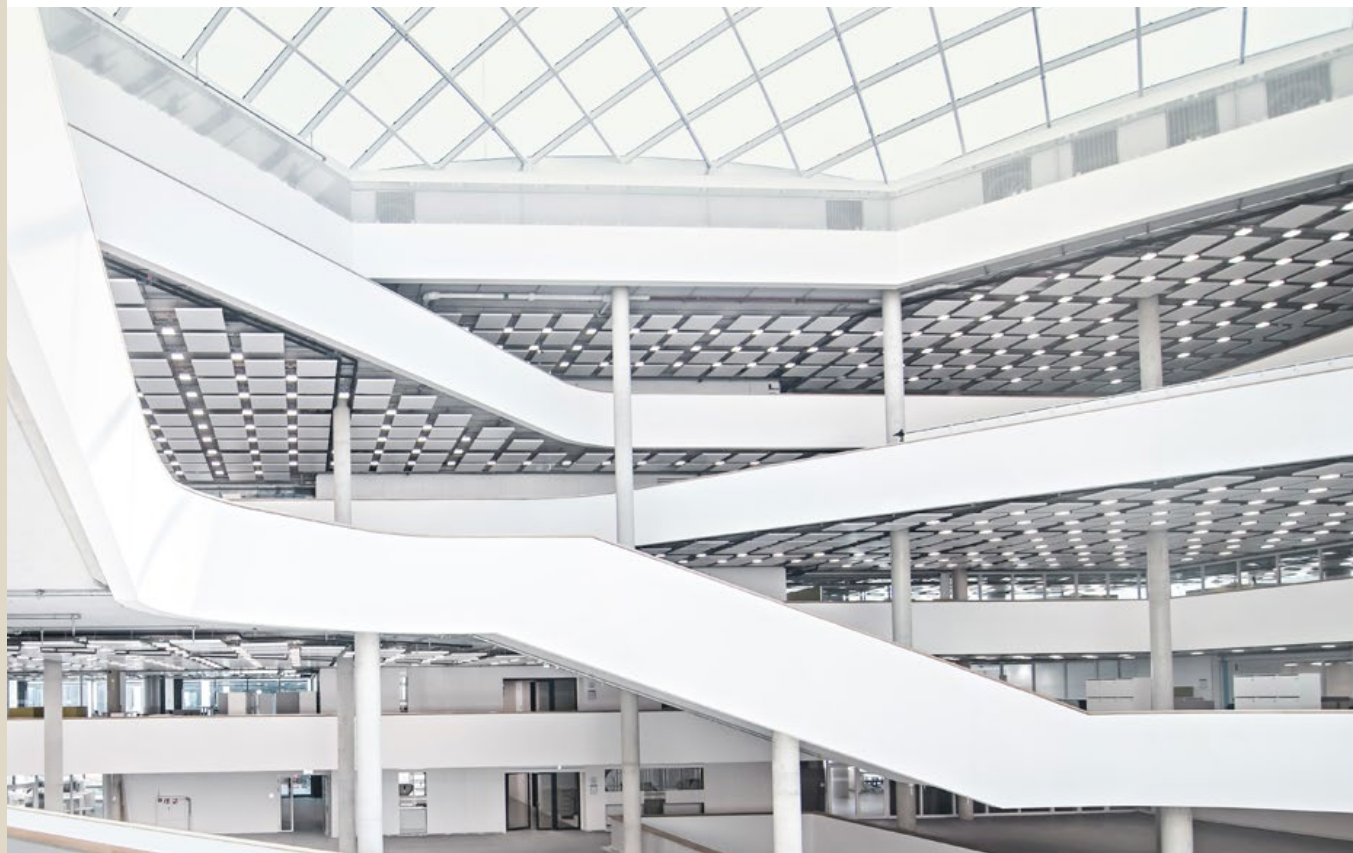


CORPORATE GOVERNANCE

282	Fundamental Aspects of Corporate Governance (Part of the Combined Management Report)
282	Information on the Company's Governing Constitution
282	Board of Management
283	Supervisory Board
284	Shareholders and Annual General Meeting
284	Declaration of Compliance
284	Corporate Governance Statement
285	Members of the Board of Management
286	Members of the Supervisory Board
289	Overview of Supervisory Board Committees and their Composition
291	Remuneration Report (Part of the Combined Management Report)
326	Glossary and Explanation of Key Figures
330	Responsibility Statement by the Company's Legal Representatives
331	Independent Auditor's Report
340	Independent Practitioner's Report



FUNDAMENTAL ASPECTS OF CORPORATE GOVERNANCE (PART OF THE COMBINED MANAGEMENT REPORT)

Good corporate governance – acting in accordance with the principles of responsible management aimed at increasing enterprise value on a sustainable basis – is an essential requirement for the BMW Group, embracing all areas of the business. Corporate culture within the BMW Group is founded on transparent reporting and corporate communication, corporate governance in the interest of stakeholders, trustful cooperation both of the Board of Management and the Supervisory Board as well as among employees, and compliance with applicable law.

The Board of Management and the Supervisory Board report below on the main features of corporate governance. The Corporate Governance Report pursuant to Principle 22 of the German Corporate Governance Code (DCGK), as amended on 16 December 2019, is part of the Corporate Governance Statement, which can be accessed at www.bmwgroup.com/ezu (Corporate Governance).

INFORMATION ON THE COMPANY'S GOVERNING CONSTITUTION

The designation BMW Group comprises Bayerische Motoren Werke Aktiengesellschaft (BMW AG) and its Group entities. BMW AG is a stock corporation (Aktiengesellschaft) within the meaning of the German Stock Corporation Act (Aktiengesetz) and has its registered office in Munich, Germany. It has three representative bodies, namely the Annual General Meeting, the Supervisory Board and the Board of Management. The duties and authorities of those bodies derive from the Stock Corporation Act and the Articles of Incorporation of BMW AG. Shareholders, as the owners of the business, exercise their rights at the Annual General Meeting. The Board of Management is fully responsible for managing the enterprise and is monitored and advised by the Supervisory Board. The Supervisory Board appoints the members of the Board of Management and can, for an important reason, revoke an appointment at any time. The Board of Management informs the Supervisory Board and reports to it regularly, promptly and comprehensively, in line with the principles of conscientious and faithful accountability and in accordance with the law and the reporting duties determined by the Supervisory Board. The Board of Management requires the approval of the Supervisory Board for certain major proceedings. The Supervisory Board is not, however, authorised to undertake management measures itself.

The close interaction between Board of Management and Supervisory Board in the interests of the enterprise as described above is also known as a “two-tier board structure”.

BOARD OF MANAGEMENT

The Board of Management manages the enterprise under its own responsibility, acting in the best interests of the BMW Group with the aim of achieving sustainable growth in value. The interests of shareholders, employees and other stakeholders are also taken into account in the pursuit of this aim.

In accordance with § 7 of the Articles of Association, the Board of Management of BMW AG comprises two or more persons; other than that, the number of members of the Board of Management is determined by the Supervisory Board. At 31 December 2020, the Board of Management comprised seven members. The Board of Management decides on the principal guidelines for managing the enterprise, determines and agrees upon the strategic orientation with the Supervisory Board, and ensures its implementation. The Board of Management is responsible for ensuring that all provisions of law and internal regulations are complied with. Further details on compliance within the BMW Group are available in the section [Compliance and Human Rights](#). The Board of Management is also responsible for ensuring that appropriate risk management and risk controlling systems are in place throughout the Group.

Members of the Board of Management are required to act in the enterprise's best interests and may not pursue personal interests in their decisions or take advantage of business opportunities intended for the benefit of the BMW Group. Individual members of the Board of Management of BMW AG are required to disclose any conflicts of interest to the Supervisory Board without delay and inform the other members of the Board of Management accordingly.

Deliberations are held and decisions taken by the Board of Management as a collegiate body at full Board meetings as well as at Product and Customer full Board meetings. The Board of Management also deliberates and makes decisions at meetings of its three committees – Customer, Operations and Senior Executives. The overall framework for developing business strategies, the use of resources, the implementation of strategies and matters of particular importance to BMW AG are decided upon at Board of Management meetings.

The Board of Management Board has issued terms of procedure for itself. The allocation of areas of responsibility and business segments among the members of the Board of Management is set out in the Board's Schedule of Responsibilities.

Further information on the composition and working methods of the Management Board and its committees is provided in the Corporate Governance Statement at www.bmwgroup.com/ezu (Corporate Governance).

SUPERVISORY BOARD

BMW AG's Supervisory Board is composed of ten shareholder representatives (elected by the Annual General Meeting) and ten employee representatives (elected in accordance with the Co-Determination Act). The ten Supervisory Board members representing employees comprise seven Company employees, including one executive staff representative, and three members elected following nomination by unions. The Supervisory Board has the task of advising and supervising the Board of Management in its management of BMW AG. It is involved in all decisions of fundamental importance for BMW AG. The Supervisory Board appoints the members of the Board of Management and decides upon the level of remuneration they receive. The Supervisory Board can revoke appointments for important reasons.

Members of the Supervisory Board of BMW AG are obliged to act in the best interest of the enterprise as a whole. They may not pursue personal interests in their decisions or take advantage of business opportunities intended for the benefit of the BMW Group.

Members of the Supervisory Board are obliged to inform the full Supervisory Board of any conflicts of interest so that the latter can report to the shareholders at the Annual General Meeting on its treatment of the issue. Conflicts of interest requiring to be disclosed include, in particular, conflicts of interest that may arise as a result of a consultant or board function with clients, suppliers, lenders or other business partners. Significant and non-temporary conflicts of interest of a Supervisory Board member result in the termination of mandate.

The Supervisory Board regularly assesses the efficiency of its activities. To this end, shared discussion is conducted within the Supervisory Board and, at regular intervals, in personal discussions with the Chairman, prepared on the basis of a questionnaire sent in advance, which is drawn up by the Supervisory Board.

The Supervisory Board has stated specific targets for its composition, agreed to a diversity concept and determined a competency profile. Members of the Supervisory Board are responsible for undertaking any training required for the performance of their duties. The Company provides them with appropriate assistance therein.

Taking into account the specific circumstances of the BMW Group and the number of Board members, the Supervisory Board has set up a Presiding Board and four committees, namely the Personnel Committee, the Audit Committee, the Nomination Committee and the Mediation Committee. These serve to raise the efficiency of the Supervisory Board's work and facilitate the handling of complex issues.

Composition of the Presiding Board and the various committees is based on legal requirements, the Articles of Incorporation, rules of procedure and corporate governance principles, while taking into particular account the expertise of the members concerned.

BMW AG ensures that the Supervisory Board and its committees are appropriately equipped to carry out their duties. This includes providing a central Supervisory Board office to support the chairpersons in their coordination work.

Further information on the composition and working procedures of the Supervisory Board and its committees is provided in the Corporate Governance Statement at www.bmwgroup.com/ezu (Corporate Governance).

SHAREHOLDERS AND ANNUAL GENERAL MEETING

The shareholders of BMW AG exercise their rights at the Annual General Meeting. The Annual General Meeting decides in particular on the utilisation of unappropriated profit, the ratification of the acts of the members of the Board of Management and of the Supervisory Board, the appointment of the external auditor, changes to the Articles of Incorporation and specified capital measures and elects the shareholders' representatives to the Supervisory Board.

Moreover, the systems for the remuneration of Board of Management members and Supervisory Board members are presented to the Annual General Meeting for approval in the case of significant changes, but at least every four years. This is scheduled to take place at the Annual General Meeting in 2021.

Shareholders may exercise their voting rights at the Annual General Meeting either in person, by proxy or via a representative designated by BMW AG. Voting rights may also be exercised via postal vote.

Due to the Covid-19 pandemic, the 2020 Annual Meeting was held for the first time as a virtual meeting, i.e., without the physical presence of shareholders and proxies, except for the Company representatives bound by instructions issued by shareholders. In this case, the Company enabled shareholders to exercise their voting rights by issuing instructions to Company representatives or by postal vote (in both cases in paper form and online).

DECLARATION OF COMPLIANCE

Once a year, the Board of Management and the Supervisory Board of BMW AG issue an annual Declaration of Compliance pursuant to § 161 of the German Stock Corporation Act (AktG) with regard to recommendations of the Government Commission on the German Corporate Governance Code as officially published and valid at the date of the declaration. BMW AG's current and previous Declarations of Compliance are available online at www.bmwgroup.com/compliancedeclaration (Corporate Governance). In the Declaration of Compliance issued in December 2020, the Board of Management and the Supervisory Board declared that all recommendations of the German Corporate Governance Code (version dated 16 December 2019) will be complied with going forward.

CORPORATE GOVERNANCE STATEMENT

Further information on corporate management and governance, including the declaration of compliance pursuant to § 161 of the German Stock Corporation Act, can be found in the Corporate Governance Statement (§ 289 f and § 315 HGB) at www.bmwgroup.com/ezu (Corporate Governance).

MEMBERS OF THE BOARD OF MANAGEMENT

OLIVER ZIPSE (b.1964)

Chairman

KLAUS FRÖHLICH (b.1960)

Development (until 30 June 2020)

Mandates

— E.ON SE

ILKA HORSTMEIER (b.1969)

Human Resources, Labour Relations Director

DR. MILAN NEDELJKOVIĆ (b.1969)

Production

Mandates

— BMW (South Africa) (Pty) Ltd.♦, Chairman

— BMW Motoren GmbH♦, Chairman

PIETER NOTA (b.1964)

Customer, Brands, Sales

Mandates

— Rolls-Royce Motor Cars Limited♦, Chairman

DR. NICOLAS PETER (b.1962)

Finance

Mandates

— BMW Brilliance Automotive Ltd.♦,
Deputy Chairmann

FRANK WEBER (b.1966)

Development (since 1 July 2020)

DR.-ING. ANDREAS WENDT (b.1958)

Purchasing and Supplier Network

General Counsel:

DR. ANDREAS LIEPE

♦ Not listed on the stock exchange.

— Membership of other statutory supervisory boards.

— Membership of equivalent national or foreign boards of business enterprises.

MEMBERS OF THE SUPERVISORY BOARD

DR.-ING. DR.-ING. E.H. NORBERT REITHOFER (b.1956)

Member since 2015, elected until the Annual General Meeting (AGM) 2025

Chairman of the Supervisory Board

Former Chairman of the Board of Management of BMW AG

Mandates

- Siemens Aktiengesellschaft
- Henkel Management AG (since 22 June 2020)
- Henkel AG & Co. KGaA (Shareholders' Committee)

MANFRED SCHOCH¹ (b.1955)

Member since 1988, elected until the AGM 2024

Deputy Chairman of the Supervisory Board

Chairman of the European and General Works Council

Industrial Engineer

STEFAN QUANDT (b.1966)

Member since 1997, elected until the AGM 2024

Deputy Chairman of the Supervisory Board

Entrepreneur

Mandates

- DELTON Health AG[♦], Chairman
- DELTON Technology SE[♦], Chairman
- Frankfurter Allgemeine Zeitung GmbH[♦]
- AQTON SE[♦], Chairman
- Entrust Corp.[♦]

STEFAN SCHMID¹ (b.1965)

Member since 2007, elected until the AGM 2024

Deputy Chairman of the Supervisory Board

Chairman of the Works Council, Dingolfing

DR. JUR. KARL-LUDWIG KLEY (b.1951)

Member since 2008, elected until the AGM 2021

Deputy Chairman of the Supervisory Board

Chairman of the Supervisory Board of E.ON SE and Deutsche Lufthansa Aktiengesellschaft

Mandates

- E.ON SE, Chairman
- Deutsche Lufthansa Aktiengesellschaft, Chairman

CHRISTIANE BENNER² (b.1968)

Member since 2014, elected until the AGM 2024

Second Chairwoman of IG Metall

Mandates

- Continental AG, Deputy Chairwoman

DR. RER. POL. KURT BOCK (b.1958)

Member since 2018, elected until the AGM 2023

Chairman of the Supervisory Board of BASF SE (since 18 June 2020)

Mandates

- BASF SE, Chairman
- FUCHS PETROLUB SE, Chairman
- Fresenius Management SE[♦] (until 30 June 2020)
- Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München (until 29 April 2020)

VERENA ZU DOHNA-JAEGER² (b.1975)

Member since 2019, elected until the AGM 2024

Department head for Industrial Relations and Co-determination Policy with the Executive Board of IG Metall/(In-house) counsel

Mandates

- ABB AG

¹ Employee representatives (Company employees).

² Employee representatives (union representatives).

³ Employee representatives (members of senior management).

[♦] Not listed on the stock exchange.

— Membership of other statutory supervisory boards.

— Membership of equivalent national or foreign boards of business enterprises.

DR.-ING. HEINRICH HIESINGER (b.1960)

Member since 2017, elected until the AGM 2022

Member of supervisory boards

Mandates

- Deutsche Post AG
- Fresenius Management SE[♦] (since 1 July 2020)
- ZF Friedrichshafen AG[♦] (since 1 January 2021)

PROF. DR. RER. NAT. DR. H. C.**REINHARD HÜTTL** (b.1957)

Member since 2008, elected until the AGM 2023

Scientific Director and Managing Director of EUREF Energy Innovation GmbH

University Professor

SUSANNE KLATTEN (b.1962)

Member since 1997, elected until the AGM 2024

Entrepreneur

Mandates

- SGL Carbon SE, Chairwoman
- ALTANA AG[♦], Deputy Chairwoman
- UnternehmerTUM GmbH[♦], Chairwoman

PROF. DR. RER. POL. RENATE KÖCHER (b.1952)

Member until 14 May 2020

Director of Institut für Demoskopie

Allensbach Gesellschaft zum Studium der öffentlichen Meinung mbH

Mandates

- Infineon Technologies AG (until 20 February 2020)
- Nestlé Deutschland AG[♦]
- Robert Bosch GmbH[♦]

HORST LISCHKA² (b.1963)

Member since 2009, elected until the AGM 2021

Secretary with the Executive Board of IG Metall

Mandates

- KraussMaffei Group GmbH[♦]
- MAN Truck & Bus SE[♦]
- München Klinik gGmbH (until 15 May 2020)

WILLIBALD LÖW¹ (b.1956)

Member since 1999, elected until the AGM 2024

Chairman of the Works Council, Landshut

SIMONE MENNE (b.1960)

Member since 2015, elected until the AGM 2021

Member of supervisory boards

Mandates

- Deutsche Post AG
- Henkel AG & Co. KGaA (since 17 June 2020)
- Springer Nature AG & Co. KGaA[♦] (until 3 March 2020)
- Johnson Controls International plc
- Russell Reynolds Associates Inc.[♦]

DR. DOMINIQUE MOHABEER¹ (b.1963)

Member since 2012, elected until the AGM 2024

Member of the Works Council, Munich

BRIGITTE RÖDIG¹ (b.1963)

Member since 2013, elected until the AGM 2024

Member of the Works Council, Dingolfing

¹ Employee representatives (Company employees).

