial metric planned to align in 2025 (%)

50

Percentage share of selected financial metric planned to align in 2030 (%)

60

Describe the methodology used to identify spending/revenue that is aligned

Percentage share of Capex and Opex planned to align (according to EU taxonomy) in 2025 and 2030:

EU Taxonomy aligned share of aggregated CapEx and OpEx for segments Automotive and Motorcycle is expected to be in FY 2025 min. 50% and in 2030 min. 60%, based on total aggregated CapEx and OpEx for those segments.

CRITERIA USED TO DETERMINE THE ALIGNMENT:

In the case of CAPITAL EXPENDITURE, all Taxonomy-eligible expenditure is allocated to the two economic activities 3.3 and 6.5. In most cases, values from financial data were allocated directly to the economic activities for all three performance indicators, based for example on the drivetrain or the vehicle model. In the remaining cases, an allocation mechanism was used for each economic activity and each performance indicator. For Taxonomy-eligible and Taxonomy-aligned capital expenditure, the allocator is based on long-term Taxonomy-aligned revenues generated from the automobile and motorcycle business for economic activity 3.3 and on the Taxonomy-aligned financing volume for new customers in the current financial year for economic activity 6.5:

- Allocator for economic activity 3.3: $(BEV + PHEV (<50g)) \times \text{Automotive segment revenues (2023–2028)}$
- Allocator for economic activity 6.5: $(DNSH \text{ alignment factor} \times BEV) \times \text{proportion of financing volume attributable to new customer contracts (2022)}$

For capital expenditure, the allocator is based on detailed longterm corporate planning for the next six years, as approved each year by the Board of Management and Supervisory Board.

This allocator is used for CAPITAL EXPENDITURE on property, plant and equipment (including right-of-use assets), intangible assets and expenditure on research and development for economic activity 3.3, and for capital expenditure on leased products for economic activity 6.5.

The Taxonomy-aligned share of CAPITAL EXPENDITURE was 21 % (EUR 5,100 million).

Financial Metric

OPEX

Type of alignment being reported for this financial metric

Alignment with a sustainable finance taxonomy

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Objective under which alignment is being reported

Climate change mitigation

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)

1,661,000,000

Percentage share of selected financial metric aligned in the reporting year (%)

28.6

Percentage share of selected financial metric planned to align in 2025 (%)

50

Percentage share of selected financial metric planned to align in 2030 (%)

60

Describe the methodology used to identify spending/revenue that is aligned

Percentage share of Capex and Opex planned to align (according to EU taxonomy) in 2025 and 2030:

EU Taxonomy aligned share of aggregated CapEx and OpEx for segments Automotive and Motorcycle is expected to be in FY 2025 min. 50% and in 2030 min. 60%, based on total aggregated CapEx and OpEx for those segments.

CRITERIA USED TO DETERMINE THE ALIGNMENT:

For OPERATING EXPENDITURE (non-capitalised right-of-use assets (lessee), maintenance/repair expenses) relating to economic activity 3.3, the allocator is based on the Taxonomy-aligned revenues generated from the automobile and motorcycle business in the reporting period.

OPERATING EXPENDITURE incurred for Taxonomy-aligned economic activities amounted to EUR 1,661 million, corresponding to almost 29 % of the sum of Taxonomy-aligned, non-Taxonomy-aligned and Taxonomy-capable expenditure.

C3.5b

(C3.5b) Quantify the percentage share of your spending/revenue that was associated with eligible and aligned activities under the sustainable finance taxonomy in the reporting year.

Economic activity

Manufacture of low carbon technologies for transport

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Taxonomy Alignment

Taxonomy-aligned

Financial metric(s)

Turnover

CAPEX

OPEX

Taxonomy-aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

15,264,000,000

Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

14

Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

14

Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

0

Taxonomy-eligible but not aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned CAPEX from this activity in the reporting year (unit currency as selected in C0.4)

4,596,000,000

Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

43.1

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

43.1

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

0

Taxonomy-eligible but not aligned CAPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned CAPEX associated with this activity as % of total CAPEX in the reporting year

Taxonomy-aligned OPEX from this activity in the reporting year (unit currency as selected in C0.4)

1,655,000,000

Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

29.6

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

29.6

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

0

Taxonomy-eligible but not aligned OPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned OPEX associated with this activity as % total OPEX in the reporting year

Type(s) of substantial contribution

- Activity enabling mitigation
- Activity enabling adaptation

Calculation methodology and supporting information

The BMW Group has reviewed its contribution to CCM and CCA for the reporting year. Economic activity 3.3 and 6.5 both make a SUBSTANTIAL CONTRIBUTION to the achievement of CCM due to the manufacture, financing and leasing of low-emissions (PHEV <50g CO2/km WLTP until 2025) and zero-emissions vehicles (BEV and motorcycles with 0g CO2/km).

Only Taxonomy-eligible revenues, capital expenditure and operating expenditure as listed for CCM are disclosed, given that Taxonomy-eligible revenues, capital expenditure and operating expenditure for CCA are a subset of the values for CCM. THIS APPROACH AVOIDS DOUBLE COUNTING.

PERFORMANCE INDICATORS:

In the case of CAPITAL EXPENDITURE, all Taxonomy-eligible expenditure is allocated to the two economic activities 3.3 and 6.5. In most cases, values from financial data were allocated directly to the economic activities for all three performance indicators, based for example on the drivetrain or the vehicle model. In the remaining cases, an ALLOCATION MECHANISM was used for each economic activity and each performance indicator.

For Taxonomy-eligible and Taxonomy-aligned CAPITAL EXPENDITURE, the allocator is based on long-term Taxonomy-aligned revenues generated from the automobile and motorcycle business for economic activity 3.3 and on the Taxonomy-aligned financing volume for new customers in the current financial year for economic activity 6.5:

- Allocator for economic activity 3.3: (BEV + PHEV (<50g)) x Automotive segment revenues (2023–2028)
- Allocator for economic activity 6.5: (DNSH alignment factor x BEV) x proportion of financing volume attributable to new customer contracts

(2022)

For CAPITAL EXPENDITURE, the allocator is based on long-term corporate planning for the next six years, as approved each year by the Board of Management and Supervisory Board.

This allocator is used for CAPITAL EXPENDITURE on property, plant and equipment (including right-of-use assets), intangible assets and expenditure on research and development for economic activity 3.3, and for capital expenditure on leased products for economic activity 6.5. For OPERATING EXPENDITURE, the formula is also applied to non-capitalised development costs. For other OPERATING EXPENDITURE (non-capitalised right-of-use assets, maintenance/repair expenses) relating to economic activity 3.3, the allocator is based on the Taxonomy-aligned revenues generated from the automobile and motorcycle business in 2022.

Technical screening criteria met

Yes

Details of technical screening criteria analysis

To determine the Taxonomy alignment of the economic activities in the reporting year, were reviewed against the technical screening criteria relevant to them:

- 1) They make a substantial contribution to the fulfilment of the environmental objective based on the specific carbon emissions for the vehicles in question.
- 2) They do not cause any significant harm to other environmental objectives based on the specific requirements for each relevant economic activity (“Do no significant harm” or “DNSH”).
Economic activity 3.3 “manufacture of low carbon technologies for transport” meets the technical screening criteria.

Do no significant harm requirements met

Yes

Details of do no significant harm analysis

Compliance with the DNSH criteria was reviewed in the reporting year for the five additional environmental objectives, based in each case on the specific requirements for economic activity 3.3 “Manufacture of low carbon technologies for transport” and economic activity 6.5 “Transport

by motorbikes, passenger cars and light commercial vehicles”.

The DNSH requirements of economic activity 3.3 “manufacture of low carbon technologies for transport” are fulfilled for all other environmental objectives.

Minimum safeguards compliance requirements met

Yes

Details of minimum safeguards compliance analysis

In addition to making sure that no significant harm is caused to the other environmental objectives, it must also be ensured that the organisation carrying out the economic activities has established minimum safeguards. These require the implementation of processes to ensure compliance with due diligence obligations both within an organisation and in the stages of the upstream and downstream value chain that have been outsourced. Specifically, this refers to compliance with human rights and regulations on bribery, corruption, taxation and fair competition. In its Policy statement on respect for human rights and environment-related standards, the BMW Group has, among other things, committed to compliance with the following standards for minimum safeguards as defined in Article 18 of the Taxonomy Regulation: Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and the Ten Principles of the UN Global Compact, which we signed back in 2001.

Economic activity

Transport by motorbikes, passenger cars and light commercial vehicles

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Taxonomy Alignment

Taxonomy-aligned

Financial metric(s)

Turnover

CAPEX

OPEX

Taxonomy-aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

441,000,000

Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

1.3

Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

1.3

Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

0

Taxonomy-eligible but not aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned CAPEX from this activity in the reporting year (unit currency as selected in C0.4)

504,000,000

Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

3.7

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

3.7

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

0

Taxonomy-eligible but not aligned CAPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned CAPEX associated with this activity as % of total CAPEX in the reporting year

Taxonomy-aligned OPEX from this activity in the reporting year (unit currency as selected in C0.4)

6,000,000

Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

2.5

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

2.5

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

0

Taxonomy-eligible but not aligned OPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned OPEX associated with this activity as % total OPEX in the reporting year

Type(s) of substantial contribution

Activity enabling mitigation
Activity enabling adaptation

Calculation methodology and supporting information

The BMW Group has reviewed its contribution to CCM and CCA for the reporting year. Economic activity 3.3 and 6.5 both make a SUBSTANTIAL CONTRIBUTION to the achievement of CCM due to the manufacture, financing and leasing of low-emissions (PHEV <50g CO₂/km WLTP until 2025) and zero-emissions vehicles (BEV and motorcycles with 0g CO₂/km).

Only Taxonomy-eligible revenues, capital expenditure and operating expenditure as listed for CCM are disclosed, given that Taxonomy-eligible revenues, capital expenditure and operating expenditure for CCA are a subset of the values for CCM. THIS APPROACH AVOIDS DOUBLE COUNTING.

PERFORMANCE INDICATORS:

In the case of CAPITAL EXPENDITURE, all Taxonomy-eligible expenditure is allocated to the two economic activities 3.3 and 6.5. In most cases, values from financial data were allocated directly to the economic activities for all three performance indicators, based for example on the drivetrain or the vehicle model. In the remaining cases, an ALLOCATION MECHANISM was used for each economic activity and each performance indicator.

For Taxonomy-eligible and Taxonomy-aligned CAPITAL EXPENDITURE, the allocator is based on long-term Taxonomy-aligned revenues generated from the automobile and motorcycle business for economic activity 3.3 and on the Taxonomy-aligned financing volume for new customers in the current financial year for economic activity 6.5:

- Allocator for economic activity 3.3: (BEV + PHEV (<50g)) x Automotive segment revenues (2023–2028)
- Allocator for economic activity 6.5: (DNSH alignment factor x BEV) x proportion of financing volume attributable to new customer contracts (2022)

For CAPITAL EXPENDITURE, the allocator is based on long-term corporate planning for the next six years, as approved each year by the Board of Management and Supervisory Board.

This allocator is used for CAPITAL EXPENDITURE on property, plant and equipment (including right-of-use assets), intangible assets and expenditure on research and development for economic activity 3.3, and for capital expenditure on leased products for economic activity 6.5. For OPERATING EXPENDITURE, the formula is also applied to non-capitalised development costs. For other OPERATING EXPENDITURE

(non-capitalised right-of-use assets, maintenance/repair expenses) relating to economic activity 3.3, the allocator is based on the Taxonomy-aligned revenues generated from the automobile and motorcycle business in 2022.

Technical screening criteria met

No

Details of technical screening criteria analysis

To determine the Taxonomy alignment of the economic activities in the reporting year, were reviewed against the technical screening criteria relevant to them:

1) They make a substantial contribution to the fulfilment of the environmental objective based on the specific carbon emissions for the vehicles in question.

2) They do not cause any significant harm to other environmental objectives based on the specific requirements for each relevant economic activity (“Do no significant harm” or “DNSH”).

Economic activity 6.7 “Transport by motorbikes, passenger cars and light commercial vehicles” does not meet the technical screening criteria, BECAUSE the vehicle portfolio for economic activity 6.5 includes BMW Group vehicles and vehicles from other manufacturers. As no data are available regarding the relevant attributes of these third-party products, it is not currently possible to make a comprehensive assessment in relation to the DNSH criteria. For this reason, these vehicles are not currently reported as Taxonomy-aligned.

Do no significant harm requirements met

No

Details of do no significant harm analysis

The vehicle portfolio for economic activity 6.5 includes BMW Group vehicles and vehicles from other manufacturers. As no data are available regarding the relevant attributes of these third-party products, it is not currently possible to make a comprehensive assessment in relation to the DNSH criteria. For this reason, these vehicles are not currently reported as Taxonomy-aligned.

Minimum safeguards compliance requirements met

Yes

Details of minimum safeguards compliance analysis

In addition to making sure that no significant harm is caused to the other environmental objectives, it must also be ensured that the organisation carrying out the economic activities has established minimum safeguards. These require the implementation of processes to ensure compliance with due diligence obligations both within an organisation and in the stages of the upstream and downstream value chain that have been outsourced. Specifically, this refers to compliance with human rights and regulations on bribery, corruption, taxation and fair competition. In its Policy statement on respect for human rights and environment-related standards, the BMW Group has, among other things, committed to compliance with the following standards for minimum safeguards as defined in Article 18 of the Taxonomy Regulation: Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and the Ten Principles of the UN Global Compact, which we signed back in 2001.

C3.5c

(C3.5c) Provide any additional contextual and/or verification/assurance information relevant to your organization's taxonomy alignment.

The BMW Group supports the overarching goal of the EU Taxonomy to promote the private financing of environmentally sustainable economic activities to make Europe the world's first climate-neutral continent by 2050.

REPORTING PROCEDURE:

In 2022, we are reporting on Taxonomy alignment for the first time in relation to Environmental Objective I "Climate change mitigation" (CCM) and II "Climate change adaptation" (CCA). Following an analysis, the BMW Group's business activities can best be summarised under the following economic activities:

- 3.3 "Manufacture of low carbon technologies for transport" including the production of passenger cars and motorcycles.
- 6.5 "Transport by motorbikes, passenger cars and light commercial vehicles" including the acquisition, financing, lease and operation of automobiles and motorcycles

Only the sale of parts and components, such as aftersales business excluding the provision of repair services, the supply of components for production to BMW Brilliance up to and including 10 February 2022 and/or to other third parties, and banking and insurance services performed by our non-automotive Financial Services segment, ARE NOT DESCRIBED as economic activities in the Delegated Regulation and are therefore not Taxonomy-eligible.

To determine ALIGNMENT of the two economic activities, they were reviewed against the TECHNICAL SCREENING CRITERIA:

1. They make a substantial contribution to the fulfilment of the environmental objective based on the specific carbon emissions for the vehicles in question.
2. They do not cause any significant harm to other environmental objectives based on the specific requirements for each relevant economic activity (“Do no significant harm” or “DNSH”).

The BMW Group has reviewed its contribution to CCM and CCA for the reporting year. Economic activity 3.3 and 6.5 both make a SUBSTANTIAL CONTRIBUTION to the achievement of CCM due to the manufacture, financing and leasing of low-emissions (PHEV <50g CO₂/km WLTP until 2025) and zero-emissions vehicles (BEV and motorcycles with 0g CO₂/km). **The contribution of the two economic activities to the second environmental objective CCA was subsumed under CCM for reasons of materiality.** Only Taxonomy-eligible revenues, capital expenditure and operating expenditure as listed for CCM are disclosed, given that Taxonomy-eligible revenues, capital expenditure and operating expenditure for CCA are a subset of the values for CCM. THIS APPROACH AVOIDS DOUBLE COUNTING of revenues, capital expenditure and operating expenditure.

PERFORMANCE INDICATORS:

In the case of CAPITAL EXPENDITURE, all Taxonomy-eligible expenditure is allocated to the two economic activities 3.3 and 6.5. In most cases, values from financial data were allocated directly to the economic activities for all three performance indicators, based for example on the drivetrain or the vehicle model. In the remaining cases, an ALLOCATION MECHANISM was used for each economic activity and each performance indicator. For Taxonomy-eligible and Taxonomy-aligned CAPITAL EXPENDITURE, the allocator is based on long-term Taxonomy-aligned revenues generated from the automobile and motorcycle business for economic activity 3.3 and on the Taxonomy-aligned financing volume for new customers in the current financial year for economic activity 6.5:

- Allocator for economic activity 3.3: (BEV + PHEV (<50g)) x Automotive segment revenues (2023–2028)
- Allocator for economic activity 6.5: (DNSH alignment factor x BEV) x proportion of financing volume attributable to new customer contracts (2022)

For CAPITAL EXPENDITURE, the allocator is based on detailed long-term corporate planning for the next six years, as approved each year by the Board of Management and Supervisory Board. This allocator is used for CAPITAL EXPENDITURE on property, plant and equipment (including right-of-use assets), intangible assets and expenditure on research and development for economic activity 3.3, and for capital expenditure on leased products for economic activity 6.5.

For OPERATING EXPENDITURE, the formula is also applied to non-capitalised development costs. For other OPERATING EXPENDITURE (non-capitalised right-of-use assets (lessee), maintenance/repair expenses) relating to economic activity 3.3, the allocator is based on the Taxonomy-aligned revenues generated from the automobile and motorcycle business in the reporting period.

THIRD PARTY VERIFICATION:

The entire report of BMW AG, including the chapter on EU Taxonomy, is subjected 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 the public. The external audit supports the Supervisory Board of BMW AG in fulfilling its auditing duties.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Intensity metric

Metric tons CO₂e per vehicle produced

Base year

2019

Intensity figure in base year for Scope 1 (metric tons CO₂e per unit of activity)

0.25

Intensity figure in base year for Scope 2 (metric tons CO₂e per unit of activity)

0.15

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.4

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

100

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

% of total base year emissions in all selected Scopes covered by this intensity figure

100

Target year

2030

Targeted reduction from base year (%)

80

Intensity figure in target year for all selected Scopes (metric tons CO₂e per unit of activity) [auto-calculated]

0.08

% change anticipated in absolute Scope 1+2 emissions

-80

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year for Scope 1 (metric tons CO₂e per unit of activity)

0.28

Intensity figure in reporting year for Scope 2 (metric tons CO₂e per unit of activity)

0.04

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.32

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

25

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

The BMW Group is firmly convinced that the fight against climate change and the responsible use of resources will determine the future of our society – and thus also that of the BMW Group. In July 2020, we adopted our integrated sustainability strategy, with concrete science-based

targets for the first stage up to 2030. Those targets are an inherent aspect of strategic management and include the upstream supply chain, the Group's own manufacturing operations as well as the customers' use phase.

The BMW Group has a direct influence on the carbon emissions generated at its own plants and locations and has therefore been a leader in terms of resource efficiency in this field for many years.

Despite having already reduced the level of carbon emissions per vehicle produced by more than 70 % since 2006, the BMW Group intends to additionally reduce carbon emissions per vehicle produced, which are generated directly by its own combustion processes (Scope 1) and indirectly by external energy sources (Scope 2), by a further 80 % by 2030 (base year 2019). Accordingly, by 2030 carbon emissions are expected to have dropped by over 90 % compared with 2006 levels on a per vehicle basis. The target boundary includes biogenic emissions and removals from bioenergy feedstocks. From 2021, carbon emissions in accordance with Scope 1 and 2 include not only production-specific emissions, but also those generated at locations not directly related to production.

Plan for achieving target, and progress made to the end of the reporting year

PLAN TO ACHIEVE THE TARGET:

Compared with the base year 2019, the BMW Group intends to reduce the average amount of carbon emissions per vehicle produced by a further 80 % by 2030. Production accounts for biggest share of the Scope 1 and Scope 2 emissions generated by the BMW Group and this is where the greatest opportunities to further reduce these emissions lie. As in the past, we are focusing on additional energy efficiency measures, the increasing generation of our own electricity from renewable sources, the purchasing of green electricity, and the use of certificates of origin. The remaining emissions are largely due to the use of natural gas. Here we face the challenge of replacing natural gas with non-fossil energy sources such as biogas, hydrogen or renewable electricity.

The BMW Group has processes in place throughout the organisation to plan and implement energy management measures with the aim of continuously optimising its use. Clear roles are assigned with corresponding responsibilities, targets and reporting obligations.

PROGRESS MADE TO THE END OF REPORTING YEAR:

The BMW Group invests systematically in the energy efficiency of its global production network, enabling it to cut the energy consumption of machines to a minimum, such as those deployed to generate the required processing heat in its paint shops. The limited availability of semiconductor components and pandemic-related lockdowns in China, particularly in the first half of the year, compelled the BMW Group to make adjustments to its production programme during the year under report, which also negatively impacted energy consumption per vehicle at some of its plants.

Although, in absolute terms, energy consumption decreased slightly year-on-year to 6,295,990 MWh (2021: 6,476,955 MWh; – 2.8 %), the

amount of energy used specifically for vehicle production increased slightly to 2.13 MWh per vehicle (2021: 2.10 MWh; + 1.4 %).

Worldwide, all BMW Group production sites and the vast majority of its other locations procure their electricity from renewable self-generation plants, direct supply contracts for green electricity, and electricity of certified origin. Moreover, we are increasing the amount of renewable energy generated at our own sites.

ANTICIPATED PROGRESS CURVE:

The rate of progress towards the target is anticipated and observed to change from year to year.

List the emissions reduction initiatives which contributed most to achieving this target

Target reference number

Int 2

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

Well-below 2°C aligned

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 11: Use of sold products

Intensity metric

Grams CO₂e per kilometer

Base year

2019

Intensity figure in base year for Scope 1 (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 2 (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

218.5

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO₂e per unit of activity)

Intensity figure in base year for total Scope 3 (metric tons CO₂e per unit of activity)

0.0002185

Intensity figure in base year for all selected Scopes (metric tons CO₂e per unit of activity)

0.0002185

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

100

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

100

% of total base year emissions in all selected Scopes covered by this intensity figure

100

Target year

2030

Targeted reduction from base year (%)

50

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]

0.00010925

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

-50

Intensity figure in reporting year for Scope 1 (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 2 (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

0.0001937

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

0.0001937

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.0001937

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

22.700228833

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

The BMW Group is firmly convinced that the fight against climate change and the responsible use of resources will determine the future of our society – and thus also that of the BMW Group. In July 2020, we adopted our integrated sustainability strategy, with concrete science-based targets for the first stage up to 2030. Those targets are an inherent aspect of strategic management and include the upstream supply chain, the Group's own manufacturing operations as well as THE CUSTOMERS' USE PHASE.

Measurable, science-based targets that initially extend to 2030 form the basis for our decarbonisation strategy and for this reason we have joined the SBTi. The use of science-based targets makes the measurability of our targets transparent and at the same time ensures that they are in line with the latest scientific findings.

We have set ourselves the decarbonisation target of carbon reduction during the use phase (Scope 3 downstream) by an average of at least 50 % per kilometer driven to be achieved by 2030 (base year 2019). Thus, we again significantly raised the original target of more than 40 % that we had set ourselves. The main reason for this is the dynamic growth in demand for our electrified vehicles. The adjusted target of 50 % has been submitted and successfully validated by SBTi in February 2022.

Plan for achieving target, and progress made to the end of the reporting year

PLAN TO ACHIEVE THE TARGET:

Electric mobility is one of the key topics shaping the future of the BMW Group in terms of sustainable mobility. The increasing number of electrified models and continuously growing sales volume figures place the BMW Group firmly among the leading providers of premium electric mobility worldwide. We see electrification from a holistic point of view and consider it essential to promote electric mobility by putting in place the necessary charging infrastructure as well as customer-friendly charging solutions. Accordingly, we are continuously expanding our range of products and providing a comprehensive range of charging products and services.

PROGRESS MADE TO THE END OF REPORTING YEAR:

Our electrified vehicles are making an essential contribution to driving down fleet emissions and thus to meeting our ambitious strategic decarbonisation targets right across the value chain. For this reason, we are systematically continuing to electrify our model range as a vital ingredient of our product strategy. The share of electrified vehicles in total deliveries might exceed 30 % by as early as 2025. In our view, the NEUE KLASSE has the potential to additionally accelerate the market penetration of electric mobility, and thus a 50 % share of all-electric vehicles in the BMW Group's global unit sales could be achieved even earlier than 2030. Under these conditions, the BMW Group aims to surpass the mark of ten million all-electric vehicles delivered to customers in total by 2030 .

By offering parallel technologies, we are creating a smooth transition to the future of electric mobility, while simultaneously making the best possible use of our existing resources.

With our constantly expanding range of all-electric, battery-powered vehicles (BEV) and plug-in hybrid models (PHEV), we are serving a rapidly growing demand. In 2022, the BMW Group delivered a total of 433,792 units to customers, i.e. significantly more electrified vehicles than in the previous year (2021: 328,314 units; + 32.1 %). On this basis, the share of electrified vehicles had also increased significantly to 18.1 % by the end of the year under report (2021: 13.0 %).

ANTICIPATED PROGRESS CURVE:

The rate of progress towards the target is anticipated and observed to change from year to year.

List the emissions reduction initiatives which contributed most to achieving this target

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production

Net-zero target(s)

Other climate-related target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number

Low 1

Year target was set

2015

Target coverage

Company-wide

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Base year

2015

Consumption or production of selected energy carrier in base year (MWh)

2,485,881

% share of low-carbon or renewable energy in base year

42

Target year

2050

% share of low-carbon or renewable energy in target year

100

% share of low-carbon or renewable energy in reporting year

97.7

% of target achieved relative to base year [auto-calculated]

96.0344827586

Target status in reporting year

Underway

Is this target part of an emissions target?

This target contributes to our emissions target Int1.

