



Oliver Zipse

Text of the video message by the Chairman of the Board of Management on the focal points of his speech in the virtual Annual General Meeting on 12 May 2021.*

Dear Shareholders, A very warm welcome from the BMW Welt in Munich!

This is where the stage will be for the one hundred and first Annual General Meeting of BMW AG. Twelfth of May is the big day – the event will once again be held virtually.

Of course, I would have preferred to see you all in person – but health comes first!

For me, the Annual General Meeting is the most important event of the year: It is where we answer to you – the owners of BMW AG – and show you where your company is headed. I consider this both an honour and a pleasure. The Board of Management and most Supervisory Board members will be there – as a sign of our respect for you.

Your belief in us gives us strength. We are committed to repaying your long-term investment with outstanding performance, cohesion, and bold decisions. That is the BMW way – lived by 120,000 BMW employees every day.

Dear Shareholders,

We have taken your concerns into account, and have adjusted the concept for our virtual Annual General Meeting:

- This year, you will have more time to submit your questions.
- You will also be able to submit statements in text or video form – all of which we will look at very closely.
- And this video will give you an idea, ahead of time, about the content of my speech.

Naturally, this includes our dividend policy – which will remain reliable again this year. At the Annual General Meeting, the Board of Management and Supervisory Board will propose a dividend of 1.90 euros per share of common stock and 1.92 euros per share of preferred stock for the coronavirus year, 2020.

I will also make a promise to you: We are making your company future-proof. This means we act according to situation. At the same time, we are looking far into the future. This is how the BMW Group was able to deal with the effects of the coronavirus pandemic – with flexibility and a genuine team spirit. We have proved that our business model is robust: In 2020, we earned 5.2 billion euros before taxes.

We have also made an excellent start to the financial year 2021. We sold more vehicles in the first quarter, than ever before – especially in our largest market, China. I will also talk about where we stand financially after the first quarter and our plans for 2021.

Of course, you are also interested in how the BMW share price is performing. Actually, it has risen by more than 15 percent since the start of the year. But there is still a long way to go until the end of the year. And there are still a lot of risks. We will stay ambitious, determined and self-assured.

Our sales are expected to regain their pre-coronavirus level of around 2.5 million vehicles by the end of this year. Companies need to grow. That's why we are targeting the milestone of three million vehicles per year before the end of this decade. We will make sure the way there is profitable and tech-forward.

BMW is pure high-tech. In a complex environment, your company scores with its strong ability to perfectly integrate a wide variety of systems and requirements. This is also a matter of timing.

Our intelligent vehicle architectures for different drive trains are a good example of this. They are currently enabling us to tap into the full potential of markets worldwide.

We are digitalising all processes at the company – from production, to sales and marketing. And we always think of hardware and software together, like we did with the BMW iX: This vehicle has our most powerful data processing system ever, BMW Operating System 8 – which was designed for 5G.

Our society's most important shared responsibility is climate protection. The key to climate neutrality lies in targeted use of technology. At the Annual General Meeting, I will also be sharing our electromobility roadmap with you. In the year 2030, at least half the vehicles we sell will be fully electric. By then, we will have around ten million electric vehicles on the roads.

And the greenest electric car will be a BMW. We are systematically reducing emissions throughout the entire value chain and aim to avoid at least 200 million tonnes of CO2 by 2030. We are also measuring ourselves against our goals. This is the idea behind our first Integrated BMW Group Report.

This, for me, is about actively taking responsibility.

The next big leap forward will come in 2025: When we will be launching a fundamentally new product offering for the markets of tomorrow. We call it: die NEUE KLASSE. The NEW CLASS. It is a class of its own in every respect: electric, digital and circular. We will use secondary materials in a targeted manner and set an example. From the outset, we will make sure: raw materials that were once a car can become a car again.

It is a NEUE KLASSE for a new age – when individual mobility will no longer be a climate factor. In other words, dear Shareholders: Your company has a future!

I am looking forward to our Annual General Meeting.

Until then, stay healthy!

Yours
Oliver Zipse
Chairman of the Board of Management