² Employee representatives (union representatives).

³ Employee representatives (members of senior management).

[♦] Not listed on the stock exchange.

— Membership of other statutory supervisory boards.

— Membership of equivalent national or foreign boards of business enterprises.

ANKE SCHÄFERKORDT (b.1962)

Member since 14 May 2020, elected until the AGM 2025

Member of supervisory boards

Mandates

- BASF SE
- Serviceplan Group Management SE[♦]
- Wayfair Inc.

DR. VISHAL SIKKA (b.1967)

Member since 2019, elected until the AGM 2024

CEO & Founder, Vianai Systems, Inc.

Mandates

- Oracle Corporation

DR. THOMAS WITTIG³ (b.1960)

Member since 2019, elected until the AGM 2024

Senior Vice President Financial Services

Mandates

- BMW Bank GmbH[♦], Chairman
- BMW Automotive Finance (China) Co., Ltd.[♦],
Chairman

WERNER ZIERER¹ (b.1959)

Member since 2001, elected until the AGM 2024

Chairman of the Works Council, Regensburg

¹ Employee representatives (Company employees).

² Employee representatives (union representatives).

³ Employee representatives (members of senior management).

[♦] Not listed on the stock exchange.

— Membership of other statutory supervisory boards.

— Membership of equivalent national or foreign boards of business enterprises.

OVERVIEW OF SUPERVISORY BOARD COMMITTEES AND THEIR COMPOSITION

Principal duties, basis for activities

Members

PRESIDING BOARD

- preparation of Supervisory Board meetings to the extent that the subject matter to be discussed does not fall within the remit of a committee
- activities based on terms of procedure

Norbert Reithofer¹, Manfred Schoch, Stefan Quandt, Stefan Schmid, Karl-Ludwig Kley

PERSONNEL COMMITTEE

- preparation of decisions relating to the appointment and revocation of appointment of members of the Board of Management, the remuneration and the regular review of the Board of Management's remuneration system
- conclusion, amendment and revocation of employment contracts (in conjunction with the resolutions taken by the Supervisory Board regarding the remuneration of the Board of Management) and other contracts with members of the Board of Management
- decisions relating to the approval of ancillary activities of Board of Management members, including acceptance of non-BMW Group supervisory mandates as well as the approval of transactions requiring Supervisory Board approval by dint of law (e.g. loans to Board of Management or Supervisory Board members)
- established in accordance with the recommendation contained in the German Corporate Governance Code, activities based on terms of procedure

Norbert Reithofer¹, Manfred Schoch, Stefan Quandt, Stefan Schmid, Karl-Ludwig Kley

AUDIT COMMITTEE

- supervision of the financial reporting process, the effectiveness of the internal control system, the risk management system, as well as the performance of Supervisory Board duties in connection with audits pursuant to § 32 of the German Securities Trading Act (WpHG)
- supervision of external audit, in particular auditor independence and additional work performed by external auditor
- preparation of proposals for election of external auditor at Annual General Meeting, engagement (recommendation) of external auditor, determination of additional areas of audit emphasis and fee agreements with external auditor
- preparation of Supervisory Board's resolution on Company and Group Financial Statements
- discussion of interim reports with Board of Management prior to publication
- preparation of the Supervisory Board's audit of the non-financial reporting, preparation of the selection of the auditor for non-financial reporting and engagement of the auditor
- supervision of internal audit system and compliance as well as the audit and supervision of any needs for action related to possible violations of duties by members of the Board of Management in preparation of a resolution in the Supervisory Board
- decision on approval for utilisation of Authorised Capital 2019
- amendments to Articles of Incorporation only affecting wording
- established in accordance with the recommendation contained in the German Corporate Governance Code, activities based on terms of procedure

Kurt Bock^{1,2}, Norbert Reithofer, Manfred Schoch, Stefan Quandt, Stefan Schmid

Principal duties, basis for activities

Members

NOMINATION COMMITTEE

- identification of suitable candidates as shareholder representatives on the Supervisory Board to be put forward for inclusion in the Supervisory Board's proposals for election at the Annual General Meeting
- established in accordance with the recommendation contained in the German Corporate Governance Code, activities based on terms of procedure

Norbert Reithofer¹, Susanne Klatten, Karl-Ludwig Kley, Stefan Quandt

(In line with the recommendations of the German Corporate Governance Code, the Nomination Committee comprises only shareholder representatives.)

MEDIATION COMMITTEE

- proposal to Supervisory Board if resolution for appointment of Board of Management member has not been carried by the necessary two-thirds majority of Supervisory Board members' votes
- established as required by law

Norbert Reithofer, Manfred Schoch, Stefan Quandt, Stefan Schmid

(In accordance with statutory requirements, the Mediation Committee comprises the Chairman and Deputy Chairman of the Supervisory Board and one member each selected by shareholder representatives and employee representatives.)

¹ Chair.

² (Independent) financial expert within the meaning of §§ 100 (5) and 107 (4) AktG, C.10, D.4 DCGK.

REMUNERATION REPORT (PART OF THE COMBINED MANAGE- MENT REPORT)

The following section describes the principles governing the remuneration of the Board of Management and the stipulations set out in the statutes relating to the remuneration of the Supervisory Board. In addition to explaining the system of remuneration for the financial years 2018 to 2020, details of components of remuneration are also provided with figures. Furthermore, the remuneration of each member of the Board of Management and the Supervisory Board for the financial year 2020 is disclosed by individual member and analysed with its component parts.

The Supervisory Board has resolved a new remuneration system for the Board of Management for financial year from 2021 onwards. In accordance with the statutory requirements, the new remuneration system will be submitted to the 2021 Annual General Meeting for resolution.

1. Board of Management remuneration Responsibilities

The determination and regular review of the system and structure of Board of Management remuneration is a task of the full Supervisory Board, as is the determination of the individual level of remuneration of Board of Management members. The Supervisory Board's Personnel Committee assumes a preparatory function in determining and reviewing the system and level of Board of Management remuneration.

The Supervisory Board reviews the remuneration system annually for appropriateness in terms of structure, target and maximum remuneration as well as actual remuneration. In preparation, the Personnel Committee also consults remuneration studies. In order to check that the remuneration system is in line with peers, the Supervisory Board compares remuneration paid by other DAX companies in horizontal terms. For a vertical view, it compares Board remuneration with the salaries of executive managers and with the average salaries of employees of BMW AG based in Germany, also with regard to the development over time. Recommendations made by an independent external remuneration expert and suggestions made by investors and analysts are also considered in the consultative process.

The Supervisory Board is required to submit the remuneration system to the Annual General Meeting for approval in the event of significant changes, but at least every four years. The remuneration system valid for the 2020 financial year was approved by the Annual General Meeting in 2018.

Principles of remuneration

The remuneration system for the Board of Management at BMW AG is designed to encourage a management approach focused on the sustainable and long-term development of the BMW Group. One further principle applied when designing remuneration systems at BMW is that of consistency at different levels. This means that remuneration systems for the Board of Management, senior management and employees of BMW AG are composed of similar elements. The Supervisory Board performs an annual review to ensure that all Board of Management remuneration components are appropriate, individually and in total, and do not encourage the Board of Management to take inappropriate risks for the BMW Group. At the same time, the remuneration model used for the Board of Management needs to be attractive for highly qualified executives in a competitive environment.

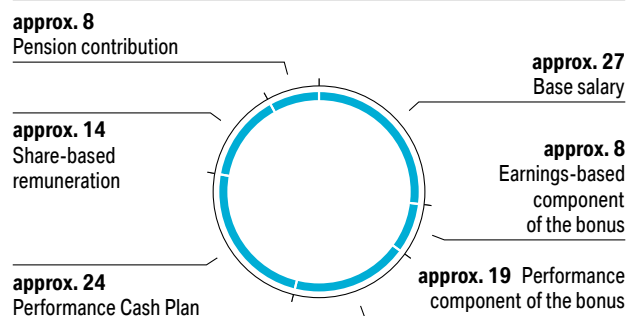
The remuneration of members of the Board of Management is determined by the full Supervisory Board on the basis of performance criteria and after taking into account any remuneration received from Group companies. The principal performance criteria are the tasks and exercise of mandate of the Board member, the economic situation as well as the performance and future prospects of the BMW Group. The Supervisory Board sets ambitious and relevant parameters as the basis for variable remuneration. It also ensures that variable components based on multi-year criteria take account of both positive and negative developments and that the overall incentive is on the long term. As a general rule, targets and comparative parameters may not be changed retrospectively.

Remuneration system, remuneration components

Board of Management remuneration comprises fixed and variable cash elements as well as a share-based component. Retirement and surviving dependants' benefit entitlements are also in place. The remuneration components are described in more detail below.

OVERVIEW OF REMUNERATION SYSTEM FOR FINANCIAL YEARS 2018 – 2020: DEPICTION OF ALLOCATION TO CASH BENEFITS (TARGET REMUNERATION) AND PENSION CONTRIBUTION¹

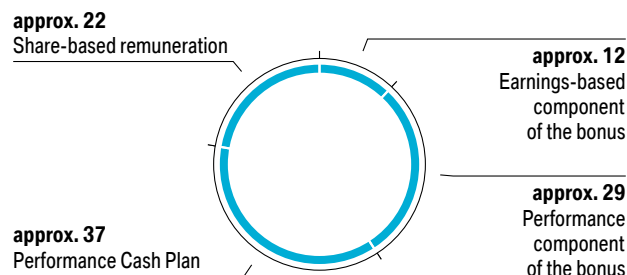
in %



¹ Simplified depiction of target amounts for the variable cash remuneration of the Chairman of the Board of Management and pension contribution. Excludes other remuneration. Based on the assumption that the share price remains unchanged for the calculation of the matching component.

OVERVIEW OF REMUNERATION SYSTEM FOR FINANCIAL YEARS 2018 – 2020: DEPICTION OF VARIABLE REMUNERATION (TARGET REMUNERATION)²

in %



² Simplified depiction of target amounts for the variable cash remuneration of the Chairman of the Board of Management. Excludes basic salary, other remuneration and pension contribution. Based on the assumption that the share price remains unchanged for the calculation of the matching component.

Fixed remuneration

Fixed remuneration consists of a base salary, which is paid monthly, and fringe benefits (other remuneration elements such as the use of Company cars, insurance premiums and contributions towards security systems). The basic remuneration of Board of Management members for the financial year 2020 is €0.8 million p.a. for a Board member during the first period of office, €0.95 million p.a. for a Board member with effect from the second period of office or the fourth year of mandate and €1.8 million p.a. for the Chairman of the Board of Management.

Variable remuneration

The variable remuneration of the Board of Management comprises three components:

- Bonus
- Performance Cash Plan
- Share-based remuneration

Payment of a discretionary additional bonus is not provided for. An upper limit has been set for each component of variable remuneration (see Overview of remuneration system and remuneration components).

Bonus

Assuming 100% target achievement, the bonus for the 2020 financial year comprises an earnings-related component of 30% and performance-related component of 70%. The target bonus (100%) is €0.85 million p.a. for a Board member during the first period of office, €1.0 million p.a. from the second period of office or the fourth year of mandate and €1.8 million p.a. for the Chairman of the Board of Management. For all Board members, the upper limit of the bonus is set at 180% of the relevant target bonus.

In order to calculate the earnings-related component, an earnings factor is determined on the basis of the target parameters and multiplied by 30% of the target bonus amount. The level of the earnings-related component depends on the degree to which the targets set by the Supervisory Board for Group net profit and Group post-tax return on sales are achieved. The degree of achievement is expressed in an earnings factor. The underlying measurement values for the bonus payable for the financial year 2020 were determined three financial years ago (i. e. back in 2017) and may not be changed retrospectively. The earnings factor is capped at a maximum value of 1.8. The bonus is paid out after the end of the Annual General Meeting, at which the separate financial statements of BMW AG for the relevant financial year are presented.

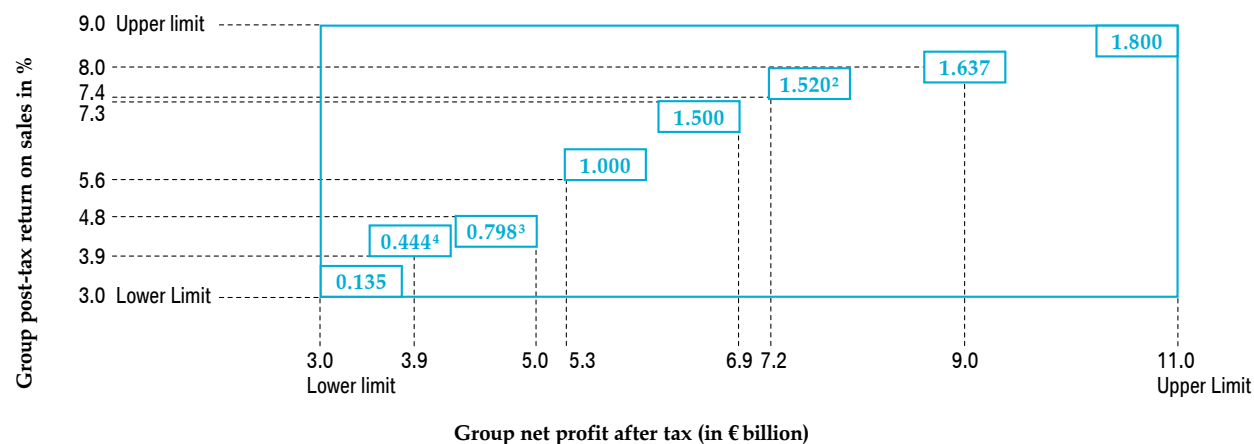
For the financial year 2020, an earnings factor of 1.000 would give rise to an earnings-related component of €0.255 million for a Board member in the first period of office, €0.3 million from the second period of office or the fourth year of mandate and €0.54 million for the Chairman of the Board of Management. For instance, in the event of a Group net profit of €5.3 billion and a post-tax return on sales of 5.6%, the earnings factor is 1.000. Similarly, a Group net profit of €6.9 billion and a post-tax return on sales of 7.3% gives rise to an earnings factor of 1.500 and a Group net profit of €9.0 billion and a post-tax return on sales of 8.0% to one of 1.637. A minimum earnings factor of 0.135 arises in the event of a Group net profit of €3 billion and a post-tax return on sales of 3%. If the Group net profit were below €3 billion or the post-tax return on sales below 3%, the earnings

factor would be zero. In this case, an earnings-related component would not be paid. The maximum earnings factor of 1.800 is reached in the event of a Group net profit of €11 billion and a post-tax return on sales of 9%. In exceptional circumstances, for instance major acquisitions or disposals, the Supervisory Board may adjust the earnings factor.

The performance-related component for the financial year 2020 bonus is calculated using a performance factor which the Supervisory Board has set for each member of the Board of Management and which is multiplied by 70% of the target bonus amount. The Supervisory Board sets the performance factor on the basis of a detailed evaluation of the contribution made by Board members to sustainable and long-term business development over a period of at least three financial years. The evaluation by the Supervisory Board is based on predefined criteria that take into account the Group's long-term success, the interests of shareholders and stakeholders as well as social responsibility.

The criteria include in particular innovation (economic and ecological, for example in the reduction of carbon emissions), the Group's market position compared to its competitors, customer focus, ability to adapt, leadership, corporate culture, promotion of compliance and integrity, contribution to the Group's attractiveness as an employer, progress in implementing the diversity concept, and activities that foster corporate social responsibility. The Supervisory Board also draws comparisons with competitors. The individual performance factor lies between zero and a maximum 1.8.

EARNINGS COMPONENTS: ALLOCATION TABLE FOR CALCULATING EARNINGS FACTOR¹



¹ Simplified depiction ² Earnings factor 2018 ³ Earnings factor 2019 ⁴ Earnings factor 2020

BONUS OVERVIEW

EARNINGS COMPONENT BONUS	+	PERFORMANCE COMPONENT	=	TOTAL
Earnings factor x 0.3 of target amount — Value between 0 and 1.8		Performance factor x 0.7 of target amount — Value between 0 and 1.8		— Cash payment — Capped at 180% of target amount
Basis for earnings factor: — Group net profit — Group post-tax return on sales		Basis for performance factor: — Contribution to sustainable and long-term business development over a period of at least three financial years — Qualitative, mainly non-financial parameters		

Performance Cash Plan

Up to and including the grant year 2020, variable cash remuneration includes a multi-year and future-oriented Performance Cash Plan (PCP). The PCP is calculated at the end of a three-year evaluation period by multiplying a predefined target amount by a factor that is based on multi-year target achievement (the PCP factor). The PCP target amount (100%) amounts to €0.85 million p.a. for a Board member in the first period of office, €0.95 million p.a. from the second period of office or the fourth year of mandate and €1.6 million p.a. for the Chairman of the Board of Management. The maximum amount that can be paid to a Board member is capped at 180% of the PCP target amount p.a.

The PCP evaluation period comprises three years, the grant year and the two subsequent years. PCP entitlements are paid in cash. The bonus is paid out after the end of the Annual General Meeting, at which the separate financial statements of BMW AG for the third year of the evaluation period are presented.

In order to determine the PCP factor, a multi-year profit factor is multiplied by a multi-year performance factor. The PCP factor is capped at a maximum value of 1.8.

In order to determine the multi-year earnings factor, an earnings factor is calculated for each year of the three-year evaluation period and an average is then calculated for the evaluation period. As for the earnings-related component of the bonus, the earnings factor for each individual year within the evaluation period is determined on the basis of Group net profit and post-tax return on sales for the relevant year. The maximum earnings factor is 1.8. The underlying measurement values are determined in advance for a period of three financial years and may not be changed retrospectively.

In addition to the multi-year earnings factor, the Supervisory Board also determines a multi-year performance factor after the end of the evaluation period. To this end, the Supervisory Board takes account in particular of the

business development during the evaluation period, the forecast trend in the business development, the Board member's individual contribution to profitability and the status of compliance within the Board member's area of responsibility. The multi-year performance factor can be between 0.9 and 1.1.