Compared with the base year 2019, the BMW Group intends to reduce the average amount of carbon emissions per vehicle produced by a further 80 % by 2030. Production accounts for biggest share of the Scope 1 and Scope 2 emissions generated by the BMW Group and this is where the greatest opportunities to further reduce these emissions lie. As in the past, we are focusing on additional energy efficiency measures, the increasing generation of our own electricity from renewable sources, the PURCHASING OF GREEN ELECTRICITY from supply contracts, and the use of certificates of origin.

Is this target part of an overarching initiative?

RE100

Please explain target coverage and identify any exclusions

The coverage of this target is company-wide without exclusions.

Plan for achieving target, and progress made to the end of the reporting year

PLAN TO ACHIEVE THE TARGET:

The BMW Group is committed to the use of renewable energy at all its locations. Worldwide, all BMW Group production sites and the vast majority of its other locations procure their electricity from renewable self-generation plants, direct supply contracts for green electricity, and electricity of certified origin.

PROGRESS MADE TO THE END OF REPORTING YEAR:

At present, the BMW Group is unable to entirely cover its electricity requirements by producing its own renewable energy, and therefore purchases additional power from renewable and predominantly local or regional sources.

We cover an increasing proportion of our electricity requirements through so-called Power Purchase Agreements (PPAs), i.e. direct purchases from defined renewable energy generation plants, such as the regional green electricity bought in to manufacture the BMW iX and the BMW i4.

List the actions which contributed most to achieving this target

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2021

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Low-carbon vehicles

Percentage of low-carbon vehicles sold

Target denominator (intensity targets only)

Base year

2020

Figure or percentage in base year

8.3

Target year

2030

Figure or percentage in target year

50

Figure or percentage in reporting year

18.1

% of target achieved relative to base year [auto-calculated]

23.5011990408

Target status in reporting year

Underway

Is this target part of an emissions target?

Yes, this target is part of our emissions intensity target for Scope 3 downstream. [Int2]

Is this target part of an overarching initiative?

Science Based targets initiative - other

Please explain target coverage and identify any exclusions

The coverage of this target is company-wide without exclusions.

Plan for achieving target, and progress made to the end of the reporting year

Electric mobility is among the major topics driving the ongoing transformation in the automotive industry. The BMW Group is systematically continuing to electrify its model range as a key component of its product strategy. Our electrified vehicles are playing a major role in reducing fleet emissions and thus achieving our ambitious strategic carbon reduction targets.

With our constantly expanding range of all-electric, battery-powered vehicles (BEV) and plug-in hybrid models (PHEV), we are serving a rapidly growing demand. In 2022, the BMW Group delivered a total of 433,792 units to customers, i.e. significantly more electrified vehicles than in the previous year (2021: 328,314 units; + 32.1 %). On this basis, the share of electrified vehicles had also increased significantly to 18.1 % by the end of the year under report (2021: 13.0 %). To date, the BMW Group has therefore handed over a total of more than 1.4 million vehicles with either all-electric or plug-in hybrid drive systems to customers. The share of electrified vehicles in total deliveries might exceed 30 % by as early as 2025. In our view, the NEUE KLASSE has the potential to additionally accelerate the market penetration of electric mobility, and thus a 50 % share of all-electric vehicles in the BMW Group's global unit sales could be achieved even earlier than 2030.

At the end of the reporting period, the BMW Group had a total of 12 BEV motor variants in eight different models available to order. New additions include the BMW i7, the BMW iX1 and the extended-wheelbase version of the BMW 3 Series for the Chinese market, deliveries of which began in 2022. The existing, all-electric product portfolio will be expanded to include the BMW iX3, BMW i4, BMW iX and the MINI Cooper SE. The inclusion of these variants in the range means that at least one all-electric model will be available in each of the high-yield model series. Over the next two years, vehicles such as the BMW i5 and the all-electric variant of the MINI Countryman are set to follow. As of 2025, the Group will take its core BMW brand into a new, consistently all-electric dimension with the NEUE KLASSE.

Moreover, in the course of 2022, the BMW Group either launched or revised seven different PHEV engine variants. At the end of 2022, a total of 19 PHEV engine variants in a total of 13 models were available to order worldwide.

List the actions which contributed most to achieving this target

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Int1

Target year for achieving net zero

2050

Is this a science-based target?

Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

Please explain target coverage and identify any exclusions

In view of the long-term nature of its targets and the fact that, from today's perspective, the technological and economic route remains uncertain, the BMW Group sets its targets one decade at a time. Nevertheless, the BMW Group has given a commitment to achieve SBTi net zero across the entire value chain by no later than 2050. The BMW Group expects environmental and social standards to be upheld by all participants in the

supply chain, including those delivering critical raw materials. The BMW Group aims to ensure the most sustainable supply chain in the industry. We will achieve a climate-neutral business model spanning the entire value chain by 2050. We intend to close the material cycle further – for instance, by increasing the percentage of secondary material in our vehicles. This lowers CO2 emissions significantly compared to using primary material.

We are gearing our entire production network towards e-mobility and the NEUE KLASSE. Our preparations for the NEUE KLASSE are in full swing. In just a year and a half, pre-series production will get underway at our new plant in Debrecen, Hungary – which, incidentally, will also be the world's most advanced car plant, using no fossil fuels at all. The NEUE KLASSE will already be given a face this year, at the IAA MOBILITY in Munich in September 2023.

We firmly believe that the mobility of the future also needs at least one more leg to stand on, in addition to battery-electric drivetrains. We see hydrogen-electric vehicles as a meaningful complement to e-mobility – albeit with something of a time lag.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Yes

Planned milestones and/or near-term investments for neutralization at target year

The carbon emissions generated within its own production network are already below the 1.5°C path calculated for the BMW Group. In order to reduce emissions, we remain committed to a combined approach of implementing additional energy efficiency measures, increasing the volume of in-house electricity generated from renewable sources, buying in green electricity from direct supply contracts and using certificates of origin. The remaining emissions are largely attributable to the use of natural gas. In this respect, the BMW Group faces the challenge of replacing natural gas with non-fossil energy sources such as biogas, green hydrogen or green electricity. However, the physical availability of alternative energy sources, the retrofitting of the technical systems and political framework conditions largely define the speed of the transition.

In the year under report, the BMW Group has been making the remaining carbon footprint generated by its plants and other locations carbon-neutral on the energy balance sheet, including company cars and business trips, through the use of voluntary offsetting certificates. Via this method, we are demonstrably offsetting the associated carbon emissions by supporting external projects. In collaboration with experienced partners such as atmosfair and First Climate, we support climate protection projects that meet strict criteria. As part of the certification process, projects are required to demonstrate, for example, the permanence of the decarbonisation impact they achieve.

Another vital criterion is additionality, i. e. proof that the project in question would not have come about without financing via carbon offsetting certificates. Furthermore, for the post-Kyoto phase of the carbon offsetting market, we emphasise the importance of ensuring that there is no

double counting of the emissions saved alongside the nationally determined contributions of the affected countries named in the Paris Climate Agreement. We also ensure that the projects additionally generate a social benefit.

Planned actions to mitigate emissions beyond your value chain (optional)

N/A

Target reference number

NZ2

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Int1

Target year for achieving net zero

2022

Is this a science-based target?

No, but we are reporting another target that is science-based

Please explain target coverage and identify any exclusions

The reduction of carbon emissions and the responsible use of resources are important cornerstones of the BMW Group Strategy. The biggest lever for reducing the BMW Group's Scope 1 and Scope 2 emissions is at its production locations, which account for around 90 % of these emissions. The BMW Group has had considerable success in this area and repeatedly set new standards in terms of sustainable production methods. Between 2006 and 2020, carbon emissions per vehicle produced fell by more than 70 % by continually improving energy efficiency, generating renewable electricity in-house and entering into direct supply contracts for green power (including guarantees of origin).

Nevertheless, the BMW Group has set itself the next target: compared to 2019, 80 % per vehicle by 2030. Besides all these achievements and new reduction targets, from 2021, the BMW Group will make the currently technically unabatable emissions from Scope 1&2 net carbon neutral by offsetting by using voluntary, high quality external certified compensation certificates.



Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Yes

Planned milestones and/or near-term investments for neutralization at target year

The carbon emissions generated within its own production network are already below the 1.5°C path calculated for the BMW Group. In the year under report, the BMW Group has been making the remaining carbon footprint generated by its plants and other locations carbon-neutral on the energy balance sheet, including company cars and business trips, through the use of voluntary offsetting certificates. Via this method, we are demonstrably offsetting the associated carbon emissions by supporting external projects. In collaboration with experienced partners such as atmosfair and First Climate, we support climate protection projects that meet strict criteria. As part of the certification process, projects are required to demonstrate, for example, the permanence of the decarbonisation impact they achieve.

Another vital criterion is additionality, i. e. proof that the project in question would not have come about without financing via carbon offsetting certificates. Furthermore, for the post-Kyoto phase of the carbon offsetting market, we emphasise the importance of ensuring that there is no double counting of the emissions saved alongside the nationally determined contributions of the affected countries named in the Paris Climate Agreement. We also ensure that the projects additionally generate a social benefit.

Planned actions to mitigate emissions beyond your value chain (optional)

N/A

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
--	-----------------------	--

Under investigation	210	
To be implemented*	27	5,335
Implementation commenced*	27	6,726
Implemented*	77	15,343
Not to be implemented	51	

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in production processes
Cooling technology

Estimated annual CO2e savings (metric tonnes CO2e)

389

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

35,792

Investment required (unit currency – as specified in C0.4)

670,000

Payback period

16-20 years

Estimated lifetime of the initiative

16-20 years

Comment

In BMWs Group's production site in Spartanburg, we installed a gas turbine inlet air cooling system, which allows turbine's engine to operate more efficiently by maintaining an ideal operating temperature which improves electrical output during warm outside temperatures. This reduces the Scope 1 emissions by about 389 t CO₂e per year.

Initiative category & Initiative type

Energy efficiency in production processes
Machine/equipment replacement

Estimated annual CO₂e savings (metric tonnes CO₂e)

1,197

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

311,232

Investment required (unit currency – as specified in C0.4)

783,000

Payback period

1-3 years

Estimated lifetime of the initiative

16-20 years

Comment

In BMWs Group's production site in Rosslyn, we replaced pneumatic by electric pumps. This reduces the Scope 2 emissions by about 1,197 t CO2e per year.

We calculate Scope 2 emission reductions throughout C4.3 using the "location-based" method in accordance with GHG Protocol Scope 2 Guidance: Overall third-party electricity and heat purchased is calculated using emission factors from the Association of the German Automotive Industry (VDA). Due to our overall 98% of electricity from renewable sources (100 % in our production network) this is more appropriate to make CO2 reductions from energy efficiency measures visible.

Initiative category & Initiative type

Energy efficiency in production processes
Process optimization

Estimated annual CO2e savings (metric tonnes CO2e)

439

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

67,752

Investment required (unit currency – as specified in C0.4)

330,000

Payback period

4-10 years

Estimated lifetime of the initiative

Ongoing

Comment

In BMWs Group's paint shop in Rosslyn, we implemented temperature and humidity windows BC/CC in the paint shop. This reduces the Scope 1 emissions by about 439 t CO2e per year.

Initiative category & Initiative type

Energy efficiency in production processes

Cooling technology

Estimated annual CO2e savings (metric tonnes CO2e)

832

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

287,153

Investment required (unit currency – as specified in C0.4)

1,200,000

Payback period

4-10 years

Estimated lifetime of the initiative

16-20 years

Comment

In BMWs Group's site in Munich, we installed a high efficient chiller using a new generation of oilfree and magnetic shaft beared and multistage compressors with an COP greater than 10.

This reduces Scope 2 emissions by about 832 t CO2e per year.

We calculate Scope 2 emission reductions throughout C4.3 using the "location-based" method in accordance with GHG Protocol Scope 2 Guidance: Overall third-party electricity and heat purchased is calculated using emission factors from the Association of the German Automotive Industry (VDA). Due to our overall 98% of electricity from renewable sources (100 % in our production network) this is more appropriate to make CO2 reductions from energy efficiency measures visible.

Initiative category & Initiative type

Energy efficiency in production processes

Smart control system

Estimated annual CO2e savings (metric tonnes CO2e)

303

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

34,593

Investment required (unit currency – as specified in C0.4)

77,428

Payback period

1-3 years

Estimated lifetime of the initiative

16-20 years

Comment

In BMWs Group's production site in San Luis Potosi, we installed an intelligent control of TOF compressors, which includes the new air compressor for the paint shop into BMS. This reduces the Scope 2 emissions by about 303 t CO₂e per year.

We calculate Scope 2 emission reductions throughout C4.3 using the "location-based" method in accordance with GHG Protocol Scope 2 Guidance: Overall third-party electricity and heat purchased is calculated using emission factors from the Association of the German Automotive Industry (VDA). Due to our 98% of electricity from renewable sources (100 % in our production network) this is more appropriate to make CO₂ reductions from energy efficiency measures visible.

Initiative category & Initiative type

Energy efficiency in buildings

Lighting

Estimated annual CO₂e savings (metric tonnes CO₂e)

695

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

112,632

Investment required (unit currency – as specified in C0.4)

559,587

Payback period

4-10 years

Estimated lifetime of the initiative

16-20 years

Comment

In BMW Group's site in Spartanburg, we installed LED lighting, which replaces old HPS, HID and florescent fixtures with LED. This reduces the Scope 2 emissions by about 695 t CO₂e per year.

We calculate Scope 2 emission reductions throughout C4.3 using the "location-based" method in accordance with GHG Protocol Scope 2 Guidance: Overall third-party electricity and heat purchased is calculated using emission factors from the Association of the German Automotive Industry (VDA). Due to our 98% of electricity from renewable sources (100 % in our production network) this is more appropriate to make CO₂ reductions from energy efficiency measures visible.

Initiative category & Initiative type

Energy efficiency in buildings
Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO₂e savings (metric tonnes CO₂e)

166

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

47,736

Investment required (unit currency – as specified in C0.4)

177,000

Payback period

1-3 years

Estimated lifetime of the initiative

11-15 years

Comment

In BMW Group's site in Regensburg, we renewed the ventilation system with more efficient components. This reduces the Scope 2 emissions by about 166 t CO₂e per year.

We calculate Scope 2 emission reductions throughout C4.3 using the "location-based" method in accordance with GHG Protocol Scope 2 Guidance: Overall third-party electricity and heat purchased is calculated using emission factors from the Association of the German Automotive Industry (VDA). Due to our 98% of electricity from renewable sources (100 % in our production network) this is more appropriate to make CO₂ reductions from energy efficiency measures visible.

Initiative category & Initiative type

Energy efficiency in production processes

Smart control system

Estimated annual CO₂e savings (metric tonnes CO₂e)

144

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

30,238

Investment required (unit currency – as specified in C0.4)

36,293

Payback period

1-3 years

Estimated lifetime of the initiative

16-20 years

Comment

In BMW Group's site in Steyr, we installed an automated, temperature-dependent door control system. In summer, the temperature in the shop floor significantly influences the energy demand of the ventilation system. By installing an intelligent, temperature-dependent door control system, the power requirement of ventilation systems can be lowered noticeably, due to the fact that doors can be opened / closed needs-oriented and thus, the power of ventilation systems can be reduced. This reduces the Scope 2 emissions by about 144 t CO₂e per year.

We calculate Scope 2 emission reductions throughout C4.3 using the "location-based" method in accordance with GHG Protocol Scope 2 Guidance: Overall third-party electricity and heat purchased is calculated using emission factors from the Association of the German Automotive Industry (VDA). Due to our 98% of electricity from renewable sources (100 % in our production network) this is more appropriate to make CO₂ reductions from energy efficiency measures visible.

Initiative category & Initiative type

Energy efficiency in production processes
Waste heat recovery

Estimated annual CO2e savings (metric tonnes CO2e)

2,269

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

697,984

Investment required (unit currency – as specified in C0.4)

3,114,000

Payback period

4-10 years

Estimated lifetime of the initiative

11-15 years

Comment

In BMW Group's site in Oxford, we installed heat recovery of exhaust air from cabins in the paint shop to reuse it in ARP's. This reduces the Scope 1 emissions by about 2,269 t CO2e per year.

Initiative category & Initiative type

Energy efficiency in production processes

Other, please specify

Energy efficiency measures

Estimated annual CO2e savings (metric tonnes CO2e)

8,910

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

3,627,766

Investment required (unit currency – as specified in C0.4)

13,352,312

Payback period

4-10 years

Estimated lifetime of the initiative

16-20 years

Comment

In 2022, further 68 measures lead to a reduction of additional 8,910 t CO2e per year. Due to this large number we concentrated above on 9 exemplary measures with high efficiency improvements. Instead of adding further 68 entries which would be similar to the above ones, with decreasing contributions to CO2 reduction, we add here only one additional entry. This entry collects all the additional measures from our worldwide continuous improvement process and investments in specific efficiency measures for existing technologies.

We calculate Scope 2 emission reductions throughout C4.3 using the “location-based” method in accordance with GHG Protocol Scope 2 Guidance: Overall third-party electricity and heat purchased is calculated using emission factors from the Association of the German Automotive

Industry (VDA). Due to our 98% of electricity from renewable sources (100 % in our production network) this is more appropriate to make CO2 reductions from energy efficiency measures visible.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Internal price on carbon	<p>From a long-term perspective, internal prices on carbon have a significant degree of influence on defining technology roadmaps, research & development priorities as well as identification of business opportunities.</p> <p>Climate change and rising energy prices demand efficient energy usage as well as the increased use of alternative energy sources. Our target is to be leading in the usage of renewable energies. Furthermore, achievements will not only improve the company's environmental impact assessment but, due to increasing energy prices, also the company's profitability.</p> <p>This drives investment to reduce carbon emissions and thereby avoids rising costs for energy and expected costs for CO2-emissions due to "cap and trade", carbon taxes, etc.</p> <p>For further details on our internal prices on carbon please see C11.3a.</p>
Compliance with regulatory requirements/standards	<p>Compliance with regulatory requirements and standards is one of the basic prerequisites for the success of the BMW Group. Current law provides the binding framework for our wide range of activities around the world. Markets such as the US, Japan, Korea, China and Europe are introducing increasingly strict carbon emissions performance requirements for vehicles. The increasing number of regulations and standards drives investment in emissions reduction activities and thereby fosters innovation.</p>
Internal finance mechanisms	<p>The integration of environmental aspects in the early stages of major investment decisions increases the profitability of these projects. Considering the costs of carbon emissions in the planning phase of investment decisions increases the incentive to implement emissions reduction activities. Costs of carbon emissions are included in profitability calculations and are reflected in the return on investment.</p>
Employee engagement	<p>With the aim of establishing sustainability even more thoroughly in all areas of the company, a number of sustainability and environmental protection training courses have been established. Examples: sustainability topics and the relevance of resource efficiency is addressed at the introductory event for new employees as well as in courses of our trainees. In the last years, the range of training courses on offer for our employees were expanded for key strategic areas, such as e-</p>

	<p>mobility. Another example are the annual environmental protection and health and safety courses. Ideas developed are implemented within our employee's idea management system which was established a long time ago. In addition to the permanently active online supported suggestion scheme, campaigns have been running to specific subjects as for example energy saving measures.</p> <p>The BMW Group's ideas management system encourages employees to contribute ideas on matters that do not fall within their normal remit. Employee ideas that generate a positive effect for the BMW Group with regard to efficiency or sustainability are rewarded with the payment of a bonus. In 2022, a total of 5,028 ideas were submitted (2021: 4,810). A total of 1,188 ideas were implemented during the year under report (2021: 1,318), resulting in first-year benefits totalling EUR 20.5 million (2021: EUR 30.4 million). As in the previous year, around one-third of the ideas implemented in 2022 were primarily related to sustainability.</p>
<p>Internal incentives/recognition programs</p>	<p>The strategic approach in our BMW Group strategy is to leverage innovative technologies, digitalization and sustainability to deliver unique customer experiences. It is part of the BMW Group culture and anchored in our processes to mitigate climate risks and explore opportunities arising from the global efforts of combating climate change. Corporate sustainability measured in balanced scorecard terms (at Group level) is included as a formal corporate objective since 2009. Detailed targets are then derived for each of the divisions within the Group in the area of climate change.</p> <p>Those targets are for example drastically reducing the carbon footprint compared to 2019 per vehicle by 2030 - in production by 80 percent, during the use phase by more than 50 percent and in the supply chain by at least 20 percent. Management bonus payments (all management positions) are directly linked to the fulfilment of corporate and divisional targets. The proportion of variable remuneration to total remuneration increases commensurate to the position within the corporate hierarchy.</p>

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

The EU Taxonomy for environmentally sustainable economic activities

Type of product(s) or service(s)

Road

Lithium-ion batteries

Description of product(s) or service(s)

Our company has a range of electric passenger vehicles that use lithium-ion batteries. In alignment with the EU Taxonomy, the manufacture, financing and leasing of low-emissions (PHEV <50g CO₂/km WLTP until 2025) and zero-emissions vehicles (BEV and motorcycles with 0g CO₂/km) substantially contribute to the environmental objective I “climate change mitigation” and II “Climate change adaptation. Thus, we define these vehicles as “low-carbon products”.

Electric mobility is among the major topics driving the transformation in the automotive industry. We are systematically continuing to electrify our model range. Our electrified vehicles are playing a major role in reducing fleet emissions and thus achieving our ambitious strategic carbon reduction targets.

In 2022, the BMW Group delivered a total of 433,792 units to customers, i.e. significantly more than in the previous year (2021: 328,314 units; + 32.1 %). On this basis, the share of electrified vehicles had also increased significantly to 18.1 % by the end of 2022 (2021: 13.0 %).

The share of electrified vehicles in total deliveries might exceed 30 % by as early as 2025. In our view, the NEUE KLASSE has the potential to accelerate the market penetration of electric mobility, and thus a 50 % share in the BMW Group’s global unit sales could be achieved even earlier than 2030. Under these conditions, the BMW Group aims to surpass the mark of ten million all-electric vehicles delivered to customers in total by 2030.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Yes

Methodology used to calculate avoided emissions

Other, please specify

internal calculation in accordance with best-practice methodologies

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Use stage

Functional unit used

Operating the number of sold vehicles in 2022 including the respective share of electrified / low-carbon vehicles for 15,000 km per year per vehicle

Reference product/service or baseline scenario used

Operating the number of sold vehicles in 2022 but without electrified / low-carbon vehicles (internal combustion engine only) for 15,000 km per year per vehicle

Life cycle stage(s) covered for the reference product/service or baseline scenario

Use stage

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

511,516

Explain your calculation of avoided emissions, including any assumptions

We took an attributional approach to the estimation. Our calculation of avoided emissions was based on the difference in emissions during operation (setting aside the emissions from energy production).

To get a rough estimate of the total emissions avoided per year we calculate averaged fleet emissions of our xEV fleet in the EU27 + UK in 2022 and compare it to EU27 + UK fleet emissions without xEV's. We calculate one main market (about 37 % of our retail volume) because fleet emissions of xEV's and conventional cars depend on the test cycles in the corresponding legislation. We multiply the difference of 105.0 g CO2/km with an averaged mileage of 15,000 km per year and the volume of xEV's (estimated avoidance BEV 100% and PHEV 50%) worldwide of 433,792 units to find about 511,516 t CO2 avoided in 2022.

Taxonomy-aligned revenues of the BMW Group amounted to EUR 15,705 million, corresponding to 11 % of total Group revenues. The growing share of zero-emissions vehicles is expected to lead to an increase in Taxonomy-aligned revenues. Due to the high level of investment in the transformation of our business activities, for example in the electrification of our vehicles and research into alternative drivetrains, respective economic activities have the potential to become Taxonomy-aligned over time. Overall, we anticipate that the proportion of Taxonomy-aligned economic activities will steadily rise as a result of the increasing electrification of our product portfolio.

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

11

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

Change(s) in methodology, boundary, and/or reporting year definition?	
Row 1	No

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

678,403

Comment

N/A

Scope 2 (location-based)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

1,540,667

Comment

N/A

Scope 2 (market-based)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

354,095

Comment

N/A

Scope 3 category 1: Purchased goods and services

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

18,505,921

Comment

N/A

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

N/A

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

N/A

Scope 3 category 4: Upstream transportation and distribution

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

1,570,397

Comment

N/A

Scope 3 category 5: Waste generated in operations

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

N/A

Scope 3 category 6: Business travel

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

129,646

Comment

N/A

Scope 3 category 7: Employee commuting

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

146,298

Comment

N/A

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

N/A

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

N/A

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

N/A

Scope 3 category 11: Use of sold products

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

110,899,066

Comment

N/A

Scope 3 category 12: End of life treatment of sold products

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

1,269,018

Comment

N/A

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

N/A

Scope 3 category 14: Franchises



Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

N/A

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

N/A

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

N/A

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

N/A

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

European Union Emission Trading System (EU ETS): The Monitoring and Reporting Regulation (MMR) – General guidance for installations

European Union Emissions Trading System (EU ETS): The Monitoring and Reporting Regulation (MMR) – General guidance for aircraft operators

ISO 14064-1

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

694,057

Comment

N/A

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

N/A

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

Reporting year

Scope 2, location-based

1,187,339

Scope 2, market-based (if applicable)

91,300

Comment

Scope 2 emissions calculated using the market-based method in accordance with the GHG Protocol Scope 2 guidance; mainly the use of the VDA emissions factors for electricity, district heating and fuel (each in the current valid version: 12/2022) and in some cases the use of local emissions factors; alternative calculation using the location-based method: 1,187,339 t CO₂. The decrease in carbon emissions compared to the previous year is mainly due to the adjustment of the emission factors.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source of excluded emissions

CO₂e emissions from VOC and N₂O

Scope(s) or Scope 3 category(ies)

Scope 1

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Relevance of market-based Scope 2 emissions from this source

Relevance of Scope 3 emissions from this source

Date of completion of acquisition or merger

Estimated percentage of total Scope 1+2 emissions this excluded source represents

0

Estimated percentage of total Scope 3 emissions this excluded source represents

Explain why this source is excluded

These emissions in CO₂ equivalent account for <1 % of our total CO₂ equivalent emissions. By assessing and managing our CO₂ emissions, we are driven by materiality. Due to the very small percentage these emissions are therefore not listed in our BMW Group Report 2022. To be consistent with the already published data we omit them here too.

