

DEAR SHAREHOLDERS,

After several successful virtual AGMs, we are delighted to invite you to this year's physical Annual General Meeting in the Olympic Hall, across from BMW Group's Headquarters in Munich. Following a decade as the Chairman of BMW AG Supervisory Board, I will be presiding over the AGM for the last time. As such, I wanted to take the opportunity to contact you personally in advance.

As a Supervisory Board, my colleagues and I are very aware of our responsibility and role as stewards to ensure your company and investment are well positioned to be resilient and successful – today and in the future. With this guiding principle, the Supervisory Board and Management Board work together constructively and purposefully to achieve those objectives in your interests. The Supervisory Board also takes this into account when ensuring succession planning for the Management Board with foresight. When looking at Management Board composition in 2025, four out of 7 board positions will have been refreshed within the last 2 years.

The automotive industry is amid its most consequential transformation yet: from electrification of the portfolio, centralized role of software, increasingly relevant driver assistance functionalities and digitalization along the entire value chain. We also operate in a dynamic market environment, with new entrants and an evolving geopolitical landscape. In such times, you can be confident that your company continues to pursue a competitive strategy that includes important cornerstones such as profitable growth, technology openness, global operations and sourcing, all while serving global customers, with the right products and services with our premium portfolio of brands.

In the past decade the Supervisory Board has continuously worked on the development of our corporate governance, diversified and relevant competencies, committee composition ad-

ressing independence, and aligning Management Board compensation with shareholder interests. The various personal discussions and interactions with you, our shareholders, have provided invaluable input to the deliberations at the Supervisory Board.

By competencies, I mean specifically the selection of Supervisory Board candidates, who individually and collectively bring the skills that a Supervisory Board of a global automotive manufacturer requires at today's pivotal time. We are focused on a complementary set of individuals who bring global expertise, from different sectors, that collectively are greater than the sum of their individual experiences.

To fulfil this purpose, we consider the succession of the Supervisory Board with foresight. Supervisory Board members Ms Rachel Empey, Ms Anke Schäferkordt, Dr Marc Bitzer and Prof Dr Dr hc Christoph M Schmidt are standing for re-election this year. They bring the necessary blend of extensive international experience as well as expertise in global business and economy, finance and sustainability.

My successor as Chairman of the Supervisory Board has also been proposed – this position requires an exceptional profile. This is particularly relevant in light of the current global, technological and political developments. The individual must have a broad perspective, international experience, understanding of the varying paces at which emerging technologies are evolving in different global regions. Furthermore, the candidate must have a deep knowledge of the complexity in our operating environment, and an understanding of and respect for our unique culture, in particular the collaborative relationship between shareholder representatives and employee representatives on the Supervisory Board.



Norbert Reithofer
Chairman of the Supervisory Board

Additionally, the candidate for this position needs a long-term strategic orientation, integrity, decisiveness and courage, all with a proven track record in a complex environment. These skills ensure a clear-sighted view on corporate planning and strategic decisions to ensure that the Supervisory Board works in the interests of you, our shareholders and stakeholders.

When considering who to propose as my successor for election to the Supervisory Board, these skills were applied as critical success factors. On the recommendation of the Nomination Committee, the Supervisory Board proposes to elect Dr. Nicolas Peter to the Supervisory Board and – subject to his election to the Supervisory Board – intends to elect him as Chairman of the Supervisory Board including succession to my further Supervisory Board functions after the 2025 Annual General Meeting.

From 2017 to May 2023, Dr Nicolas Peter was a member of the Board of Management of BMW AG, responsible for Finance. He has many years of wide-ranging experience from various management positions at the BMW Group. During his tenure as CFO, Dr Nicolas Peter interacted with many of you and is aware of shareholder expectations. As former Chairman and Vice Chairman of the Board of Directors of BMW Brilliance Automotive from 2017 to 2023, he is also very familiar with business relations in China and played a central role in the acquisition of an additional 25% of our JV in China, an important market for the BMW Group. Prior to his role as CFO, he was responsible for sales in the European region from 2011 to 2016, delivering on the growth potential for sales which is harnessed today. As Chief Group Controller from 2007 to 2011, he played a key role in the financial steering of the company during the previous financial crisis and delivered on an efficiency program which has laid the foundation for the subsequent turnaround of the company. He holds both German and French citizenship and has a cosmopolitan mindset.

In the past two years, Dr Nicolas Peter has expanded his competencies on the Government Commission on the German Cor-

porate Governance Code (DCGK). He has also served on two supervisory board bodies and audit committees of global complex businesses in Automotive Technology, Supply Chain Solutions and Industrial Trucks. He will be resigning from both mandates in 2025. He is Chairman of the Board of Trustees of the independent BMW Foundation Herbert Quandt.

Dr Nicolas Peter has also completed the two-year cooling-off period in accordance with German stock corporation law and German Corporate Governance Codex. Thus, providing the necessary distance and an unbiased view of the challenges ahead can be ensured. I encourage you to support the Supervisory Board's proposal and to elect Dr Nicolas Peter to the Supervisory Board.

Shifting focus to Committee composition, we as a Supervisory Board have also addressed your feedback on independence to increase the independence ratio of key committees, namely the Audit and Remuneration committee to 50% in 2022 and 2025 respectively. This independence ratio excludes the participation of the Employee Representatives. Furthermore, we continue with our independent shareholder representative chair of the Audit Committee.

During 2025 AGM, you will also be presented the changes to our Remuneration system. We have simplified the system, reduced the weighting and complexity of non-financial performance targets. At the same time, we have strengthened the weighting on transparent and clear financial KPIs. We have also further enhanced the share-ownership guidelines to align Management Board interests with shareholder interests. Within our Long-Term Incentive, the ability to set annual targets has enabled us to strive for more ambitious targets in a dynamic environment. An example of this is the company's overachievement of the EU's regulatory CO2 fleet emission limits in 2024.

In communication with you, we have had positive experiences with the virtual format of the Annual General Meeting over the

past five years and have gradually evolved it further. It was important to us that all members of the Management and Supervisory Board would be present on site during a virtual AGM. On the basis of the new German law on virtual AGMs, we have successfully implemented your live online participation, including the exercise of the right to speak and ask questions during the general meeting. Participants who would not have been able to travel to Munich were also able to benefit from this.

Of course, we also appreciate the personal interaction with you. For this reason, the Management Board and Supervisory Board will be proposing a solution comprising both formats in the future: An authorization allowing virtual Annual General Meetings and securing in principle at least one General Meeting with in-person attendance in the next five years.

The strategic orientation of the company and professional governance will continue to be the focus of the BMW Group Supervisory Board in the future. Much like the company, the Supervisory Board seeks to deliver continuous development – on that you can rely. In my 38 years with this great organization, BMW Group has continuously pushed the boundaries with innovations like the iDrive, Head-up Display, and the pioneering electro mobility with the iconic BMW i3. Now, in 2025, the NEUE KLASSE will once again set new standards in design, drivetrain technology and software.

I look forward to seeing you in the Olympic Hall in Munich on 14 May 2025.

Yours



Dr.-Ing Dr.-Ing Eh Norbert Reithofer