Members of the Board of Management who were Board members on 1 January 2018 received and will receive an advance payment out of the 2018–2020 Performance Cash Plan in 2019 and from the 2019–2021 Performance Cash Plan in 2020. At the end of each relevant assessment period, the advance payment is set off or repaid, depending on the amount then determined. The advance payment for each relevant year is €0.5 million for a Board member in the first period of office and €0.6 million from the second period of office or the fourth year of mandate. For the Chairman of the Board of Management the amount is €0.9 million p.a.

PERFORMANCE CASH PLAN OVERVIEW

TARGET AMOUNT	x	PCP FACTOR	=	CASH PAYMENT
				<ul style="list-style-type: none"> — Cash payment at end of evaluation period — Capped at 180% of target amount

PCP FACTOR OVERVIEW

MULTI-YEAR EARNINGS FACTOR	x	MULTI-YEAR PERFORMANCE FACTOR	=	PCP FACTOR
<ul style="list-style-type: none"> — Average earnings factor — Based on Group net profit and Group post-tax return on sales — Value between 0 and 1.8 		Measurement based on multi-year performance factor: <ul style="list-style-type: none"> — Trend in business development — Status of compliance in each Board member's area of responsibility — Individual contribution to profitability — Forecast trend in business development — Value between 0.9 and 1.1 		

Share-based remuneration

At the end of the Annual General Meeting at which the separate financial statements of BMW AG for the relevant financial year are presented, members of the Board of Management receive for financial years up to and including the financial year 2020 a cash remuneration (investment component) for the specific purpose of investment – after tax and deductions – in shares of common stock of BMW AG. The investment component corresponds to 45% of the gross bonus. The shares of common stock are purchased immediately after the investment component has been paid out. As a general rule, the acquired shares are required to be held by

Board members for four years. This period also applies if a Board member leaves the Board of Management, including in the case of retirement.

At the end of the holding period, Board members receive from the Company, for every three shares of common stock held, either one additional share of common stock or the cash equivalent, to be decided at the Company's discretion (matching component). Upper limits have been defined for both the investment component and the matching component (see Overview of remuneration system and remuneration components).

Other

In the event of death or invalidity, special rules apply for early payment of performance cash plans and share-based remuneration components based on the target amounts. Insofar as the service contract is prematurely terminated and the Company has an extraordinary right of termination, or if the Board member resigns without the Company's agreement, entitlements to amounts as yet unpaid relating to performance cash plans and share-based remuneration are forfeited.

A one-year post-contractual non-competition clause has been agreed with the Board members under specified circumstances against payment of a remuneration amount. Service agreements taking effect after 1 January 2021 provide for the payment of a monthly amount corresponding to the respective monthly base salary during the period of the post-contractual non-competition clause. In accordance with the recommendation of the German Corporate Governance Code dated 16 December 2019, any severance payment is offset against the non-competition clause remuneration amount. The same applies to other income, unless it relates to remuneration for supervisory board mandates approved during the term of office. The Company may unilaterally waive the requirement to comply with the post-contractual non-competition clause.

Overview for Financial Years 2018 – 2020 of remuneration system and remuneration components

Component	Parameter / measurement base
BASE SALARY	
	<p>Member of the Board of Management:</p> <ul style="list-style-type: none"> — € 0.80 million p. a. (first period of office) — € 0.95 million p. a. (from second period of office or fourth year of mandate) <p>Chairman of the Board of Management:</p> <ul style="list-style-type: none"> — € 1.80 million p. a.
VARIABLE REMUNERATION	
Bonus (sum of earnings-related bonus and performance-related bonus)	<p>Target amount p. a. (at 100 % target achievement):</p> <ul style="list-style-type: none"> — € 0.85 million (first period of office) — € 1.0 million (from second period of office or fourth year of mandate) — € 1.8 million (Chairman of the Board of Management) — Capped at 180 % of target amount, see section Remuneration caps — Payment at the end of the Annual General Meeting at which the separate financial statements of BMW AG are presented
a) Earnings-related bonus (at 100 % target achievement corresponds to 30 % of target amount)	<ul style="list-style-type: none"> — Formula: 30 % target amount x earnings factor — Base amount p. a. (30 % target amount per bonus): <ul style="list-style-type: none"> — € 0.255 million (first period of office) — € 0.30 million (from second period of office or fourth year of mandate) — € 0.54 million (Chairman of the Board of Management) — Earnings factor is derived from Group net profit and Group post-tax return on sales — Allocation table fixed in advance for a period of three financial years — The earnings factor is 1.0 in the event of a Group net profit of € 5.3 billion and a post-tax return on sales of 5.6 % — Earnings factor may not exceed 1.8 — Maximum amount of earnings-related bonus p. a.: <ul style="list-style-type: none"> — € 0.459 million (first period of office) — € 0.54 million (from second period of office or fourth year of mandate) — € 0.972 million (Chairman of the Board of Management)

Component	Parameter / measurement base
b) Performance-related bonus (at 100 % target achievement corresponds to 70 % of target amount)	<ul style="list-style-type: none"> — Formula: 70 % target amount x performance factor — Base amount p.a. (70 % target amount per bonus): <ul style="list-style-type: none"> — € 0.595 million (first period of office) — € 0.70 million (from second period of office or fourth year of mandate) — € 1.26 million (Chairman of the Board of Management) — Primarily qualitative, non-financial criteria, expressed in terms of a performance factor aimed at measuring the Board member's contribution to the sustainable and long-term development and the future viability of the Company over a period of at least three financial years — Criteria for the performance factor include: innovation (economic and ecological, for example in the reduction of carbon dioxide emissions), the Group's market position compared to its competitors, customer focus, ability to adapt, leadership, corporate culture, promotion of compliance and integrity, contribution to the Group's attractiveness as an employer, progress in implementing the diversity concept, and activities that foster corporate social responsibility, reputation — Performance factor may not exceed 1.8 — Maximum amount of performance-related bonus p.a.: <ul style="list-style-type: none"> — € 1.071 million (first period of office) — € 1.26 million (from second period of office or fourth year of mandate) — € 2.268 million (Chairman of the Board of Management)
Performance Cash Plan	<p>Target amount p.a. (at 100 % target achievement):</p> <ul style="list-style-type: none"> — € 0.85 million (first period of office) — € 0.95 million (from second period of office or fourth year of mandate) — € 1.6 million (Chairman of the Board of Management) <ul style="list-style-type: none"> — Three-year evaluation period — Capped at 180 % of target amount, see section Remuneration caps <ul style="list-style-type: none"> — Formula: PCP factor x target amount — PCP factor: multi-year earnings factor x multi-year performance factor — PCP factor may not exceed 1.8 — Payment at the end of the Annual General Meeting at which the separate financial statements of BMW AG for the third year of the evaluation period are presented
a) Multi-year earnings factor	<ul style="list-style-type: none"> — Earnings factor for each year of three-year evaluation period derived from Group net profit and Group post-tax return on sale — Earnings factor for each year may not exceed 1.8 — Average for evaluation period calculated
b) Multi-year performance factor	<ul style="list-style-type: none"> — Determined by Supervisory Board at end of evaluation period — Criteria include in particular the trend in business development during the evaluation period, the forecast trend in business development, individual contribution to profitability and the status of compliance within the Board member's area of responsibility — Multi-year performance factor can be between 0.9 and 1.1

Component	Parameter / measurement base
Share-based remuneration programme	<ul style="list-style-type: none"> — Requirement for Board of Management members to invest an amount of 45 % of the gross bonus after tax and contributions in BMW AG common stock — Requirement for Board of Management members to hold the acquired shares of common stock for four years
a) Cash remuneration component (investment component)	<ul style="list-style-type: none"> — Earmarked cash remuneration amounting to 45 % of the gross bonus — Cash remuneration p.a. at 100 % target achievement of the bonus: <ul style="list-style-type: none"> — € 0.3825 million (first period of office) — € 0.45 million (from second period of office or fourth year of mandate) — € 0.81 million (Chairman of the Board of Management) — Maximum remuneration, see section Remuneration caps — Payment at the end of the Annual General Meeting at which the separate financial statements of BMW AG for the relevant financial year are presented — Share acquisition immediately after payment of earmarked cash remuneration
b) Share-based remuneration component (matching component)	<ul style="list-style-type: none"> — Once the four-year holding period requirement is fulfilled, Board of Management members receive for each three common stock shares held either – at the Company's option – one further share of common stock or the equivalent amount in cash — Maximum remuneration, see section Remuneration caps
OTHER REMUNERATION	<p>Contractual agreement, main points: non-cash benefits from use of Company car, use of corporate cars or the BMW chauffeur service, insurance premiums, contributions towards security systems</p>

Overview for Financial Years 2018 – 2020 of remuneration system and remuneration components onwards

RETIREMENT BENEFITS

Model	Principal features
Defined contribution system with guaranteed minimum rate of return	<p>Pension based on amounts credited to individual savings accounts for contributions paid and interest earned, various forms of disbursement</p> <p>Pension contributions p. a.: Member of the Board of Management: € 350,000 Chairman of the Board of Management: € 500,000</p>

REMUNERATION CAPS (MAXIMUM REMUNERATION)

in € p. a.	Bonus	Performance Cash Plan	Share-based remuneration programme		Total*
			Cash remuneration for share acquisition	Monetary value of matching component	
Member of the Board of Management in the first period of office	1,530,000	1,530,000	688,500	344,500	4,925,000
Member of the Board of Management in the second period of office or from fourth year of mandate	1,800,000	1,710,000	810,000	405,000	5,500,000
Chairman of the Board of Management	3,240,000	2,880,000	1,458,000	729,000	9,850,000

* Including base salary, other fixed remuneration elements and pension contribution. For the purposes of the overall cap, German accounting rules (HGB) require the relevant grant year to be taken in the calculation for the PCP; in the case of the matching component, the actual amount deemed to have been received is required to be added retrospectively to the total remuneration of the grant year concerned. The overall cap in absolute terms is lower than the sum of the maximum amounts for the individual components.

Retirement benefits

With effect from 1 January 2010, the provision of retirement benefits for members of the Board of Management was changed to a defined contribution system with a guaranteed minimum return.

If a mandate is terminated, the defined contribution system provides, in the case of death or invalidity, for amounts accumulated on individual pension accounts to be paid out as a one-off amount or in instalments. For

entitlements arising before 2016, there is an option to receive payment as a lifelong pension or in a combined form. Former Board members are entitled to receive the retirement benefit at the earliest upon reaching the age of 60, or in the case of entitlements awarded for the first time after 1 January 2012, upon reaching the age of 62.

The amount of the benefits to be paid is determined on the basis of the amount accrued in each Board member's individual pension savings account. The amount on

this account results from annual contributions paid in, plus interest earned depending on the type of investment.

If a member of the Board of Management with a vested entitlement dies prior to the commencement of benefit payments, a surviving spouse or registered partner, or otherwise surviving children – in the latter case depending on their age and education – are entitled to receive benefits as surviving dependants.

In the case of death or invalidity, a minimum benefit is payable based on the number of contributions possible up to the age of 60 (subject to maximum of ten contributions).

The annual contribution paid by the Company for the financial year 2020 is €350,000 for a Board member and €500,000 for the Chairman of the Board of Management. The guaranteed minimum rate of return p. a. corresponds to the maximum interest rate used to calculate insurance reserves for life insurance policies (guaranteed interest on life insurance policies). When granting pension entitlements, the Supervisory Board considers the targeted level of pension provision in each case as well as the resulting expense for the BMW Group.

Contributions falling due under the defined contribution model are paid into an external fund in conjunction with a trust model that is also used to fund pension obligations to employees.

Income earned on an employed or a self-employed basis up to the age of 63 may be offset against instalment payments. In addition, certain circumstances have been specified, in the event of which the Company no longer has any obligation to pay benefits. Transitional payments are not provided.

In the event of the death of a Board member during the service contract term, the base remuneration for the month of death and a maximum of three further calendar months are paid to entitled surviving dependants.

Members of the Board of Management who retire immediately after their service on the Board, or who are deemed to be in an equivalent position, are entitled to acquire vehicles and other BMW Group products and services at conditions that also apply to BMW pensioners and to lease BMW Group vehicles in accordance with the guidelines applicable to senior heads of departments. Retired Chairmen of the Board of Management are entitled to use a BMW Group vehicle as a company car on a similar basis to senior heads of departments, and depending on availability and against payment, use BMW chauffeur services.

Termination benefits on premature termination of Board activities, benefits paid by third parties

Klaus Fröhlich left the Board of Management on 30 June 2020. In accordance with the provisions of his service contract, a one-year post-contractual non-competition clause applies. The proportionate amount of remuneration relating to the financial year 2020 is €0.3 million. The corresponding figure for the remaining period from 1 January 2021 to 30 June 2021 is €0.3 million, for which a provision has been recognised.

In line with the recommendation of the German Corporate Governance Code dated 16 December 2019, Board of Management service contracts provide for severance pay to be paid to the Board member in the event of premature termination by the Company without important reason, the amount of which is limited to a maximum of two years' remuneration (severance payment cap). If the remaining term of the contract is less than two years, the severance payment is reduced proportionately. For these purposes, annual remuneration is based on the sum of base remuneration and the target amount of variable remuneration components for the last full financial year before termination. If the relevant target amount for variable remuneration was not reached, the amounts granted are used instead.

No commitments or agreements exist for payment of remuneration in the event of early termination of a Board member's mandate due to a change of control or a takeover offer. No members of the Board of Management received any payments or relevant commitment from third parties in 2020 on account of their activities as members of the Board of Management.

Remuneration caps

The Supervisory Board has stipulated upper limits for all variable remuneration components and for the remuneration of Board of Management members in total. The total upper limit amounts are lower than the sum of the maximum amounts applicable for the individual components. The upper limits are shown in the table Overview of remuneration system and remuneration components for the financial years 2018 – 2020.

Total remuneration of the Board of Management for the financial year 2020 (2019)

The total remuneration of the current members of the Board of Management of BMW AG for the financial year 2020 amounted to €17.5 million (2019: €21.4 million), of which €7.3 million (2019: €8.1 million) relates to fixed components (including other remuneration). Variable components amounted to €9.7 million (2019: €12.6 million) and the share-based remuneration component to €0.5 million (2019: €0.7 million).

For the financial year 2020, the BMW Group achieved a net profit of €3,857 million (2019: €5,022 million) and a post-tax return on sales of 3.9% (2019: 4.8%). According to the defined allocation table, these results yield an earnings factor of 0.444 (2019: 0.798) for the earnings component relevant for the bonus for the financial year 2020.

In determining the performance factor, the Supervisory Board uses agreed-upon criteria to evaluate the contribution of Board members to the sustainable and long-term development and future viability of the BMW Group.

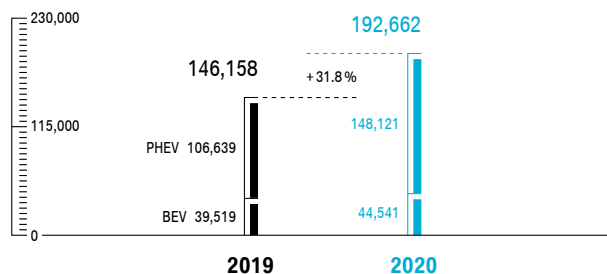
The Supervisory Board’s decision-making process is based on a detailed, documented analysis of performance based on all agreed-upon criteria, as well as in-depth discussions at Personnel Committee and full Supervisory Board level.

In particular, the members of the Board of Management jointly exceeded the targets for the following criteria deemed particularly relevant by the Supervisory Board:

- Market position compared to competitors: Despite the restrictions due to the pandemic, the BMW Group remained the world’s leading manufacturer of premium automobiles for the 17th year in succession. Sales of electrified vehicles saw a sharp rise compared to the previous year.

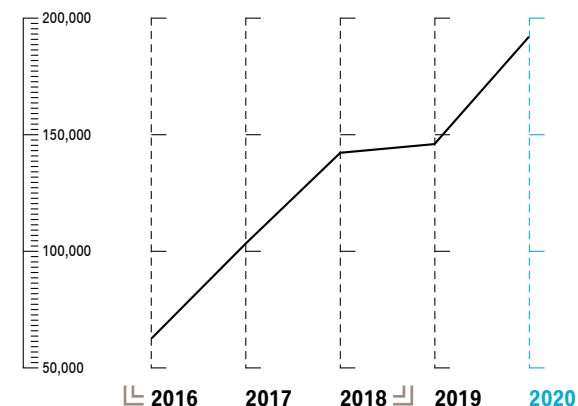
DELIVERIES OF ELECTRIFIED VEHICLES

Units / Year



DELIVERIES OF ELECTRIFIED VEHICLES

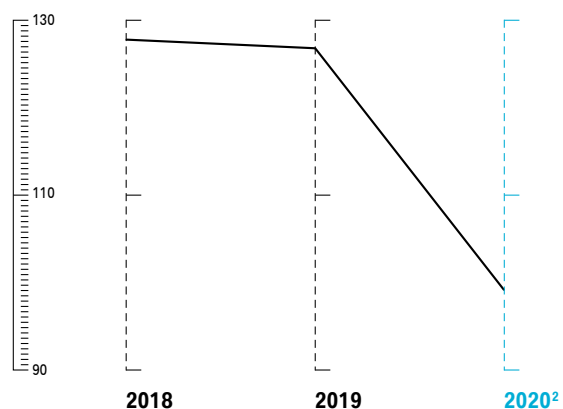
Units / Year



- Ecological benefits from innovation: At 99 g/km^{1,2} the figure for the BMW Group's fleet carbon emissions was 5 g/km below the EU legal limit, as in previous years. Further progress is likely to be made in the foreseeable future on the back of measures already adopted.

FLEET EMISSIONS IN THE EU¹

in CO₂ g/km



¹ Based on the New European Driving Cycle (NEDC) test procedure. With effect from September 2018, all vehicles in the EU are required to be approved in accordance with the new WLTP testing cycle. However, the EU Commission will not start using WLTP to calculate fleet CO₂ emissions until 2021. For this reason, WLTP fleet emissions must be retroactively calculated as NEDC values for the purposes of reporting up to and including 2020.

² Taking into account the offset of certain flexibilities that are defined in the regulatory requirements (phase-in with 5 g/km, supercredits BEV/PHEV with 7.5 g/km and eco-innovations with 2.4 g/km). This is a preliminary internal calculation with a potential variation of ± 0.5 g CO₂/km, as official registration figures from the authorities are not available from all EU states. Officially published values by the EU Commission are not expected to be available until November 2021.