Remark: Nevertheless, reduction of VOC is an important target but not due to its carbon potential but its effects on human health. Between 2006 and 2022 solvent emissions were already reduced by 72 %.

Explain how you estimated the percentage of emissions this excluded source represents

The BMW Group reduced its emissions of volatile organic compounds (VOC) per vehicle produced by 13 % to 0.61 kg during the period under report. The year-on-year improvement was mainly due to the use of solvent-free cleaning agents and the new thermal afterburners deployed in the paint shops at the Group's plants in Shenyang (China). Due to the progress made in the use of solvent-free substances and the optimization of our paint shops, we expect to see a further reduction in emissions levels going forward.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

19,758,702

Emissions calculation methodology

Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

(i) Types and sources of data: The BMW Group analyses the environmental impact over the entire product life cycle and monitors the respective targets with the well-established instrument of life cycle analysis (LCA; ISO 14040 / ISO 14044) using the commercial life cycle inventory GaBi. Main input for the LCAs are detailed, car model specific material inventories, containing weights and material compositions of all parts. Emission figures are derived from processing procedure models, data as well as emission factors of GaBi. Global warming potentials (GWP) applied are from the Institute of Environmental Sciences (CML) of the University Leiden (Netherlands). Emissions from purchased goods and services are one contribution to the overall emission figure calculated from the LCAs which can be separated. To calculate the emission figure, we used in addition exact volumes of all vehicles respectively model types produced in 2020.

(ii) Data quality: The data quality of our product specific material inventories and therefore the basis of our calculations are assessed to be high. Limitations in exactness come from two sources: (1) Use of industry average processing models and average data of GaBi, necessary as the BMW Group depends on information from members of the supply chain who do not yet report their Scope 1 & 2 emissions to provide exact figures. (2) BMW Group prioritized the main models (1, 3, 5, 7, X3, X5, i3) in analyzing full scale LCAs. Other sale figures are attributed to the most comparable model to calculate total CO2 emission from purchased goods and services. The data as well as the emission figure has been checked by PwC in limited assurance.

(iii) Methodologies, assumptions, allocations: Based on detailed material inventories we calculated the LCAs of the BMW 1, 3, 5, 7, X3, X5 Series and i3 with the life cycle inventory GaBi and the CML GWPs and extracted the emission figures of the purchased goods and services. We then allocated all vehicles produced in 2022 to the model which fits best. Multiplying the number of assigned vehicles with the emission figure of the corresponding model we calculated as sales weighted emission figure 19,758,702 metric tons CO2e for purchased goods and services.

Capital goods

Evaluation status

Not relevant, explanation provided

Please explain

BMW Group focuses on Scope 3 emission categories which are identified as relevant according to the following two criteria: share in total BMW Group Scope 3 emissions and influence of BMW Group on emission reductions. We do not regard this Scope 3 category to be of particular relevance because of our limited influence on these suppliers. The corresponding emissions are estimated to be below 5 % of our total Scope 3 emissions in 2021. The selection of new equipment or buildings focuses on the use phase (increased resource efficiency, minimized CO2 emissions). Our influence on operations and therefore on CO2 emissions of these kinds of suppliers is less than e.g. for suppliers of production material where we often have closely collaborated for many years. Nevertheless, measures to improve CO2 emissions performance are the same applying for all direct and indirect suppliers which are described in more detail in C12.1a (e.g. contractually fixed requirement to install an environmental management system).

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, explanation provided

Please explain

BMW Group focuses on Scope 3 emission categories which are identified as relevant according to the following two criteria: share in total BMW Group Scope 3 emissions and influence of BMW Group on emission reductions. According to our estimates the Scope 3 emissions of “Fuel-and-energy-related activities” are below 1 % of total BMW Group Scope 3 emissions. Furthermore, BMW Group cannot directly influence the efficiency losses in energy grids and transport. Consequently, the Scope 3 category “Fuel-and-energy-related activities” is not of substantial relevance. To get a rough estimate of the scope 3 emissions of “Fuel-and-energy-related activities” we used fuel and country specific CO₂ emission factors for indirect emission (provided by GEMIS, VDA emission factors and IEA CO₂ emissions from fuel combustion 2006). These emission factors were multiplied with real activity data on the fuel input of BMW Group.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

2,274,178

Emissions calculation methodology

Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

(i) Types and sources of data: Real activity data in tons transport capacity per kilometer was used to calculate CO₂ emissions for upstream transportation and distribution. Total transport capacity (inbound and outbound) in 2022 was 54,559 million tkm. With the 2022 system boundaries, we have reached an estimated coverage of about 90 % of the CO₂ emissions from logistics. The scope currently comprises: Inbound volumes (material supplies to plants and spare parts delivery) for BMW and MINI vehicle plants worldwide as well as for delivery of spare parts to central parts distribution. Outbound volumes (vehicle distribution of vehicles and spare parts) are included up to distribution centers in markets worldwide as well as to dealerships in certain markets. The scope of analysis has been expanded in 2020, to include local data from suppliers involved in supplying specified production plants as well as from service providers involved in distributing vehicles to

dealerships in specified markets and spare parts deliveries. Emission factors for freight by road (about 73 g CO₂/tkm), train (between 14 and 23 g CO₂/tkm depending on the train type), air (570 respectively 733 g CO₂/tkm depending on the airplane type) and ship (about 10 g CO₂ /tkm for container carriers and 33 g CO₂ /tkm for car carriers) are used according to direct reporting of CO₂ factors by transport companies and Tremod.

(ii) Data quality: The data quality is assessed to be high as real activity data was used. The data as well as the emission figure has been checked by PwC in limited assurance.

(iii) Methodologies, assumptions, allocations: CO₂ emissions are calculated in accordance with DIN EN 16258 as well as figures from CleanCargo and JEC5; in some cases, extrapolations have been used for individual months. Transport capacities for road, rail, air and sea transport were measured. Limitations in scope are described under (i). For each transport capacity average emission factors described under (i) were multiplied with transport capacities. Other assumptions than average emissions were not made.

Waste generated in operations

Evaluation status

Not relevant, explanation provided

Please explain

BMW Group focuses on Scope 3 emission categories which are identified as relevant according to the following two criteria: share in total BMW Group Scope 3 emissions and influence of BMW Group on emission reductions. According to our estimates the Scope 3 emissions of “Waste generated in operations” are below 0.1 % of total BMW Group Scope 3 emissions. In consequence this category is not of substantial relevance. However, due to our strong commitment to recycling and closed loops with many initiatives implied already in recent years total waste for disposal was reduced to 6,113 tons in 2022 (–35.8 % per vehicle produced since 2018) which is equivalent to a reduction in Scope 3 emissions in this category.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

66,170

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

(i) Types and sources of data: CO2 emissions from business travel are calculated from real activity data in regard to destinations, transport kilometers and the mode of transport used. Business travel in scope covers more than 90 % of the total BMW Group business travel. Air travel is based on data from sold tickets respectively passenger miles booked with Bavaria-Lloyd Reisebüro GmbH (German and Austrian entities), global business travel is based on data delivered from the international BMW Group offices. Travel with rental cars is based on data of all bookings (national and international) within the BMW accounts with Sixt and AVIS. Travel by train is considered without Germany (our German rail business travel is CO2 neutral). To calculate the emission figure from these data we used the publicly available “GHG Protocol tool for mobile combustion. Version 2.6”. The emission factors of this tool come from the UKs DEFRA, the US EPA and the IPCC 2006 Guidelines for National Greenhouse Gas Inventories.

(ii) Data quality: The data quality is assessed to be high as real activity data was used. A few markets send only a list of destinations. In this case we calculated the corresponding distances by our own. The data as well as the emission figure has been checked by PwC in limited assurance.

(iii) Methodologies, assumptions, allocations: In a few markets we had to calculate the travel distances from the delivered lists of destinations. We allocated the business travel respectively the distances travelled to the categories of each mode of transport as given by the GHG Protocols mobile combustion tool (e.g. domestic, short or long haul air travel with economy, business or first class). We put in the distances into the mobile combustion tool (excel based). The emission figure for business travel of 66,170 metric tons CO2e is calculated automatically by this tool. The increase compared to 2021 is due to the normalized travel activities after the pandemic-related reduction.

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

145,284

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

(i) Types and sources of data: To calculate CO₂-emissions from employee commuting BMW Group relies on real activity data for trips to and from destinations for 80 % of employees of the BMW Group. The travel data was aggregated to the following modes: “car kilometers”, “public transport kilometers”, “plant bus kilometers” and “bicycle” respectively “foot kilometers”. These activity data were multiplied with corresponding emission factors: For the total sum of kilometers driven with the employee cars we used 182 g CO₂/km, for the total sum of kilometers travelled via public transportation we used 75 g CO₂/km and for the total sum of kilometers driven with the plant buses we used 830 g/km. The average emission factors for car travel and public transport were taken from the ifeu institute and Tremod. For plant busses we gathered information on the fuel consumption directly from the bus companies and used the diesel emission factor of 2.66 kg CO₂ per liter. The mileage was assessed by census at the production sites.

(ii) Data quality: The data quality is assessed to be high as real activity data was used. The data as well as the emission figure has been checked by PwC in limited assurance.

(iii) Methodologies, assumptions, allocations: For the activity data census were carried out in recent years and further validated by comparisons with parking spot use, public transport job ticket holders, plant bus registrations and the number of available parking spots for bicycles. Further assumptions based on the census were: 1.05 BMW employees travelled on average per car and the average daily distance was 34 km. The average public transport distance was 20 km, the average plant bus distance was 37 km and the bicycle and pedestrian average distance was 3 km. To calculate the emission figure we summed up the kilometers travelled by the employees in each mode in 2022 multiplied with the corresponding emission factors and then finally we extrapolated it to the total number of associates. The figures from 2020 onwards are not directly comparable with previous years due to the improved data basis. In some cases, figures are extrapolated based on surveys conducted at major national and international BMW Group locations.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

BMW Group focuses on Scope 3 emission categories which are identified as relevant according to the following two criteria: share in total BMW Group Scope 3 emissions and influence of BMW Group on emission reductions. Emissions from upstream leased assets belonging to our production network are included in our Scope 1 and Scope 2 emission figures. In addition to this, leased assets worldwide such as office buildings not included in Scope 1 and Scope 2 make a negligible contribution when compared to our total Scope 3 emissions. Therefore, emissions from upstream leased assets are of minor relevance.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

BMW Group focuses on Scope 3 emission categories which are identified as relevant according to the following two criteria: share in total BMW Group Scope 3 emissions and influence of BMW Group on emission reductions. The Scope 3 category “Downstream transportation and distribution” is assessed to be close to 0 and so to be of no relevance: According to the GHG Protocol “Downstream transportation and distribution” is defined as “Transportation and distribution of products sold by the reporting company between the reporting company’s operations and the end consumer (if not paid for by the reporting company), including retail and storage (in vehicles and facilities not owned or controlled by the reporting company)”. Transportation of our products to pick-up of customer in either BMW Group owned or BMW Group franchised dealerships is paid for by BMW Group and therefore included in the Scope 3 category “Upstream transportation and distribution”. Retail and storage of our products is also accordingly accounted for in either Scope 1 & 2 (BMW Group owned dealerships) or in the Scope 3 category “Franchises”.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

BMW Group focuses on Scope 3 emission categories which are identified as relevant according to the following two criteria: share in total BMW Group Scope 3 emissions and influence of BMW Group on emission reductions. BMW Group’s core business, premium mobility products and

services are consumer goods, which are not further processed. We sell small amounts of engines / powertrains to other companies resulting in negligible emissions from further processing. Consequently, the Scope 3 category "Processing of sold products" is not relevant for BMW Group.

Use of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

92,947,849

Emissions calculation methodology

Average product method

Fuel-based method

Distance-based method

Methodology for indirect use phase emissions, please specify

well-to-tank emissions factor for fuel and electricity consumption.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

(i) Types and sources of data: The emission figure is based on the volume-weighted average fleet carbon emissions, which are calculated for the core markets EU (27 EU countries incl. Norway and Iceland; plus UK) (driving cycle: Worldwide Harmonized Light Vehicles Test Procedure; basis: production volume), USA (driving cycle: United States Combined; basis: production volume) and China (driving cycle: Worldwide Harmonized Test Cycle, subject to China-specific framework conditions for testing; basis: import volumes / local production volumes; incl. joint venture BMW Brilliance Automotive Ltd.) before deduction of legally permitted offsetting factors (e. g. supercredits and eco-innovations) and then standardised according to the WLTP (European) driving cycle. These core markets account for more than 80 % of the BMW Group's sales. The calculated figures are increased by 10 % to account for possible discrepancies between cycle values and real emissions, as required by the SBTi. This indicator also includes the upstream emissions for the respective energy sources (fossil fuels and electricity used for charging), in line with the well-to-wheel approach. This covers the entire causal chain behind vehicle motion. This approach also includes the environmental

impacts associated with the supply of energy. For example, to calculate the volume of emissions resulting from upstream electricity (drivetrain energy supply), the BMW Group uses the energy report published by the IEA as a basis in order to assess the emissions associated with the electricity mix in its core markets.

(ii) Data quality: Due to the regulated and standardized measurement of the CO₂ emissions in driving cycles of the corresponding markets, data quality is assessed to be high. The data as well as the emission figure has been checked by PwC in limited assurance.

(iii) Methodologies, assumption, allocations: To calculate total emissions from the use of sold products additional assumption is an average mileage of 200,000 km over life time. We multiplied the average fleet emissions (g CO₂/km) of the above mentioned markets with the corresponding sales volumes to get a sales volume weighted average emission figure. Multiplying this figure with the average mileage of 200,000 km and the total worldwide sales volume gives the total emissions from the use phase of our cars sold in 2022.

End of life treatment of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

1,394,603

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

(i) Types and sources of data: BMW Group analyses the environmental impact over the entire product life cycle and monitors the respective targets with the well-established instrument of life cycle analysis (LCA; ISO 14040 / ISO 14044) using the commercial life cycle inventory GaBi. Main input are detailed, car model specific material inventories, containing weights and material compositions of all parts. Emission figures are derived from processing procedure models, data as well as emission factors of GaBi. GWPs applied are from the Institute of Environmental Sciences (CML) of the University Leiden (Netherlands). Emissions from end of life treatment of sold products are one contribution to the overall emission figure calculated from the LCAs which can be separated. To calculate the emission figure we used in addition exact volumes of all

vehicles respectively model types produced in 2022.

(ii) Data quality: The data quality of our product specific material inventories and therefore the basis of our calculations is assessed to be high. Limitations in exactness come from two sources: (1) Use of industry average processing models and average data of GaBi. (2) BMW Group prioritized the main models (1, 3, 5, 7, X3, X5, i3) in analyzing full scale LCAs. Other sales figures are attributed to the most comparable model to calculate total CO₂ emission from end of life treatment of sold products. The data as well as the emission figure has been checked by PwC in limited assurance.

(iii) Methodologies, assumption, allocations: Based on detailed material inventories we calculated the LCAs of the BMW 1, 3, 5, 7, X3, X5 Series and i3 with the life cycle inventory GaBi and the CML GWPs. When modelling the end of life treatment we follow the standard processes as given by the EU directive for end-of-life vehicles (2000/53/EC) as well as the directive (2005/64/EC). When calculating the emission figures we did not account for “credits” from energy recovery or recycling. We extracted the emission figures of the end of life treatment of sold products from the LCAs. We then allocated all vehicles sold in 2022 to the model which fits best. Multiplying the number of assigned vehicles with the emission figure of the corresponding model we calculated as sales weighted emission figure 1,394,603 metric tons CO₂e from the end of life treatment of sold products in 2022.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

BMW Group focuses on Scope 3 emission categories which are identified as relevant according to the following two criteria: share in total BMW Group Scope 3 emissions and influence of BMW Group on emission reductions. Scope 3 emissions from downstream leased assets stem from Alphabet, which is a multi-marque fleet funding company, part of the BMW Group, currently operating in more than 20 countries. To calculate a total emission figure we have to exclude from the total volume of lease contracts the leased cars of the BMW Group since these are already included in the calculation of the use phase emissions. Emissions from vehicles of other brands contribute to the whole Scope 3 emissions <1 %. Furthermore, BMW Group has limited influence on the fuel efficiency of vehicles from other OEMs as well as on customer's preferences. Therefore, we consider this category as "Not relevant, explanation provided".

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

BMW Group focuses on Scope 3 emission categories which are identified as relevant according to the following two criteria: share in total BMW Group Scope 3 emissions and influence of BMW Group on emission reductions. According to our estimates the Scope 3 emissions of “Franchises” are below 2 % of total BMW Group Scope 3 emissions. Furthermore, BMW Group has limited influence on BMW Group dealerships, for which we do not have operational control. Nonetheless, we started raising awareness of resource- and CO2-matters amongst our international, independent dealer network, by launching a sustainability initiative within the sales & marketing division of the BMW Group, also involving the country representatives. Part of this initiative is a worldwide dealer competition on ‘sustainability leadership’ amongst our entire dealer network. Due to the relatively small amount of total Scope 3 emissions in the category “Franchises” and limits to our operational influence we assess “Franchises” as not of particular relevance concerning BMW Group’s Scope 3 emissions. To get a rough estimate of the Scope 3 emissions of “Franchises” we calculated the intensity figure for CO2 emissions / per automobile sold in BMW Group owned dealerships in Germany, relying on directly monitored information on CO2-emissions. This intensity figures were then multiplied with global retail figures, excluding the retails of BMW Group owned dealerships, to estimate the total CO2-emissions of BMW Group’s independent global dealership network. We acknowledge limited accuracy due to the assumptions of “new vehicles sold” as CO2-intensity for total dealership CO2 emissions.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

BMW Group focuses on Scope 3 emission categories which are identified as relevant according to the following two criteria: share in total BMW Group Scope 3 emissions and influence of BMW Group on emission reductions. According to our estimates the Scope 3 emissions from “Investments” are significantly below 1 % of the total BMW Group Scope 3 emissions. Due to the low amount of emissions in relation to the total BMW Group Scope 3 emissions the Scope 3 category “Investments” is not of substantial relevance. To estimate the emissions, we analyzed in a first step all assets and identified those with material emissions (companies in the transportation or production sector, BMW Group share >5 %). The joint venture BMW Brilliance Automotive Ltd. (Shenyang, China) is a major example which however is already included in BMW Group’s Scope 1 & 2 emissions. SGL Carbon Fibers LLC (Delaware, USA) is another example. We then estimated roughly from energy data and the newest VDA emission factors corresponding CO2 emissions.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Please explain

Other upstream not applicable for BMW Group.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

Other downstream not applicable for BMW Group.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Yes

C6.7a

(C6.7a) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

	CO2 emissions from biogenic carbon (metric tons CO2)	Comment
Row 1	26,838	The BMW Group generates direct CO2 emissions from 2 sources which we count with an emissions factor of 0 t/MWh. One is use of wood pellets with a negligible contribution to energy consumption (0.001%). One is combustion of landfill gas with a contribution to energy consumption of approx. 2.3%. In Spartanburg (USA) we

		installed a direct line from a landfill in the neighborhood of our production site and furthermore a combined heat and power plant to burn the landfill gas.
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C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.000005507

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

785,357

Metric denominator

unit total revenue

Metric denominator: Unit total

142,610,000,000

Scope 2 figure used

Market-based

% change from previous year

26.6

Direction of change

Decreased

Reason(s) for change

Change in renewable energy consumption
Other emissions reduction activities
Change in revenue

Please explain

Increased CO2 efficiency due to emission reduction activities and the overcome of unfavorable pandemic-related operating points in 2021 as well as a positive course of business in the financial year 2022 caused the decrease in CO2 emissions / revenue by 26.6 % when compared to the 2021 figure of 0.000007502.

The intensity figure is calculated by dividing emissions from production, other BMW Group locations not directly related to production (e.g. research centres, sales centres, office buildings) and company owned vehicles and planes by revenue.

In 2022, further increase in consumption of renewable energy significantly reduced Scope 2 emissions compared to 2021.

In 2022, however, supply bottlenecks for semiconductor components and the necessary adjustments to the production programme dampened the positive trend.

Overall, absolute carbon emissions at BMW Group locations decreased to 705,417 t of CO2 (2021: 766,153 t of CO2).

Intensity figure

0.32

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

705,417

Metric denominator

vehicle produced

Metric denominator: Unit total

2,231,020

Scope 2 figure used

Market-based

% change from previous year

4.2

Direction of change

Decreased

Reason(s) for change

Change in renewable energy consumption
Other emissions reduction activities

Please explain

The main reason for the drop in relative carbon emissions per vehicle produced was increased use of renewable energy. In 2022, however, supply bottlenecks for semiconductor components and the necessary adjustments to the production programme dampened the positive trend. The decrease in CO₂ emissions / vehicles produced in the BMW Group production network without volumes of partner plants was 4.2 % when compared to the 2021 figure of 0.33.

The intensity figure is calculated from Scope 1 and Scope 2 CO₂ emissions from vehicle production, without company vehicles (applicable KPI for BMW Group is fleet emissions) and planes divided by the total number of vehicles produced, incl. BMW Brilliance Automotive Ltd. joint venture (Shenyang, China), not including the vehicles from the Magna Steyr and Nedcar contract production plants.

Overall, absolute carbon emissions at BMW Group locations decreased to 705,417 t of CO₂ (2021: 766,153 t of CO₂).

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

No

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
Austria	12,518
Brazil	1,951
China	54,362
Germany	498,307
India	33
Mexico	7,563
South Africa	9,066
Thailand	19
United Kingdom of Great Britain and Northern Ireland	47,625
United States of America	58,698
Other, please specify Rest of World	3,917

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
BMW Group production network	549,753
Company owned vehicles	76,491
BMW Business Aviation	3,449
Central Administration & Research and Innovation Centers	64,364

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Comment
Transport OEM activities	549,753	Emissions from our production network (car and motorcycle production).

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Austria	37,428	13
Brazil	3,584	0
China	484,970	76,645
Germany	375,797	5,942
India	2,528	0
Mexico	31,571	0
South Africa	59,806	0

Thailand	2,358	0
United Kingdom of Great Britain and Northern Ireland	42,666	254
United States of America	129,620	0
Other, please specify Rest of World	17,011	8,447

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
BMW Group Production Network	1,001,138	70,429
Central Administration & Research and Innovation Centers	186,201	20,872

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

No

C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7

(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7) Break down your organization's total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Transport OEM activities	1,001,138	70,429	Emissions from our production network (car and motorcycle production).

C-T07.8

(C-T07.8) Provide primary intensity metrics that are appropriate to your indirect emissions in Scope 3 Category 11: Use of sold products from transport.

Activity

Light Duty Vehicles (LDV)

Emissions intensity figure

0.000194

Metric numerator (Scope 3 emissions: use of sold products) in Metric tons CO2e

92,947,849

Metric denominator

p.km

Metric denominator: Unit total

479,914,401,840

% change from previous year

-2.1

Vehicle unit sales in reporting year

2,399,632

Vehicle lifetime in years

15

Annual distance in km or miles (unit specified by column 4)

13,333

Load factor

1

Please explain the changes, and relevant standards/methodologies used

Changes:

Since 2007, BMW Group's Efficient Dynamics (ED) is a comprehensive technologic approach for the consistent reduction of fuel consumption and emissions in the standard configuration of all cars of the BMW Group. It includes highly efficient cars with gradually refined combustion engines and BEVs / PHEVs.

The systematic electrification of its products, with a wide range of attractive models, is proving to be a key success factor for the BMW Group. High demand for BMW and MINI brand all-electric vehicles gave rise to dynamic sales growth in this area in 2022. Overall, the BMW Group delivered a total of 215,752 all-electric vehicles to customers, more than doubling the number achieved one year earlier (2021: 103,854 units; + 107.7 %). The innovative BMW iX and BMW i4 in particular played a major role in this development, with both models generating an extremely positive response. Towards the end of 2022, the BMW Group's ever-growing product range was added to with the launch of two further all-electric models, the BMW i7 luxury sedan and the all-electric BMW iX. Sales of battery electric (BEV) and plug-in electric (PHEV) vehicles in 2022 totalled 433,792 units (2021: 328,314 units; + 32.1 %).

Standards / Methodologies:

The BMW Group's worldwide carbon fleet emissions averaged 193.7 g CO₂/km (2021: 197.9 g CO₂/km) in the year under report. These figures correspond to a decrease of 11.4 % compared to the base year 2019 (2019: 218.5 g CO₂/km). When calculating the emissions figure, the BMW Group takes into account the average carbon fleet emissions (including upstream emissions for fuel and electric charging) in the EU, the USA and China and standardizes them in accordance with WLTP. With a share of more than 80 % of BMW Group deliveries, these three core markets and regions form a reliable basis for calculating global carbon fleet emissions .

The figure also includes the upstream supply chain emissions generated by energy sources (fossil fuels and electricity) in accordance with the well-to-wheel approach. The emissions intensity figure of 194 g CO₂/km (which equals to 0.000194 t CO₂/km) is calculated by multiplying the

average fleet emissions (g CO2/km) of the above mentioned markets with the corresponding sales volumes to get a sales volume weighted average emission figure.