- Customer orientation: As in previous years, the BMW Group won several industry awards for concept studies on various vehicles and plants, assessed on the basis of the concept of quality.

- Customer orientation and innovative solutions: New software was installed in approximately 624,000 vehicles via remote upgrades, without the need for a visit to a service partner. The proportion of new vehicles sold with the new software has risen sharply over the past few years, and a further increase in the number of such vehicles is foreseeable as a result of product decisions already taken.

- Reputation: Capital market rating agencies once again ranked the BMW Group as the best European automobile manufacturer. The BMW Group again performed excellently in sustainability indices such as the Dow Jones Sustainability Index, taking first place in the "Automobiles" segment as the most sustainable manufacturer. It is also in the top CDP grouping (Climate A List).

- Adaptability: Prudent management limited the impact of the pandemic on the Group, particularly in terms of keeping global supply chains running.

On the basis of these criteria, the Supervisory Board's first calculated and then set a performance factor of 1.15 for all members of the Board of Management for the financial year 2020 (2019: 1.20).

The performance cash plan (PCP) included in the remuneration system for the financial years 2018 to 2020 serves as a long-term incentive. The PCP is paid out in cash after the end of the relevant three-year assessment period.

In the case of the 2020 grant year, the PCP assessment period covers the financial years 2020 to 2022. The target amount for the PCP 2020–2022 is €1.6 million for Mr Zipse, €0.85 million each for Ms Horstmeier, Mr Nedeljković, Mr Nota and Dr Wendt, €0.95 million for Dr Peter and €0.425 million for Mr Weber. The target amount for Mr Fröhlich is €0.475 million. Due to the fact that the criteria established for the PCP 2020–2022 have not yet been fully met, this component is not included in variable remuneration for the financial year 2020.

In the 2020 financial year, in line with contractually agreed arrangements, advances were paid out of the PCP 2019–2021 to the Board members in office at 31 December 2020 (Mr Zipse, Mr Nota and Dr Peter) with a total amount of €1.7 million, and an advance of €0.6 million paid to Mr Fröhlich.

At the end of assessment period, the advance payments will be set off or refunded, depending on the actual entitlement arising. The expense of the PCP for the financial year 2020 recognised in accordance with IAS 19 amounted to €1.3 million (2019: €8.3 million).

Remuneration awarded for the financial year 2020 (2019) is presented in the table below on an individualised basis.

Remuneration of the individual members of the Board of Management for the financial year 2020 (2019)¹

in € or number of matching shares	Fixed remuneration			Variable cash remuneration			Share-based remuneration component (matching component) ⁵		Sub-total
	Base salary	Other remuneration	Total	Bonus	Share-based remuneration component (investment component)	Total	Number	Monetary value	
Oliver Zipse	1,800,000	66,256	1,866,256	1,688,760	759,942	2,448,702	1,669	123,873	4,438,831
	(1,269,892)	(50,947)	(1,320,839)	(1,404,380)	(631,971)	(2,036,351)	(1,725)	(103,037)	(3,460,227)
Klaus Fröhlich²	475,000	56,546	531,546	469,100	211,095	680,195	463	34,364	1,246,105
	(950,000)	(71,822)	(1,021,822)	(1,079,400)	(485,730)	(1,565,130)	(1,135)	(79,155)	(2,666,107)
Ilka Horstmeier	800,000	87,374	887,374	797,470	358,862	1,156,332	846	62,790	2,106,496
	(133,333)	(29,375)	(162,708)	(152,915)	(68,812)	(221,727)	(173)	(12,013)	(396,448)
Milan Nedeljković	800,000	101,973	901,973	797,470	358,862	1,156,332	846	62,790	2,121,095
	(200,000)	(5,105)	(205,105)	(229,373)	(103,218)	(332,591)	(280)	(18,026)	(555,722)
Pieter Nota	800,000	18,408	818,408	797,470	358,862	1,156,332	846	62,790	2,037,530
	(800,000)	(20,782)	(820,782)	(917,490)	(412,871)	(1,330,361)	(1,036)	(72,251)	(2,223,394)
Nicolas Peter	950,000	24,231	974,231	938,200	422,190	1,360,390	927	68,802	2,403,423
	(800,000)	(29,988)	(829,988)	(917,490)	(412,871)	(1,330,361)	(965)	(67,299)	(2,227,648)
Frank Weber³	400,000	28,593	428,593	398,735	179,431	578,166	558	31,360	1,038,119
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Andreas Wendt	800,000	56,319	856,319	797,470	358,862	1,156,332	846	62,790	2,075,441
	(800,000)	(102,701)	(902,701)	(917,490)	(412,871)	(1,330,361)	(1,036)	(72,251)	(2,305,313)
Total⁴	6,825,000	439,700	7,264,700	6,684,675	3,008,106	9,692,781	7,001	509,559	17,467,040
	(7,659,140)	(496,271)	(8,155,411)	(8,697,280)	(3,913,778)	(12,611,058)	(9,728)	(659,614)	(21,426,083)

¹ Contains disclosures in accordance with HGB and the requirements of German Accounting Standard No. 17.

² Member of the Board of Management until 30 June 2020.

³ Member of the Board of Management from 1 July 2020.

⁴ Disclosures for the previous year include amounts relating to members of the Board of Management who left office during the financial year 2019.

⁵ Preliminary number or preliminary monetary value calculated in accordance with German Financial Reporting Standard 17 (DRS 17).

The final number of matching shares is determined in each case when the requirement to invest in BMW AG common stock has been fulfilled.

See note 41 to the Group Financial Statements for a description of the accounting treatment of the share-based remuneration component.

Remuneration in accordance with HGB and the requirements of German Accounting Standard No. 17

The PCP 2018 – 2020 was awarded for the performance of Board of Management members in the financial year 2018. The three-year assessment period for this remuneration component, which was subject to specified forfeiture provisions, expired on 31 December 2020. The earnings factors determined for each year of the assessment period (financial year 2018: 1.520; financial year 2019: 0.798, financial year 2020: 0.444), give rise to a multi-year earnings factor of 0.921. The Supervisory Board set the multi-year performance factor at 1.0 for members of the Board of Management in office in financial year 2018, so that the PCP factor for the PCP 2018 – 2020 is 0.921. For the purposes of determining the multi-year performance factor, the Supervisory Board took account in particular of business development during the assessment period, the outlook for business development going forward, the Board member's individual contribution to profitability and the status of compliance within the Board member's area of responsibility. When considering actual and forecasted business development for the

relevant periods, the Supervisory Board paid particular attention to the development of certain key performance figures such as the number of deliveries, the EBIT margin and the return on capital employed. For the financial year 2020, the Supervisory Board took account of the impact of the coronavirus pandemic of these figures. It was not necessary to change the assessments relating to individual contributions to profitability or the status of compliance within Board members' area of responsibility.

In accordance with the requirements of HGB and German Accounting Standard No. 17, PCP-related remuneration is required to be included in the total remuneration figure for the financial year in which the plan's conditions are fulfilled. The amount arising for the PCB 2018 – 2020 is therefore required to be included in the financial year 2020. The following tables show the remuneration of the members of the Board of Management in accordance with the requirements of HGB and applicable accounting standards for the financial year 2020 (2019) and in the financial year 2020 (2019) respectively.

in € million	2020		2019	
	Amount	Proportion in %	Amount	Proportion in %
Fixed remuneration	7.3	34.9	8.1	37.8
Variable cash remuneration ¹	13.0	62.6	12.6	58.9
Share-based remuneration component ²	0.5	2.5	0.7	3.3
Total remuneration	20.8	100.00	21.4	100.0

¹ Variable cash payments for the financial year 2020 also include a payment out of the PCP 2018 – 2020 for the 2018 grant year amounting to €3.3 million. PCP 2018 – 2020 accounts for 16.0 % of total remuneration in accordance with HGB and the requirements of German Accounting Standard No. 17.

² Matching component; provisional number/provisional monetary value calculated in accordance with DRS 17. The final number of matching shares is determined in each case when the requirement to invest in BMW AG common stock has been fulfilled.

Remuneration in accordance with HGB and the requirements of German Accounting Standard No. 17

in €	Sub-total as shown in the table Remuneration of the individual members of the Board of Management for the financial year 2020 (2019) ¹	Variable cash remuneration			Total remuneration in accordance with HGB and the requirements of German Accounting Standard No. 17
		Performance Cash Plan 2018 – 2020 ²	Performance Cash Plan 2019 – 2021 ³	Performance Cash Plan 2020 – 2022 ⁴	
Oliver Zipse	4,438,831	844,250	(–)	(–)	5,283,081
	(3,460,227)	(–)	(–)	(–)	(3,460,227)
Klaus Fröhlich⁵	1,246,105	729,125	(–)	(–)	1,975,230
	(2,666,107)	(–)	(–)	(–)	(2,666,107)
Ilka Horstmeier	2,106,496	(–)	(–)	(–)	2,106,496
	(396,448)	(–)	(–)	(–)	(396,448)
Milan Nedeljković	2,121,095	(–)	(–)	(–)	2,121,095
	(555,722)	(–)	(–)	(–)	(555,722)
Pieter Nota	2,037,530	782,850	(–)	(–)	2,820,380
	(2,223,394)	(–)	(–)	(–)	(2,223,394)
Nicolas Peter	2,403,423	782,850	(–)	(–)	3,186,273
	(2,227,648)	(–)	(–)	(–)	(2,227,648)
Frank Weber⁶	1,038,119	(–)	(–)	(–)	1,038,119
	(–)	(–)	(–)	(–)	(–)
Andreas Wendt	2,075,441	195,713	(–)	(–)	2,271,154
	(2,305,313)	(–)	(–)	(–)	(2,305,313)
Gesamt⁷	17,467,040	3,334,788	(–)	(–)	20,801,828
	(21,426,083)	(–)	(–)	(–)	(21,426,083)

¹ Breakdown of remuneration for the financial year 2020 (2019) in the table Remuneration of the individual members of the Board of Management for the financial year 2020 (2019).

² Amounts include an advance payment made in 2019 in line with contractually agreed arrangements.

³ PCP 2019 – 2021 will not be reported until the end of the three-year assessment period.

⁴ PCP 2020 – 2022 will not be reported until the end of the three-year assessment period.

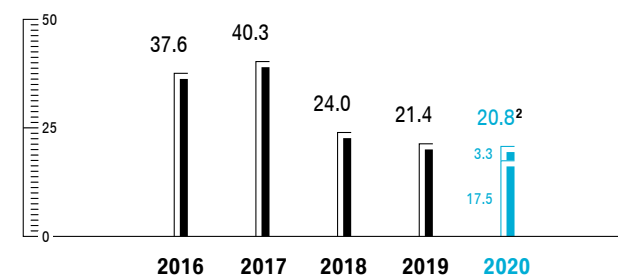
⁵ Member of the Board of Management until 30 June 2020. In accordance with the requirements of the HGB, only the proportionate amount of the PCP 2018 – 2020 corresponding to the length of service of the Board member is reported.

⁶ Member of the Board of Management since 1 July 2020.

⁷ Disclosures for the previous year include amounts relating to members of the Board of Management who left office during the financial year 2019.

DEVELOPMENT OF BOARD OF MANAGEMENT REMUNERATION FOR THE FINANCIAL YEARS 2016 TO 2020 IN ACCORDANCE WITH HGB¹

in € million



¹ Total remuneration in accordance with HGB.

² Total remuneration in accordance with HGB and the requirements of German Accounting Standard No. 17 for the financial year 2020 include the PCP 2018-2020, amounting to approximately €3.3 million. Total remuneration for the financial year 2020 excluding the PCP 2018-2020 amounted to approximately €17.5 million.

In addition to the disclosures required by HGB and applicable accounting standards, the following tables – based on the model tables contained in the German Corporate Governance Code (GCCC) dated 7 February 2017 – show figures for amounts awarded as well as amounts paid to the individual members of the Board of Management.

OLIVER ZIPSE

Chairman of the Board of Management
since 16 August 2019

Member of the Board of Management
since 13 May 2015

in €	Grants				Payout	
	FJ 2020	FJ 2020 (Min)	FJ 2020 (Max)	FJ 2019	FJ 2020	FJ 2019
BASE SALARY						
Fixed remuneration	1,800,000	1,800,000	1,800,000	1,269,892	1,800,000	1,269,892
Fringe benefits (other remuneration)	66,256	66,256	66,256	50,947	66,256	50,947
Total	1,866,256	1,866,256	1,866,256	1,320,839	1,866,256	1,320,839
ONE-YEAR VARIABLE REMUNERATION						
Earnings-based component of the bonus ¹	540,000	0	972,000	390,323	239,760	311,477
MULTI-YEAR VARIABLE REMUNERATION						
Performance component of the bonus						
Performance component of the bonus 2019 (three-year plan term) ¹	–	–	–	910,753	–	1,092,903
Performance component of the bonus 2020 (three-year plan term) ¹	1,260,000	0	2,268,000	–	1,449,000	–
Performance Cash Plan						
PCP 2018 – 2020 ²	–	–	–	–	277,584	–
PCP 2019 – 2021 ³	–	–	–	1,194,624	–	712,900
PCP 2020 – 2022	1,600,000	0	2,880,000	–	–	–
Share-based remuneration programme						
Cash remuneration component (investment component) 2019 for holding obligation 2020 – 2024 ¹	–	–	–	585,484	–	631,971
Cash remuneration component (investment component) 2020 for holding obligation 2021 – 2025 ¹	810,000	0	1,458,000	–	759,942	–
Share-based remuneration component (matching component) 2015 for holding obligation 2016 – 2020	–	–	–	–	33,423	–
Share-based remuneration component (matching component) 2016 for holding obligation 2017 – 2021	–	–	–	–	–	–
Share-based remuneration component (matching component) 2017 for holding obligation 2018 – 2022	–	–	–	–	–	–
Share-based remuneration component (matching component) 2018 for holding obligation 2019 – 2023	–	–	–	–	–	–
Share-based remuneration component (matching component) 2019 for holding obligation 2020 – 2024	–	–	–	103,037	–	–
Share-based remuneration component (matching component) 2020 for holding obligation 2020 – 2025	123,873	0	729,000	–	–	–
Other	–	–	–	–	–	–
Total	6,200,129	1,866,256	10,173,256	4,505,060	4,625,965	4,070,090
Pension expense ⁴	502,626	502,626	502,626	406,452	502,626	406,452
Total remuneration	6,702,755	2,368,882	9,850,000 ⁵	4,911,512	5,128,591	4,476,542

¹ The bonus components and cash remuneration component reported in accordance with the GCCC for the financial years 2020 and 2019 will be, or were, paid out in 2021 and 2020 respectively.

² An advance payment was made out of PCP 2018 – 2020. This was reported as an amount deemed received (Zufluss) for the financial year 2018 and paid out in 2019.

³ The advance payment out of PCP 2019 – 2021, which is reported deemed received (Zufluss) for the financial year 2019, was paid out in 2020.

⁴ The pension expense in accordance with IAS 19 reflects the expense recognised by the BMW Group; this amount was not paid out in the financial year.

⁵ Agreed maximum amount. The overall cap in absolute terms is lower than the sum of the maximum amounts for the individual components.

KLAUS FRÖHLICH

Development

Member of the Board of Management

since 9 December 2014

until 30 June 2020

in €	Grants				Payout	
	FJ 2020	FJ 2020 (Min)	FJ 2020 (Max)	FJ 2019	FJ 2020	FJ 2019
BASE SALARY						
Fixed remuneration	475,000	475,000	475,000	950,000	475,000	950,000
Fringe benefits (other remuneration)	56,546	56,546	56,546	71,822	56,546	71,822
Total	531,546	531,546	531,546	1,021,822	531,546	1,021,822
ONE-YEAR VARIABLE REMUNERATION						
Earnings-based component of the bonus ¹	150,000	0	270,000	300,000	66,600	239,400
MULTI-YEAR VARIABLE REMUNERATION						
Performance component of the bonus						
Performance component of the bonus 2019 (three-year plan term) ¹	–	–	–	700,000	–	840,000
Performance component of the bonus 2020 (three-year plan term) ¹	350,000	0	630,000	–	402,500	–
Performance Cash Plan						
PCP 2018 – 2020 ²	–	–	–	–	129,125	–
PCP 2019 – 2021 ³	–	–	–	950,000	–	600,000
PCP 2020 – 2022	475,000	0	855,000	–	–	–
Share-based remuneration programme						
Cash remuneration component (investment component) 2019 for holding obligation 2020 – 2024 ¹	–	–	–	450,000	–	485,730
Cash remuneration component (investment component) 2020 for holding obligation 2021 – 2025 ¹	225,000	0	405,000	–	211,095	–
Share-based remuneration component (matching component) 2014 for holding obligation 2015 – 2019	–	–	–	–	–	2,966
Share-based remuneration component (matching component) 2015 for holding obligation 2016 – 2020	–	–	–	–	52,723	–
Share-based remuneration component (matching component) 2016 for holding obligation 2017 – 2021	–	–	–	–	–	–
Share-based remuneration component (matching component) 2017 for holding obligation 2018 – 2022	–	–	–	–	–	–
Share-based remuneration component (matching component) 2018 for holding obligation 2019 – 2023	–	–	–	–	–	–
Share-based remuneration component (matching component) 2019 for holding obligation 2020 – 2024	–	–	–	79,155	–	–
Share-based remuneration component (matching component) 2020 for holding obligation 2020 – 2024	34,364	0	202,500	–	–	–
Other	–	–	–	–	–	–
Total	1,765,910	531,546	2,894,046	3,500,977	1,393,589	3,189,918
Pension expense ⁴	175,000	175,000	175,000	353,327	175,000	353,327
Total remuneration	1,940,910	706,546	2,750,000 ⁵	3,854,304	1,568,589	3,543,245

¹ The bonus components and cash remuneration component reported in accordance with the GCCC for the financial years 2020 and 2019 will be, or were, paid in 2021 and 2020 respectively.

² An advance payment was made out of PCP 2018 – 2020. This was reported as an amount deemed received (Zufluss) for the financial year 2018 and paid out in 2019. The amount paid out of PCP 2018 – 2020 is allocated proportionately over the assessment period on the basis of period of time in office and as a former member of the Board of Management.

³ The advance payment out of PCP 2019 – 2021, which is reported deemed received (Zufluss) for the financial year 2019, was paid out in 2020.

⁴ The pension expense in accordance with IAS 19 reflects the expense recognised by the BMW Group; this amount was not paid out in the financial year.

⁵ Agreed maximum amount. The overall cap in absolute terms is lower than the sum of the maximum amounts for the individual components.

ILKA HORSTMEIER

Human Resources, Industrial Relations Director
Member of the Board of Management
since 1 November 2019

in €	Grants				Payout	
	FJ 2020	FJ 2020 (Min)	FJ 2020 (Max)	FJ 2019	FJ 2020	FJ 2019
BASE SALARY						
Fixed remuneration	800,000	800,000	800,000	133,333	800,000	133,333
Fringe benefits (other remuneration)	87,374	87,374	87,374	29,375	87,374	29,375
Total	887,374	887,374	887,374	162,708	887,374	162,708
ONE-YEAR VARIABLE REMUNERATION						
Earnings-based component of the bonus ¹	255,000	0	459,000	42,500	113,220	33,915
MULTI-YEAR VARIABLE REMUNERATION						
Performance component of the bonus						
Performance component of the bonus 2019 (three-year plan term) ¹	–	–	–	99,167	–	119,000
Performance component of the bonus 2020 (three-year plan term) ¹	595,000	0	1,071,000	–	684,250	–
Performance Cash Plan						
PCP 2018 – 2020	–	–	–	–	–	–
PCP 2019 – 2021	–	–	–	141,667	–	0
PCP 2020 – 2022	850,000	0	1,530,000	–	–	–
Share-based remuneration programme						
Cash remuneration component (investment component) 2019 for holding obligation 2020 – 2024 ¹	–	–	–	63,750	–	68,812
Cash remuneration component (investment component) 2020 for holding obligation 2021 – 2025 ¹	382,500	0	688,500	–	358,862	–
Share-based remuneration component (matching component) 2019 for holding obligation 2020 – 2024	–	–	–	12,013	–	–
Share-based remuneration component (matching component) 2020 for holding obligation 2020 – 2025	62,790	0	344,500	–	–	–
Other	–	–	–	–	–	–
Total	3,032,664	887,374	4,980,374	521,805	2,043,706	384,435
Pension expense ²	352,433	352,433	352,433	58,333	352,433	58,333
Total remuneration	3,385,097	1,239,807	4,925,000 ³	580,138	2,396,139	442,768

¹ The bonus components and cash remuneration component reported in accordance with the GCCC for the financial years 2020 and 2019 will be, or were, paid out in 2021 and 2020 respectively.

² The pension expense in accordance with IAS 19 reflects the expense recognised by the BMW Group; this amount was not paid out in the financial year.

³ Agreed maximum amount. The overall cap in absolute terms is lower than the sum of the maximum amounts for the individual components.

MILAN NEDELJKOVIĆ

Production

Member of the Board of Management

since 1 October 2019

in €	Grants				Payout	
	FJ 2020	FJ 2020 (Min)	FJ 2020 (Max)	FJ 2019	FJ 2020	FJ 2019
BASE SALARY						
Fixed remuneration	800,000	800,000	800,000	200,000	800,000	200,000
Fringe benefits (other remuneration)	101,973	101,973	101,973	5,105	101,973	5,105
Total	901,973	901,973	901,973	205,105	901,973	205,105
ONE-YEAR VARIABLE REMUNERATION						
Earnings-based component of the bonus ¹	255,000	0	459,000	63,750	113,220	50,873
MULTI-YEAR VARIABLE REMUNERATION						
Performance component of the bonus						
Performance component of the bonus 2019 (three-year plan term) ¹	–	–	–	–	–	–
Performance component of the bonus 2020 (three-year plan term) ¹	595,000	0	1,071,000	148,750	684,250	178,500
Performance Cash Plan						
PCP 2018 – 2020	–	–	–	–	–	–
PCP 2019 – 2021	–	–	–	212,500	–	0
PCP 2020 – 2022	850,000	0	1,530,000	–	–	–
Share-based remuneration programme						
Cash remuneration component (investment component) 2019 for holding obligation 2020 – 2024 ¹	–	–	–	95,625	–	103,218
Cash remuneration component (investment component) 2020 for holding obligation 2021 – 2025 ¹	382,500	0	688,500	–	358,862	–
Share-based remuneration component (matching component) 2019 for holding obligation 2020 – 2024	–	–	–	18,026	–	–
Share-based remuneration component (matching component) 2020 for holding obligation 2020 – 2025	62,790	0	344,500	–	–	–
Other	–	–	–	–	–	–
Total	3,047,263	901,973	4,994,973	743,756	2,058,305	537,696
Pension expense ²	352,121	352,121	352,121	87,500	352,121	87,500
Total remuneration	3,339,384	1,254,094	4,925,000 ³	831,256	2,410,426	625,196

¹ The bonus components and cash remuneration component reported in accordance with the GCCC for the financial years 2020 and 2019 will be, or were, paid out in 2021 and 2020 respectively.

² The pension expense in accordance with IAS 19 reflects the expense recognised by the BMW Group; this amount was not paid out in the financial year.

³ Agreed maximum amount. The overall cap in absolute terms is lower than the sum of the maximum amounts for the individual components.

PIETER NOTA

Customer, Brands, Sales

Member of the Board of Management

since 1 January 2018

in €	Grants				Payout	
	FJ 2020	FJ 2020 (Min)	FJ 2020 (Max)	FJ 2019	FJ 2020	FJ 2019
BASE SALARY						
Fixed remuneration	800,000	800,000	800,000	800,000	800,000	800,000
Fringe benefits (other remuneration)	18,408	18,408	18,408	20,782	18,408	20,782
Total	818,408	818,408	818,408	820,782	818,408	820,782
ONE-YEAR VARIABLE REMUNERATION						
Earnings-based component of the bonus ¹	255,000	0	459,000	255,000	113,220	203,490
MULTI-YEAR VARIABLE REMUNERATION						
Performance component of the bonus						
Performance component of the bonus 2019 (three-year plan term) ¹	–	–	–	595,000	–	714,000
Performance component of the bonus 2020 (three-year plan term) ¹	595,000	0	1,071,000	–	684,250	–
Performance Cash Plan						
PCP 2018 – 2020 ²	–	–	–	–	282,850	–
PCP 2019 – 2021 ³	–	–	–	850,000	–	500,000
PCP 2020 – 2022	850,000	0	1,530,000	–	–	–
Share-based remuneration programme						
Cash remuneration component (investment component) 2019 for holding obligation 2020 – 2024 ¹	–	–	–	382,500	–	412,871
Cash remuneration component (investment component) 2020 for holding obligation 2021 – 2025 ¹	382,500	0	688,500	–	358,862	–
Share-based remuneration component (matching component) 2018 for holding obligation 2019 – 2023	–	–	–	–	–	–
Share-based remuneration component (matching component) 2019 for holding obligation 2020 – 2024	–	–	–	72,251	–	–
Share-based remuneration component (matching component) 2020 for holding obligation 2020 – 2025	62,790	0	344,500	–	–	–
Other	–	–	–	–	–	–
Total	2,963,698	818,408	4,911,408	2,975,533	2,257,590	2,651,143
Pension expense ⁴	354,680	354,680	354,680	359,979	354,680	359,979
Total remuneration	3,318,378	1,173,088	4,925,000 ⁵	3,335,512	2,612,270	3,011,122

¹ The bonus components and cash remuneration component reported in accordance with the GCCC for the financial years 2020 and 2019 will be, or were, paid out in 2021 and 2020 respectively.

² An advance payment was made out of PCP 2018 – 2020. This was reported as an amount deemed received (Zufluss) for the financial year 2018 and paid out in 2019.

³ The advance payment out of PCP 2019 – 2021, which is reported deemed received (Zufluss) for the financial year 2019, was paid out in 2020.

⁴ The pension expense in accordance with IAS 19 reflects the expense recognised by the BMW Group; this amount was not paid out in the financial year.

⁵ Agreed maximum amount. The overall cap in absolute terms is lower than the sum of the maximum amounts for the individual components.

NICOLAS PETER

Finance

Member of the Board of Management
since 1 January 2017

in €	Grants				Payout	
	FJ 2020	FJ 2020 (Min)	FJ 2020 (Max)	FJ 2019	FJ 2020	FJ 2019
BASE SALARY						
Fixed remuneration	950,000	950,000	950,000	800,000	950,000	800,000
Fringe benefits (other remuneration)	24,231	24,231	24,231	29,988	24,231	29,988
Total	974,231	974,231	974,231	829,988	974,231	829,988
ONE-YEAR VARIABLE REMUNERATION						
Earnings-based component of the bonus ¹	300,000	0	540,000	255,000	133,200	203,490
MULTI-YEAR VARIABLE REMUNERATION						
Performance component of the bonus						
Performance component of the bonus 2019 (three-year plan term) ¹	–	–	–	595,000	–	714,000
Performance component of the bonus 2020 (three-year plan term) ¹	700,000	0	1,260,000	–	805,000	–
Performance Cash Plan						
PCP 2018 – 2020 ²	–	–	–	–	282,850	–
PCP 2019 – 2021 ³	–	–	–	850,000	–	500,000
PCP 2020 – 2022	950,000	0	1,710,000	–	–	–
Share-based remuneration programme						
Cash remuneration component (investment component) 2019 for holding obligation 2020 – 2024 ¹	–	–	–	382,500	–	412,871
Cash remuneration component (investment component) 2020 for holding obligation 2021 – 2025 ¹	450,000	0	810,000	–	422,190	–
Share-based remuneration component (matching component) 2017 for holding obligation 2018 – 2022	–	–	–	–	–	–
Share-based remuneration component (matching component) 2018 for holding obligation 2019 – 2023	–	–	–	–	–	–
Share-based remuneration component (matching component) 2019 for holding obligation 2020 – 2024	–	–	–	67,299	–	–
Share-based remuneration component (matching component) 2020 for holding obligation 2020 – 2025	68,802	0	405,000	–	–	–
Other	–	–	–	–	–	–
Total	3,443,033	974,231	5,699,231	2,979,787	2,617,471	2,660,349
Pension expense ⁴	351,746	351,746	351,746	353,327	351,746	353,327
Total remuneration	3,794,779	1,325,977	5,500,000⁵	3,333,114	2,969,217	3,013,676

¹ The bonus components and cash remuneration component reported in accordance with the GCCC for the financial years 2020 and 2019 will be, or were, paid out in 2021 and 2020 respectively.

² An advance payment was made out of PCP 2018 – 2020. This was reported as an amount deemed received (Zufluss) for the financial year 2018 and paid out in 2019.

³ The advance payment out of PCP 2019 – 2021, which is reported deemed received (Zufluss) for the financial year 2019, was paid out in 2020.

⁴ The pension expense in accordance with IAS 19 reflects the expense recognised by the BMW Group; this amount was not paid out in the financial year.

⁵ Agreed maximum amount. The overall cap in absolute terms is lower than the sum of the maximum amounts for the individual components.

FRANK WEBER

Development

Member of the Board of Management

since 1 July 2020

in €				Grants	Payout	
	FJ 2020	FJ 2020 (Min)	FJ 2020 (Max)	FJ 2019	FJ 2020	FJ 2019
BASE SALARY						
Fixed remuneration	400,000	400,000	400,000	–	400,000	–
Fringe benefits (other remuneration)	28,593	28,593	28,593	–	28,593	–
Total	428,593	428,593	428,593	–	428,593	–
ONE-YEAR VARIABLE REMUNERATION						
Earnings-based component of the bonus ¹	127,500	0	229,500	–	56,610	–
MULTI-YEAR VARIABLE REMUNERATION						
Performance component of the bonus						
Performance component of the bonus 2019 (three-year plan term)	–	–	–	–	–	–
Performance component of the bonus 2020 (three-year plan term) ¹	297,500	0	535,500	–	342,125	–
Performance Cash Plan						
PCP 2018 – 2020	–	–	–	–	–	–
PCP 2019 – 2021	–	–	–	–	–	–
PCP 2020 – 2022	425,000	0	765,000	–	–	–
Aktienbasiertes Vergütungsprogramm						
Cash remuneration component (investment component) 2019 for holding obligation 2020 – 2024	–	–	–	–	–	–
Cash remuneration component (investment component) 2020 for holding obligation 2021 – 2025 ¹	191,250	0	344,250	–	179,431	–
Share-based remuneration component (matching component) 2020 for holding obligation 2021 – 2025	31,360	0	172,125	–	–	–
Other	–	–	–	–	–	–
Total	1,501,203	428,593	2,474,968	–	1,006,759	–
Pension expense ²	175,000	175,000	175,000	–	175,000	–
Total remuneration	1,676,203	603,593	2,462,500 ³	–	1,181,759	–

¹ The bonus components and cash remuneration component reported in accordance with the GCCC for the financial 2020 will be paid out in 2021.

² The pension expense in accordance with IAS 19 reflects the expense recognised by the BMW Group; this amount was not paid out in the financial year.

³ Agreed maximum amount. The overall cap in absolute terms is lower than the sum of the maximum amounts for the individual components.

ANDREAS WENDT

Purchasing and Supplier Network
Member of the Board of Management
since 1 October 2018

in €	Grants				Payout	
	FJ 2020	FJ 2020 (Min)	FJ 2020 (Max)	FJ 2019	FJ 2020	FJ 2019
BASE SALARY						
Fixed remuneration	800,000	800,000	800,000	800,000	800,000	800,000
Fringe benefits (other remuneration)	56,319	56,319	56,319	102,701	56,319	102,701
Total	856,319	856,319	856,319	902,701	856,319	902,701
ONE-YEAR VARIABLE REMUNERATION						
Earnings-based component of the bonus ¹	255,000	0	459,000	255,000	113,220	203,490
MULTI-YEAR VARIABLE REMUNERATION						
Performance component of the bonus						
Performance component of the bonus 2019 (three-year plan term) ¹	–	–	–	595,000	–	714,000
Performance component of the bonus 2020 (three-year plan term) ¹	595,000	0	1,071,000	–	684,250	–
Performance Cash Plan						
PCP 2018 – 2020	–	–	–	–	195,713	–
PCP 2019 – 2021	–	–	–	850,000	–	–
PCP 2020 – 2022	850,000	0	1,530,000	–	–	–
Share-based remuneration programme						
Cash remuneration component (investment component) 2019 for holding obligation 2020 – 2024 ¹	–	–	–	382,500	–	412,871
Cash remuneration component (investment component) 2020 for holding obligation 2021 – 2025 ¹	382,500	0	688,500	–	358,862	–
Share-based remuneration component (matching component) 2018 for holding obligation 2019 – 2023	–	–	–	–	–	–
Share-based remuneration component (matching component) 2019 for holding obligation 2020 – 2024	–	–	–	72,251	–	–
Share-based remuneration component (matching component) 2020 for holding obligation 2020 – 2025	62,790	0	344,500	–	–	–
Other	–	–	–	–	–	–
Total	3,001,609	856,319	4,949,319	3,057,452	2,208,364	2,233,062
Pension expense ²	351,746	351,746	351,746	353,327	351,746	353,327
Gesamtvergütung	3,353,355	1,208,065	4,925,000³	3,410,779	2,560,110	2,586,389

¹ The bonus components and cash remuneration component reported in accordance with the GCCC for the financial years 2020 and 2019 will be, or were, paid out in 2021 and 2020 respectively.

² The pension expense in accordance with IAS 19 reflects the expense recognised by the BMW Group; this amount was not paid out in the financial year.

³ Agreed maximum amount. The overall cap in absolute terms is lower than the sum of the maximum amounts for the individual components.

Share ownership

The members of the Board of Management hold a total of 59,341 shares of BMW common stock (2019: 92,519) which they are required to hold in accordance with the terms of the share-based remuneration programme for the financial years 2016 – 2019. The cash component of the share-based remuneration programme for the financial year 2020 will be paid out after the end of the Annual General Meeting 2021, triggering the requirement to purchase additional shares of BMW common stock.

Shares of BMW common stock held by individual members of the Board of Management subject to holding requirements in connection with share-based remuneration for the financial years 2016 – 2019¹

Shares of stock	Total ¹
Oliver Zipse	16,637 (11,938)
Klaus Fröhlich²	15,304 (13,305)
Ilka Horstmeier	782 (–)
Milan Nedeljković	1,174 (–)
Pieter Nota	8,650 (3,954)
Nicolas Peter	11,110 (6,736)
Frank Weber³	– (–)
Andreas Wendt	5,684 (988)
Total	59,341 (92,519) ⁴

¹ Includes only shares of BMW common stock acquired using the cash remuneration component of the share-based remuneration programme for members of the Board of Management, for which the four-year holding period has not yet expired.

² Member of the Board of Management until 30 June 2020.

³ Member of the Board of Management from 1 July 2020.

⁴ Disclosures for the previous year include shares held by members of the Board of Management who left office during the financial year 2019.

Share-based remuneration component (matching component) for individual members of the Board of Management for the financial year 2020 (2019)¹

in €	Expense in 2020 in accordance with HGB and IFRS	Provision at 31.12.2020 in accordance with HGB and IFRS ¹
Oliver Zipse	73,882	398,503
	(135,272)	(358,043)
Klaus Fröhlich²	98,458	401,743
	(104,384)	(356,008)
Ilka Horstmeier	28,258	28,925
	(668)	(668)
Milan Nedeljković	32,561	34,078
	(1,516)	(1,516)
Pieter Nota	168,949	269,346
	(76,736)	(100,397)
Nicolas Peter	63,765	295,180
	(150,428)	(231,415)
Frank Weber³	6,773	398,503
	(–)	(–)
Andreas Wendt	98,843	135,147
	(34,672)	(36,304)
Total⁴	571,489	1,961,425
	(957,504)	(2,456,758)

¹ Value at the end of the reporting period calculated on the basis of the closing price of BMW common stock in Xetra trading on 30 December 2020 (€72.23).

² Member of the Board of Management until 30 June 2020.

³ Member of the Board of Management from 1 July 2020.

⁴ Disclosures for the previous year include amounts relating to members of the Board of Management who left office during the financial year 2019.

In addition, an expense of €2.6 million (2019: €2.9 million) was recognised in the financial year 2020 for current members of the Board of Management for the period after the end of their service relationship. This relates to the expense for allocations to pension provisions in accordance with IAS 19.

Total benefits paid to former members of the Board of Management and their surviving dependants for the financial year 2020 amounted to €13.1 million (2019: €16.0 million). The total remuneration of former members of the Board of Management also includes the amounts described above amounting to €0.6 million arising in connection with the departure of Mr. Fröhlich. Some of these amounts have not yet been paid out.