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	43,549	Decreased	5.2	In 2022, the amount of electricity from renewable sources delivered to the BMW Group locations was increased resulting in a 43,549 t CO2 decrease when compared to 2021 and, correspondingly, to a 5.2 % decrease ($-5.2\% = (-43,549/834,562) * 100$) with the 2021 Scope 1 & 2 emissions of 834,562 t CO2. Worldwide, all Group production sites and the majority of its other sites use electricity derived from renewable sources via in-house generation, direct procurement or Energy Attribute Certificates (e.g. certificates of origin). At present, the BMW Group is unable to entirely cover its energy needs by generating its own renewable energy and therefore purchases additional electricity from other renewable sources. An increasing share of our electricity requirements is covered by so-called Power Purchase Agreements (PPAs), i.e. direct purchases from

				defined renewable energy generation plants, such as the purchase of regional green electricity to produce the BMW iX and BMW i4.
Other emissions reduction activities	3,089	Decreased	0.4	BMW Group systematically analyses emission reduction potentials with a special focus on the production sites owned by BMW Group and realized a 0.4 % decrease in CO2 emissions due to emission reduction activities in 2022. This corresponds to a total decrease of 3,089 t CO2 ($-0.4\% = (-3,089/834,562) \cdot 100$) with the 2021 Scope 1 & 2 emissions of 834,562 t CO2. Implementation of 77 measures to improve energy efficiency of existing processes / technologies (e.g. cooling technology) led to a decrease in CO2 emissions. Remark: Deviations from question C4.3a/b can be explained by the use of a location-based Scope 2 method in C4.3a/b and a market-based approach in this question.
Divestment	0	No change	0	In 2022, no significant divestments were made.
Acquisitions	0	No change	0	In 2022, no significant acquisitions were made.
Mergers	0	No change	0	In 2022, no significant mergers took place.
Change in output	23,250	Decreased	2.8	The decrease of CO2 emissions from the BMW Group own operations of 2.8 % resulted from the change in output due to the tense semiconductor supply situation and the ongoing coronavirus pandemic. During the year under report, this agility enabled us to respond both swiftly and specifically to major challenges, despite which we still managed to stabilize production volume year-on-year and equals to 23,250 t CO2 ($2.8\% = (23,250/834,562) \cdot 100$) with the 2021 Scope 1 & 2 emissions of 834,562 t CO2. To calculate the CO2 decrease from the 2022 emissions due to the change in output we assume constant CO2 efficiencies. Due to the significance of contract production, only vehicles manufactured at BMW Group production plants are taken into account when calculating the vehicle volume. Efficiency of contract production is assessed separately.
Change in methodology	0	No change	0	In 2022, no changes in methodology.

Change in boundary	0	No change	0	In 2022, no changes in boundaries.
Change in physical operating conditions	0	No change	0	In 2022, no significant changes in physical operating conditions.
Unidentified	0	No change		In 2022, no unidentified changes.
Other	20,683	Increased	2.5	<p>Due to the pandemic-related interruption of production in 2022, the BMW Group had a slight decrease in production volume. This decrease had an impact on energy consumption per vehicle. Energy efficiency was negatively impacted by lower unit volumes but the same base load and not least also by hygiene measures such as the requirement to increase the frequency of ventilation. The base load is the amount of power permanently required (e. g. standby consumption), regardless of how many vehicles are produced. It includes energy required for emergency and basic lighting, minimum ventilation or heating and air conditioning in standby mode. In 2022, the BMW Group was temporarily affected by these unfavorable operating points.</p> <p>The BMW Group's specific energy consumption for vehicle production in 2022 therefore increased by 1.4 % to 2.13 MWh per vehicle produced compared to 2021. The efficiency decrease therefore leads to an increase of CO2 emission of 2.5 % (2.5 % = (20,683/834,562)*100) with the 2021 Scope 1 & 2 emissions of 834,562 t CO2.</p>

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	145,361	3,621,414	3,766,775

Consumption of purchased or acquired electricity		2,483,463	58,971	2,542,434
Consumption of purchased or acquired heat		0	307,163	307,163
Consumption of purchased or acquired cooling		28,455	0	28,455
Consumption of self-generated non-fuel renewable energy		2,209		2,209
Total energy consumption		2,659,488	3,987,548	6,647,036

C8.2b

(C8.2b) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

HHV

Total fuel MWh consumed by the organization

145,361

MWh fuel consumed for self-generation of heat

1,095

MWh fuel consumed for self- cogeneration or self-trigeneration

144,266

Comment

Landfill gas and wood pellets

Other biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self- cogeneration or self-trigeneration

Comment

N/A

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self- cogeneration or self-trigeneration

Comment

N/A

Coal

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self- cogeneration or self-trigeneration

Comment

N/A

Oil

Heating value

HHV

Total fuel MWh consumed by the organization

16,730

MWh fuel consumed for self-generation of heat

16,730

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

N/A

Gas

Heating value

HHV

Total fuel MWh consumed by the organization

3,253,638

MWh fuel consumed for self-generation of heat

1,907,833

MWh fuel consumed for self- cogeneration or self-trigeneration

1,345,805

Comment

N/A

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

HHV

Total fuel MWh consumed by the organization

351,046

MWh fuel consumed for self-generation of heat

351,046

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Diesel, Gasoline, Kerosene

Total fuel

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

3,766,775

MWh fuel consumed for self-generation of heat

2,276,703

MWh fuel consumed for self- cogeneration or self-trigeneration

1,490,071

Comment

N/A

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	567,512	567,512	36,927	36,927
Heat	2,341,894	2,341,894	50,312	50,312
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

Austria

Consumption of purchased electricity (MWh)

177,325

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

No

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

177,325

Country/area

Austria

Consumption of purchased electricity (MWh)

0

Consumption of self-generated electricity (MWh)

12,671

Is this electricity consumption excluded from your RE100 commitment?

Yes

Consumption of purchased heat, steam, and cooling (MWh)

40,945

Consumption of self-generated heat, steam, and cooling (MWh)

11,729

Total non-fuel energy consumption (MWh) [Auto-calculated]

65,345

Country/area

Brazil

Consumption of purchased electricity (MWh)

17,066

Consumption of self-generated electricity (MWh)

534

Is this electricity consumption excluded from your RE100 commitment?

No

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

17,600

Country/area

Brazil

Consumption of purchased electricity (MWh)

0

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

Yes

Consumption of purchased heat, steam, and cooling (MWh)

10,709

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

10,709

Country/area

China

Consumption of purchased electricity (MWh)

614,023

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

No

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

614,023

Country/area

China

Consumption of purchased electricity (MWh)

0

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

Yes

Consumption of purchased heat, steam, and cooling (MWh)

506,685

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

506,685

Country/area

Germany

Consumption of purchased electricity (MWh)

983,655

Consumption of self-generated electricity (MWh)

88

Is this electricity consumption excluded from your RE100 commitment?

No

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

983,743

Country/area

Germany

Consumption of purchased electricity (MWh)

31

Consumption of self-generated electricity (MWh)

502,786

Is this electricity consumption excluded from your RE100 commitment?

Yes

Consumption of purchased heat, steam, and cooling (MWh)

1,059,206

Consumption of self-generated heat, steam, and cooling (MWh)

349,893

Total non-fuel energy consumption (MWh) [Auto-calculated]

1,911,916

Country/area

India

Consumption of purchased electricity (MWh)

2,021

Consumption of self-generated electricity (MWh)

1,297

Is this electricity consumption excluded from your RE100 commitment?

No

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

3,318

Country/area

India

Consumption of purchased electricity (MWh)

1,162

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

Yes

Consumption of purchased heat, steam, and cooling (MWh)

146

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1,308

Country/area

Mexico

Consumption of purchased electricity (MWh)

70,374

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

No

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

70,374

Country/area

Mexico

Consumption of purchased electricity (MWh)

573

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

Yes

Consumption of purchased heat, steam, and cooling (MWh)

36,123

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

36,696

Country/area

South Africa

Consumption of purchased electricity (MWh)

57,426

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

No

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

57,426

Country/area

South Africa

Consumption of purchased electricity (MWh)

5,198

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

Yes

Consumption of purchased heat, steam, and cooling (MWh)

49,217

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

54,415

Country/area

Thailand

Consumption of purchased electricity (MWh)

3,728

Consumption of self-generated electricity (MWh)

251

Is this electricity consumption excluded from your RE100 commitment?

No

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

3,979

Country/area

Thailand

Consumption of purchased electricity (MWh)

1,094

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

Yes

Consumption of purchased heat, steam, and cooling (MWh)

102

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1,196

Country/area

United Kingdom of Great Britain and Northern Ireland

Consumption of purchased electricity (MWh)

206,498

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

No

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

206,498

Country/area

United Kingdom of Great Britain and Northern Ireland

Consumption of purchased electricity (MWh)

617

Consumption of self-generated electricity (MWh)

15,127

Is this electricity consumption excluded from your RE100 commitment?

Yes

Consumption of purchased heat, steam, and cooling (MWh)

217,537

Consumption of self-generated heat, steam, and cooling (MWh)

5,398

Total non-fuel energy consumption (MWh) [Auto-calculated]

238,679

Country/area

United States of America

Consumption of purchased electricity (MWh)

327,945

Consumption of self-generated electricity (MWh)

40

Is this electricity consumption excluded from your RE100 commitment?

No

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

327,985

Country/area

United States of America

Consumption of purchased electricity (MWh)

24,283

Consumption of self-generated electricity (MWh)

34,718

Is this electricity consumption excluded from your RE100 commitment?

Yes

Consumption of purchased heat, steam, and cooling (MWh)

314,396

Consumption of self-generated heat, steam, and cooling (MWh)

49,217

Total non-fuel energy consumption (MWh) [Auto-calculated]

422,614

Country/area

Other, please specify

Rest of World

Consumption of purchased electricity (MWh)

23,401

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

No

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

23,401

Country/area

Other, please specify
Rest of World

Consumption of purchased electricity (MWh)

26,012

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

Yes

Consumption of purchased heat, steam, and cooling (MWh)

26,210

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

52,222

C8.2h

(C8.2h) Provide details of your organization's renewable electricity purchases in the reporting year by country/area.

Country/area of consumption of purchased renewable electricity

France

Sourcing method

Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type

Renewable electricity mix, please specify
solar, wind, hydropower, biomass and landfill gas

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

2,486

Tracking instrument used

GO

Country/area of origin (generation) of purchased renewable electricity

France

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Vintage of the renewable energy/attribute (i.e. year of generation)

Before 2020

Supply arrangement start year

2022

Additional, voluntary label associated with purchased renewable electricity

No additional, voluntary label

Comment

N/A

Country/area of consumption of purchased renewable electricity

Austria

Sourcing method

Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type

Renewable electricity mix, please specify
solar, wind, hydropower, biomass and landfill gas

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

173,297

Tracking instrument used

GO

Country/area of origin (generation) of purchased renewable electricity

Austria

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

1971

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Supply arrangement start year

2020

Additional, voluntary label associated with purchased renewable electricity

Other, please specify

Hydro-electric, NECS

Comment

N/A

Country/area of consumption of purchased renewable electricity

Austria

Sourcing method

Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type

Renewable electricity mix, please specify
solar, wind, hydropower, biomass and landfill gas

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

4,028

Tracking instrument used

GO

Country/area of origin (generation) of purchased renewable electricity

Austria

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2005

Vintage of the renewable energy/attribute (i.e. year of generation)

Before 2020

Supply arrangement start year

2020

Additional, voluntary label associated with purchased renewable electricity

No additional, voluntary label

Comment

N/A

Country/area of consumption of purchased renewable electricity

Belgium

Sourcing method

Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type

Renewable electricity mix, please specify
solar, wind, hydropower, biomass and landfill gas

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

2,368

Tracking instrument used

GO

Country/area of origin (generation) of purchased renewable electricity

Belgium

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Vintage of the renewable energy/attribute (i.e. year of generation)

Before 2020

Supply arrangement start year

2022

Additional, voluntary label associated with purchased renewable electricity

No additional, voluntary label

Comment

N/A

Country/area of consumption of purchased renewable electricity

Brazil

Sourcing method

Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type

Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

17,066

Tracking instrument used

I-REC

Country/area of origin (generation) of purchased renewable electricity

Brazil

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2015

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Supply arrangement start year

2021

Additional, voluntary label associated with purchased renewable electricity

Other, please specify

Wind Onshore, iREC, Brazil

Comment

N/A

Country/area of consumption of purchased renewable electricity

China

Sourcing method

Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type

Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

614,023

Tracking instrument used

I-REC

Country/area of origin (generation) of purchased renewable electricity

China

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2009

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Supply arrangement start year

2020

Additional, voluntary label associated with purchased renewable electricity

Other, please specify

iREC, Wind

Comment

N/A

Country/area of consumption of purchased renewable electricity

Germany

Sourcing method

Other, please specify

Direct procurement from an offsite grid-connected generator e.g. Power Purchase Agreement (PPA)

Renewable electricity technology type

Hydropower (capacity unknown)

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

242,185

Tracking instrument used

Contract

Country/area of origin (generation) of purchased renewable electricity

Germany

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

1931

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Supply arrangement start year

2021

Additional, voluntary label associated with purchased renewable electricity

Other, please specify

Hydro-electric, TÜV EE

Comment

N/A

Country/area of consumption of purchased renewable electricity

Germany

Sourcing method

Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type

Renewable electricity mix, please specify
solar, wind, hydropower, biomass and landfill gas

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

741,471

Tracking instrument used

GO

Country/area of origin (generation) of purchased renewable electricity

Germany

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2011

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Supply arrangement start year

2021

Additional, voluntary label associated with purchased renewable electricity

Other, please specify

No brand, label, or certification

Comment

N/A

Country/area of consumption of purchased renewable electricity

Spain

Sourcing method

Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type

Renewable electricity mix, please specify

solar, wind, hydropower, biomass and landfill gas

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

5,652

Tracking instrument used

GO

Country/area of origin (generation) of purchased renewable electricity

Spain

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Vintage of the renewable energy/attribute (i.e. year of generation)

Before 2020

Supply arrangement start year

2022

Additional, voluntary label associated with purchased renewable electricity

No additional, voluntary label

Comment

N/A

Country/area of consumption of purchased renewable electricity

India

Sourcing method

Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type

Renewable electricity mix, please specify
solar, wind, hydropower, biomass and landfill gas

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

2,021

Tracking instrument used

I-REC

Country/area of origin (generation) of purchased renewable electricity

India

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Supply arrangement start year

2022

Additional, voluntary label associated with purchased renewable electricity

Other, please specify

No brand, label, or certification

Comment

N/A

Country/area of consumption of purchased renewable electricity

Italy

Sourcing method

Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type

Renewable electricity mix, please specify

solar, wind, hydropower, biomass and landfill gas

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

5,425

Tracking instrument used

GO

Country/area of origin (generation) of purchased renewable electricity

Italy

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Vintage of the renewable energy/attribute (i.e. year of generation)

Before 2020

Supply arrangement start year

2022

Additional, voluntary label associated with purchased renewable electricity

Other, please specify

No additional voluntary label

Comment

N/A

Country/area of consumption of purchased renewable electricity

Japan

Sourcing method

Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type

Renewable electricity mix, please specify
solar, wind, hydropower, biomass and landfill gas

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

4,874

Tracking instrument used

GO

Country/area of origin (generation) of purchased renewable electricity

Japan

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Vintage of the renewable energy/attribute (i.e. year of generation)

Before 2020

Supply arrangement start year

2022

Additional, voluntary label associated with purchased renewable electricity

No additional, voluntary label

Comment

N/A

Country/area of consumption of purchased renewable electricity

Mexico

Sourcing method

Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type

Renewable electricity mix, please specify
solar, wind, hydropower, biomass and landfill gas

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

70,374

Tracking instrument used

I-REC

Country/area of origin (generation) of purchased renewable electricity

Mexico

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2019

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Supply arrangement start year

2019

Additional, voluntary label associated with purchased renewable electricity

Other, please specify

No brand, label, or certification

Comment

N/A

Country/area of consumption of purchased renewable electricity

Netherlands

Sourcing method

Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type

Renewable electricity mix, please specify

solar, wind, hydropower, biomass and landfill gas

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

2,112

Tracking instrument used

GO

Country/area of origin (generation) of purchased renewable electricity

Netherlands

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Vintage of the renewable energy/attribute (i.e. year of generation)

Before 2020

Supply arrangement start year

2022

Additional, voluntary label associated with purchased renewable electricity

No additional, voluntary label

Comment

N/A

Country/area of consumption of purchased renewable electricity

Poland

Sourcing method

Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type

Renewable electricity mix, please specify
solar, wind, hydropower, biomass and landfill gas

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

439

Tracking instrument used

GO

Country/area of origin (generation) of purchased renewable electricity

Poland

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Vintage of the renewable energy/attribute (i.e. year of generation)

Before 2020

Supply arrangement start year

2022

Additional, voluntary label associated with purchased renewable electricity

No additional, voluntary label

Comment

N/A

Country/area of consumption of purchased renewable electricity

Slovakia

Sourcing method

Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type

Renewable electricity mix, please specify
solar, wind, hydropower, biomass and landfill gas

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

45

Tracking instrument used

GO

Country/area of origin (generation) of purchased renewable electricity

Slovakia

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Vintage of the renewable energy/attribute (i.e. year of generation)

Before 2020

Supply arrangement start year

2022

Additional, voluntary label associated with purchased renewable electricity

No additional, voluntary label

Comment

N/A

Country/area of consumption of purchased renewable electricity

South Africa

Sourcing method

Other, please specify

Direct procurement from an offsite grid-connected generator e.g. Power Purchase Agreement (PPA)

Renewable electricity technology type

Sustainable Biomass

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

6,022

Tracking instrument used

Contract

Country/area of origin (generation) of purchased renewable electricity

South Africa

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2014

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Supply arrangement start year

2022

Additional, voluntary label associated with purchased renewable electricity

Other, please specify

No brand, label, or certification

Comment

N/A

Country/area of consumption of purchased renewable electricity

South Africa

Sourcing method

Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type

Renewable electricity mix, please specify
solar, wind, hydropower, biomass and landfill gas

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

51,404

Tracking instrument used

I-REC

Country/area of origin (generation) of purchased renewable electricity

South Africa

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2015

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Supply arrangement start year

2015

Additional, voluntary label associated with purchased renewable electricity

Other, please specify

No brand, label, or certification

Comment

N/A

Country/area of consumption of purchased renewable electricity

Thailand

Sourcing method

Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type

Renewable electricity mix, please specify
solar, wind, hydropower, biomass and landfill gas

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

3,728

Tracking instrument used

I-REC

Country/area of origin (generation) of purchased renewable electricity

Thailand

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Supply arrangement start year

2022

Additional, voluntary label associated with purchased renewable electricity

Other, please specify

No brand, label, or certification

Comment

Onsite Solar installed

Country/area of consumption of purchased renewable electricity

United Kingdom of Great Britain and Northern Ireland

Sourcing method

Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type

Renewable electricity mix, please specify

solar, wind, hydropower, biomass and landfill gas

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

197,707

Tracking instrument used

GO

Country/area of origin (generation) of purchased renewable electricity

United Kingdom of Great Britain and Northern Ireland

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2010

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Supply arrangement start year

2018

Additional, voluntary label associated with purchased renewable electricity

Other, please specify

No brand, label, or certification

Comment

N/A

Country/area of consumption of purchased renewable electricity

United Kingdom of Great Britain and Northern Ireland

Sourcing method

Purchase from an on-site installation owned by a third party (on-site PPA)

Renewable electricity technology type

Solar

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

8,791

Tracking instrument used

Contract

Country/area of origin (generation) of purchased renewable electricity

United Kingdom of Great Britain and Northern Ireland

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2015

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Supply arrangement start year

2015

Additional, voluntary label associated with purchased renewable electricity

Other, please specify

No brand, label, or certification

Comment

N/A

Country/area of consumption of purchased renewable electricity

United States of America

Sourcing method

Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type

Renewable electricity mix, please specify
solar, wind, hydropower, biomass and landfill gas

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

314,627

Tracking instrument used

US-REC

Country/area of origin (generation) of purchased renewable electricity

United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2021

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Supply arrangement start year

2022

Additional, voluntary label associated with purchased renewable electricity

Other, please specify
Green-e, US Wind

Comment

N/A

Country/area of consumption of purchased renewable electricity

United States of America

Sourcing method

Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type

Renewable electricity mix, please specify
solar, wind, hydropower, biomass and landfill gas

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

13,318

Tracking instrument used

GO

Country/area of origin (generation) of purchased renewable electricity

United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2021

Vintage of the renewable energy/attribute (i.e. year of generation)

Before 2020

Supply arrangement start year

2022

Additional, voluntary label associated with purchased renewable electricity

No additional, voluntary label

Comment

N/A

C8.2i

(C8.2i) Provide details of your organization's low-carbon heat, steam, and cooling purchases in the reporting year by country/area..

Sourcing method

Heat/steam/cooling supply agreement

Country/area of consumption of low-carbon heat, steam or cooling

Germany

Energy carrier

Cooling

Low-carbon technology type

Other, please specify

Düker drainage pipe systems

Low-carbon heat, steam, or cooling consumed (MWh)

28,455

Comment

N/A

C8.2j

(C8.2j) Provide details of your organization's renewable electricity generation by country/area in the reporting year.

Country/area of generation

Brazil

Renewable electricity technology type

Solar

Facility capacity (MW)

0.27

Total renewable electricity generated by this facility in the reporting year (MWh)

534

Renewable electricity consumed by your organization from this facility in the reporting year (MWh)

534

Energy attribute certificates issued for this generation

No

Type of energy attribute certificate

Comment

PV

Country/area of generation

Germany

Renewable electricity technology type

Solar

Facility capacity (MW)

0.04

Total renewable electricity generated by this facility in the reporting year (MWh)

88

Renewable electricity consumed by your organization from this facility in the reporting year (MWh)

88

Energy attribute certificates issued for this generation

No

Type of energy attribute certificate

Comment

PV

Country/area of generation

India

Renewable electricity technology type

Solar

Facility capacity (MW)

0.65

Total renewable electricity generated by this facility in the reporting year (MWh)

1,297

Renewable electricity consumed by your organization from this facility in the reporting year (MWh)

1,297

Energy attribute certificates issued for this generation

No

Type of energy attribute certificate

Comment

PV

Country/area of generation

Thailand

Renewable electricity technology type

Solar

Facility capacity (MW)

0.13

Total renewable electricity generated by this facility in the reporting year (MWh)

251

Renewable electricity consumed by your organization from this facility in the reporting year (MWh)

251

Energy attribute certificates issued for this generation

No

Type of energy attribute certificate

Comment

PV

Country/area of generation

United States of America

Renewable electricity technology type

Solar

Facility capacity (MW)

0.02

Total renewable electricity generated by this facility in the reporting year (MWh)

40

Renewable electricity consumed by your organization from this facility in the reporting year (MWh)

40

Energy attribute certificates issued for this generation

No

Type of energy attribute certificate

Comment

PV

Country/area of generation

United States of America

Renewable electricity technology type

Sustainable biomass

Facility capacity (MW)

10

Total renewable electricity generated by this facility in the reporting year (MWh)

34,718

Renewable electricity consumed by your organization from this facility in the reporting year (MWh)

34,718

Energy attribute certificates issued for this generation

No

Type of energy attribute certificate

Comment

CHP (landfill gas)

C8.2k

(C8.2k) Describe how your organization's renewable electricity sourcing strategy directly or indirectly contributes to bringing new capacity into the grid in the countries/areas in which you operate.

Worldwide, all BMW Group production sites and the vast majority of its other locations procure their electricity from renewable self-generation plants, direct supply contracts for green electricity, and electricity of certified origin. Moreover, we are increasing the amount of renewable energy generated at our own sites. Additions made during the reporting year included largescale photovoltaic installations at our plant in Araquari, Brazil, which generate some of the electricity required for production at the site. The BMW Group is unable to entirely cover its electricity requirements by producing its own renewable energy, and therefore purchases additional power from renewable and predominantly local or regional sources. We cover an increasing proportion of our electricity requirements through so-called Power Purchase Agreements (PPAs), i. e. direct purchases from defined renewable energy generation plants, supporting the development of new renewable capacity in areas in which we produce.

C8.2I

(C8.2I) In the reporting year, has your organization faced any challenges to sourcing renewable electricity?

	Challenges to sourcing renewable electricity
Row 1	No

C-T08.5

(C-T08.5) Provide any efficiency metrics that are appropriate for your organization’s transport products and/or services.

Activity

Light Duty Vehicles (LDV)

Metric figure

2.13

Metric numerator

MWh

Metric denominator

Production: Vehicle

Metric numerator: Unit total

4,750,321

Metric denominator: Unit total

2,231,020

% change from previous year

1.57

Please explain

The metric numerator is given by the energy consumption for production of the vehicles in the BMW Group production network in 2022 of 4,750,321 MWh. This metric measures the energy efficiency of the BMW Group production technologies which is why we subtracted the losses of our own combined heat and power plant installations. The metric denominator is given by 2,231,020 vehicles produced in the BMW Group owned facilities. The metric is then calculated by dividing the energy value from the production sites with the production volume. This results in 2.13 MWh per vehicle produced.

The BMW Group invests systematically in the energy efficiency of its global production network, enabling it to cut the energy consumption of machines to a minimum, such as those deployed to generate the required processing heat in its paint shops. The limited availability of semiconductor components compelled the BMW Group to make adjustments to its production programme during the year under report, which also negatively impacted energy consumption per vehicle at some of its plants. For this reason, absolute consumption within the BMW Group decreased to 6,295,990 MWh during the year under report (2021: 6,476,955 MWh). However, at 2.13 MWh per vehicle produced, specific energy consumption in the BMW Group’s vehicle production rose by 1.6 % in 2022 compared to 2021.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Waste

Metric value

2.74

Metric numerator

6,113,000

Metric denominator (intensity metric only)

2,231,020

% change from previous year

5.5

Direction of change

Decreased

Please explain

In its efforts to reduce the total volume of waste, the BMW Group uses recycling and preparation concepts that are adapted to the specific waste streams at its various plants as well as to regionally applicable statutory regulations and locally available waste management structures. In 2022, a total of 99.3 % (2021: 99.2 %) of the waste generated by production was either recycled or recovered. The BMW Group was able to reduce the proportion of waste for disposal per vehicle produced by a solid 5.5 % to 2.74 kg compared with the previous year (2021: 2.90 kg). We intend to maintain this high level of recycling and recovery at its plants in the course of gradually transitioning to electric mobility. With this goal in mind, we are currently in the process of integrating any newly identified waste streams in our recycling and processing systems.

C-TO9.3/C-TS9.3

(C-TO9.3/C-TS9.3) Provide tracking metrics for the implementation of low-carbon transport technology over the reporting year.

Activity

Light Duty Vehicles (LDV)

Metric

Sales

Technology

Other, please specify

Number of PHEVs and BEVs (xEVs)

Metric figure

433,792

Metric unit

Units

Explanation

It is our goal to create solutions and innovations that inspire our customers. Our BMW Group Strategy is the path to the Group's success over the long-term. It provides a roadmap for our transformation towards sustainable and digital mobility. Our future is electric. The BMW Group develops electric vehicles that combine the advantages of sustainable mobility with a new driving experience for customers.

The systematic electrification of its products, with a wide range of attractive models, is proving to be a key success factor for the BMW Group. High demand for BMW and MINI brand all-electric vehicles gave rise to dynamic sales growth in this area in 2022. Overall, the BMW Group delivered a total of 215,752 all-electric vehicles to customers, more than doubling the number achieved one year earlier (2021: 103,854 units; + 107.7 %). The innovative BMW iX and BMW i4 in particular played a major role in this development, with both models generating an extremely positive response. The BMW iX3 and the MINI Cooper SE also continued to meet with an unchanged high level of demand in their various markets. Towards the end of 2022, the BMW Group's ever-growing product range was added to with the launch of two further all-electric models, the BMW i7 luxury sedan and the all-electric BMW iX1. Sales of battery electric (BEV) and plug-in electric (PHEV) vehicles in 2022 totalled 433,792 units (2021: 328,314 units; + 32.1 %). The share of electrified automobiles in total deliveries during the 12-month period under report rose to 18.1 % (2021: 13.0 %; + 39.2 %). At the same time, the higher share enabled further progress to be made in reducing fleet emissions.

The share of electrified vehicles in total deliveries might exceed 30 % by as early as 2025. In our view, the NEUE KLASSE has the potential to additionally accelerate the market penetration of electric mobility, and thus a 50 % share of all-electric vehicles in the BMW Group's global unit sales could be achieved even earlier than 2030. Under these conditions, the BMW Group aims to surpass the mark of ten million all-electric vehicles delivered to customers in total by 2030. This positive expectation for future sales will also play a key role in the review of our carbon emissions reduction targets scheduled to take place in 2023.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	N/A

C-TO9.6a/C-TS9.6a

(C-TO9.6a/C-TS9.6a) Provide details of your organization's investments in low-carbon R&D for transport-related activities over the last three years.

Activity

Light Duty Vehicles (LDV)

Technology area

Battery electric vehicle

Stage of development in the reporting year

Large scale commercial deployment

Average % of total R&D investment over the last 3 years

0

R&D investment figure in the reporting year (unit currency as selected in C0.4) (optional)

7,178,000,000

Average % of total R&D investment planned over the next 5 years

50

Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

REMARK: Due to competitive reasons we can not disclose the average % of total R&D investment over the last 3 years and therefore state 0. Planned MINIMUM 50% (incl. BEV, Hydrogen and other technologies): EU Taxonomy aligned share of aggregated CapEx and OpEx for segments Automotive and Motorcycle, is expected to be in FY 2025 min. 50% and in 2030 min.60%, based on total aggregated CapEx and OpEx for those segments.

The systematic electrification of its products, with a wide range of attractive models, is proving to be a key success factor for the BMW Group. High demand for BMW and MINI brand all-electric vehicles gave rise to dynamic sales growth in this area in 2022. Overall, the BMW Group delivered a total of 215,752 all-electric vehicles to customers, more than doubling the number achieved one year earlier (2021: 103,854 units; + 107.7 %). The innovative BMW iX and BMW i4 in particular played a major role in this development, with both models generating an extremely positive response. The BMW iX3 and the MINI Cooper SE also continued to meet with an unchanged high level of demand in their various markets. Towards the end of 2022, the BMW Group's ever-growing product range was added to with the launch of two further all-electric models, the BMW i7 luxury sedan and the all-electric BMW iX1. Sales of battery electric (BEV) and plug-in electric (PHEV) vehicles in 2022 totalled 433,792 units (2021: 328,314 units; + 32.1 %). The share of electrified automobiles in total deliveries during the 12-month period under report rose to 18.1 % (2021: 13.0 %; + 39.2 %). At the same time, the higher share enabled further progress to be made in reducing fleet emissions.

The continuing transformation of the BMW Group is reflected in the moderate increase in research and development spending, mainly driven by new models, the NEUE KLASSE and the associated development of the sixth generation of electric drive trains. Additional investments were also made in digitalisation of the vehicle fleet and automated driving.

We already have over 600,000 BEVs on the roads. By 2024, at least one in five of the BMW Group's new vehicles should be a BEV; by 2025, it will be one in four and, by 2026, one in three. More than half the vehicles we sell worldwide will be fully electric before 2030.

Our R&D expenditures in 2022 were EUR 7.2 billion (2021 EUR 6.9 billion, 2020: EUR 6.3 billion) to develop models with further increased efficiency, PHEVs, BEVs and mobility services.

Activity

Light Duty Vehicles (LDV)

Technology area

Hydrogen fuel cell

Stage of development in the reporting year

Full/commercial-scale demonstration

Average % of total R&D investment over the last 3 years

0

R&D investment figure in the reporting year (unit currency as selected in C0.4) (optional)

7,178,000,000

Average % of total R&D investment planned over the next 5 years

50

Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

REMARK: Due to competitive reasons we can not disclose the average % of total R&D investment over the last 3 years and therefore state 0. Planned MINIMUM 50% (incl. BEV, Hydrogen and other technologies): EU Taxonomy aligned share of aggregated CapEx and OpEx for segments Automotive and Motorcycle, is expected to be in FY 2025 min. 50% and in 2030 min. 60%, based on total aggregated CapEx and OpEx for those segments.

During the period under report, we began testing the BMW iX5 Hydrogen with its hydrogen fuel cell drive system under everyday conditions. We aim to test the interaction between the CO2-free drivetrain, the chassis technology and the electronic systems in realistic situations. In order to gain further experience, a pilot fleet of the all-electric model has been in production since the end of 2022.

Hydrogen fuel cell technology has the potential to become a sustainable complement to battery-powered e-drive systems. The technology really comes into its own when a comprehensive electric charging infrastructure is not available; it could also be deployed for long-distance use or in

larger classes of vehicle. Depending on market requirements and developments, we intend to offer the model as a series production vehicle in the second half of this decade.

The BMW iX5 Hydrogen is equipped with fuel cells developed in collaboration with the Toyota Motor Corporation. The fuel cell stack and the overall drive system have both been developed in-house. The collaboration project has been in place since 2013 and aims to optimise the technology's suitability for everyday use in each company's own series production vehicles.

The BMW Group is supporting initiatives across Europe with the aim of establishing an efficient, hydrogen-based economy and promoting the production of green hydrogen.

Activity

Light Duty Vehicles (LDV)

Technology area

Alternative battery technology

Stage of development in the reporting year

Applied research and development

Average % of total R&D investment over the last 3 years

0

R&D investment figure in the reporting year (unit currency as selected in C0.4) (optional)

7,178,000,000

Average % of total R&D investment planned over the next 5 years

50

Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

REMARK: Due to competitive reasons we can not disclose the average % of total R&D investment over the last 3 years and therefore state 0. Planned MINIMUM 50% (incl. BEV, Hydrogen and other technologies): EU Taxonomy aligned share of aggregated CapEx and OpEx for

segments Automotive and Motorcycle, is expected to be in FY 2025 min. 50% and in 2030 min. 60%, based on total aggregated CapEx and OpEx for those segments.

High-performance, innovative and sustainably produced battery cells are the key to success for individual electric mobility. With its NEUE KLASSE models, the BMW Group will be entering a new era of e-mobility as of 2025, using newly developed round battery cells for the first time that are ideally suited to the new architecture. The sixth generation of our lithium-ion cells represents a giant technological leap forward compared with the previous generation, effectively increasing energy density by more than 20 %, charging speed by up to 30 % and range by around 30 %. The carbon emissions generated by cell production will be reduced by up to 60 %. The BMW Group has placed orders worth a double-digit billion euro amount prior to the production of the new BMW battery cells.

Benefiting from the extensive in-house expertise gained from the Group’s own Cell Manufacturing Competence Centre, the team consisting of Development, Production and Purchasing has succeeded in significantly cutting the total cost of the high-voltage storage system, thanks to the new battery cell and the innovative integration concept for the storage technology developed by the BMW Group. Based on current market assumptions, the cost can potentially be reduced by up to 50 % compared to the current fifth generation.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 BMW-Group-Bericht-2022-de.pdf

 BMW_Group-Report-2022-en.pdf

Page/ section reference

Page 256-258 / BMW Group Report 2022, Responsibility Statement and Auditor's Report: Independent Practitioner's Report (assured Scope 1 emissions are found on page 311). In addition to the "Independent Practitioner's Report" we attached the BMW Group Report with the Independent Practitioner's Report in German (p. 256-258).

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 BMW-Group-Bericht-2022-de.pdf

 BMW_Group-Report-2022-en.pdf

Page/ section reference

Page 256-258 / BMW Group Report 2022, Responsibility Statement and Auditor's Report: Independent Practitioner's Report (assured Scope 2 emissions on page 311. Location based Scope 2 emissions in Footnote 4). In addition to the "Independent Practitioner's Report" we attached the BMW Group Report with the Independent Practitioner's Report in German (p. 256-258).

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 BMW-Group-Bericht-2022-de.pdf

 BMW_Group-Report-2022-en.pdf

Page/ section reference

Page 256-258 / BMW Group Report 2022, Responsibility Statement and Auditor's Report: Independent Practitioner's Report (assured Scope 2 emissions on page 311). In addition to the "Independent Practitioner's Report" we attached the BMW Group Report with the Independent Practitioner's Report in German (p. 256-258).

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Upstream transportation and distribution

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 BMW-Group-Bericht-2022-de.pdf

 BMW_Group-Report-2022-en.pdf

Page/section reference

Page 256-258 / BMW Group Report 2022, Responsibility Statement and Auditor's Report: Independent Practitioner's Report (assured Scope 3 emissions for upstream transportation and distribution are found on page 312). In addition to the "Independent Practitioner's Report" we attached the BMW Group Report with the Independent Practitioner's Report in German (p. 256-258).

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Business travel

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 BMW-Group-Bericht-2022-de.pdf

 BMW_Group-Report-2022-en.pdf

Page/section reference

Page 256-258 / BMW Group Report 2022, Responsibility Statement and Auditor's Report: Independent Practitioner's Report (assured Scope 3 emissions for business travel are found on page 312). In addition to the "Independent Practitioner's Report" we attached the BMW Group Report with the Independent Practitioner's Report in German (p. 256-258).

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Employee commuting

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 BMW-Group-Bericht-2022-de.pdf

 BMW_Group-Report-2022-en.pdf

Page/section reference

Page 256-258 / BMW Group Report 2022, Responsibility Statement and Auditor's Report: Independent Practitioner's Report (assured Scope 3 emissions for employee commuting are found on page 312). In addition to the "Independent Practitioner's Report" we attached the BMW Group Report with the Independent Practitioner's Report in German (p. 256-258).

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Purchased goods and services

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 BMW-Group-Bericht-2022-de.pdf

 BMW_Group-Report-2022-en.pdf

Page/section reference

Page 256-258 / BMW Group Report 2022, Responsibility Statement and Auditor's Report: Independent Practitioner's Report (assured Scope 3 emissions for purchased goods and services are found on page 312). In addition to the "Independent Practitioner's Report" we attached the BMW Group Report with the Independent Practitioner's Report in German (p. 256-258).

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Use of sold products

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 BMW-Group-Bericht-2022-de.pdf

 BMW_Group-Report-2022-en.pdf

Page/section reference

Page 256-258 / BMW Group Report 2022, Responsibility Statement and Auditor's Report: Independent Practitioner's Report (assured Scope 3 emissions for the use of sold products are found on page 312). In addition to the "Independent Practitioner's Report" we attached the BMW Group Report with the Independent Practitioner's Report in German (p. 256-258).

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: End-of-life treatment of sold products

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 BMW-Group-Bericht-2022-de.pdf

 BMW_Group-Report-2022-en.pdf

Page/section reference

Page 256-258 / BMW Group Report 2022, Responsibility Statement and Auditor's Report: Independent Practitioner's Report (assured Scope 3 emissions for the end-of-life treatment of sold products are found on page 312). In addition to the "Independent Practitioner's Report" we attached the BMW Group Report with the Independent Practitioner's Report in German (p. 256-258).

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100




C10.2



(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?


Yes


C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C7. Emissions breakdown	Year on year change in emissions (Scope 1 and 2)	ISAE3000	<p>Please read page 256-258 / BMW Group Report 2022, Responsibility Statement and Auditor’s Report: Independent Practitioner’s Report where it is stated that the disclosures denoted with the symbol “[[...]]” and the disclosures in the sections “Dialog with Stakeholders”, “Further GRI Information” and “SASB-Index” had been verified in limited assurance. We report e.g. since several years year by year Scope 1, 2 & 3 emission figures, compare them to previous years as well as with respect to our targets. Assured Scope 1, 2 & 3 from 2019 until 2022 can be found on page 311-312 of the BMW Group Report 2022.</p> <p> 1, 2</p>
C7. Emissions breakdown	Year on year change in emissions (Scope 3)	ISAE3000	<p>Please read page 256-258 / BMW Group Report 2022, Responsibility Statement and Auditor’s Report: Independent Practitioner’s Report where it is stated that the disclosures denoted with the symbol “[[...]]” and the disclosures in the sections “Dialog with Stakeholders”, “Further GRI Information” and “SASB-Index” had been verified in limited assurance. We report e.g. since several years year by year Scope 1, 2 & 3 emission figures, compare them to previous years as well as with respect to our targets. Assured Scope 1, 2 & 3 from 2019 until 2022 can be found on page 311-312 of the BMW Group Report 2022.</p> <p> 1, 2</p>
C8. Energy	Energy consumption	ISAE3000	<p>Please read page 256-258 / BMW Group Report 2022, Responsibility Statement and Auditor’s Report: Independent Practitioner’s Report where it is stated that the disclosures denoted with the symbol “[[...]]” and the disclosures in the sections “Dialog with Stakeholders”, “Further GRI Information” and “SASB-Index” had been verified in limited assurance. We report energy consumption figures from 2019 to 2022 on page 313 of the BMW Group Report 2022.</p> <p> 1, 2</p>

C8. Energy	Renewable energy products	ISAE3000	<p>Please read page 256-258 / BMW Group Report 2022, Responsibility Statement and Auditor’s Report: Independent Practitioner’s Report where it is stated that the disclosures denoted with the symbol “[[...]]” and the disclosures in the sections “Dialog with Stakeholders”, “Further GRI Information” and “SASB-Index” had been verified in limited assurance. We report e.g. since several years year by year Scope 1, 2 & 3 emission figures, compare them to previous years as well as with respect to our targets. Assured Scope 1, 2 & 3 emission figures from 2019 until 2022 can be found on page 311-312 of the BMW Group Report 2022. Our market-based emissions are verified and with them all renewable energy products.</p> <p> 1, 2</p>
C12. Engagement	Other, please specify Supplier engagement	ISAE3000	<p>Please read page 256-258 / BMW Group Report 2022, Responsibility Statement and Auditor’s Report: Independent Practitioner’s Report where it is stated that the disclosures denoted with the symbol “[[...]]” and the disclosures in the sections “Dialog with Stakeholders”, “Further GRI Information” and “SASB-Index” had been verified in limited assurance. We report e.g. on page 110-113 on our supply chain engagement. An overview of our stakeholder engagement can be found on page 31-33.</p> <p> 1, 2</p>

 ¹BMW-Group-Bericht-2022-de.pdf

 ²BMW_Group-Report-2022-en.pdf

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

EU ETS

South Africa carbon tax

UK ETS

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

EU ETS

% of Scope 1 emissions covered by the ETS

56

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1, 2022

Period end date

December 31, 2022

Allowances allocated

48,357

Allowances purchased

0

Verified Scope 1 emissions in metric tons CO₂e

334,477

Verified Scope 2 emissions in metric tons CO2e

0

Details of ownership

Other, please specify

Own facilities operated & own aircrafts

Comment

The above-mentioned allowances (48,357 metric tons CO2e) are those allocated in the reporting year 2022. The difference between the verified emissions of 334,477 metric tons CO2e in the reporting year and the allocated allowances in the reporting year are covered with allocated allowances from the past years which we have saved due to our CO2 efficient operations.

Between 2006 and 2020, we increased energy efficiency by 38 % and reduced CO2-emissions by 78 % per vehicle produced. Besides sourcing 100 % green electricity from 2020, we will consistently invest in optimizing energy efficiency. In 2020, we have set ourselves the goal of reducing CO2-emissions per vehicle produced by another 80 % by 2030. Compared to 2006, this will leave less than 10 % of the original CO2 emissions.

UK ETS

% of Scope 1 emissions covered by the ETS

8

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1, 2022

Period end date

December 31, 2022

Allowances allocated

9,447

Allowances purchased

26,750

Verified Scope 1 emissions in metric tons CO2e

36,197

Verified Scope 2 emissions in metric tons CO2e

0

Details of ownership

Other, please specify

Own facilities operated

Comment

The above-mentioned allowances (9,447 metric tons CO2e) are those allocated in the reporting year 2022. Furthermore, we purchased 26,750 metric tons CO2e allowances.

Between 2006 and 2020, we increased energy efficiency by 38 % and reduced CO2-emissions by 78 % per vehicle produced. Besides sourcing 100 % green electricity from 2020, we will consistently invest in optimizing energy efficiency. In 2020, we have set ourselves the goal of reducing CO2-emissions per vehicle produced by another 80 % by 2030. Compared to 2006, this will leave less than 10 % of the original CO2 emissions.

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

South Africa carbon tax

Period start date

January 1, 2022

Period end date

December 31, 2022

% of total Scope 1 emissions covered by tax

1.3

Total cost of tax paid

24,646

Comment

Local Tax paid for carbon emissions from Plant, NSC and VDC.

C11.1d**(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?**

Our strategy for complying with the EU ETS is first and foremost the continuous reduction of CO₂ emissions through our Clean Production strategy. Between 2006 and 2020, we increased energy efficiency by 38 % and reduced CO₂ emissions by 78 % per vehicle produced. In 2020, we have set ourselves the goal of reducing CO₂ emissions per vehicle produced by another 80 % by 2030 compared to the base year 2019. Compared to 2006, this will leave less than 10 % of the original CO₂ emissions. This means that we have set ourselves the highest reduction targets in the industry for CO₂ emissions from own plants and locations. We want to be the leading OEM in renewable energy usage in production and the value-added chain. We aim to have each production site worldwide being powered by the most ecologically and economically sustainable energy resource available. The USA plant in Spartanburg for example, covers around 50 % of its fuel needs by utilizing gas recovered from a nearby landfill site. In 2020, we made another step in this direction by purchasing 100 % green electricity, i. e. energy generated from renewable sources for all our locations worldwide as well as the BMW Brilliance Automotive (BBA) joint venture. In 2022, total Scope 1 and 2 CO₂ emissions amounted to 785,357 tons of CO₂ (2021: 834,562 tons). The figure decreased by around 6 % in the year under report, mainly driven by Scope 2 reduction through renewable energy. Energy from renewable sources added in 2022 to about 2,659 GWh, which equals to a share of around 40 % renewable energy.

APPLICATION OF THE STRATEGY:

To ensure compliance with the EU ETS, all allowances of our European production sites are pooled and handled by a central function "Location Development, Energy, Environmental Protection". As a benefit of our Group-wide targets for the production network to reduce the key indicator energy consumption per vehicle produced we profit from allowances saved through our performance in previous years. In the 3rd phase of the ETS (since 2013) EUA allocation is reserved merely for heat and faced a reduction from 80 % in 2013 to 30 % in 2020. The price for EUAs increased already

significantly and varied in 2022 around EUR 60-100 per ton. We expect the price to further increase significantly in the following years which is also reflected in our business case calculations. The exposure of the BMW Group is minimized due to the advancements in resource and energy efficiency. Use of cogeneration plants might cause the need to purchase additional allowances in the future, but contribute to our overall Scope 1 and Scope 2 CO2 target and cost efficiency and have a mid-term the potential, to reduce Scope 1 CO2 emissions if the availability of renewable fuels improves on a larger scale in the EU. The BMW Group uses "banking of allowances" for the 3rd Phase of the ETS.

In the 4th phase (starting with 2021) of the EU ETS the free allowances have been reduced for our industry and will end in 2030. With our long-term target of CO2 reduction in Scope 1 and 2 by 80 % per vehicle produced we will reduce our need of allowances significantly. Nevertheless, until the end of the 4th ETS phase we will need and purchase additional allowances to comply with regulatory expectations.

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits canceled by your organization in the reporting year.

Project type

Solar

Type of mitigation activity

Emissions reduction

Project description

Small project in renewable energies and a small part of a larger project in renewable energies.

Following the principle 'First reduce, then offset', the carbon emissions either directly or indirectly generated by BMW Group locations are already within the 1.5°C pathway calculated for the BMW Group. The emissions remaining after applying mitigation measures in the BMW

Group's carbon footprint Scope 1 and Scope 2 as well as the Scope 3 category "business travel" are offset by means of voluntary compensation certificates. In cooperation with well-known partners such as atmosfair or First Climate, we support climate protection projects that meet strict criteria, such as permanent decarbonization, additionality, the avoidance of double-counting and additional social benefits (SDG co-benefits). For the small solar project, the SDG co-benefits are listed below.

Credits canceled by your organization from this project in the reporting year (metric tons CO₂e)

44,835

Purpose of cancellation

Voluntary offsetting

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2019

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

Gold Standard

Method(s) the program uses to assess additionality for this project

Positive lists

Approach(es) by which the selected program requires this project to address reversal risk

No risk of reversal

Potential sources of leakage the selected program requires this project to have assessed

Other, please specify

no leakage emissions are considered. The emissions potentially arising due to activities such as power plant construction and upstream emissions from fossil fuel use (e.g. extraction, processing, transport etc.) are neglected.

Provide details of other issues the selected program requires projects to address

As per CDM ACM0002 methodology, no leakage emissions are considered. The emissions potentially arising due to activities such as power plant construction and upstream emissions from fossil fuel use (e.g. extraction, processing, transport etc.) are neglected.

The project addresses 3 SDGs that are monitored: Affordable and Clean Energy (SDG 7), Decent Work and Economic Growth (SDG8), and Climate Action (SDG 13).

SDG Impacts:

SDG 7: Renewable energy exported to the Senegalese grid from the grid-connected solar PV power plant.

SDG 8: Characteristics/types of employments created and labour terms and conditions, such as job-related health and safety and training of employees.

SDG 13: Greenhouse Gas Emissions reduced due to the project.

Comment

Vintage of credits at cancellation: 2019 - 2020

Project type

Clean cookstove distribution

Type of mitigation activity

Emissions reduction

Project description

Efficient cookpots (60-80% more efficient than usual source of cooking energy) in rural areas in developing countries.

Following the principle 'First reduce, then offset', the carbon emissions either directly or indirectly generated by BMW Group locations are already within the 1.5°C pathway calculated for the BMW Group. The emissions remaining after applying mitigation measures in the BMW Group's carbon footprint Scope 1 and Scope 2 as well as the Scope 3 category "business travel" are offset by means of voluntary compensation certificates. In cooperation with well-known partners such as atmosfair or First Climate, we support climate protection projects that meet strict criteria, such as permanent decarbonization, additionality, the avoidance of double-counting and additional social benefits (SDG co-benefits).

For our efficient cookstove projects, these are e.g. health benefits from a reduction of respiratory, lung and eye illnesses. As an example, the full list of SDG co-benefits monitored and not monitored for one of our cookstove projects is listed below.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

59,500

Purpose of cancellation

Voluntary offsetting

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2019

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

Gold Standard

Method(s) the program uses to assess additionality for this project

Market penetration assessment
Positive lists

Approach(es) by which the selected program requires this project to address reversal risk

No risk of reversal

Potential sources of leakage the selected program requires this project to have assessed

Other, please specify
Potential sources of leakages are treated by a scaling factor for the emission reductions

Provide details of other issues the selected program requires projects to address

Potential sources of leakages are treated by a scaling factor for the emission reductions.

As for our project in Ruanda, the project addresses 4 SDGs that are also monitored: Gender Equality (SDG5), Affordable and Clean Energy (SDG 7), Decent Work and Economic Growth (SDG8), and Climate Action (SDG 13).

The Save80 efficient cook stove reduces the consumption of fuelwood, thereby reducing deforestation and Green House Gas emissions. The cleaner combustion minimizes smoke and thus the risk of lung, respiratory and eye diseases. Through the financial and health benefits, the Save80 significantly improves the living conditions of its users. Other SDGs that are addressed but not monitored are SDG 1, 2, 3, 4, 11, 15, and 17.