Pension obligations to former members of the Board of Management and their surviving dependants are fully covered by pension provisions amounting to €118.8 million (2019: €113.1 million), computed in accordance with IAS 19.

Pension entitlements

in €	Service cost in accordance with IFRS for the financial year 2020 ¹	Service cost in accordance with HGB for the financial year 2020 ¹	Defined benefit obligation IFRS ¹	Defined benefit obligation HGB ¹
Oliver Zipse	502,626	506,861	3,701,016	3,700,982
	(406,452)	(406,452)	(3,054,273)	(3,054,125)
Klaus Fröhlich²	175,000	175,000	3,556,660	3,556,660
	(353,327)	(355,573)	(3,256,267)	(3,256,267)
Ilka Horstmeier	352,433	355,375	1,391,936	1,391,331
	(58,333)	(58,333)	(993,548)	(992,662)
Milan Nedeljković	352,121	355,076	1,830,168	1,829,906
	(87,500)	(87,500)	(1,421,605)	(1,421,152)
Pieter Nota	354,680	357,593	1,157,145	1,156,993
	(359,979)	(362,125)	(760,562)	(760,306)
Nicolas Peter	351,746	354,711	3,134,163	3,134,163
	(353,327)	(355,573)	(2,656,550)	(2,656,550)
Frank Weber³	175,000	175,000	655,460	655,172
	(-)	(-)	(-)	(-)
Andreas Wendt	351,746	354,711	2,863,441	2,863,441
	(353,327)	(355,573)	(2,414,082)	(2,414,082)
Total⁴	2,615,352	2,634,327	18,289,989	18,288,648
	(2,876,116)	(2,890,450)	(27,962,636)	(27,960,893)

¹ Service cost differs due to the different valuation bases used to measure the present value of defined benefit pension obligations for IFRS purposes and the expected settlement amount for HGB purposes.

² Member of the Board of Management until 30 June 2020.

³ Member of the Board of Management since 1 July 2020.

⁴ Disclosures for the previous year include amounts relating to members of the Board of Management who left office during the financial year 2019.

Revision of Board of Management remuneration for financial years from 2021 onwards

During the financial year 2020, the Supervisory Board considered in detail the new requirements for Board of Management remuneration resulting from the Act Implementing the Second EU Shareholder Rights Directive (ARUG II) as well as the recommendations and suggestions contained in the German Corporate Governance Code (GCCC) dated December 16, 2019. At its meeting in December 2020, the Supervisory Board, acting on the recommendation of the Personnel Committee, resolved to revise the existing system of Board of Management remuneration for financial years from 2021 onwards. In its deliberations, the Supervisory Board also took into account the recommendations of an independent remuneration expert as well as suggestions from investor representatives and analysts. In agreement with the members of the Board of Management in office at that time, the relevant service contracts were amended with effect from 1 January 2021, in order to implement changes to the remuneration system for financial years from 2021 onwards for all Board members at the same time.

The Supervisory Board will submit the new system for Board of Management remuneration to the 2021 Annual General Meeting for approval. The new remuneration system will be explained in detail in the notice document inviting shareholders to the Annual General Meeting.

Key features of the new remuneration system include in particular:

- The new remuneration system for members of the Board of Management is designed to be simple, clear and easy to understand. It complies with the requirements of the German Stock Corporation Act (AktG) and the recommendations and suggestions of the GCCC for executive board remuneration.
- Under the new remuneration system, variable, earnings-related remuneration will be oriented even more closely towards the company's sustainable development. Non-financial targets, particularly in the areas of the environment (e.g. reduction of carbon emissions), social issues and governance are taken into account appropriately.
- The Performance Cash Plan will no longer apply in the future, resulting in a simplification of the remuneration system.
- In future, most of the variable remuneration of the Board of Management will be determined using a share-based approach, in compliance with the

recommendation of the GCCC in the version dated 16 December 2019. In order to simplify the remuneration system, the matching component that was previously paid out in cash or shares at the end of the four-year holding period no longer applies. As in the past, the company awards a so-called "personal cash investment amount", which is required to be used – after tax and deductions – to acquire shares of BMW common stock. Compared to the previous arrangements, the personal cash investment amount will have a significantly higher weighting within the target structure, given that it replaces the PCP as a long-term incentive. Within the target structure, one half of the personal cash investment amount will be linked to the attainment of an RoCE target for the Automotive segment and one half to the attainment of strategic focus targets set by the Supervisory Board in accordance with corporate planning.

- The members of the Board of Management are required to hold the BMW common stock acquired with the personal cash investment amount on a long-term basis, i.e. at least for a period of four years.
- In the new remuneration system, the payment of variable remuneration components is subject to special malus and clawback clauses.

Outlook: Remuneration elements, parameters, target remuneration levels and caps for financial years from financial year 2021 onwards

Component	Parameters/ measurement base, applicable amounts
BASE SALARY	<p>Member of the Board of Management:</p> <ul style="list-style-type: none"> — € 0.90 million p.a. (first period of office) — € 1.05 million p.a. (from second period of office or fourth year of mandate) <p>Chairman of the Board of Management:</p> <ul style="list-style-type: none"> — € 1.95 million p.a. — Monthly payment on time-apportioned basis
VARIABLE REMUNERATION	<p>Bonus (sum of earnings component and performance component)</p> <ul style="list-style-type: none"> — Target amount p.a. (at 100 % target achievement): <ul style="list-style-type: none"> — € 0.95 million (first period of office) — € 1.15 million (from second period of office or fourth year of mandate) — € 2.1 million (Chairman of the Board of Management) — Capped at 180 % of target amount — Payment after the Annual General Meeting at which the Company Financial Statements are presented for the relevant financial year <hr/> <p>a) Earnings component (at 100 % target achievement corresponds to 50 % of target amount)</p> <ul style="list-style-type: none"> — Assessment period one year — Base amount p.a. (50 % of target bonus amount): <ul style="list-style-type: none"> — € 0.475 million (first period of office) — € 0.575 million (from second period of office or fourth year of mandate) — € 1.050 million (Chairman of the Board of Management) — Formula: 50 % of target amount x performance factor — Earnings factor is derived from an allocation table based on the parameters profit attributable to shareholders of BMW AG and Group post-tax return on sales in grant year — Allocation table is determined in advance <ul style="list-style-type: none"> — The earnings factor is 1.0 in case of a profit attributable to shareholders of BMW AG amounting to € 5.3 billion and a post-tax return on sales of 5.6 % — The earnings factor is 1.5 in case of a profit attributable to shareholders of BMW AG amounting to € 6.9 billion and a post-tax return on sales of 7.3 % — The earnings factor is 0 in case of a profit attributable to shareholders of BMW AG below € 3.0 billion or a post-tax return on sales of below 3.0 % — Earnings factor may not exceed 1.8 — Maximum amount of earnings component p.a.: <ul style="list-style-type: none"> — € 0.855 million (first period of office) — € 1.035 million (from second period of office or fourth year of mandate) — € 1.890 million (Chairman of the Board of Management)

Component	Parameters/ measurement base, applicable amounts
b) Performance component (at 100 % target achievement corresponds to 50 % of target amount)	<ul style="list-style-type: none"> — Assessment period one year — Base amount p.a. (50 % of target bonus amount): <ul style="list-style-type: none"> — € 0.475 million (first period of office) — € 0.575 million (from second period of office or fourth year of mandate) — € 1.050 million (Chairman of the Board of Management) — Formula: 50 % of target amount x performance factor — Primarily qualitative, non-financial criteria, expressed in terms of a performance factor, aimed at measuring the Board member's contribution to sustainable and long-term performance and corporate orientation — Additional trend analysis over at least three financial years to assess the impact of past decisions and actions in the grant year as well as the impact of decisions and actions in the grant year on future financial years — Composition of the performance factor within target structure <ul style="list-style-type: none"> — 10 % individual targets — 50 % cross-divisional targets with ESG criteria — 40 % other cross-divisional targets — Criteria for the cross-divisional targets with ESG criteria 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 — Criteria for the other cross-divisional targets include in particular: market position compared to competitors, innovation performance (economic), development of the BMW Group's reputation based on non-ESG-related aspects (e.g. perception on capital markets, brand strength), customer orientation — Measurement parameters and target values are determined before the start of the financial year — Performance factor may not exceed 1.8 — Maximum amount of performance component p.a.: <ul style="list-style-type: none"> — € 0.855 million (first period of office) — € 1.035 million (from second period of office or fourth year of mandate) — € 1.890 million (Chairman of the Board of Management)
Performance Cash Plan	Not applicable

Component	Parameters/ measurement base, applicable amounts
Share-based remuneration programme with holding requirements	<ul style="list-style-type: none"> — Requirement for Board of Management members to invest an earmarked cash amount (personal cash investment amount), net of tax and deductions, in shares of BMW common stock — Requirement for Board of Management members to hold the acquired shares of BMW common stock for at least four years (share ownership) — Assessment period of five years in total (one year for determining the personal cash investment amount, four years holding requirement)
a) Personal cash investment amount	<ul style="list-style-type: none"> — Target amount p.a. (at 100 % target achievement): <ul style="list-style-type: none"> — € 1.10 million (first period of office) — € 1.28 million (from second period of office or fourth year of mandate) — € 2.35 million (Chairman of the Board of Management) — 50 % of target amount depends on RoCE achieved in the Automotive segment (RoCE component) — 50 % of the target amount depends on the achievement of predefined strategic focus targets (strategic focus target component) — Capped at 180 % of target amount — Payment after the Annual General Meeting at which the Company Financial Statements are presented for the relevant financial year
aa) RoCE component (at 100 % target achievement corresponds to 50 % of target amount)	<ul style="list-style-type: none"> — Target amount of RoCE component p.a. (50 % of target amount for personal cash investment amount): <ul style="list-style-type: none"> — € 0.55 million (first period of office) — € 0.64 million (from second period of office or fourth year of mandate) — € 1.175 million (Chairman of the Board of Management) — Formula: 50 % of target amount x RoCE factor — RoCE factor is derived from the RoCE achieved in the Automotive segment for the grant year — Minimum, target and maximum values for RoCE are defined before the start of the financial year — RoCE factor may not exceed 1.8
bb) Strategic focus target component (at 100 % target achievement corresponds to 50 % of target amounts)	<ul style="list-style-type: none"> — Strategic focus target component p.a. (50 % of target amount for personal cash investment amount): <ul style="list-style-type: none"> — € 0.55 million (first period of office) — € 0.64 million (from second period of office or fourth year of mandate) — € 1.175 million (Chairman of the Board of Management) — At least two strategic focus targets of a non-financial nature derived from strategic plan and business forecast — Weighting of the strategic focus targets is decided upon before the start of the financial year — Formula in the case of two strategic focus targets with equal weighting p.a.: 25 % of target amount for personal cash investment amount x factor for strategic focus target 1 + 25 % of target amount for personal cash investment amount x factor for strategic focus target 2 — Minimum, target and maximum values for each focus target are defined before the start of the financial year — Factor for each strategic focus target may not exceed 1.8
b) Share-based remuneration component (matching component)	Not applicable

Component	Parameters/ measurement base, applicable amounts																
RULES FOR WITHHOLDING AND CLAWING BACK REMUNERATION																	
a) Malus	<ul style="list-style-type: none"> — Agreement to withhold variable remuneration in the event of specified serious compliance violations or (withholding amounts provisionally) in the event of reasonable suspicions of such — Amounts may also be withheld in principle after a member has left the Board — Applies from financial year 2021 onwards 																
a) Clawback	<ul style="list-style-type: none"> — Agreement entitling the BMW Group to reclaim variable remuneration already paid out in the event of specified serious incidences of non-compliance, incorrect calculation bases for remuneration or incorrect financial statements — Amounts may also be clawed back in principle after a member has left the Board — Applies from financial year 2021 onwards 																
OTHER FIXED REMUNERATION (FRINGE BENEFITS)																	
	Contractual agreement, main points: non-cash benefits from the use of company cars and the BMW chauffeur service, insurance premiums, contributions towards security systems, employee discounts																
REIIMBURSEMENT OF LOSSES AND EXPENSES																	
	The Supervisory Board may award payments to compensate for loss of salary from a previous employment relationship and to cover relocation costs in the case of new entrants. These payments are to be included for the purposes of determining the maximum remuneration																
RETIREMENT BENEFITS																	
Model	Principal features																
Defined contribution system with a guaranteed minimum return	<p>Benefits based on amounts credited to individual savings accounts for contributions paid and interest earned, various forms of disbursement</p> <p>Pension contribution p.a.:</p> <p>Member of the Board of Management: € 400,000</p> <p>Chairman of the Board of Management: € 700,000</p>																
CAPS																	
p. a. in €	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 15%; text-align: center;">Bonus</th> <th style="width: 20%; text-align: center;">Share-based remuneration (personal investment cash amount)</th> <th style="width: 5%; text-align: center;">Maximum remuneration*</th> </tr> </thead> <tbody> <tr> <td>Member of the Board of Management in the first period of office</td> <td style="text-align: right;">1,710,000</td> <td style="text-align: right;">1,980,000</td> <td style="text-align: right;">4,925,000</td> </tr> <tr> <td>Member of the Board of Management from second period of office or fourth year of mandate</td> <td style="text-align: right;">2,070,000</td> <td style="text-align: right;">2,304,000</td> <td style="text-align: right;">5,500,000</td> </tr> <tr> <td>Chairman of the Board of Management</td> <td style="text-align: right;">3,780,000</td> <td style="text-align: right;">4,230,000</td> <td style="text-align: right;">9,850,000</td> </tr> </tbody> </table>		Bonus	Share-based remuneration (personal investment cash amount)	Maximum remuneration*	Member of the Board of Management in the first period of office	1,710,000	1,980,000	4,925,000	Member of the Board of Management from second period of office or fourth year of mandate	2,070,000	2,304,000	5,500,000	Chairman of the Board of Management	3,780,000	4,230,000	9,850,000
	Bonus	Share-based remuneration (personal investment cash amount)	Maximum remuneration*														
Member of the Board of Management in the first period of office	1,710,000	1,980,000	4,925,000														
Member of the Board of Management from second period of office or fourth year of mandate	2,070,000	2,304,000	5,500,000														
Chairman of the Board of Management	3,780,000	4,230,000	9,850,000														

* Maximum remuneration as defined in section 87a (1) sentence 2 no. 1 AktG. The overall cap is lower than the sum of the maximum amounts for the individual components.

2. Supervisory Board remuneration

Provisions of Articles of Incorporation, procedures

The remuneration regulation valid for the financial year under report was resolved by shareholders at the Annual General Meeting on 14 May 2020 and is set out in Article 15 of BMW AG's Articles of Incorporation. With effect from the financial year 2020, members of the Supervisory Board are remunerated exclusively on the basis of a fixed remuneration structure. In accordance with the Act Implementing the Second EU Shareholder Rights Directive (ARUG II), a resolution on the remuneration of the members of the Supervisory Board is required to be adopted by the Annual General Meeting of a listed stock corporation at least every four years. A proposal will be submitted to the Annual General Meeting on 12 May 2021 to confirm the existing remuneration arrangements.

Remuneration principles, remuneration components

The exclusively fixed remuneration structure for Supervisory Board remuneration is intended to strengthen the independent exercise of its control and advisory functions and complies with Suggestion G.18 of the German Corporate Governance Code (GCCC) dated 16 December 2019. In accordance with the Articles of Incorporation, each member of the Supervisory Board of BMW AG who does not perform any additional remuneration-relevant functions receives – in addition to reimbursement of reasonable expenses – a fixed remuneration of €200,000, payable after the end of the financial year.

The latest version of the GCCC dated 16 December 2019 recommends that the exercising of chair and deputy chair positions in the Supervisory Board as well

the chair and membership of committees should also be considered when determining the level of remuneration (Recommendation G.17) due to the higher time consumption. Accordingly, the Articles of Incorporation of BMW AG stipulate that the Chairman of the Supervisory Board shall receive three times the amount and each Deputy Chairman twice the amount of remuneration paid to a Supervisory Board member, excluding amounts relating to additional remuneration-relevant functions. The chair of the Audit Committee receives two-and-a-quarter times the amount, the chair of other Supervisory Board committees twice the amount and each member of a committee one-and-a-half times the amount of the remuneration paid to a Supervisory Board member, provided the relevant committee convened on at least three days during the financial year. If a member of the Supervisory Board exercises more than one of the functions referred to above, their remuneration is measured only on the basis of the function receiving the highest amount.

In the event of changes in the composition of the Supervisory Board during the year or in the performance of additional remuneration-relevant functions, remuneration is determined on a proportionate basis.

In addition, each member of the Supervisory Board receives an attendance fee of €2,000 for each full meeting of the Supervisory Board (Plenum) which the member has attended, payable at the end of the financial year. Attendance at more than one meeting on the same day is not remunerated separately.

Furthermore, the Company reimburses each member of the Supervisory Board for their reasonable expenses.

In order to be able to perform his duties, the Chairman of the Supervisory Board is provided with secretariat and chauffeur services.

Overview of remuneration¹

	Factor	Amount in € p.a. ³
Member of the Supervisory Board	1.00	200,000
Chairman of the Supervisory Board	3.00	600,000
Deputy Chairman of the Supervisory Board	2.00	400,000
Chairman of the Audit Committee ²	2.25	450,000
Chairman of another committee ²	2.00	400,000
Member of the Audit Committee ²	2.00	400,000
Member of another committee ²	1.50	300,000

¹ If a Supervisory Board member performs several additional remuneration-relevant functions, their remuneration is measured only on the basis of the function that is remunerated with the highest amount.

² Provided the relevant committee convened for meetings on at least three days during the financial year.

³ Plus attendance fee of €2,000 per plenary session.

Remuneration of the Supervisory Board for the financial year 2020 (total)

In accordance with Article 15 of the Articles of Incorporation, the remuneration of the Supervisory Board for activities during the financial year 2020 totalled €5.6 million (2019: €5.6 million).

in € million	2020		2019	
	Amount	Proportion in %	Amount	Proportion in %
Fixed remuneration	5.6	100.0	2.0	35.7
Variable remuneration	–	–	3.6	64.3
Total remuneration	5.6	100.0	5.6	100.0

Supervisory Board members did not receive any further remuneration or benefits from the BMW Group for advisory or agency services personally rendered.

Remuneration of the individual members of the Supervisory Board for the financial year 2020 (2019)

in €	Fixed remuneration	Attendance fee	Variable remuneration ⁸	Total
Norbert Reithofer (Chairman)	600,000	10,000	–	610,000
	(210,000)	(10,000)	(420,000)	(640,000)
Manfred Schoch (Deputy Chairman)¹	400,000	10,000	–	410,000
	(140,000)	(10,000)	(280,000)	(430,000)
Stefan Quandt (Deputy Chairman)	400,000	10,000	–	410,000
	(140,000)	(10,000)	(280,000)	(430,000)
Stefan Schmid (Deputy Chairman)¹	400,000	10,000	–	410,000
	(140,000)	(10,000)	(280,000)	(430,000)
Karl-Ludwig Kley (Deputy Chairman)²	418,548	10,000	–	428,548
	(140,000)	(8,000)	(280,000)	(428,000)
Kurt Bock (Chairman of the Audit Committee)³	357,930	10,000	–	367,930
	(70,000)	(10,000)	(140,000)	(220,000)
Christiane Benner¹	200,000	10,000	–	210,000
	(70,000)	(10,000)	(140,000)	(220,000)
Verena zu Dohna-Jaeger¹	200,000	10,000	–	210,000
	(43,844)	(8,000)	(87,688)	(139,532)
Heinrich Hiesinger	200,000	10,000	–	210,000
	(70,000)	(10,000)	(140,000)	(220,000)
Reinhard Hüttl⁴	190,000	10,000	–	200,000
	(70,000)	(8,000)	(122,000)	(200,000)
Susanne Klatten	200,000	10,000	–	210,000
	(70,000)	(10,000)	(140,000)	(220,000)
Renate Köcher⁵	74,194	2,000	–	76,194
	(70,000)	(10,000)	(140,000)	(220,000)

>>

Remuneration of the individual members of the Supervisory Board for the financial year 2020 (2019)

in €	Fixed remuneration	Attendance fee	Variable remuneration ⁸	Total
Horst Lischka¹	200,000	10,000	–	210,000
	(70,000)	(10,000)	(140,000)	(220,000)
Willibald Löw¹	200,000	10,000	–	210,000
	(70,000)	(10,000)	(140,000)	(220,000)
Simone Menne	200,000	10,000	–	210,000
	(70,000)	(10,000)	(140,000)	(220,000)
Dominique Mohabeer¹	200,000	10,000	–	210,000
	(70,000)	(10,000)	(140,000)	(220,000)
Brigitte Rödiger¹	200,000	10,000	–	210,000
	(70,000)	(10,000)	(140,000)	(220,000)
Anke Schäferkordt⁶	126,344	8,000	–	134,344
	(–)	(–)	(–)	(–)
Vishal Sikka	200,000	8,000	–	208,000
	(43,844)	(8,000)	(87,688)	(139,532)
Thomas Wittig	200,000	10,000	–	210,000
	(43,844)	(8,000)	(87,688)	(139,532)
Werner Zierer¹	200,000	10,000	–	210,000
	(70,000)	(10,000)	(140,000)	(220,000)
Total⁷	5,367,016	198,000	–	5,565,016
	(1,820,564)	(196,000)	(3,623,128)	(5,639,692)

¹ In line with the guidelines of the Deutscher Gewerkschaftsbund, these employee representatives have requested that their remuneration be paid into the Hans Böckler-Stiftung.

² Chairman of the Audit Committee until 14 May 2020.

³ Chairman of the Audit Committee since 14 May 2020.

⁴ Due to the requirements of his employer, Prof. Dr. Hüttl has waived his Supervisory Board remuneration until further notice, to the extent that this would exceed the amount of €200,000 p.a.

⁵ Member of the Supervisory Board until 14 May 2020.

⁶ Member of the Supervisory Board since 14 May 2020.

⁷ Figures for the previous year include the remuneration of members of the Supervisory Board who left office during the financial year 2019.

⁸ Earnings-related remuneration for the financial year 2019 was capped at the maximum amount.

3. Other

With exception of the advance payments relating to the PCP 2019–2021 described above, neither BMW AG nor any of its subsidiaries granted loans or advances to members of the Board of Management or the Supervisory Board during the financial year 2020, nor were any contingent liabilities entered into in their favour. During the year under report, members of the Board of Management and the Supervisory Board concluded vehicle purchase, service, rental, leasing and financing contracts for vehicles on customary market terms and conditions.

GLOSSARY AND EXPLANATION OF KEY FIGURES

ASSET-BACKED FINANCING TRANSACTIONS

A form of corporate financing involving the sale of receivables to a financing company.

BOND

A securitised debt instrument in which the issuer certifies its obligation to repay the nominal amount at the end of a fixed term and to pay a fixed or variable rate of interest.

BUSINESS VOLUME IN BALANCE SHEET TERMS

The sum of the balance sheet line items “Leased products” and “Receivables from sales financing” (current and non-current), as reported in the balance sheet for the Financial Services segment.

CAPITAL EXPENDITURE RATIO

Investments in property, plant and equipment and other intangible assets (excluding capitalised development costs) as a percentage of Group revenues.

CAPITALISATION RATE

Capitalised development costs as a percentage of research and development expenditure.

CASH FLOW

Liquid funds generated (cash inflows) or used (cash outflows) during a reporting period.

CASH FLOW AT RISK

Similar to “value at risk” (see definition below).

CASH FLOW HEDGE

A hedge against exposures to the variability in forecasted cash flows, particularly in connection with exchange rate fluctuations.

CARBON EMISSIONS OF THE NEW VEHICLE FLEET

The average carbon emissions of a manufacturer’s fleet are calculated on the basis of the weighted average of carbon emissions across all vehicles newly registered during the reporting period. New registrations for these purposes comprise all newly registered vehicles of a given manufacturer in the EU, including Norway and Iceland, during the calendar year, plus any individual vehicle-specific carbon emissions determined in accordance with the WLTP type test procedure and converted back to the New European Driving Cycle (NEDC). The BMW Group’s fleet carbon emissions figure for 2020, as measured internally, includes legally permitted offsetting factors (i.e. phase-in, supercredits and eco-innovations).

In accordance with legal requirements, the forecast of fleet carbon emissions for 2021 is based on WLTP and includes lower offsetting factors, as phase-in is no longer permitted for 2021 and the BMW Group fully utilised the maximum amount of supercredits in 2020. For better comparability of the fleet carbon emissions forecast for 2021 and the actual figure for the fleet in 2020, the latter has been converted internally from NEDC (including offsetting factors) to a WLTP basis (excluding offsetting factors). The figure derived for 2020 serves only to reconcile it with the 2021 figure; it is not official in nature and does not correspond to legislation that was in place in 2020.

COMMERCIAL PAPER

Short-term debt instruments with a term of less than one year which are usually issued at a discount to their face value.

CONSOLIDATION

The process of combining separate financial statements of Group entities into Group Financial Statements, depicting the financial position, net assets and results of operations of the Group as a single economic entity.

CREDIT DEFAULT SWAP (CDS)

Financial swap agreements, under which creditors of securities (usually bonds) pay premiums to the seller of the CDS to hedge against the risk that the issuer of the bond will default. As with credit default insurance agreements, the party receiving the premiums gives a commitment to compensate the bond creditor in the event of default.

DELIVERIES

A new or used vehicle will be recorded as a delivery once handed over to the end user. End users also include leaseholders under lease contracts with BMW Financial

Services and – in the US and Canada – dealers when they designate a vehicle as a service loaner or demonstrator vehicle. In the case of used vehicles, end users may include dealers and other third parties when they purchase a vehicle at auction or directly from BMW Group. Vehicles designated for the end user and suffering total loss in transit will also be recorded as deliveries. Deliveries may be made by BMW AG, one of its international subsidiaries, a BMW Group retail outlet, or independent dealers. The vast majority of deliveries – and hence the reporting to BMW Group of deliveries – is made by independent dealers.

EARNINGS PER SHARE (EPS)

Basic earnings per share are calculated for common and preferred stock by dividing the net profit after minority interests, as attributable to each category of stock, by the average number of shares in circulation. Earnings per share of preferred stock are computed on the basis of the number of preferred stock shares entitled to receive a dividend in each of the relevant financial years.

EBIT

Abbreviation for “Earnings Before Interest and Taxes”, equivalent in the BMW Group income statement to “Profit/loss before financial result”. This is comprised of revenues less cost of sales, selling and administrative expenses and the net amount of other operating income and expenses.

EBIT MARGIN

Profit/loss before financial result as a percentage of revenues.

EBT

EBIT plus financial result.

EFFECTIVE TAX RATE

The effective tax rate is calculated by dividing the income tax expense by the Group profit before tax.

ELECTRIFIED VEHICLES

The BMW Group uses the terms Battery Electric Vehicle (BEV) to denote fully electric vehicles and Plug-in Hybrid Vehicle (PHEV) to denote vehicles that can be charged and also driven on a fully electric basis.

EMPLOYEES

The number of employees includes BMW AG and all companies in which it holds a majority interest, irrespective of whether they are consolidated in the Group Financial Statements. The figure does not include employees in dormant employment relationships, those in the non-work phase of partial retirement working arrangements and low-wage earners. With effect from the financial year 2020, the definition also includes employees with permanent and fixed-term contracts. Up to 2019, it also included temporary staff, postgraduate students, interns, apprentices, those on extended sick leave and sabbaticals.

EQUITY RATIO

Equity capital as a percentage of the balance sheet total.

FAIR VALUE

The amount at the measurement date for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

FAIR VALUE HEDGE

A hedge against exposures to fluctuations in the fair value of a balance sheet item.

FREE CASH FLOW

Free cash flow is derived from cash flows from operating and investing activities. The cash flows from investing activities from the purchase and sale of marketable securities and investment funds is not included. Cash flows from the purchase and sale of shares and the dividend payout from investments accounted for using the equity method are included in the cash flows from investing activities.

GOODWILL

Goodwill corresponds to the consideration paid to acquire an entity, less the fair value of the separate assets acquired and liabilities assumed. The buyer is willing to pay the additional amount in return for future expected earnings.

GROSS PROFIT MARGIN

Gross profit as a percentage of Group revenues.

LIQUIDITY

Cash and cash equivalents as well as marketable securities and investment funds.

OUTLOOK

The BMW Group uses the following terminology and ranges when forecasting key performance indicators:

At previous year's level	[− 0.9 % / + 0.9 %]
Slight increase	[+ 1.0 % / + 4.9 %]
Slight decrease	[− 1.0 % / − 4.9 %]
Solid increase	[+ 5.0 % / + 9.9 %]
Moderate decrease	[− 5.0 % / − 9.9 %]
Significant increase	> + 10.0 %
Significant decrease	> − 10.0 %

Unlike the other key performance indicators, the RoCE forecast for the Automotive and Motorcycles segments is based on the change in percentage points:

At previous year's level	[− 0.9 %-pts. / + 0.9 %-pts.]
Slight increase	[+ 1.0 %-pts. / + 4.9 %-pts.]
Slight decrease	[− 1.0 %-pts. / − 4.9 %-pts.]
Solid increase	[+ 5.0 %-pts. / + 9.9 %-pts.]
Moderate decrease	[− 5.0 %-pts. / − 9.9 %-pts.]
Significant increase	> + 10.0 %-pts.
Significant decrease	> − 10.0 %-pts.

POST-TAX RETURN ON SALES

Group net profit as a percentage of Group revenues.

PRE-TAX RETURN ON SALES

Group profit/loss before tax as a percentage of Group revenues.

RESEARCH AND DEVELOPMENT EXPENDITURE

The sum of research and non-capitalised development cost and capitalised development cost (not including the associated scheduled amortisation).

RESEARCH AND DEVELOPMENT EXPENDITURE RATIO

Research and development expenditure as a percentage of Group revenues.

RESEARCH AND DEVELOPMENT LOCATIONS

The engineering, IT and process expertise required for the (pre-)development of hardware and software for all BMW Group products and services is combined at the Group's international research and development locations.

RETURN ON CAPITAL EMPLOYED (ROCE)

RoCE in the Automotive and Motorcycles segments is measured on the basis of relevant segment profit before financial result and the average amount of capital employed – at the end of the last five quarters – in the segment concerned. Capital employed corresponds to the sum of all current and non-current operational assets, less liabilities that generally do not incur interest.

RETURN ON EQUITY (ROE)

RoE in the Financial Services segment is calculated as segment profit before taxes, divided by the average amount of equity capital – at the end of the last five quarters – attributable to the Financial Services segment.

TRAINING AND FURTHER EDUCATION

Expenditure for training comprises all costs incurred in the year under report for vocational training within the BMW Group in a total of seven countries, including personnel costs for trainers and apprentices as well as other costs and investments related to vocational training.

The number of apprentices undergoing training within the BMW Group includes those employed at domestic and international plants in a total of seven countries as well as those working in corporate functions, at Group plants in Germany and international sales companies as well as in the Financial Services segment.

Expenditure for further education includes all costs incurred by the BMW Group's consolidated companies in connection with ongoing and advanced training. This includes preparation and implementation costs, opportunity costs and investments made in order to provide such training. Costs also include notional depreciation, measured on the basis of asset inventory lists.

VALUE AT RISK

A measure of the potential maximum loss in value of an item during a set time period, based on a specified probability.

RESPONSIBILITY STATEMENT BY THE COMPANY'S LEGAL REPRESENTATIVES

STATEMENT PURSUANT TO § 117 NO.1 OF THE
SECURITIES TRADING ACT (WPHG) IN CONJUNCTION
WITH § 297 (2) SENTENCE 4 AND § 315 (1) SENTENCE 5
OF THE GERMAN COMMERCIAL CODE (HGB)

"To the best of our knowledge, and in accordance with the applicable reporting principles, the Group Financial Statements give a true and fair view of the assets, liabilities, financial position and results of operations of the Group, and the Group Management Report includes a fair review of the development and performance of business and position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group."

Munich, 9 March 2021

Bayerische Motoren Werke
Aktiengesellschaft

THE BOARD OF MANAGEMENT

OLIVER ZIPSE

ILKA HORSTMEIER

DR. MILAN NEDELJKOVIĆ

PIETER NOTA

DR. NICOLAS PETER

FRANK WEBER

DR.-ING. ANDREAS WENDT

The following copy of the auditor's report also includes a "Report on the audit of the electronic renderings of the financial statements and the management report prepared for disclosure purposes in accordance with § 317 Abs. 3b HGB" ("Separate report on ESEF conformity"). The subject matter (ESEF documents) to which the Separate report on ESEF conformity relates is not attached. The audited ESEF documents can be inspected in or retrieved from the Federal Gazette.

INDEPENDENT AUDITOR'S REPORT

**TO BAYERISCHE MOTOREN WERKE
AKTIENGESELLSCHAFT, MUNICH**

**REPORT ON THE AUDIT OF THE CONSOLIDATED
FINANCIAL STATEMENTS AND OF THE GROUP
MANAGEMENT REPORT**

Audit Opinions

We have audited the consolidated financial statements of Bayerische Motoren Werke Aktiengesellschaft, Munich, and its subsidiaries (the Group), which comprise the BMW Group Income Statement for Group, Statement of Comprehensive Income for Group, BMW Group Balance Sheet at 31 December 2020, BMW Group Cash Flow Statement for BMW Group and BMW Group Statement of Changes in Equity for the financial year from January 1 to December 31, 2020, and Notes to the Group Financial Statements, including a summary of significant accounting policies. In addition, we have audited the group management report of Bayerische Motoren Werke Aktiengesellschaft, which is combined with the Company's management report, for the financial year from January 1 to December 31, 2020. In accordance with the German legal requirements, we have not audited the content of those parts of the group management report listed in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to § [Article] 315e Abs. [paragraph] 1 HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at December 31, 2020, and of its financial performance for the financial year from January 1 to December 31, 2020, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated

financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of those parts of the group management report listed in the "Other Information" section of our auditor's report.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1 to December 31, 2020. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matters of most significance in our audit were as follows:

1 Measurement of leased products

2 Valuation of receivables from sales financing

3 Valuation of provisions for statutory and non-statutory warranty obligations and product guarantees

4 Measurement of YOUR NOW equity investment

5 Measurement of provision for risks relating to an EU antitrust proceeding

Our presentation of these key audit matters has been structured in each case as follows:

1 Matter and issue

2 Audit approach and findings

3 Reference to further information

Hereinafter we present the key audit matters:

1 Measurement of leased products

1 The BMW Group leases vehicles to end customers under operating leases (leased products). At the balance sheet date, the figure reported under the "leased products" line item for operating leases was EUR 41,995 million (approximately 19.4 % of total assets). Leased products are measured at cost, which is depreciated on a straight-line basis over the lease term to the expected residual value (recoverable amount). A key estimated value for subsequent measurement of leased products is the expected residual value at the end of the lease term. The BMW Group uses internally available data on historical empirical values, current market data and market estimates as well as forecasts by external market research institutes. The estimation of future residual values is subject to judgment due to the large number of assumptions to be made by the executive directors and the amount of data included in the determination.

Against this background and due to the resulting significant uncertainties with regard to estimates in the context of measuring the residual values of the leased products, this matter was of particular significance in the context of our audit.

2 As part of our audit we obtained an understanding of the development of operating leases, the underlying residual value risks as well as the business processes for the identification, management, monitoring and measurement of residual value risks, among other things by inquiries and inspection of documents related to the internal calculation methods. Furthermore, we evaluated the appropriateness and effectiveness of the internal control system, particularly regarding the determination of expected residual values. This included the evaluation of the propriety of the relevant IT systems as well as the implemented interfaces therein by our IT specialists. In addition, we evaluated the appropriateness of the forecasting methods, the model assumptions as well as the parameters used for the measurement of the residual values based on the validations carried out by the BMW Group. For this purpose, we inquired with the BMW Group's experts responsible for the management and monitoring of residual value risks and inspected the internal analysis on residual value developments and residual value forecasts as well as the validation results. We examined the mathematical correctness of the forecast values using the key calculation steps.

Based on our audit procedures, we were able to satisfy ourselves that the methods and processes for determining the expected residual values of leased products underlying the valuation are appropriate and the assumptions and parameters included in the forecast model for the residual value are appropriate as a whole.

³ The Company's disclosures on the applied "Accounting policies, assumptions, judgments and estimations" are contained in the notes to the consolidated financial statements under note 5 and on leased products are contained under note 23.

² Valuation of receivables from sales financing

¹ The BMW Group offers end customers, dealerships and importers various financing models for vehicles. In this context, current and non-current receivables from sales financing totaling EUR 84,277 million are reported in the consolidated statement of financial position as at the balance sheet date (approximately EUR 38.9 % of total assets). Impairment losses amounting to EUR 1,639 million were recognized on these receivables as at the balance sheet date. In order to determine the amount of the necessary valuation allowances to be recognized with respect to receivables from sales financing, the BMW Group, among others, evaluates the creditworthiness of the dealers, importers and end customers, as well as any loss ratios, and risk provisioning parameters are derived based on historical default probabilities and loss ratios.

The determination of the valuation allowances by the executive directors is subject to a significant degree of judgment due to several value-influencing factors such as the estimation of creditworthiness, the determination of probabilities of default and loss ratios and was therefore of particular significance in the context of our audit.

² As part of our audit we obtained a comprehensive understanding of the development of receivables from sales financing, the associated default-related risks as well as the business processes for the identification, management, monitoring and measurement of default risks, among other things by inquiries and inspection of documents on the internal calculation methods. Furthermore, we evaluated the appropriateness and effectiveness of the internal control system regarding the determination of the impairment loss to recognize. In this context, we also evaluated the relevant IT systems and internal processes. The evaluation included an assessment by our IT specialists of the appropriateness of the systems concerned and associated interfaces to ensure the completeness of data as well as the audit of automated controls for data processing. As part of our audit we assessed in particular the appropriateness of the risk classification procedures as well as the risk provisioning parameters used. For this purpose, we analyzed in particular the validations of parameters that are regularly conducted by the Company. To assess the default risk, we also used targeted sampling of individual cases to examine whether the attributes for assignment to the respective risk categories were suitably available and the impairment losses had been calculated using the parameters defined for these risk categories.

In our view, the assumptions and parameters used in the measurement of receivables from sales financing were appropriate overall.

³ The Company's disclosures on the applied "Accounting policies, assumptions, judgments and estimations" are contained in the notes to the consolidated financial statements under note 5 and on "receivables from sales financing" are contained under note 25.

³ Valuation of provisions for statutory and non-statutory warranty obligations and product guarantees

¹ Provisions for statutory and non-statutory warranty obligations as well as product guarantees are included in the consolidated financial statements of BMW Group as a material amount in other provisions. The obligations amounted to EUR 6,131 million (approximately 2.8 % of total assets) as at December 31, 2020. BMW Group is responsible for the legally required warranty and product guarantees in the respective sales market. In order to estimate the liabilities arising from statutory and non-statutory warranty obligations and product guarantees for vehicles sold, information on the type and volume of damages arising and on remedial measures is recorded and analyzed at vehicle model level. The expected amount of obligations is extrapolated from costs of the past and recognized as a provision in the corresponding amount, if the criteria of IAS 37 have been met. For specific or anticipated individual circumstances, for example recalls, additional provisions are recognized provided they have not already been taken into account.

The determination of provisions is associated with unavoidable estimation uncertainties and is subject to a high risk of change, depending on factors such as notification of detected defects as well as claims made by vehicle owners. Against this background, this matter was of particular significance during our audit.

- 2 In order to assess the appropriateness of the valuation method used for the determination of the provisions for statutory and non-statutory warranty obligations as well as product guarantees including the assumptions and parameters, we primarily obtained an understanding of the process for determining the assumptions and parameters through discussions with the responsible employees of the BMW Group. We also evaluated the appropriateness as well as effectiveness of controls for determining the assumptions and parameters. With the involvement of our IT specialists, we checked the IT systems used regarding their compliance. We compared the expenses for claims and technical actions with actual costs incurred in order to draw conclusions on the forecast accuracy. Based on a targeted sample of vehicle models, the mathematical correctness of the valuation model used across the Group was examined. We examined and evaluated the assumptions used by the BMW Group concerning the extent to which the past values were representative of the expected susceptibility of damage, the expected value of damage per vehicle (comprising parts and labor input) as well as the expected assertion of claims from statutory and non-statutory warranties.

In our view, the method for the valuation of provisions for statutory and non-statutory warranty obligations as well as product guarantees is overall appropriate. Taking into consideration the information

available, we believe that, overall, the measurement parameters and assumptions used by the executive directors are appropriate.

- 3 The Company's disclosures on the applied "Accounting policies, assumptions, judgments and estimations" are contained in the notes to the consolidated financial statements under note 5 and on "Other provisions" are contained under note 33.

4 Measurement of YOUR NOW equity investment

- 1 In the BMW Group's consolidated financial statements as at December 31, 2020, the YOUR NOW equity investment is reported under the balance sheet item "Investments accounted for using the equity method" with a carrying amount of EUR 591 million (approximately 0.3% of total assets). The BMW Group and a competitor have bundled mobility services within YOUR NOW. In the financial year 2020 YOUR NOW generated negative operating earnings amounting to EUR 349 million, which were recognized in the consolidated financial statements. Furthermore, there was a triggering event at the level of the BMW Group. The Company has identified as a triggering event in particular a significant deviation from target figures and the impacts of the coronavirus crisis regarding the YOUR NOW equity investment. As a result of the impairment test performed, no further write-downs were necessary as at balance sheet date.

The measurement of the YOUR NOW equity investment, including the performance of the impairment test, depends to a significant degree on the estimates made by the executive directors and their exercise of judgment, which are subject to significant estimation

uncertainties. Against this background, this matter was of particular significance during our audit.

- 2 As part of our audit, we examined and evaluated the methodological procedure adopted for the purposes of measuring the YOUR NOW equity investment as well as for performing the impairment test, among other things. We also assessed the appropriateness of the valuation parameters and assumptions on which the measurement was based. We examined the impairment test conducted by the BMW Group based on the occurrence of a triggering event. After comparing the future cash inflows used in the calculation against the underlying budget, we assessed the appropriateness of the calculation, in particular by reconciling it with general and sectorspecific market expectations. Moreover, we evaluated the estimates made by the executive directors with respect to the impacts of the coronavirus crisis on the YOUR NOW equity investment and examined its consideration in the calculation of future cash inflows. We also assessed the parameters used to determine the discount rate applied and examined the measurement model.

The valuation parameters and assumptions used by the executive directors are overall in line with our expectations and are also within the ranges considered by us to be acceptable.

- 3 The Company's disclosures on the applied "Accounting policies, assumptions, judgments and estimations" are contained in the notes to the consolidated financial statements under note 5 and on the YOUR NOW equity investment are contained under note 24.

5 Measurement of provision for risks relating to an EU antitrust proceeding

1 In April 2019, the BMW Group was notified by the European Commission of complaints in a pending antitrust proceeding. The European Commission accuses various manufacturers of colluding to restrict competition in the field of innovation. In this connection, as in the previous year, a EUR 1.4 billion provision for litigation and risk provisioning was recognized at the balance sheet date in the consolidated financial statements under the balance sheet item "Other provisions". The risk assessment to be made on developments in the EU antitrust proceeding and the estimation of whether or not a provision must be recognized to cover the risks, and if so, in what amount the current obligation must be measured, is subject to a high degree of uncertainties and characterized by the estimates and assumptions made by the executive directors.

In our view, this matter was of particular significance for our audit due to the significant uncertainties concerning the outcome of the EU antitrust proceeding and the potential effects on BMW AG's assets, liabilities, financial position and financial performance.

2 With the knowledge that estimated values result in an increased risk of accounting misstatements and that the executive directors' recognition and measurement decisions have a direct effect on consolidated result, we evaluated the retention of the carrying amounts, with the involvement of an internal PwC antitrust law expert. Furthermore, we also held regular meetings with the Company's legal department in order to receive updates on current developments and the reasons for the corresponding estimates. The

development of the aforementioned risks arising from the EU antitrust proceeding, including the executive directors' estimates concerning the potential proceeding outcomes, was provided to us by the Company in writing. In addition, we obtained and evaluated an external legal confirmation as at the balance sheet date.

In our view, the estimates made by the executive directors regarding the recognition and measurement of the provision for the risks from the EU antitrust proceeding described above and the associated risk provision in the consolidated financial statements are sufficiently documented and substantiated.

3 The Company's disclosures on the applied "Accounting policies, assumptions, judgments and estimations" are contained in the notes to the consolidated financial statements under note 5 and on "Other operating expenses" are contained under note 10.

Other Information

The executive directors are responsible for the other information. The other information comprises the following non-audited parts of the group management report:

- the statement on corporate governance pursuant to § 289 f HGB and § 315 d HGB included in section "Corporate Governance" of the group management report
- the subsections "Information on the Company's Governing Constitution", "Board of Management", "Supervisory Board", "Shareholders and Annual General Meeting" and "Declaration of Compliance" listed in the "Corporate Governance" section of the group management report

- the disclosures marked with "⌚ ... ⌚" of the non-financial statement pursuant to § 289 b Abs. 1 HGB and § 315 d Abs. 1 HGB

The other information comprises further the remaining parts of the annual report – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditor's report.

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315 e Abs. 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.

- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315 e Abs. 1 HGB.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Assurance Report in Accordance with § 317 Abs. 3b HGB on the Electronic Reproduction of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes

Reasonable Assurance Conclusion

We have performed an assurance engagement in accordance with § 317 Abs. 3b HGB to obtain reasonable assurance about whether the reproduction of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the attached electronic file BMW_AG_KA+KLB_ESEF-2020-12-31.zip and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance engagement only extends to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained within this reproduction nor to any other information contained in the above-mentioned electronic file.

In our opinion, the reproduction of the consolidated financial statements and the group management report contained in the above-mentioned attached electronic file and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. We do not express any opinion on the information contained in this reproduction nor on any other information contained in the above-mentioned electronic file beyond this reasonable assurance conclusion and our audit opinion

on the accompanying consolidated financial statements and the accompanying group management report for the financial year from 1 January to 31 December 2020 contained in the "Report on the Audit of the Consolidated Financial Statements and on the Group Management Report" above.

Basis for the Reasonable Assurance Conclusion

We conducted our assurance engagement on the reproduction of the consolidated financial statements and the group management report contained in the above-mentioned attached electronic file in accordance with § 317 Abs. 3b HGB and the Exposure Draft of IDW Assurance Standard: Assurance in Accordance with § 317 Abs. 3b HGB on the Electronic Reproduction of Financial Statements and Management Reports Prepared for Publication Purposes (ED IDW AsS 410) and the International Standard on Assurance Engagements 3000 (Revised). Accordingly, our responsibilities are further described below in the "Group Auditor's Responsibilities for the Assurance Engagement on the ESEF Documents" section. Our audit firm has applied the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QS 1).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic reproduction of the consolidated financial statements and the group management report in accordance with § 328 Abs. 1 Satz 4 Nr. 1 HGB and for the tagging of the consolidated financial statements in accordance with § 328 Abs. 1 Satz 4 Nr. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have

considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of § 328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The executive directors of the Company are also responsible for the submission of the ESEF documents together with the auditor's report and the attached audited consolidated financial statements and audited group management report as well as other documents to be published to the operator of the German Federal Gazette [Bundesanzeiger].

The supervisory board is responsible for overseeing the preparation of the ESEF documents as part of the financial reporting process.

Group Auditor's Responsibilities for the Assurance Engagement on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance engagement. We also:

- Identify and assess the risks of material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance conclusion.

- Obtain an understanding of internal control relevant to the assurance engagement on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance conclusion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version applicable as at the balance sheet date on the technical specification for this electronic file.
- Evaluate whether the ESEF documents enables a XHTML reproduction with content equivalent to the audited consolidated financial statements and to the audited group management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) enables an appropriate and complete machine-readable XBRL copy of the XHTML reproduction.

FURTHER INFORMATION PURSUANT TO ARTICLE 10 OF THE EU AUDIT REGULATION

We were elected as group auditor by the annual general meeting on May 14, 2020. We were engaged by the supervisory board on June 17, 2020. We have been the group auditor of the Bayerische Motoren Werke Aktiengesellschaft, Munich, without interruption since the financial year 2019.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Andreas Fell.

Munich, 10 March 2021

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

PETRA JUSTENHOVEN	ANDREAS FELL
Wirtschaftsprüferin	Wirtschaftsprüfer
[German public auditor]	[German public auditor]

INDEPENDENT PRACTITIONER'S REPORT

INDEPENDENT PRACTITIONER'S REPORT ON A LIMITED ASSURANCE ENGAGEMENT ON DISCLOSURES ON NON-FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURES¹

To BMW AG, Munich

We have performed a limited assurance engagement on the disclosures in the „BMW Group Report 2020“ for the period from 1 January to 31 December 2020 (hereinafter the “Integrated Group Report”) of BMW AG, Munich, (hereinafter the “Company”) denoted with “ $\text{L} \dots \text{U}$ ” of the combined non-financial statement pursuant to §§ (Articles) 289b (paragraph) Abs. 1 and 315b Abs. 1 HGB (“Handelsgesetzbuch”: “German Commercial Code”), which is integrated into the combined management report (hereinafter the “Disclosures on Non-financial Reporting”) contained in the Integrated Group Report, as well as the sustainability disclosures contained in the sections “Dialog with Stakeholders” and “Further GRI Information” of the Integrated Group Report (hereinafter referred to as “Sustainability Disclosures”). Our engagement in this context relates solely to the disclosures denoted with the symbol “ $\text{L} \dots \text{U}$ ” and the disclosures in the sections “Dialog with Stakeholders” and “Further GRI Information”.

Responsibilities of the Executive Directors

The executive directors of the Company are responsible for the preparation of the combined non-financial statement in accordance with §§ 315 c in conjunction with 289c to 289e HGB and the Sustainability Disclosures in accordance with the principles stated in the Sustainability Reporting Standards of the Global Reporting Initiative (hereinafter the “GRI-Criteria”).

This responsibility of Company’s executive directors includes the selection and application of appropriate methods of non-financial reporting and sustainability reporting as well as making assumptions and estimates related to individual non-financial disclosures and sustainability disclosures which are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal control as they have considered necessary to enable the preparation of an Integrated Group Report that is free from material misstatement whether due to fraud or error.

Independence and Quality Control of the Audit Firm

We have complied with the German professional provisions regarding independence as well as other ethical requirements.

Our audit firm applies the national legal requirements and professional standards – in particular the Professional Code for German Public Auditors and German Chartered Auditors (“Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer”: “BS WP/vBP”) as well as the Standard on Quality Control 1 published by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW): Requirements to quality control for audit firms (IDW Qualitätssicherungsstandard 1: Anforderungen an die Qualitätssicherung in der Wirtschaftsprüferpraxis – IDW QS 1) – and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

¹ PricewaterhouseCoopers GmbH has performed a limited assurance engagement on the German version of the „BMW Group Report 2020“ and issued an independent practitioner’s report in German language, which is authoritative. The following text is a translation of the independent practitioner’s report.

Practitioner´s Responsibility

Our responsibility is to express a limited assurance conclusion on the Disclosures on Non-financial Reporting denoted with the symbol “ \mathbb{L} ... \mathbb{J} ” of the combined non-financial statement and the Sustainability Disclosures in the sections “Dialog with Stakeholders” and “Further GRI Information” of the Integrated Group Report based on the assurance engagement we have performed.

Within the scope of our engagement we did not perform an audit on external sources of information or expert opinions, referred to in the Integrated Group Report.

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the IAASB. This Standard requires that we plan and perform the assurance engagement to allow us to conclude with limited assurance that nothing has come to our attention that causes us to believe that

- the Disclosures on Non-financial Reporting denoted with the symbol “ \mathbb{L} ... \mathbb{J} ” of the Company’s combined non-financial statement pursuant to §§ 289 b Abs. 1 and 315b Abs. 1 HGB for the period from 1 January to 31 December 2020, which is integrated into the combined management report contained in the Integrated Group Report, have not been prepared, in all material aspects, in accordance with the requirements of §§ 315 c in conjunction with 289c to 289e HGB relevant to these disclosures, or

- the Sustainability Disclosures in the sections “Dialog with Stakeholders” and “Further GRI Information” of the Company’s Integrated Group Report for the period from 1 January to 31 December 2020 have not been prepared, in all material aspects, in accordance with the relevant GRI-Criteria.

In a limited assurance engagement the assurance procedures are less in extent than for a reasonable assurance engagement, and therefore a substantially lower level of assurance is obtained. The assurance procedures selected depend on the practitioner’s judgment.

Within the scope of our assurance engagement, we performed amongst others the following assurance procedures and further activities:

- Obtaining an understanding of the structure of the sustainability organization and of the stakeholder engagement
- Inquiries of personnel involved in the preparation of the Integrated Group Report regarding the preparation process, the internal control system relating to this process and selected disclosures in the Integrated Group Report
- Identification of the likely risks of material misstatement of the Integrated Group Report
- Testing of processes for the collection, control, analysis and aggregation of selected data from various Group sites on a sample basis
- Analytical evaluation of selected disclosures in the Integrated Group Report

- Inquiries of the employees responsible for the information on fleet emissions and fuel consumption contained in the Integrated Group Report and reconciliation of individual data on fleet emissions and fuel consumption with the technical vehicle data

- Evaluation of the presentation of the disclosures

Assurance Conclusion

Based on the assurance procedures performed and assurance evidence obtained, nothing has come to our attention that causes us to believe that

- the Disclosures on Non-financial Reporting denoted with the symbol “**Ⓔ ... Ⓕ**” of the Company’s combined non-financial statement pursuant to §§ 289 b Abs. 1 and 315 b Abs. 1 HGB for the period from 1 January to 31 December 2020, which is integrated into the combined management report contained in the Integrated Group Report, have not been prepared, in all material aspects, in accordance with the requirements of §§ 315 c in conjunction with 289c to 289e HGB relevant to these disclosures, or
- the Sustainability Disclosures in the sections “Dialog with Stakeholders” and “Further GRI Information” of the Company’s Integrated Group Report for the period from 1 January to 31 December 2020 have not been prepared, in all material aspects, in accordance with the relevant GRI-Criteria.

Intended Use of the Assurance Report

We issue this report on the basis of the engagement agreed with the Company. The assurance engagement has been performed for purposes of the Company and the report is solely intended to inform the Company about the results of the limited assurance engagement.

The report is not intended for any third parties to base any (financial) decision thereon. Our responsibility lies only with the Company. We do not assume any responsibility towards third parties.

Munich, 10 March 2021

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

ANDREAS FELL
Wirtschaftsprüfer
[German public auditor]

NICOLETTE BEHNCKE
Wirtschaftsprüferin
[German public auditor]