Comment

Vintage of credits at cancellation: 2019-2020, one project 2018

Project type

Energy efficiency: households

Type of mitigation activity

Emissions reduction

Project description

Small biogas units for households in rural, poor areas.

Following the principle 'First reduce, then offset', the carbon emissions either directly or indirectly generated by BMW Group locations are already within the 1.5°C pathway calculated for the BMW Group. The emissions remaining after applying mitigation measures in the BMW Group's carbon footprint Scope 1 and Scope 2 as well as the Scope 3 category "business travel" are offset by means of voluntary compensation certificates. In cooperation with well-known partners such as atmosfair or First Climate, we support climate protection projects that meet strict criteria, such as permanent decarbonization, additionality, the avoidance of double-counting and additional social benefits (SDG co-benefits). For our small scale household biogas projects, these are e.g. health benefits from a reduction of respiratory illnesses, formerly caused by breathing smoky air from woodfires. The full list of SDG co-benefits monitored and not monitored is listed below.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

440,550

Purpose of cancellation

Voluntary offsetting

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2019

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

Gold Standard

Method(s) the program uses to assess additionality for this project

Positive lists

Approach(es) by which the selected program requires this project to address reversal risk

No risk of reversal

Potential sources of leakage the selected program requires this project to have assessed

Other, please specify

Leakage due to the use/diversion of non-renewable woody biomass saved under the project activity by nonproject households/users that previously used renewable energy sources.

Provide details of other issues the selected program requires projects to address

The project addresses 3 SDGs that are also monitored: Good Health and Well-Being (SDG 3), Affordable and Clean Energy (SDG 7) and Climate Action (SDG 13).

The biogas plants replace traditional woodfires and prevent people from breathing smoky air. Biogas is a clean energy source which is provided

to rural households in the project to reduce the use non-renewable energy sources. Other SDGs that are addressed but not monitored are SDG 1, 2, 4, 5, 6, 8, 9, 11, 15, and 17

Comment

Vintage of credits at cancellation: 2019-2020

Project type

Energy efficiency: households

Type of mitigation activity

Emissions reduction

Project description

Small biogas units for households in rural, poor areas.

Following the principle 'First reduce, then offset', the carbon emissions either directly or indirectly generated by BMW Group locations are already within the 1.5°C pathway calculated for the BMW Group. The emissions remaining after applying mitigation measures in the BMW Group's carbon footprint Scope 1 and Scope 2 as well as the Scope 3 category "business travel" are offset by means of voluntary compensation certificates. In cooperation with well-known partners such as atmosfair or First Climate, we support climate protection projects that meet strict criteria, such as permanent decarbonization, additionality, the avoidance of double-counting and additional social benefits (SDG co-benefits). For our small scale household biogas projects, these are e.g. health benefits from a reduction of respiratory illnesses, formerly caused by breathing smoky air from woodfires. The full list of SDG co-benefits monitored and not monitored is listed below.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

306,643

Purpose of cancellation

Voluntary offsetting

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2018

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

Gold Standard

Method(s) the program uses to assess additionality for this project

Consideration of legal requirements

Approach(es) by which the selected program requires this project to address reversal risk

Monitoring and compensation
Temporary crediting

Potential sources of leakage the selected program requires this project to have assessed

Upstream/downstream emissions

Provide details of other issues the selected program requires projects to address

The project addresses and monitors for positive impact 6 SDGs within the Gold Standard:

SDG 3 Good health and well-being:

Improved health due to reduced indoor air pollution and better hygiene at the farmer's premises is particularly beneficial for women and children spending much of their time at home.

SDG 5 Gender equality:

Roughly 1,000 jobs have been created for women by the PoA; new biogas stoves save approx. 1.5 hours cooking time per day for women which is now available for other purposes.

SDG 6 Clean water and sanitation:

Improved waste management, less fertilizer & pesticide use, and better sanitation systems protect soils and water resources and benefit both

local people and environment.

SDG 7 Affordable and clean energy:

All PoA households get access to clean, reliable, convenient and affordable biogas for cooking, lighting or heating.

SDG 8 Decent work and economic growth:

An estimated 10,000 total jobs related to construction and maintenance of biogas plants have been created by the project in the local biogas sector, thereof some 2,000 permanent jobs and 8,000 temporary jobs.

SDG 13: Climate action

Comment

A physical leakage of 10% is assumed as per methodology.

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Type of internal carbon price

Shadow price

How the price is determined

Cost of required measures to achieve emissions reduction targets

Benchmarking against peers

Other, please specify

regulation

Objective(s) for implementing this internal carbon price

Drive energy efficiency
Drive low-carbon investment
Identify and seize low-carbon opportunities

Scope(s) covered

Scope 3 (downstream)

Pricing approach used – spatial variance

Differentiated

Pricing approach used – temporal variance

Static

Indicate how you expect the price to change over time

Actual price(s) used – minimum (currency as specified in C0.4 per metric ton CO2e)

0

Actual price(s) used – maximum (currency as specified in C0.4 per metric ton CO2e)

475

Business decision-making processes this internal carbon price is applied to

Capital expenditure
Product and R&D
Risk management
Other, please specify
market sales mix

Mandatory enforcement of this internal carbon price within these business decision-making processes

Yes, for all decision-making processes

Explain how this internal carbon price has contributed to the implementation of your organization’s climate commitments and/or climate transition plan

COMPANY-SPECIFIC DESCRIPTION OF HOW BMW USES THE INTERNAL PRICE ON CARBON:

We use this price tag as “shadow price” to steer our investments into Efficient Dynamics technologies and low carbon products (BEVs, PHEV). To do so, we use this shadow price in specific vehicle business case calculations in markets with a CO₂-fleet non-compliance risk. We defined a g CO₂ / km target line. E.g. BEVs have zero g CO₂ / km emissions which contributes positively to their business case. In contrary, the business case of conventional cars above the target line is negatively impacted.

As a result, Efficient Dynamics technologies are standard in all BMW Group cars. At the end of the reporting period, the BMW Group had a total of 12 BEV motor variants in eight different models available to order and a total of 19 PHEV engine variants in a total of 13 models were available to order worldwide. In 2022, we sold 433,792 electrified vehicles worldwide (BEVs: 215,752 and PHEVs: 218,040). The share of electrified automobiles in total deliveries during the 12-month period under report rose to 18.1 % (2021: 13.0 %; + 39.2 %). The higher share enabled further progress to be made in reducing fleet emissions.

Remark how the price tag is derived:

Failing CO₂ compliance by 1 g CO₂/km in 2020 (for the EU car fleet the limit is 95 g CO₂/km in average) an automotive company would have to pay EUR 95 per 1 g CO₂ / km for each vehicle sold. Using an averaged mileage of 200.000 km over vehicle lifetime, consistent with the Association of the German Automotive Industry (VDA) assumption, 1 g CO₂ / km corresponds over lifetime to 0.2 tons CO₂. Therefore, if marginal costs per vehicle to reduce CO₂ fleet emissions by another gram CO₂ / km exceed EUR 95 / 0.2 t = EUR 475 / ton then opportunity costs of paying the fine would be advantageous from an economical perspective. However, paying fines instead of complying with regulations is no option for the BMW Group. The assessment with the penalties to be avoided was already established as an internal control parameter many years back. At the moment (2022), the customer demand for xEV is leading to an oversupply of fleet value reductions in the EU.

The adequacy of the internal price for carbon is reviewed at regular intervals and adjusted in the event of major changes in framework conditions or an adaptation of the steering effect deemed necessary.

Type of internal carbon price

Shadow price

How the price is determined

Alignment with the price of allowances under an Emissions Trading Scheme
Price with material impact on business decisions

Objective(s) for implementing this internal carbon price

Change internal behavior
Drive energy efficiency
Drive low-carbon investment
Navigate GHG regulations

Scope(s) covered

Scope 1
Scope 2
Scope 3 (upstream)

Pricing approach used – spatial variance

Differentiated

Pricing approach used – temporal variance

Evolutionary

Indicate how you expect the price to change over time

Internal price on carbon (aligned with allowances under ETS for EU) is expected to INCREASE. Regional differentiation on internal prices on carbon for business cases and decision making apply.

Actual price(s) used – minimum (currency as specified in C0.4 per metric ton CO2e)

0

Actual price(s) used – maximum (currency as specified in C0.4 per metric ton CO2e)

100

Business decision-making processes this internal carbon price is applied to

Capital expenditure

Operations
Procurement
Risk management

Mandatory enforcement of this internal carbon price within these business decision-making processes

Yes, for all decision-making processes

Explain how this internal carbon price has contributed to the implementation of your organization's climate commitments and/or climate transition plan

From a long-term perspective, internal prices on carbon have a significant degree of influence on defining technology roadmaps, research & development priorities as well as identification of business opportunities.

We do not steer directly via a uniform internal CO2 price, but according to quantities of emissions to be avoided in combination within the "marginal/limit price" to do so. This "limit price" accepted by us is derived from the abatement cost curve. This leads to very different results in the different scopes, which is another reason why we do not set a uniform CO2 price.

Within Scope 3 upstream emissions, the setting of the "limit price" is done in conjunction with the definition of product carbon footprint targets per vehicle derivative. In doing so, we anticipate the development of external carbon prices (EU ETS) in the company premises. The corresponding marginal carbon cost values have now risen to EUR 50-100. We have repeatedly found that the prevention costs/additional costs of CO2-reduced energy-intensive raw materials correlate with ETS price levels.

For important sourcing decisions (e.g. supply chain for CO2 burdened raw materials like aluminium and steel) CO2 is taken into account in supplier selection and localization decisions.

With Scope 1, the situation is completely different: Due to high reductions in the past in Scope 1, the low hanging fruits have already been taken and the difficulty of mitigation has risen significantly. For example, heating is harder to abate than electricity usage related emissions. This means that the required marginal costs per ton of CO2 avoided are at a level that is 5-10 times higher than those in the supply chain (Scope 3 upstream). We therefore accept much higher costs in our own production and our direct responsibility.

With Scope 2, the avoidance costs arise from market conditions for the procurement of green electricity, with significant regional differences between the most important production sites.

These differentiated "limit prices" are applied in major investment decisions (e.g. co-generation affecting our Scope 1 and 2 emissions) as shadow price to ensure cost of carbon is evaluated in respective business cases. For example: the carbon shadow price in the EU influenced

the decision to fund carbon free technologies in the new build plant in Debrecen. Our new plant in Debrecen, Hungary, will be the world's most advanced car plant, using no fossil fuels at all.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change

Provide training, support, and best practices on how to make credible renewable energy usage claims

Climate change performance is featured in supplier awards scheme

Other, please specify

Part of the supplier nomination process

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

100

Rationale for the coverage of your engagement

In general, the acceptance of the Supplier Code of Conduct is a prerequisite for the nomination of a supplier location. Therefore, all suppliers than sign a contract with BMW have to comply with the Supplier Code of Conduct (2023 in the current version 3.0). As the acceptance of the Supplier Code of Conduct is tied to the supplier nomination process, the acceptance of the new version of the Supplier Code of Conduct is currently in a roll-out process.

RATIONALE FOR THE COVERAGE OF OUR ENGAGEMENT:

The BMW Group considers responsible supply chain management as an integral part of good corporate governance. Against the backdrop of the Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz), the BMW Group continued to develop its well-established processes during the year under report. The BMW Group's requirements and the expectations it places on its suppliers are set out in the BMW Group Supplier Code of Conduct.

The supplier shall comply with all national and international environmental standards and laws that apply to its location of business. The BMW Group also expects the supplier to refrain harmful changes to the soil, water and air pollution, harmful noise emissions, and excess water consumption that significantly impair the natural foundations for the cultivation and the production of food, prevent people from accessing safe drinking water, impair or inhibit access to sanitary facilities or are harmful to health.

The BMW Group requires that the supplier shall also make continuous efforts to reduce their environmental pollution and risks and improve environmental protection within their own sphere of influence on an ongoing basis.

A multi-stage due diligence process has been established across all relevant areas of the organisation to delineate our responsibility for the supplier network.

The BMW Group monitors and assesses sustainability and human rights risks in its supplier network, including its business relationships with both potential and active supplier locations. Among other strategies, we use risk filters and media analyses to identify abstract environmental and human rights risks, as well as standardised sustainability questionnaires and audits to conduct specific risk analysis at our Tier-1 suppliers. Supply chain mapping forms the basis for analysing risks at n-Tier suppliers.

Impact of engagement, including measures of success

IMPACT OF ENGAGEMENT:

The BMW Group is committed to the Paris Agreement (COP 21) and has set a CO2 reduction target throughout its entire product life cycle. As part of the nomination process, the supplier undertakes implementing measures to reduce its direct and indirect CO2e emissions (including its upstream value chain). This includes, for example, the use of green electricity and the use of secondary materials or biomaterials. The precise requirements will be defined within the inquiry and the nomination process and will be anchored in the contract, while compliance is reviewed annually. Compliance with the requirements concerning CO2e emissions reduction is a decisive criterion for us in the process of selecting our suppliers.

We expect our suppliers to ensure transparency with regard to their own emissions as well as those of the upstream supply chains (e.g. by using life cycle assessments (LCA)), and to set reduction targets, including targets that apply to their supply chain.

Alongside its preventive measures, the BMW Group offers a training programme on sustainability in the supply chain aimed at internal buyers and process partners as well as suppliers.

MEASURES OF SUCCESS:

For suppliers operating in high-risk regions or high-risk product groups, the BMW Group has implemented additional control mechanisms, such as audits of environmental and social standards at supplier locations using its own auditors or external auditors. The Group reviewed a total of 49 potential and active supplier locations via this method during the year under report (2021: 38). We have set ourselves the target of ensuring that all Tier-1 supplier sites that have been audited meet the locally applicable legal requirements for sustainability as well as international human rights standards (BMW Group minimum requirements). In 2022, the final audits confirmed that all cases of non-compliance with minimum requirements (non-conformities) that were identified in initial audits had been redressed.

EXAMPLES:

In 2022, 97% of supplier sites of production-related material with a contract volume greater than EUR 2 million were audited according to our sustainability assessment based on industry-specific sustainability questionnaires.

Comment

If necessary, the BMW Group temporarily suspends a given business relationship during efforts to mitigate the detected risk. However, the business relationship will only be terminated if no other effective means are available and we are unable to further leverage our ability to exert influence. We endeavour to avoid this latter situation by carefully selecting our suppliers and empowering and working with them to improve

their sustainability performance. No existing supplier relationship needed to be terminated due to serious sustainability violations during the year under report.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Climate change performance is featured in supplier awards scheme

% of suppliers by number

1

% total procurement spend (direct and indirect)

84

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

RATIONALE FOR THE COVERAGE OF OUR ENGAGEMENT:

BMW has integrated the CO2 strategy evaluation into its supply chain strategies and supplier strategies for direct materials of our vehicles. We do monitor that our suppliers set themselves targets and have them approved by SBTi, do have implementation strategies and do monitor the result.

The BMW Group continues to rely on the Carbon Disclosure Project (CDP) supply chain programme to assess supply chain performance in terms of its decarbonisation commitment. Measures relevant for supplier development and empowerment are also derived from the programme. In 2022, 247 suppliers took part in the rating (84 % of the production-relevant purchasing volume).

The collection of CO2 strategies, transition plans and the realization strategy is an integral part of expert meetings and Board meetings in

strategic supplier meetings. BMW has a clear guideline for all purchasing departments how to integrate these aspects into the strategic supplier work.

Impact of engagement, including measures of success

IMPACT OF ENGAGEMENT:

The BMW Group is pressing ahead with its efforts to decarbonize its own supply chain. The Group's goal is to reduce carbon emissions generated in the supply chain by more than 20 % per vehicle by 2030 (base year 2019). For this reason, the Group has established a firm commitment to make carbon-reducing measures an award criterion in its supplier network.

One key contractually fixed demand is to implement a certified Environmental Management System (EMS) in accordance with ISO 14001. Therefore, one impact of engagement is that all production suppliers have implemented a certified EMS before start of production. Energy consumption and CO2 emissions have to be key improvement targets. With the CDP Supply Chain program, a competitive comparison of the scoring results is played back during annual supplier development interviews on top management level.

MEASURES OF SUCCESS:

We expect and check installation of a certified EMS beginning with start of production (SOP) on a regular basis and submission of a corresponding certificate/ approval. Therefore, one key performance indicator is: 100 % of production material suppliers have an assured EMS latest at SOP.

Agreements reached with suppliers regarding carbon reduction measures in production scenarios already began to take effect in 2022. Together with an external auditor, the BMW Group has developed a concept for verifying compliance with these agreements and confirmed compliance with contractually agreed carbon-reducing measures in the supply chain at 23 suppliers in the course of 2022. As a result, the BMW Group helped reduce carbon emissions at the production facilities of its suppliers by approximately 1.0 million tonnes in the reporting period.

EXAMPLES :

In 2022, the number of contractual agreements with suppliers on carbon-reducing measures increased to 468 awards (2021: 429 awards), including agreements on the use of secondary raw materials, biomaterials and carbon-reduced steel routes. However, in our view, green electricity offers the greatest potential for reducing carbon emissions in the supply chain. The BMW Group makes its use for direct suppliers (Tier-1) and energy-intensive processes in the upstream chain (n-Tier) a criterion for awarding new contracts to manufacture carbon-intensive components and materials (2022: concluded agreements for 343 contracts; 2021: 427).

Comment

We specifically empower suppliers via the BMW Group Partner Portal and additionally provide face-to-face formats for conducting partner workshops at our plant in Landshut (Germany).

If necessary, the BMW Group temporarily suspends a given business relationship during efforts to mitigate the detected risk. However, the business relationship will only be terminated if no other effective means are available and we are unable to further leverage our ability to exert influence. We endeavour to avoid this latter situation by carefully selecting our suppliers and empowering and working with them to improve their sustainability performance. No existing supplier relationship needed to be terminated due to serious sustainability violations during the year under report.

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing

Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

100

Please explain the rationale for selecting this group of customers and scope of engagement

The BMW Group's innovations are characterised by their consistent orientation towards customer needs and the use of digital solutions. During the year under report, numerous innovations again resulted in processes being optimised, products improved and new technologies introduced to make everyday life easier for our customers.

RATIONALE:

Climate change is an integral component of our BMW Group Strategy and considered as a key issue to be addressed. This is why we inform all our customers (100 %) through various information channels about our efforts / achievements.

SCOPE OF ENGAGEMENT:

Since 2007, BMW Group's Efficient Dynamics (ED) is a comprehensive technologic approach for the consistent reduction of fuel consumption and emissions in the standard configuration of cars of the BMW Group. It includes both highly-efficient automobiles with gradually refined combustion engines, all-electric cars and low-emission plug-in hybrids. ED in different levels of detail is explained on the BMW Group homepage and in main publications such as the integrated annual BMW Group report, as well as in communication channels that reach big audiences (e.g. TV spots, marketing campaigns). BMW Group is obliged by many fleet customers to fill out the ECOVADIS questionnaire as a prerequisite for tendering processes or is asked via CDP Supply Chain to explain its approach to fuel efficiency and zero emission mobility. We include also environmental certificates (e.g. BMW i3/i8, iX3, X3 PHEV, iX 740 Li/Le, 530 iA/530e) containing externally audited life cycle comparisons between new models with its predecessors and between plug-in hybrid and combustion engine cars.

With the launch of the new BMW 5 series we will provide these life cycle assessments for customers and interested parties within the "vehicle footprint", informing on key sustainability aspects of new individual BMW Group vehicles in a compact form.

Furthermore, ED features are included in sales catalogues at the point of sale. Because climate-related information is shared via all these channels we assume that 100 % of our customers can access these information. This is why we selected 100 % in "% of customers by number".

% customer-related Scope 3 emissions as reported in C6.5:

In correspondence to the scope of engagement being 100 % (see above) we also cover 100 % of our Scope 3 emissions from the use phase.

Impact of engagement, including measures of success

MEASURES OF SUCCESS:

We measure market success in each market and analyze market shares, e.g. of our BEVs and PHEVs (xEVs). We measure the worldwide number of xEVs or e.g. customers of YOUR NOW, also part of the joint venture with Daimler AG. Sustainability aspects form part of the customer surveys, on products and services as well as on our sustainability performance. We conduct surveys on an annual basis for product and service optimization according to the needs of our customers. We continuously establish customer satisfaction on the basis of uniform global standards, assessing e.g. if expectations on fuel economy or services (e.g. real time traffic information) are met. We measure fuel economy in all main markets. Financial indicators, in particular the EBIT margin in our core automotive segment, is a measure of meeting customer's needs.

THRESHOLD:

Our customers determine BMW's success and whether we achieve our short- to long-term financial and non-financial goals. High customer satisfaction and the profitable expansion of our market position in the relevant automotive markets are the thresholds for our success in customer engagement.

IMPACT OF CLIMATE-RELATED ENGAGEMENT:

The impact of our comprehensive information to customers on our efficiency and e-mobility efforts is a higher demand for these products. The BMW Group provides its customers with a broad range of information regarding the proper use of its products and services. Information on safety, the correct operation of vehicles, and health protection is available in both printed and digital form (online or via app). To measure the communication impact we conduct regular studies like the brand monitor, the corporate reputation study, the voice of the customer at dealership level and we hold stakeholder dialogues to get feedback and challenge our concepts and communication approaches.

EXAMPLES:

As Europe's largest multimodal mobility platform, FREE NOW combines the entire range of various forms of mobility in one app, enabling registered users in European cities to reach their destination both swiftly and according to their needs. FREE NOW consistently promotes the electrification of the current fleet. By 2025, the share of electrically powered trips is projected to increase to 50 % and users are set to travel fully electrically as of 2030.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, climate-related requirements are included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Complying with regulatory requirements

Description of this climate related requirement

In preparation for the regulatory requirements of the ESRS and CSRD Directive BMW has already started in 2022 an approval process by an external audit company to comply with the reporting regulations. Therefore the fulfilment of all the mentioned topics is part of the contract with our suppliers and will be checked on a yearly basis by a neutral third party verification process.

Furthermore, in 2021, the BMW Group has introduced the target to reduce the supply chain emissions by at least 20% until 2030 on a per vehicle basis in comparison to 2019 baseline.

For this target, we do judge the engagement of our 1-st tier suppliers by CDP Supply Chain program prior to any bidder circle agreements. And we consider the suppliers activities in CO2 reduction initiatives, measuring emissions and the setting of science-based emission reduction targets when releasing bidder circles for nomination process.

In 2022, we concluded renewable electricity agreements in the awarding of 343 orders in 2022 , particularly with upstream suppliers of energy-intensive products. The contract does also contain the obligation for our 1-st tier suppliers to forward the agreement to energy intensive sub-suppliers.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Off-site third-party verification

On-site third-party verification

Grievance mechanism/Whistleblowing hotline

Supplier scorecard or rating

Other, please specify

CDP Rating

Response to supplier non-compliance with this climate-related requirement

Retain and engage

Climate-related requirement

Climate-related disclosure through a public platform

Description of this climate related requirement

BMW judges the engagement of the 1-st tier suppliers by CDP Supply Chain program prior to any bidder circle agreements. And we consider the suppliers activities in CO2 reduction initiatives, measuring emissions and the setting of science based emission reduction targets when releasing bidder circles for nomination process.

BMW reports its CO2 emissions and reduction results of the supply chain in the integrated BMW Group Report.

Nomination agreements with our suppliers, checked by a third party evaluation done by an external auditor of BMW showed already a result in 2022. 23 Suppliers were checked on the fulfilment of contractually agreed CO2 reduction measures such as renewable electricity and secondary material usage.

We reported an approved reduction of approx. 1 MT CO2 emissions in the supply chain.

% suppliers by procurement spend that have to comply with this climate-related requirement

84

% suppliers by procurement spend in compliance with this climate-related requirement

84

Mechanisms for monitoring compliance with this climate-related requirement

Off-site third-party verification

On-site third-party verification

Supplier scorecard or rating

Other, please specify

CDP Rating; Verification of contractual CO2 agreement: 3rd party; Verification of CO2 reduction measures on a yearly basis by an external CO2 auditor company on behalf of BMW

Response to supplier non-compliance with this climate-related requirement

Retain and engage

Climate-related requirement

Implementation of emissions reduction initiatives

Description of this climate related requirement

With our main suppliers we do implement CO2 reduction roadmaps within the supplier strategic development and commitments are undertaken on a high level management commitment.

In 2021, the BMW Group also introduced green electricity as a criteria for awarding new contracts in its supply chain – and concluded renewable electricity agreements in the awarding of 343 orders in 2022, particularly with upstream suppliers of energy-intensive products. The contract does also contain the obligation for our 1-st tier suppliers to forward the agreement to energy intensive sub-suppliers.

Also we do contractually agree with our suppliers on the content of secondary raw material in our products and do negotiate material substitutions with bio based materials or other CO2 reducing material substitutes. In 2022, the number of contractual agreements with suppliers on carbon-reducing measures increased to 468 awards (2021: 429 awards).

In addition we concluded with 46 our largest supplier groups renewable electricity frame commitments to use renewable electricity for the production of BMW Components in all supplier locations worldwide.

The fulfilment of all the mentioned topics is part of the contract with our suppliers and will be checked on a yearly basis by a neutral 3rd party verification process, which is aligned with the reporting requirements of upcoming regulations and our tax auditor.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Off-site third-party verification

On-site third-party verification

Other, please specify

supplier strategies, commodity strategies, contracts; Verification of contractual CO2: 3rd party; Verification of CO2 reduction measures on a yearly basis by an external CO2 auditor company on behalf of BMW

Response to supplier non-compliance with this climate-related requirement

Retain and engage

Climate-related requirement

Measuring product-level emissions

Description of this climate related requirement

Renewable electricity commitments as well as other CO2 reduction measures (secondary raw material content, bio based material) are evaluated in the nomination process for the corresponding CO2 effect on the Product Carbon Footprint (PCF) of the components negotiated.

CO2 effect together with the contractually agreed reduction measures on CO2 are part of the nomination decision of the decider boards of BMW. Spending limits on CO2 relevant decisions is set within the BMW Group with a board decision.

The fulfilment of all the mentioned topics is part of the contract with our suppliers and will be checked on a yearly basis by a neutral third party verification process. These measures are transferred into a PCF reduction calculated with the BMW calculation methodology.

The approved measures and the transfer into CO2 effect is part of BMW Tax Audit on the Integrated Group report on a yearly basis.

On explicitly CO2e intensive components BMW has started to gain transparency during the nomination process on supplier specific PCFs for

our supply chain and develops on CATENA-X a use case on a common rulebook for CO2e emissions calculations and a verification concept in the supply chain to achieve valid PCFs (primary data) in all n-tier levels.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Off-site third-party verification

On-site third-party verification

Other, please specify

Verification of contractual CO2 agreement: 3rd party; Verification of CO2 Reduction measures on a yearly basis by an external CO2 auditor company on behalf of BMW; CO2 calculation department internal; CATENA-X

Response to supplier non-compliance with this climate-related requirement

Retain and engage

Climate-related requirement

Purchasing renewable energy

Description of this climate related requirement

In 2021, the BMW Group introduced green electricity as a criteria for awarding new contracts in its supply chain – and concluded renewable electricity agreements in the awarding of 343 orders in 2022, particularly with upstream suppliers of energy-intensive products. The contract does also contain the obligation for our 1-st tier suppliers to forward the agreement to energy intensive sub-suppliers.

In addition we concluded with 46 our largest supplier groups renewable electricity frame commitments to use renewable electricity for the production of BMW Components in all supplier locations worldwide.

The fulfilment of all the mentioned topics is part of the contract with our suppliers and will be checked on a yearly basis by a neutral 3rd party verification process.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Off-site third-party verification

On-site third-party verification

Other, please specify

Verification of contractual CO2 agreement: 3rd party; Verification of CO2 Reduction measures on a yearly basis by an external CO2 auditor company on behalf of BMW; first party approval for nomination

Response to supplier non-compliance with this climate-related requirement

Retain and engage

Climate-related requirement

Product Carbon Footprint (PCF) reductions

Description of this climate related requirement

In 2021, the BMW Group has introduced green electricity as a criteria for awarding new contracts in its supply chain – and concluded renewable electricity agreements in the awarding of 343 orders in 2022, particularly with upstream suppliers of energy-intensive products. The contract does also contain the obligation for our 1-st tier suppliers to forward the agreement to energy intensive sub-suppliers.

Also we do contractually agree with our suppliers on the content of secondary raw material in our products and do negotiate material substitutions with bio based materials or other CO2 reducing material substitutes. In 2022, the number of contractual agreements with suppliers on carbon-reducing measures increased to 468 awards (2021: 429 awards).

The fulfilment of all mentioned topics is part of the contract with our suppliers and will be checked on a yearly basis by a neutral 3rd party verification process.

These measures are transferred into a PCF reduction calculated with the BMW calculation methodology. The approved measures and the transfer into CO2 effect is part of BMW Tax Audit on the Integrated Group report on a yearly basis.

On explicitly CO2e intensive components BMW has started to gain transparency during the nomination process on supplier specific PCFs and develops on CATENA-X a use case on a common rulebook for CO2e emissions calculations and a verification concept in the supply chain to achieve valid PCFs (primary data) in all n-tier levels.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Off-site third-party verification

On-site third-party verification

Other, please specify

Verification of contractual CO2 agreements in accordance to reasonable assurance: 3rd party; Verification of CO2 Reduction measures on a yearly basis by an external CO2 auditor company on behalf of BMW; CO2 calculation department internal; CATENA-X

Response to supplier non-compliance with this climate-related requirement

Retain and engage

Climate-related requirement

Setting a science-based emissions reduction target



Description of this climate related requirement

Within CDP Reporting one of BMWs most important KPIs is the rate of suppliers which have set themselves targets in accordance to SBTi.

Beginning with 2021 BMW has started to set CO2 reduction targets on components by setting reduction measures and translating the reduction measures into a CO2 reduction effect. These reduction measures are aligned with the BMW Group reduction target of the supply chain in accordance to SBTi.

In 2021, the BMW Group also introduced green electricity as a criteria for awarding new contracts in its supply chain – and concluded renewable electricity agreements in the awarding of 343 orders in 2022, particularly with upstream suppliers of energy-intensive products. The contract does also contain the obligation for our 1-st tier suppliers to forward the agreement to energy intensive sub-suppliers.

Also we do contractually agree with our suppliers on the content of secondary raw material in our products and do negotiate material substitutions with bio based materials or other CO2 reducing material substitutes. In 2022, the number of contractual agreements with suppliers on carbon-reducing measures increased to 468 awards (2021: 429 awards).

The fulfilment of all the mentioned topics is part of the contract with our suppliers and will be checked on a yearly basis by a neutral third party verification process.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Off-site third-party verification

On-site third-party verification

Grievance mechanism/Whistleblowing hotline

Other, please specify

CDP Rating SBTI Platform; Verification of contractual CO2 agreements: 3rd party; Verification of CO2 Reduction measures on a yearly basis by an external CO2 auditor company on behalf of BMW

Response to supplier non-compliance with this climate-related requirement

Retain and engage

Climate-related requirement

Setting a renewable energy target

Description of this climate related requirement

Beginning with 2021, BMW has started to set CO2 reduction targets on components by setting reduction measures and translating the reduction measures into a CO2 reduction effect. One of these reduction targets is the usage of renewable energy in the supply chain.

In 2021, the BMW Group also introduced green electricity as a criteria for awarding new contracts in its supply chain – and concluded renewable electricity agreements in the awarding of 343 orders in 2022, particularly with upstream suppliers of energy-intensive products. The contract does also contain the obligation for our 1-st tier suppliers to forward the agreement to energy intensive sub-suppliers.

Awarding processes contain a green energy target setting for the suppliers issued by a request to sign green electricity contracts to our suppliers not only covering the electricity of the 1st tier but also explicitly energy intensive production processes in the whole supply chain.

The fulfilment of all the mentioned topics is part of the contract with our suppliers and will be checked on a yearly basis by a neutral third party verification process.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Off-site third-party verification

On-site third-party verification

Other, please specify

Verification of contractual CO2 agreements in accordance to reasonable assurance: 3rd party; Verification of CO2 Reduction measures on a yearly basis by an external CO2 auditor company on behalf of BMW

Response to supplier non-compliance with this climate-related requirement

Retain and engage

Climate-related requirement

Waste reduction and material circularity

Description of this climate related requirement

BMW has announced in 2022 to raise the share of secondary raw material content in BMWs vehicles progressively over the coming years.

For this reason we do set targets on secondary quotes on different materials during the nomination process and consider the recyclability of the component constructions.

We do contractually agree with our suppliers on the content of secondary raw material in our products and do negotiate material substitutions with bio based materials or other CO2 reducing material substitutes. In 2022, the number of contractual agreements with suppliers on carbon-reducing measures increased to 468 awards (2021: 429 awards).

The fulfilment of all the mentioned topics is part of the contract with our suppliers and will be checked on a yearly basis by a neutral third party verification process.

BMW is currently running pilot projects with suppliers to establish closed loops for secondary material.

% suppliers by procurement spend that have to comply with this climate-related requirement

60

% suppliers by procurement spend in compliance with this climate-related requirement

60

Mechanisms for monitoring compliance with this climate-related requirement

Off-site third-party verification

On-site third-party verification

Other, please specify

Verification of contractual CO2 agreements in accordance to reasonable assurance: 3rd party; Verification of CO2 Reduction measures on a yearly basis by an external CO2 auditor company on behalf of BMW

Response to supplier non-compliance with this climate-related requirement

Retain and engage

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers


Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Yes, we fund organizations or individuals whose activities could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

 BMW-Group-Bericht-2022-de.pdf

 BMW_Group-Report-2022-en.pdf

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

PROCESS TO ENSURE A COMMON APPROACH:

The company engages in active, open and transparent dialogue with decision-makers and political and trade union representatives as well as representatives of various associations and non-governmental organisations (NGOs) to help shape the political framework conditions for its business activities in a constructive, transparent manner. BMW Group is a member of numerous associations in various countries. While these memberships and the commitment of the BMW Group are voluntary in most cases, this cooperation may also be based on statutory requirements in individual instances, e.g. for the Chamber of Commerce and Industry for Munich and Upper Bavaria (IHK München, Oberbayern).

BMW Group's positions regarding global legislative issues arising from our engagement with policy makers at the market level is centrally coordinated in Munich. Positions are worked out with the participation of corresponding central departments, e.g. the department within the strategy unit responsible for monitoring and further developing CO2 targets for each product line and each new vehicle project or the strategy unit responsible for sustainability and environmental protection, and market representatives, respectively.

All of our direct and indirect activities that influence policy are **CONSISTENT** with our overall climate change strategy.

The engagement of the BMW Group with associations ranges from board memberships in various association committees and participation in working groups to roles with observer status only. In the case that the BMW Group observes deviations between the positions of the associations and those of the company, the company enters into a dialogue to improve the alignment. The BMW Group brings the positions of the company into the associations' opinion-forming processes, thereby actively participating in discussions on key strategic topics such as climate protection, human rights, the circular economy, carbon footprint reduction to achieve climate goals under the Paris Agreement.

Our Representative Offices in Berlin, Brussels, Beijing, London, Washington DC, Sacramento, Tokyo, Delhi, Singapore, Mexico, Seoul, Sao Paulo, Moscow and Thailand are focal points of direct communication with political decision-makers and NGOs. These structures and processes ensure that all engagement activities are in line with the BMW Group climate change strategy.

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Specify the policy, law, or regulation on which your organization is engaging with policy makers

CO2-based vehicle taxations have been introduced e.g. in 19 out of 27 EU member states as well as for example in South Africa or Singapore and are under discussion in South-Korea or China and other countries as e.g. Thailand.

Category of policy, law, or regulation that may impact the climate

Carbon pricing, taxes, and subsidies

Focus area of policy, law, or regulation that may impact the climate

Carbon taxes

Taxes on products or services

Policy, law, or regulation geographic coverage

Global

Country/area/region the policy, law, or regulation applies to

Your organization's position on the policy, law, or regulation

Support with major exceptions

Description of engagement with policy makers

The BMW Group is committed to enhance the fuel efficiency of its products and strongly supports the introduction of CO2-based vehicle taxation worldwide putting a price tag on CO2 emissions emitted by vehicles in the use phase but does not support a tax on engine displacement or retail price of vehicles as existent in some European countries.

Beside these major exceptions already fixed in the taxation systems, which we continuously discuss, our focus in 2022, was the continuation of

incentive schemes related to e-mobility, as the market success of e-mobility enables further CO2 reductions in the transport sector. As the market shares of electrified vehicles are increasing on a year to year basis still absolute sales volumes are at a low level in countries where such incentives are missing.

The right political framework, such as purchasing incentives and promoting public and private charging infrastructure, has a decisive impact on the market success of electric vehicles. The BMW Group still sees a need for political action in order to better promote electric mobility in many countries and cities. EU market research data highlight the close correlation between the density of charging infrastructure and the sale of electrified vehicles – both at the level of member states and in a comparison of various regions. We support political initiatives in favour of sector coupling, with the aim of forming smart connections between the mobility and the energy sectors. Positive development of e-mobility is happening in countries such as Norway, the UK and the USA, which do have holistic incentive schemes in place.

Details of exceptions (if applicable) and your organization’s proposed alternative approach to the policy, law or regulation

BMW Group strongly supports the introduction of CO2-based vehicle taxation worldwide. In our engagement we do not seek a fundamental debate about the “if” of taxation of automobiles but on alternatives “how” to do it best. We promote putting a “price tag” on CO2 use phase emissions through governments but do not support a tax on engine displacement or retail price of vehicles which does not incentivize highly efficient vehicles with innovative technologies for CO2 emission reduction within the same engine displacement class. This is giving a clear signal to customers to replace an old inefficient vehicle by a new efficient one and to comparing vehicles of one category in terms of efficiency. This is all the more important since experience in major markets like UK, France and Netherlands shows that the effect of changes in taxation is much stronger than a purely economic analysis would indicate. Additionally, we call for purchase and tax incentives for electrified vehicles to positively stimulate customer acceptance for the transition to a low carbon mobility. These incentives address the demand side to overcome the price differences of new technologies in comparison to established internal combustion engine technologies.

Have you evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

From a customer perspective tax advantages or incentives that enable the transition to low carbon technologies are vital for the market success of alternative drive trains. In this sense, these policies support creating market demand and thus foster the sales of vehicles powered by

alternative drivetrains. On the supply side the BMW Group is broadening the product offer of electrified vehicles as part of our contribution to decarbonisation. We therefore welcome policy measures that positively affect the demand side.

Specify the policy, law, or regulation on which your organization is engaging with policy makers

We address CO2 fleet regulations in markets such as the European Union (EU27), UK, USA, China or South Korea.

Category of policy, law, or regulation that may impact the climate

Low-carbon products and services

Focus area of policy, law, or regulation that may impact the climate

Other, please specify
CO2 fleet regulation

Policy, law, or regulation geographic coverage

Global

Country/area/region the policy, law, or regulation applies to

Your organization's position on the policy, law, or regulation

Support with major exceptions

Description of engagement with policy makers

In view of the global CO2 fleet targets, the BMW Group pursues the clear objectives of meeting limits and, where we consider it to be appropriate, surpassing these.

The goals of Fit for 55 largely coincide with those of the BMW Group. Within this package the revision of CO2 fleet standards for cars and vans along with a legislative proposal for the Alternative Fuels Infrastructure Regulation (AFIR) were of utmost importance for the Automotive Industry. The final outcome of TRILOGUE negotiations for these files do not show the same ambition levels and enabling conditions will hardly be sufficient to achieve the transition to e-mobility required by the CO2 fleet targets.

Moreover, we are closely monitoring regulatory developments in the USA. In 2020, the BMW Group entered into a voluntary agreement with the

US state of California to reduce its fleet emissions. The bilateral agreement is applicable for all new BMW Group vehicle registrations in every state of the USA. By the end of 2022, the US government announced that revised regulations have been developed by the federal agencies EPA (Environmental Protection Agency) for GHG and NHTSA (National Health and Traffic Safety Agency) for FE. The BMW Group also intends to comply with these future requirements. We already offer our customers a broad portfolio of models that we are continually expanding. As one of the market leaders for e-mobility in Europe, we find that the political factors promoting e-mobility have a considerable impact on our sales. In our view, any requirements placed on vehicle manufacturers to reduce CO₂ emissions need to be accompanied by an ambitious program to increase the demand for electrified vehicles in the market as e-mobility is the key enabler for ambitious CO₂ reductions of transport in the passenger car segment. Instead, there are fragmented and largely ineffective national policies in a number of large markets.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

There is no one-size-fits-all approach for customers' mobility requirements. The share of electrified automobiles in total deliveries during the 12-months period under report rose to 18.1 % (2021: 13.0 %; + 39.2 %). However, the transformation of mobility through alternative drive trains and digitalisation will take place at different speeds in different regions of the world. Openness to different types of technologies is crucial for future mobility.

Projections for 2030 EU fleet targets in all major markets are highly ambitious, and achieving them will be dependent on a number of different factors. Policy-makers will need to play a major role in shaping the environment to ensure all the necessary conditions are, and will remain, in place. This will be especially important with regard to developing charging and H₂ refuelling infrastructure to meet customers' needs, as well as for ensuring sufficient availability of renewable energy.

Together with other vehicle manufacturers we reached an agreement with the US State of California which aims to reduce emissions by 3.7 % per year in the period from 2022 to 2026. We align our fleet in all 50 states and apply a uniform standard in accordance with this guideline. Nevertheless, future target compliance is heavily depending on the market success of e-mobility in the US as in other major markets.

Customer demand for EVs is dependent on policy incentives and rollout of charging infrastructure and the cost of EVs which itself is affected by high raw material prices. A regulatory approach for improving the e-mobility framework conditions is needed e.g. in the area of customer incentives and subsidies for charging infrastructure at federal and state level.

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

Regulation aiming at the reduction of CO2 emissions directly or indirect by enhancing fuel economy of vehicles plays an important role for the BMW Group as they require a strategic approach to contribute to the decarbonization of transport. Nevertheless, the transition to low carbon or zero emission mobility will happen at different speeds in the various world regions. As a global manufacturer we need to be able to react in a most flexible way to the single market demand in all those regions. Therefore, we consistently engage with policy makers to ensure that enabling conditions like the deployment of charging or H2 refueling infrastructure are keeping pace with customer demand.

Specify the policy, law, or regulation on which your organization is engaging with policy makers

We support political initiatives in favour of sector coupling, with the aim of forming smart connections between the mobility and the energy sectors.

Category of policy, law, or regulation that may impact the climate

Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate

Other, please specify
Sector coupling

Policy, law, or regulation geographic coverage

Global

Country/area/region the policy, law, or regulation applies to

Your organization's position on the policy, law, or regulation

Neutral

Description of engagement with policy makers

The BMW Group still sees a need for political action in order to better promote electric mobility in many countries and cities. EU market research data highlight the close correlation between the density of charging infrastructure and the sale of electrified vehicles – both at the level of member states and in a comparison of various regions. We support political initiatives in favour of sector coupling, with the aim of forming smart connections between the mobility and the energy sectors.

The BMW Group is also conducting its own targeted research and development work in this area. For example, as part of a pilot project in California, USA, customers can already use the BMW ChargeForward service to synchronise their charging behaviour with grid capacity utilisation and the use of renewable forms of energy. The further expansion of this technology is planned.

Another project aimed at promoting sector coupling is so called Bidirectional Charging Management (BDL), which is funded by Germany's Federal Ministry for Economic Affairs and Energy. BDL transforms electric vehicles into mobile energy storage devices and thus into a part of the energy system in that their batteries are not only able to store electricity, but also simultaneously feed it into the operator's power grid in the opposite direction.

In future, charging must be intelligent and digital in order to benefit the power grid and customers alike. A better integration of renewable power can be supported using electric vehicles as mobile storages.

Legislation should enable a more balanced approach for customers actively being part of the energy system (prosumer). The use of mobile storage, dynamic and intelligent charging as well as bidirectional charging should be accounted for from a grid and a customer perspective as a basis for future regulation which is still missing in many regions.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

Looking to climate change mitigation is not a sector specific issue. To decarbonize mobility the use of renewable energy is key. Therefore, there is a strong link in between the energy and mobility sector. Generation of renewable energy, short and longterm storage options of renewable

energy and options to enhance the flexibility in energy generation and usage (like smart or bidirectional charging) need to be looked at in a holistic way. Policies enabling the overarching potentials in the energy and mobility sector are urgently needed to overcome the existing barriers between the two sectors.

Specify the policy, law, or regulation on which your organization is engaging with policy makers

In China, the fuel efficiency of the vehicle fleet is also regulated. A fuel consumption standard for 2021 to 2025 in China has been released in 2019.

Category of policy, law, or regulation that may impact the climate

Low-carbon products and services

Focus area of policy, law, or regulation that may impact the climate

Energy efficiency requirements

Policy, law, or regulation geographic coverage

National

Country/area/region the policy, law, or regulation applies to

China

Your organization's position on the policy, law, or regulation

Support with major exceptions

Description of engagement with policy makers

From 2021 onwards, the test cycle for internal combustion engine vehicles and PHEVs will switch from NEDC to Worldwide Harmonized Light Duty Test Cycle ("WLTC"). BEVs will switch from NEDC to China cycle ("CLTC"). The introduction of a new energy vehicle ("NEV") mandate started in 2019 and new quotas for 2021 to 2023 were officially released. For pollutant emission, China has released the China 6 emission standard for passenger vehicles which is generally similar to the EU and U.S. regulatory schemes. It includes two sets of limits: 'C6b' (which is stringent) and 'C6a' (which is less stringent). The C6b limit on emission pollutants is tightened by 40% to 50% compared to the China 5 emission standard and is more stringent than the EU6 emission standard. The testing cycle and procedure adopted is WLTP. Five regions

(including Shanghai, Tianjin, Hebei, Guangdong and Shenzhen) have implemented C6b since July 2019, ahead of nationwide implementation from July 2023; 11 regions (including Hainan, Zhejiang, Shandong, Henan, Shaanxi, Jiangsu, Anhui, Shanxi, Chongqing, Midwest of Inner Mongolia, and Sichuan) have implemented C6a since July 2019, ahead of national implementation since July 2020. Beijing has implemented C6b since January 2020. In the released emission standard, it is regulated that RDE will be mandatorily required nationwide from July 2023. Due to variant factors, the final RDE requirements have been not further tightened by MEE's confirmation in 2021, and final RDE implementation was postponed to January 2024.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

In China we often observe a difference in timing of regulation at national and community / city levels. Having the big cities as frontrunners poses additional pressure on the automotive industry to develop technical solutions in a shortened timeframe.

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

Regulation aiming at the reduction of CO2 emissions directly or indirect by enhancing fuel economy of vehicles plays an important role for the BMW Group as they require a strategic approach to contribute to the decarbonization of transport. Nevertheless, the transition to low carbon or zero emission mobility will happen at different speeds in the various world regions. As a global manufacturer we need to be able to react in a most flexible way to the single market demand in all those regions. Therefore, we consistently engage with policy makers to ensure that enabling conditions like the deployment of charging or H2 refueling infrastructure are keeping pace with customer demand.

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

German Automotive Association (VDA)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

i) POSITION OF THE ASSOCIATION:

The VDA nationally and internationally promotes the interests of the entire German automotive industry. VDA addresses a wide spectrum, including safety, quality and sustainability issues such as environmental protection in production, fuel efficiency and alternative drive technology as well as e-mobility. VDA promotes corresponding policies to these issues which reflect the opinion of the member companies about most appropriate actions and measures.

The VDA, as the representative of the German automotive industry supports the goal of making road transport climate-neutral by 2050 at the latest. It is driving the change and relying on innovations and technologies to do so.

EXAMPLE: Further reduction of fleet averaged CO₂-emissions is one component not in question by the VDA. However, the 95 g CO₂/km target in 2021 was already only achievable with great and increasingly expensive technical efforts and, in particular for premium manufacturers, electrification. The EU fleet targets set for 2025 and 2030 back in 2019 are ambitious for the automotive industry as conventional drive trains need to be replaced to a high degree by electric drive trains. As the EU Commission raised the overall climate target for 2030 to -55 % compared to -40 % reviews of relevant legislations contributing to the general climate goal have been executed in 2022. In consequence cars get more expensive what could prevent clients to buy new efficient cars. The previous purely supply-side regulatory methodology must be supplemented with an overall strategy on the demand side. The idea is to reduce CO₂ emissions of all road transportation, not just those from new cars

ii) CONSISTENCY:

The positions of VDA and BMW Group are ALIGNED.

Transparency, fair competition and compliance with applicable laws and regulations, in particular antitrust requirements, form the basis of the company's work in associations.

iii) ATTEMPT TO INFLUENCE:

By the constant membership in the Managing Board & Presiding Board of the association and by the regular participation in all relevant working groups. BMW Group is expressing its position in all activities, thus influencing the overall position on climate change of the VDA.

The BMW Group sees its role in bringing the company's positions into the associations' opinion-forming process and actively engages in discussion on key strategic topics (e.g. climate change, human rights, transparent supply chain management, etc.).

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

1,200,000

Describe the aim of your organization's funding

This amount represents the annual membership fee. It is derived based on the number of employees of the member company.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

European Automobile Manufacturers Association

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

i) POSITION OF THE ASSOCIATION:

ACEA is an advocate for the automotive industry in Europe, representing manufacturers of passenger cars, vans, trucks and buses with production sites in the EU. ACEA aspires to define and advocate the common interests, policies and positions of the European automobile industry. One “industry topic” is “environment and sustainability”. In this industry topic issues are addressed ranging from air quality, noise reduction or CSR in the supply chain to CO2 emissions from cars and alternative drivetrains and e-mobility. The post 2020 CO2 regulation in the EU is of particular interest. The current legislation is solely focused on vehicle technology. ACEA advocates for a comprehensive approach taking into account the usage of the vehicles in the existing fleet in order to accelerate further CO2 emissions reduction. Since most CO2 emissions from the existing fleet come from older cars which do not have the latest technologies, ACEA sees fleet renewal incentives as well as incentivizing lower carbon fuels through an upstream ETS (fuel providers) as two effective tools to lowering emissions from the existing fleet. By 2021, the car industry will have reduced CO2 emissions by almost 42 % compared to 2005. Any progress beyond 95 g/km CO2 relies heavily on growing electrification or hybridization levels. This may not be possible considering the lack of sufficient support at EU or national levels for electrification.

ii) CONSISTENCY:

The positions of ACEA and BMW Group are ALIGNED.

Transparency, fair competition and compliance with applicable laws and regulations, in particular antitrust requirements, form the basis of the company’s work in associations.

iii) ATTEMPT TO INFLUENCE:

By the constant membership in the ACEA Board of Directors and by the regular participation in relevant working groups. BMW Group is expressing its position in all activities, thus influencing the overall position on climate change of the ACEA.

The BMW Group sees its role in bringing the company’s positions into the associations’ opinion-forming process and actively engages in discussion on key strategic topics (e.g. climate change, human rights, transparent supply chain management, etc.).

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

600,000

Describe the aim of your organization’s funding

This amount represents the annual membership fee. It is derived based on the number of member companies.

Have you evaluated whether your organization’s engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

Auto Alliance

Is your organization’s position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization’s position is consistent with or differs from the trade association’s position, and any actions taken to influence their position

i) POSITION OF THE ASSOCIATION:

The Alliance For Automotive Innovation is the leading advocacy group for the automotive industry in North America and represents 77 % of all car and light truck sales in the United States. The Auto Alliance promotes constructive solutions to public policy challenges that promote sustainable mobility and benefit society in the areas of environment, energy and motor vehicle safety. “Auto Issues” of particular interest are (1) fuel economy and (2) electric readiness. (1) Fuel economy: The Alliance supports a comprehensive single, national program for fuel economy and greenhouse gas emissions, including consumer support of new, fuel efficient autos, which is critical to automakers meeting the program’s demanding targets. (2) Electric readiness: The Alliance promotes efforts to support mass market commercialization of e-vehicles. Long-term efforts to reduce dependency on foreign oil while also reducing transportation sector greenhouse gas emissions will require the mass market commercialization of electric vehicles. That includes technologies such as hybrid electrics, plug-in hybrid electrics, battery electrics, and fuel cell vehicles. Widespread consumer acceptance of these technologies will require that efforts be focused on important considerations such as: supporting infrastructure, incentives for consumer adoption, the alignment of regulatory efforts and the removal of market barriers.

ii) CONSISTENCY:

The positions of Alliance For Automotive Innovation and BMW Group are ALIGNED.

Transparency, fair competition and compliance with applicable laws and regulations, in particular antitrust requirements, form the basis of the company's work in associations.

iii) ATTEMPT TO INFLUENCE:

By the constant membership in the Board of Directors and in the Executive Committee of the association and by the participation in relevant working groups. BMW Group is expressing its position in all activities, thus influencing the overall position on climate change of the Auto Alliance.

The BMW Group sees its role in bringing the company's positions into the associations' opinion-forming process and actively engages in discussion on key strategic topics (e.g. climate change, human rights, transparent supply chain management, etc.).

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

1,300,000

Describe the aim of your organization's funding

This amount represents the annual membership fee. It is derived based on US market share.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations or individuals in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization or individual

Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding

VELOZ

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)

88,000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

TYPE OF FUNDING OR NON-FINANCIAL SUPPORT:

We are a founding and board member of VELOZ, a Californian non-profit partnership founded to accelerate the shift to electric cars through public-private collaboration, public engagement and policy education innovation. We helped to shape the organization's agenda, recruit new member organizations, provide BMW and MINI products for photo shoots and manage the direction that the organization and the digital campaign are taking.

HOW THE OUTCOMES OF OUR FUNDING COULD INFLUENCE POLICY, LAW OR REGULATION THAT MAY IMPACT THE CLIMATE:

Veloz aims to power the electric car movement with an innovative public message about the fun, emotional and compelling benefits of driving electric. To help California's vehicle electrification targets by 2030, the "Electric For All" campaign aims to educate and inspire drivers / riders to go electric advocating that e-vehicles are affordable for everyone.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).


Publication

In mainstream reports

Status

Complete

Attach the document

 BMW-Group-Bericht-2022-de.pdf

 BMW_Group-Report-2022-en.pdf

Page/Section reference

Sustainability: p. 97ff, p. 106ff

Governance and strategy: p. 41ff

Strategy: p. 100-102, p. 90-96

Risks & Opportunities: p. 138-142

Supplier engagement: p. 110ff

Emissions figures: p. 9, 108-109, 126, 311ff

Emissions targets: p. 3, 43ff, 97ff, 113

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

Comment

N/A

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization’s role within each framework, initiative and/or commitment
Row 1	Business Ambition for 1.5C RE100 Race to Zero Campaign UN Global Compact World Business Council for Sustainable Development (WBCSD) Other, please specify Catena-X	<p>Business Ambition for 1.5C</p> <p>The BMW Group is the first German carmaker to join the “Business Ambition for 1.5°C”. This includes our commitment to achieving climate-neutrality along the value chain by 2050 latest.</p> <p>https://www.bmwgroup.com/en/sustainability/our-focus/co2-reduction.html</p> <p>BMW is also one of the contributors to the SBTi transport sector development project, which is led by WWF.</p> <p>https://sciencebasedtargets.org/sectors/transport#project-participants</p> <p>RE100</p> <p>BMW joined RE100 in 2016 and committed to transition to 100% renewable power, with an interim target of sourcing more than two thirds of the group’s electricity from renewables by 2020. Alongside renewables, the company has been aggressively working to decrease energy consumption in production, and by 2014 had reduced this per vehicle by 34.2%, compared to 2006.</p> <p>https://www.there100.org/our-work/news/bmw-group-named-among-climate-leaders-automobile-industry-new-cdp-report-news</p> <p>In addition to committing to science-based targets, in 2020 BMW committed to procuring 100% of its electricity from renewable sources for its operations by 2050, as part of RE100 led by the Climate Group.</p> <p>https://www.wemeanbusinesscoalition.org/blog/bmw-joins-growing-list-of-automakers-committed-to-bold-climate-action/</p> <p>Race to Zero Campaign</p> <p>The BMW Group is committed to achieving the 1.5°C target. The BMW Group is the first German carmaker to join the “Business</p>

	<p>Ambition for 1.5°C". This includes our commitment to achieving climate-neutrality along the value chain by 2050 latest. It also automatically makes us a member of the UN's Race to Zero programme. https://www.bmwgroup.com/en/sustainability/our-focus/co2-reduction.html</p> <p>UN Global Compact BMW is a signatory. https://unglobalcompact.org/what-is-gc/participants/1372-BMW-AG</p> <p>World Business Council for Sustainable Development (WBCSD) Participant in the coalition / network. Active participation in various WBCSD projects (e.g., PACT): Partnership for Carbon Transparency (PACT) sets foundations for standardized emissions data exchange. PACT brings together stakeholders from across industries and organizations to jointly tackle the challenge of Scope 3 transparency. We collaborate within the PACT initiative to build consistent methodology for calculating and allocating product level carbon emission (recent example the steel guidance). https://www.wbcsd.org/Overview/Our-members/Members https://www.wbcsd.org/Programs/Climate-and-Energy/Climate/SOS-1.5/News/Partnership-for-Carbon-Transparency-PACT-sets-foundations-for-standardized-emissions-data-exchange</p> <p>Catena-X Within Catena-X we lead the CO2 use case. The target is that Product Carbon Footprint (PCF) data exchanged in a standardized format across interoperable and secure technology solutions and to enable companies to share their GHG emissions data with their suppliers along the tier-n supply chain. https://www.bmwgroup.com/en/news/general/2023/catenax.html</p> <p>Furthermore, BMW is a member of other initiatives, for more details see here: https://www.bmwgroup.com/content/dam/grpw/websites/bmwgroup_com/company/downloads/en/2023/Automobilverbaende_ENG.pdf f</p>
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C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity
Row 1	Yes, executive management-level responsibility	<p>Currently, the highest level of responsibility for biodiversity is on executive management level. As biodiversity is an interdisciplinary topic it is managed across several functions (e.g., sustainability strategy, sustainability procurement and environmental protection, energy).</p> <p>The BMW Group is committed to biodiversity and takes action to safeguard local biodiversity as well as to improve living conditions for local communities. Regarding biodiversity, we are active at our production sites (where biodiversity is managed with specific KPIs) and also partner within our value chain and with non-governmental institutions, e.g. in promoting the sustainable cultivation of rubber in Sumatra together with Pirelli and BirdLife International.</p>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Commitment to not explore or develop in legally designated protected areas	Other, please specify

		<p>Commitment to no conversion of High Conservation Value areas</p> <p>Commitment to secure Free, Prior and Informed Consent (FPIC) of Indigenous Peoples</p> <p>Commitment to no trade of CITES listed species</p>	<p>GPSNR, Leather Working Group, WWF Biodiversity Stewardship Councils</p>
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C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

Yes

Value chain stage(s) covered

Direct operations

Tools and methods to assess impacts and/or dependencies on biodiversity

Other, please specify

Environmental Impact Assessment (EIA) defined by the EU Directive (2011/92/EU as amended by 2014/52/EU))

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

The EIA assesses the direct and indirect significant impact of a project based on a wide range of environmental factors, including: population and human health, biodiversity, land, soil, water, air climate, landscape, material assets, cultural heritage.

The EIA is a detailed report containing the following information:

description of the project (location, design, size), potential significant effects, reasonable alternatives, features of the project and/or measures to avoid, prevent, reduce or offset likely, significant impacts on the environment.

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

Yes

C15.4a

(C15.4a) Provide details of your organization's activities in the reporting year located in or near to biodiversity -sensitive areas.

Classification of biodiversity -sensitive area

Other biodiversity sensitive area, please specify

ERC Hutan Harapan (Ecosystem Restoration Concession)

Country/area

Indonesia

Name of the biodiversity-sensitive area

ERC Hutan Harapan (Ecosystem Restoration Concession)

Proximity

Overlap



Briefly describe your organization’s activities in the reporting year located in or near to the selected area

We support a project focused on sustainable and deforestation-free natural rubber, biodiversity monitoring, forest protection and support of local communities.

Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

No

Mitigation measures implemented within the selected area

Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Not applicable: No direct link between BMW supply chain and this program for the moment.

The project provides agriculture training, forest patrolling, biodiversity monitoring, women empowerment etc.

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management Species management Education & awareness Law & policy Livelihood, economic & other incentives

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	

C15.7

(C15.7) Have you published information about your organization’s response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In mainstream financial reports	Content of biodiversity-related policies or commitments Impacts on biodiversity Other, please specify Participation in initiatives	Deep-Sea Mining Natural Rubber Leather BMW Group Report 2022 📎 1, 2, 3, 4, 5

📎 ¹Press_release__BMW_Group_protects_the_deep_seas.PDF

📎 ²Together to protect the rainforest_.pdf

📎 ³BMW_Group_joins_Leather_Working_Group_.PDF

📎 ⁴BMW-Group-Bericht-2022-de.pdf

📎 ⁵BMW_Group-Report-2022-en.pdf



C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

Additional information to C4.1b:

The BMW Group is firmly convinced that the fight against climate change and the responsible use of resources will determine the future of our society – and thus also that of the BMW Group. In July 2020, we adopted our integrated sustainability strategy, with concrete science-based targets for the first stage up to 2030. Those targets are an inherent aspect of strategic management and include the upstream supply chain, the Group’s own manufacturing operations as well as the customers’ use phase. Currently we are preparing the reporting (with reasonable assurance) of our SBTi target for Scope 3 upstream for the next CDP reporting cycle. The BMW Group commits to reduce Scope 3 GHG emissions from purchased goods & services and upstream transportation & distribution services 22 % per vehicle sold by 2030 from a 2019 base year.

Additional information to C12.3b:

The BMW Group is member in certain trade and industry associations / car manufacturer associations that address different topics relevant for the business success of the company. The aim of our engagement in associations is to bundle common interests and assure one-voice-policy while considering competitive rules.

In the document "BMW Group key memberships" on our website, which is not exhaustive, you can find a list of some of the key associations where the BMW Group is a member.

Additional information to C15.6:

We regularly conduct surveys at our production sites on the status and improvement of the centrally defined biodiversity indicator.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
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Row 1	Chairman of the Board of Management	Chief Executive Officer (CEO)
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SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

N/A

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	142,610,000,000

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member

Accenture

Scope of emissions

Scope 1

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

239.2

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 869 new leasing agreements for BMW Group vehicles started, resulting in total Scope 1 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Accenture

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

35.6

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 869 new leasing agreements for BMW Group vehicles started, resulting in total Scope 2 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Accenture

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 13: Downstream leased assets

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

11,046.5

Uncertainty (±%)

Major sources of emissions

Major sources for Scope 3 emissions are Use Phase emissions and emissions from Purchased Goods & Services. In 2022, these two categories made nearly 90% of Scope 3 emissions of the BMW Group. In the reporting period of 2022, 869 new leasing agreements for BMW Group vehicles started. Use phase CO₂ emissions (only in this category we included use phase emissions from non-BMW Group cars): 3,833.8 tonnes over the next three years (assumption: 15,000 km driven per year). Emissions from purchased goods and services: 7,212.7 tonnes CO₂e (only BMW Group vehicles).

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Aon plc

Scope of emissions

Scope 1

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

20.6

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 75 new leasing agreements for BMW Group vehicles started, resulting in total Scope 1 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Aon plc

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

3.1

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 75 new leasing agreements for BMW Group vehicles started, resulting in total Scope 2 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Aon plc

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 13: Downstream leased assets

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

1,125.2

Uncertainty (±%)

Major sources of emissions

Major sources for Scope 3 emissions are Use Phase emissions and emissions from Purchased Goods & Services. In 2022, these two categories made nearly 90% of Scope 3 emissions of the BMW Group. In the reporting period of 2022, 75 new leasing agreements for BMW Group vehicles started. Use phase CO₂ emissions (only in this category we included use phase emissions from non-BMW Group cars): 502.7

tonnes over the next three years (assumption: 15,000 km driven per year). Emissions from purchased goods and services: 622.5 tonnes CO₂e (only BMW Group vehicles).

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Arcadis

Scope of emissions

Scope 1

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

1.7

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 6 new leasing agreements for BMW Group vehicles started, resulting in total Scope 1 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Arcadis

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

0.2

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 6 new leasing agreements for BMW Group vehicles started, resulting in total Scope 2 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Arcadis

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 13: Downstream leased assets

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

291

Uncertainty (±%)

Major sources of emissions

Major sources for Scope 3 emissions are Use Phase emissions and emissions from Purchased Goods & Services. In 2022, these two categories made nearly 90% of Scope 3 emissions of the BMW Group. In the reporting period of 2022, 6 new leasing agreements for BMW Group vehicles started. Use phase CO₂ emissions (only in this category we included use phase emissions from non-BMW Group cars): 241.2 tonnes over the next three years (assumption: 15,000 km driven per year). Emissions from purchased goods and services: 49.8 tonnes CO₂e (only BMW Group vehicles).

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Aveva Group

Scope of emissions

Scope 1

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

0

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 0 new leasing agreements for BMW Group vehicles started, resulting in total Scope 1 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Aveva Group

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

0

Uncertainty ($\pm\%$)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 0 new leasing agreements for BMW Group vehicles started, resulting in total Scope 2 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Aveva Group

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 13: Downstream leased assets

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

39.4

Uncertainty (±%)

Major sources of emissions

Major sources for Scope 3 emissions are Use Phase emissions and emissions from Purchased Goods & Services. In 2022, these two categories made nearly 90% of Scope 3 emissions of the BMW Group. In the reporting period of 2022, 0 new leasing agreements for BMW Group vehicles started. Use phase CO₂ emissions (only in this category we included use phase emissions from non-BMW Group cars): 39.4 tonnes over the next three years (assumption: 15,000 km driven per year). Emissions from purchased goods and services: 0.0 tonnes CO₂e (only BMW Group vehicles).

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Grupo Bimbo, S.A.B. de C.V.

Scope of emissions

Scope 1

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

0

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 0 new leasing agreements for BMW Group vehicles started, resulting in total Scope 1 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Grupo Bimbo, S.A.B. de C.V.

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

0

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 0 new leasing agreements for BMW Group vehicles started, resulting in total Scope 2 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Grupo Bimbo, S.A.B. de C.V.

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 13: Downstream leased assets

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

316.1

Uncertainty (±%)

Major sources of emissions

Major sources for Scope 3 emissions are Use Phase emissions and emissions from Purchased Goods & Services. In 2022, these two categories made nearly 90% of Scope 3 emissions of the BMW Group. In the reporting period of 2022, 0 new leasing agreements for BMW Group vehicles started. Use phase CO₂ emissions (only in this category we included use phase emissions from non-BMW Group cars): 316.1

tonnes over the next three years (assumption: 15,000 km driven per year). Emissions from purchased goods and services: 0.0 tonnes CO₂e (only BMW Group vehicles).

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

British American Tobacco

Scope of emissions

Scope 1

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

1.9

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 7 new leasing agreements for BMW Group vehicles started, resulting in total Scope 1 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

British American Tobacco

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

0.3

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 7 new leasing agreements for BMW Group vehicles started, resulting in total Scope 2 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

British American Tobacco

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 13: Downstream leased assets

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

107.5

Uncertainty (±%)

Major sources of emissions

Major sources for Scope 3 emissions are Use Phase emissions and emissions from Purchased Goods & Services. In 2022, these two categories made nearly 90% of Scope 3 emissions of the BMW Group. In the reporting period of 2022, 7 new leasing agreements for BMW Group vehicles started. Use phase CO₂ emissions (only in this category we included use phase emissions from non-BMW Group cars): 49.4 tonnes over the next three years (assumption: 15,000 km driven per year). Emissions from purchased goods and services: 58.1 tonnes CO₂e (only BMW Group vehicles).

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

The Coca-Cola Company

Scope of emissions

Scope 1

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

54.8

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 199 new leasing agreements for BMW Group vehicles started, resulting in total Scope 1 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

The Coca-Cola Company

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

8.1

Uncertainty ($\pm\%$)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 199 new leasing agreements for BMW Group vehicles started, resulting in total Scope 2 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

The Coca-Cola Company

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 13: Downstream leased assets

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

2,591.4

Uncertainty (±%)

Major sources of emissions

Major sources for Scope 3 emissions are Use Phase emissions and emissions from Purchased Goods & Services. In 2022, these two categories made nearly 90% of Scope 3 emissions of the BMW Group. In the reporting period of 2022, 199 new leasing agreements for BMW Group vehicles started. Use phase CO₂ emissions (only in this category we included use phase emissions from non-BMW Group cars): 939.7 tonnes over the next three years (assumption: 15,000 km driven per year). Emissions from purchased goods and services: 1,651.7 tonnes CO₂e (only BMW Group vehicles).

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Deloitte Touche Tohmatsu Limited

Scope of emissions

Scope 1

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

103.5

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 376 new leasing agreements for BMW Group vehicles started, resulting in total Scope 1 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Deloitte Touche Tohmatsu Limited

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

15.4

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 376 new leasing agreements for BMW Group vehicles started, resulting in total Scope 2 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Deloitte Touche Tohmatsu Limited

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 13: Downstream leased assets

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

4,053.6

Uncertainty (±%)

Major sources of emissions

Major sources for Scope 3 emissions are Use Phase emissions and emissions from Purchased Goods & Services. In 2022, these two categories made nearly 90% of Scope 3 emissions of the BMW Group. In the reporting period of 2022, 376 new leasing agreements for BMW Group vehicles started. Use phase CO₂ emissions (only in this category we included use phase emissions from non-BMW Group cars): 932.8

tonnes over the next three years (assumption: 15,000 km driven per year). Emissions from purchased goods and services: 3,120.8 tonnes CO2e (only BMW Group vehicles).

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

DHL Group

Scope of emissions

Scope 1

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

134.1

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 487 new leasing agreements for BMW Group vehicles started, resulting in total Scope 1 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

DHL Group

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

19.9

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 487 new leasing agreements for BMW Group vehicles started, resulting in total Scope 2 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

DHL Group

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 13: Downstream leased assets

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

6,445.9

Uncertainty (±%)

Major sources of emissions

Major sources for Scope 3 emissions are Use Phase emissions and emissions from Purchased Goods & Services. In 2022, these two categories made nearly 90% of Scope 3 emissions of the BMW Group. In the reporting period of 2022, 487 new leasing agreements for BMW Group vehicles started. Use phase CO2 emissions (only in this category we included use phase emissions from non-BMW Group cars): 2,403.8 tonnes over the next three years (assumption: 15,000 km driven per year). Emissions from purchased goods and services: 4,042.1 tonnes CO2e (only BMW Group vehicles).

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Koninklijke KPN NV (Royal KPN)

Scope of emissions

Scope 1

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

16.2

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 59 new leasing agreements for BMW Group vehicles started, resulting in total Scope 1 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Koninklijke KPN NV (Royal KPN)

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

2.4

Uncertainty ($\pm\%$)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 59 new leasing agreements for BMW Group vehicles started, resulting in total Scope 2 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Koninklijke KPN NV (Royal KPN)

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 13: Downstream leased assets

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

1,077.2

Uncertainty (±%)

Major sources of emissions

Major sources for Scope 3 emissions are Use Phase emissions and emissions from Purchased Goods & Services. In 2022, these two categories made nearly 90% of Scope 3 emissions of the BMW Group. In the reporting period of 2022, 59 new leasing agreements for BMW Group vehicles started. Use phase CO₂ emissions (only in this category we included use phase emissions from non-BMW Group cars): 587.5 tonnes over the next three years (assumption: 15,000 km driven per year). Emissions from purchased goods and services: 489.7 tonnes CO₂e (only BMW Group vehicles).

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

L'Oréal

Scope of emissions

Scope 1

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

26.4

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 96 new leasing agreements for BMW Group vehicles started, resulting in total Scope 1 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

L'Oréal

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

3.9

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 96 new leasing agreements for BMW Group vehicles started, resulting in total Scope 2 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

L'Oréal

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 13: Downstream leased assets

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

1,250.4

Uncertainty (±%)

Major sources of emissions

Major sources for Scope 3 emissions are Use Phase emissions and emissions from Purchased Goods & Services. In 2022, these two categories made nearly 90% of Scope 3 emissions of the BMW Group. In the reporting period of 2022, 96 new leasing agreements for BMW Group vehicles started. Use phase CO₂ emissions (only in this category we included use phase emissions from non-BMW Group cars): 453.6

tonnes over the next three years (assumption: 15,000 km driven per year). Emissions from purchased goods and services: 796.8 tonnes CO₂e (only BMW Group vehicles).

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

National Grid PLC

Scope of emissions

Scope 1

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

5.2

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 19 new leasing agreements for BMW Group vehicles started, resulting in total Scope 1 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

National Grid PLC

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

0.8

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 19 new leasing agreements for BMW Group vehicles started, resulting in total Scope 2 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

National Grid PLC

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 13: Downstream leased assets

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

233.7

Uncertainty (±%)

Major sources of emissions

Major sources for Scope 3 emissions are Use Phase emissions and emissions from Purchased Goods & Services. In 2022, these two categories made nearly 90% of Scope 3 emissions of the BMW Group. In the reporting period of 2022, 19 new leasing agreements for BMW Group vehicles started. Use phase CO₂ emissions (only in this category we included use phase emissions from non-BMW Group cars): 76.0 tonnes over the next three years (assumption: 15,000 km driven per year). Emissions from purchased goods and services: 157.7 tonnes CO₂e (only BMW Group vehicles).

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Nokia Group

Scope of emissions

Scope 1

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

100.7

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 366 new leasing agreements for BMW Group vehicles started, resulting in total Scope 1 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Nokia Group

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

15

Uncertainty ($\pm\%$)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 366 new leasing agreements for BMW Group vehicles started, resulting in total Scope 2 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Nokia Group

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 13: Downstream leased assets

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

4,792.1

Uncertainty (±%)

Major sources of emissions

Major sources for Scope 3 emissions are Use Phase emissions and emissions from Purchased Goods & Services. In 2022, these two categories made nearly 90% of Scope 3 emissions of the BMW Group. In the reporting period of 2022, 366 new leasing agreements for BMW Group vehicles started. Use phase CO₂ emissions (only in this category we included use phase emissions from non-BMW Group cars): 1,754.3 tonnes over the next three years (assumption: 15,000 km driven per year). Emissions from purchased goods and services: 3,037.8 tonnes CO₂e (only BMW Group vehicles).

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Smith & Nephew

Scope of emissions

Scope 1

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

58.1

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 211 new leasing agreements for BMW Group vehicles started, resulting in total Scope 1 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Smith & Nephew

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

8.6

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 211 new leasing agreements for BMW Group vehicles started, resulting in total Scope 2 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Smith & Nephew

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 13: Downstream leased assets

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

2,779.6

Uncertainty (±%)

Major sources of emissions

Major sources for Scope 3 emissions are Use Phase emissions and emissions from Purchased Goods & Services. In 2022, these two categories made nearly 90% of Scope 3 emissions of the BMW Group. In the reporting period of 2022, 211 new leasing agreements for BMW Group vehicles started. Use phase CO₂ emissions (only in this category we included use phase emissions from non-BMW Group cars): 1,028.3

tonnes over the next three years (assumption: 15,000 km driven per year). Emissions from purchased goods and services: 1,751.3 tonnes CO2e (only BMW Group vehicles).

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Visteon

Scope of emissions

Scope 1

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

0.3

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 1 new leasing agreements for BMW Group vehicles started, resulting in total Scope 1 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Visteon

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

0

Uncertainty (±%)

Major sources of emissions

Major source for Scope 1 & 2 emissions is the production of the BMW Group part of the fleet. The production of the other cars does not lie inside the operational control of BMW Group. In the reporting period of 2022, 1 new leasing agreements for BMW Group vehicles started, resulting in total Scope 2 emissions as given.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

Requesting member

Visteon

Scope of emissions

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 13: Downstream leased assets

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

39

Uncertainty (±%)

Major sources of emissions

Major sources for Scope 3 emissions are Use Phase emissions and emissions from Purchased Goods & Services. In 2022, these two categories made nearly 90% of Scope 3 emissions of the BMW Group. In the reporting period of 2022, 1 new leasing agreements for BMW Group vehicles started. Use phase CO₂ emissions (only in this category we included use phase emissions from non-BMW Group cars): 30.7 tonnes over the next three years (assumption: 15,000 km driven per year). Emissions from purchased goods and services: 8.3 tonnes CO₂e (only BMW Group vehicles).

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Please see Investor CDP Climate Change answer.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

Please see Investor CDP Climate Change answer.

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
We face no challenges	N/A

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

Requesting member

Group type of project

Type of project

Emissions targeted

Estimated timeframe for carbon reductions to be realized

Estimated lifetime CO2e savings

Estimated payback

Details of proposal

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

Submit your response

In which language are you submitting your response?

English



Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms