

BMW  
GROUP



ROLLS-ROYCE  
MOTOR CARS LTD



NOTICE OF ANNUAL  
GENERAL MEETING.  
11 MAY 2022

## Table of Content

Letter from the Board of Management to the Shareholders. ....	3
<b>I. Agenda. ....</b>	<b>5</b>
1. Presentation of the adopted Company Financial Statements and the approved Group Financial Statements along with the consolidated Management Report for the Company and the Group as at 31 December 2021 and the report of the Supervisory Board for the 2021 financial year. ....	5
2. Resolution on the utilisation of unappropriated profit. ....	6
3. Resolution on the ratification of the acts of the Board of Management. ....	6
4. Resolution on the ratification of the acts of the Supervisory Board. ....	6
5. Election of the auditor. ....	6
6. Election to the Supervisory Board. ....	7
7. Resolution on the approval of the remuneration report. ....	8
8. Resolution on the authorisation to acquire and utilise treasury shares, including redemption of shares and reduction of share capital, and to exclude subscription rights. ....	8
9. Resolution on the approval of Amendment Agreements to existing Profit and Loss Transfer Agreements between the Company and six subsidiaries. ....	10
<b>II. General information on the Annual General Meeting. ....</b>	<b>10</b>
1. Total number of shares and voting rights at the time of convening. ....	10
2. Requirements for following the virtual Annual General Meeting on the internet and exercising voting rights; registration for the Annual General Meeting. ....	11
3. Proxies; procedure for exercising voting rights via an authorised proxy. ....	12
4. Procedure for exercising voting rights by postal vote. ....	13
5. Requests for items to be added to the agenda. ....	13
6. Countermotions and election proposals. ....	14
7. Right to ask questions and opportunity to ask follow-up questions by means of electronic communication. ....	14
8. Statements by shareholders. ....	15
9. Publications on the Company's website; broadcast of the Annual General Meeting on the internet; supplementary information. ....	16
10. Information on data protection. ....	16
<b>III. Further information on the agenda items. ....</b>	<b>17</b>
1. Supplementary information on agenda item 6. (Election to the Supervisory Board) ....	17
2. Supplementary information on agenda item 7. (Approval of the remuneration report) ....	18
3. Supplementary information on agenda item 8. (Authorisation to acquire and utilise treasury shares, including redemption of shares and reduction of share capital, and to exclude subscription rights: Report of the Board of Management pursuant to § 71 (1) no. 8 AktG in conjunction with § 186 (3) and (4) AktG). ....	18
4. Supplementary information on agenda item 9. (Approval of Amendment Agreements to existing Profit and Loss Transfer Agreements between the Company and six subsidiaries) ....	21
<b>Annex: Remuneration Report. ....</b>	<b>25</b>

# **Bayerische Motoren Werke Aktiengesellschaft.**

## **Annual General Meeting on 11 May 2022.**

Dear Shareholders,

We would like to invite you to the **102 Annual General Meeting of Bayerische Motoren Werke Aktiengesellschaft on 11 May 2022**. Against the backdrop of the ongoing corona pandemic, we will once again be holding the Annual General Meeting as a **virtual Annual General Meeting without the shareholders being physically present**. This serves to protect the health of all involved and counteracts the spread of the corona virus.

As in previous years, you will be able to follow the **Annual General Meeting live on the internet**. You may exercise your voting rights by postal vote or authorise the voting representatives of the Company to vote on your behalf in accordance with your instructions. You can already do this in the run-up to the Annual General Meeting as well as online even during the course of the actual Annual General Meeting.

In addition, you can use our online service to submit **questions to be answered at the Annual General Meeting** until one day before the Annual General Meeting, i.e. until 9 May 2022 (midnight). During the Annual General Meeting, BMW AG allows shareholders to ask follow-up questions about the answers to their questions to a limited extent. You also have until midnight on 6 May 2022 to send us **statements in text or video** for publication in the online service. In addition, it is planned to play video contributions from the shareholders during the Annual General Meeting. For your information, we will publish summaries of the **speeches by the Board of Management and the Supervisory Board planned** for the Annual General Meeting on our website prior to the Annual General Meeting (on 5 May 2022 at the latest).

Please note that you must also **register** for a virtual Annual General Meeting in the usual manner **via your custodian bank** if you wish to use the online options described above or exercise your voting rights in any other way. For more information on how to participate in the Annual General Meeting, please refer to section II of the convening document.

At this point, we would like to give you a brief review of the 2021 financial year and a preview of our strategic goals for the future:

In 2021, the corona pandemic and supply bottlenecks for semiconductors proved to be very demanding again and presented us with quite some challenges. By joining all efforts, the BMW Group was able to cope well with this situation and once again demonstrate its **robustness, flexibility, and innovative capacity**.

For 2021, we can look back on very good business developments. We delivered over 2.52 million BMW, MINI and Rolls-Royce vehicles to our customers. We have expanded our product range of all-electric vehicles and were able to **more than double deliveries of all-electric BMW and MINI vehicles compared to the previous year**. Against this backdrop, the BMW Group was once again able to stay well below the target for its CO<sub>2</sub> fleet value in the EU for 2021.

The **significantly increased profitability despite high expenses for future-oriented development investments, the disruptions caused by the consequences of the pandemic and bottlenecks in the supply of semiconductors** is a very strong sign. After taxes, the BMW Group reported a profit of € 12.5 billion (previous year € 3.9 billion). The free cash flow generated by the automobiles segment amounted to € 6.4 billion (previous year € 3.4 billion). Against the background of the good business results, the Board of Management and the Supervisory Board propose a dividend of € 5.80 per common stock share and € 5.82 per preference share.

The **company's increased focus on sustainability based on concrete goals** represents an important pillar in the medium and long-term perspective. We have communicated how we will further reduce CO<sub>2</sub> emissions by 2030

and have once again reinforced our efforts to achieve our ambitious targets. We will **substantially and measurably reduce** our **environmental footprint along the entire value chain for the vehicle use phase, production and upstream supply chain.**

We never stand still and we are constantly developing our business model. This is what strengthens our resilience. Our stable foundation is based on our profitability and our sustainable actions. For us, the two belong together and are mutually dependent.

Your company is financially and economically stronger than ever. We can act in a self-determined manner and invest in our future.

For the financial year 2021, we sincerely thank you as shareholders for your investment and trust in the BMW Group. We have the right balance of stability and transformation. We see this as an opportunity. Together we will continue to make the difference as a company that generates value and adds value.

Continue to accompany us on our BMW Group journey!

We wish you an informative Annual General Meeting and look forward to your participation.

Yours sincerely



Oliver Zipse  
Chairman of the Board of Management



Dr Nicolas Peter  
Member of the Board of Management (Finance)

## **Bayerische Motoren Werke Aktiengesellschaft, Munich** Convening of the Annual General Meeting.\*

GMETBMW122BS, GMETBMW322BS, GMETBMWA22BS.

We hereby convene the 102 Annual General Meeting of Bayerische Motoren Werke Aktiengesellschaft (hereinafter also referred to as "BMW AG" or the "Company") with its registered office in Munich

**on Wednesday, 11 May 2022 at 10.00 a.m. (CEST).**

The Annual General Meeting will be held as a **virtual Annual General Meeting without the physical presence** of the shareholders or their proxies (with the exception of the proxies of the Company). The virtual Annual General Meeting will be broadcast live on the internet for registered shareholders from BMW Welt, Am Olympiapark 1, 80809 Munich at [www.bmwgroup.com/agm-service](http://www.bmwgroup.com/agm-service).

### **I. Agenda.**

#### **1. Presentation of the adopted Company Financial Statements and the approved Group Financial Statements along with the consolidated Management Report for the Company and the Group as at 31 December 2021 and the report of the Supervisory Board for the 2021 financial year.**

In accordance with the statutory provisions, no resolution of the Annual General Meeting is planned for this agenda item, as the Supervisory Board has already approved the Company Financial Statements and the Group Financial Statements. The Company Financial Statements are thus adopted.

The aforementioned documents, which include the explanatory report of the Board of Management on the disclosures pursuant to § 289a and 315a of the German Commercial Code (HGB), and the Statement on Corporate Governance pursuant to §§ 289f, 315d HGB with the Corporate Governance Report are available on the Company's website at [www.bmwgroup.com/agm](http://www.bmwgroup.com/agm). They will also be accessible and explained in more detail at the Annual General Meeting.

## **2. Resolution on the utilisation of unappropriated profit.**

The Board of Management and the Supervisory Board propose that the unappropriated profit for the financial year 2021 in the amount of € 3,827,306,018.68 be utilised as follows:

Distribution of a dividend in the amount of € 5.82 per share of non-voting preference stock with a nominal value of € 1 on the dividend-bearing share capital (57,686,234 shares of preference stock), amounting to: € 335,733,881.88

Distribution of a dividend in the amount of € 5.80 per share of common stock with a nominal value of € 1 on the dividend-bearing share capital (601.995.196 shares of common stock), amounting to: € 3,491,572,136.80

Unappropriated profit € 3,827,306,018.68

The number of shares entitled to receive dividends shown above is based on the situation at the date on which the financial statements were drawn up and may change prior to the Annual General Meeting. In this case, the Board of Management and the Supervisory Board will put forward an updated resolution at the Annual General Meeting based on the same dividend rates and will propose that any part of the unappropriated profit which is not paid as a dividend be carried forward.

The dividend falls due for payment on the third business day following the Annual General Meeting, § 58 (4) sentence 2 of the German Stock Corporation Act (AktG). Accordingly, payment is scheduled for 16 May 2022.

## **3. Resolution on the ratification of the acts of the Board of Management.**

The Board of Management and the Supervisory Board propose that the acts of the members of the Board of Management in the financial year 2021 be ratified for this period.

## **4. Resolution on the ratification of the acts of the Supervisory Board.**

The Board of Management and the Supervisory Board propose that the acts of the members of the Supervisory Board in the financial year 2021 be ratified for this period.

## **5. Election of the auditor.**

On the recommendation of the Audit Committee, the Supervisory Board proposes that PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt/Main, be appointed as Company and Group auditor for the financial year 2022 and as auditor to carry out a review of the Condensed Interim Group Financial Statements and Interim Group Management Report for the first six months of the financial year 2022.

In its recommendation to the Supervisory Board, the Audit Committee stated that its recommendation was free from influence by a third party and that no clause of the kind referred to in Article 16 (6) of Regulation (EU) No. 537/2014 (EU Statutory Auditor Regulation) has been imposed on it.

## **6. Election to the Supervisory Board.**

The current period of office of Supervisory Board member Dr-Ing Heinrich Hiesinger ends with the conclusion of the Annual General Meeting on 11 May 2022. For this reason, one Supervisory Board member is to be elected by the shareholders.

The Supervisory Board is composed in accordance with §§ 96 (1) and (2), § 101 (1) AktG and § 7 (1) sentence 1 no. 3 of the German Co-Determination Act (MitbestG). It therefore consists of ten members each from among the shareholders and the employees. In addition, the Supervisory Board must be composed of at least 30% women and at least 30% men (statutory rule for minimum gender ratio).

The shareholder representatives on the Supervisory Board have objected to the fulfilment of the ratio by the Supervisory Board as a whole pursuant to § 96 (2) sentence 3 AktG, so the minimum ratio for these Supervisory Board election must be fulfilled separately by the shareholder representatives. The shareholders must therefore be represented on the Supervisory Board by at least three women and three men. Excluding the above-mentioned Supervisory Board member, three women and six men belong to the Supervisory Board on the shareholder side. The statutory rule for minimum gender ratio is therefore already met. The Annual General Meeting may therefore elect either a woman or a man to the Supervisory Board.

The Supervisory Board proposes that Dr-Ing Heinrich Hiesinger, Essen, Chairman of the Supervisory Board of ZF Friedrichshafen AG, be elected as shareholder representative on the Supervisory board for a period of office from the end of the Annual General Meeting on 11 May 2022 until the end of the Annual General Meeting at which the ratification of the acts of the Supervisory Board is resolved for the financial year 2025.

The aforementioned proposal of the Supervisory Board is based on the recommendation of the Nomination Committee, taking into account the targets adopted by the Supervisory Board for its composition and in an effort to meet the competence profile for the Supervisory Board as a whole (cf. the information under III.1. below).

The Supervisory Board considers the proposed candidate to be independent within the meaning of the recommendations of the German Corporate Governance Code (version dated 16 December 2019).

The proposed candidate has been a member of the Supervisory Board of the Company since 2017. Furthermore, according to the assessment of the Supervisory Board, the proposed candidate has no personal or business relationship with the Company or Group companies, bodies of the Company or a shareholder with a material interest in the Company.

## **7. Resolution on the approval of the remuneration report.**

Pursuant to § 162 AktG, the Board of Management and the Supervisory Board shall prepare a report on the remuneration granted and owed to the members of the Board of Management and the Supervisory Board in the last financial year. Pursuant to § 120a (4) AktG, the Annual General Meeting shall resolve on the approval of the prepared and audited remuneration report.

Pursuant to § 162 (3) AktG, the remuneration report was reviewed by the auditor to determine whether it contained the information required by § 162 (1) and (2) AktG. In addition to the legal requirements, the auditor also carried out a substantive audit. The opinion on the audit of the remuneration report is attached to the remuneration report.

The Supervisory Board and the Board of Management propose that the remuneration report for the financial year 2021, prepared and audited in accordance with § 162 AktG, be approved.

The remuneration report is reproduced in section III.2 of this convening document. It is also available on the Company's website at [www.bmwgroup.com/agm](http://www.bmwgroup.com/agm).

## **8. Resolution on the authorisation to acquire and utilise treasury shares, including redemption of shares and reduction of share capital, and to exclude subscription rights.**

Thanks to its successful business development, the Company has a strong balance sheet and the potential for generating sustainable high free cash flow. The Board of Management would therefore like to be granted the option of returning available capital to shareholders via share buybacks in addition to the dividend in order to improve the Company's capital structure.

To the extent that the acquisition and utilisation of treasury shares is not expressly permitted by law, the Company requires the Annual General Meeting to authorise it to do so. In order to enable the Company to acquire and redeem or utilise treasury shares, a corresponding authorisation resolution is proposed to the Annual General Meeting.

The Board of Management and the Supervisory Board propose the following resolution:

- a) The Board of Management shall be authorised, pursuant to § 71 (1) no. 8 AktG, to acquire treasury shares (common stock shares and/or preference shares) representing a total of up to 10% of the share capital existing at the time the resolution is adopted or – if this value is lower – at the time the authorisation is exercised, until 10 May 2027. In total, the shares acquired pursuant to this authorisation, together with other shares of the Company which it has already acquired and which are still held by the Company or which are to be attributed to it pursuant to §§ 71a et seq. AktG, may at no time account for more than 10% of the respective share capital. The authorisation may not be used for the purpose of trading in treasury shares.



- b) Shares may only be acquired on the stock exchange. The price per share paid by the Company (excluding ancillary purchase costs) may not exceed or fall below the price of the share of the respective class determined by the opening auction in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange on the trading day by more than 10%.
- c) The Board of Management is authorised to use shares of the Company acquired on the basis of this authorisation, in addition to the sale via the stock exchange or by means of an offer with subscription rights to all shareholders, in particular as follows:
- 1) The shares may be redeemed without the redemption or its execution requiring a further resolution of the Annual General Meeting. The redemption shall be effected by way of a capital reduction. The Board of Management is authorised to adjust the information on the number of shares and the share capital in the Articles of Association accordingly.
  - 2) The shares may be used for the purposes of employee share programmes of the Company or a Group company by offering or transferring treasury shares for purchase to persons who are in an employment relationship with the Company or a Group company. An acquisition of treasury shares pursuant to § 71 (1) no. 2 AktG remains unaffected.
  - 3) The shares may, with the consent of the Supervisory Board, be offered and transferred against contributions in kind, in particular in connection with mergers or for the (also indirect) acquisition of companies, parts of companies or shareholdings in companies.
- d) The shareholders' subscription rights to these treasury shares shall be excluded to the extent that these shares are used in accordance with the above authorisations under c) items 2 and 3. Furthermore, in the event of the sale of treasury shares by offer to all shareholders, the Board of Management may exclude shareholders' subscription rights for fractional amounts. In total, the shares used on the basis of the above authorisations under exclusion of shareholders' subscription rights may not exceed 10% of the share capital, neither at the time the resolution is adopted nor at the time the authorisation is exercised. If, during the term of this authorisation and until it is exercised, other authorisations to issue or sell shares of the Company or to issue rights that enable or oblige the subscription of shares of the Company are used and the subscription right is excluded in the process, this shall be counted towards the aforementioned 10% limit.
- e) The above authorisations may be exercised in whole or in part, once or several times, by the Company, Group companies or third parties acting for the account of the Company or Group companies. In addition, acquired treasury shares can also be transferred to Group companies. The acquisition of treasury shares may be limited to shares of one class.

The report of the Board of Management on this agenda item is listed under item III.3 of this convening document.

## **9. Resolution on the approval of Amendment Agreements to existing Profit and Loss Transfer Agreements between the Company and six subsidiaries.**

As the Controlling Entity, the Company has concluded Profit and Loss Transfer Agreements with six wholly-owned subsidiaries as Controlled Entities. An amendment to § 302 AktG gives cause to clarify the relevant provision in the existing Profit and Loss Transfer Agreements and to revise these agreements to current standards as well as to standardise them overall. This does not entail any significant changes to the content of the existing Profit and Loss Transfer Agreements.

On 17 March 2022, the Company entered into respective Amendment Agreements with the subsidiaries. To become effective, the Agreements require the approval of the Annual General Meeting. The shareholders' meetings of the subsidiaries have already approved the conclusion of the Agreements. The Profit and Loss Transfer Agreements become effective upon entry in the commercial register of the respective subsidiary and apply for the period from the beginning of the financial year of the entry.

The Board of Management and the Supervisory Board propose to approve the following Amendment Agreements:

- 9.1 Amendment Agreement dated 17 March 2022 to the existing Profit and Loss Transfer Agreement between BMW AG and Bavaria Wirtschaftsagentur GmbH
- 9.2 Amendment Agreement dated 17 March 2022 to the existing Profit and Loss Transfer Agreement between BMW AG and BMW Anlagen Verwaltungs GmbH
- 9.3 Amendment Agreement dated 17 March 2022 to the existing Profit and Loss Transfer Agreement between BMW AG and BMW Bank GmbH
- 9.4 Amendment Agreement dated 17 March 2022 to the existing Profit and Loss Transfer Agreement between BMW AG and BMW Fahrzeugtechnik GmbH
- 9.5 Amendment Agreement dated 17 March 2022 to the existing Profit and Loss Transfer Agreement between BMW AG and BMW INTEC Beteiligungs GmbH
- 9.6 Amendment Agreement dated 17 March 2022 to the existing Profit and Loss Transfer Agreement between BMW AG and BMW M GmbH Gesellschaft für individuelle Automobile

Further information on the background and content of the amendments as well as on the documents to be made available are described under III.4.

## **II. General information on the Annual General Meeting.**

### **1. Total number of shares and voting rights at the time of convening.**

At the time of convening, the share capital of the Company amounts to € 661,399,500 and is divided into 661,399,500 shares with a nominal value of € 1

each, namely in 601,995,196 shares of common stock, to which 601,995,196 votes are attached, and 59,404,304 non-voting shares of preference stock.

The voting right attached to each share of common stock corresponds to its nominal value. Each € 1 of nominal value of the voting share capital represented at a vote shall entitle the holder to one vote.

Only holders of common stock are entitled to vote on the resolutions concerning the items on the agenda of the Annual General Meeting listed under I.

## **2. Requirements for following the virtual Annual General Meeting on the internet and exercising voting rights; registration for the Annual General Meeting.**

The Board of Management, with the consent of the Supervisory Board, has decided to hold the Annual General Meeting of the Company as a virtual Annual General Meeting without the physical presence of the shareholders or their proxies (with the exception of the Company's proxies), pursuant to § 1 of the Act on Measures in the Law of Companies, Cooperatives, Incorporations, Foundations and Commonhold Property to Combat the Effects of the COVID-19 Pandemic of 27 March 2020 (COVMG). Physical attendance by shareholders and their proxies (with the exception of the Company's proxies) is therefore excluded.

Shareholders and their proxies will be able to follow the entire Annual General Meeting on Wednesday, 11 May 2022, from 10.00 a.m. (CEST) live in video and audio via the online service at [www.bmwgroup.com/agm-service](http://www.bmwgroup.com/agm-service). In order to use this service, shareholders must have registered for the Annual General Meeting in text form (§ 126b German Civil Code (BGB)) in German or English in due time. This applies in the same way to the exercise of voting rights.

Shareholders must also prove their entitlement to follow the entire Annual General Meeting on the internet and to exercise their voting rights. For this purpose, proof of share ownership in text form (§ 126b BGB) issued by the ultimate intermediary is required in either German or English. Proof pursuant to § 67c (3) AktG is sufficient.

The proof must refer to the beginning of the 21<sup>st</sup> day prior to the Annual General Meeting (record date), i.e. 20 April 2022, 00.00 hours (CEST). This requirement is also satisfied by proof which, in accordance with § 67c (3) AktG in conjunction with Art. 5 and Art. 1 No. 7 and 8 of the Implementing Regulation (EU) 2018/1212, is based on the position at the close of business of the Central Securities Depository (Clearstream Banking AG) or another first intermediary on 19 April 2022. The entitlement to follow the entire meeting on the Internet and to exercise voting rights is therefore determined by the shareholding on this record date. With regard to the Annual General Meeting and the exercise of voting rights, only those persons who have provided proof of share ownership shall be deemed to be shareholders in relation to the Company.

In the same way as for registration, proof of share ownership in the Company must be submitted no later than the end of 4 May 2022 to the following address:

Bayerische Motoren Werke Aktiengesellschaft  
c/o ADEUS Aktienregister-Service-GmbH  
P.O. Box 57 03 64  
22772 Hamburg, Germany  
Fax: +49 (0) 89-20 70 37-951  
E-mail: hv-service.bmw@adeus.de

Usually, the custodian banks as ultimate intermediaries take care of registration and transmit the proof of share ownership for their clients after the clients have placed an order for registration for the Annual General Meeting. Shareholders are therefore requested to contact their respective custodian bank as early as possible in order to arrange their registration for the Annual General Meeting.

Shareholders are still entitled to dispose of their shares after registering for the Annual General Meeting.

### **3. Proxies; procedure for exercising voting rights via an authorised proxy.**

Shareholders who do not wish to follow the Annual General Meeting and/or exercise their voting rights in person, may exercise their rights via an authorised proxy, e.g. an intermediary, a shareholders' association, a proxy advisor or another person. The prerequisite for exercising voting rights via an authorised proxy is compliance with the formalities and deadlines stipulated for registering for the Annual General Meeting.

The granting of proxy authorisations, their revocation and the communication of proof of proxy authorisation to the Company must be executed in text form. They may be issued and transmitted electronically using the application made available at [www.bmwgroup.com/agm-service](http://www.bmwgroup.com/agm-service).

Intermediaries, shareholders' associations, proxy advisors and persons who are deemed equivalent to such by the German Stock Corporation Act may, in conjunction with the relevant special regulation (§ 135 AktG), stipulate different requirements with regard to their own appointment as proxies. Details of these requirements may be obtained from the relevant authorised proxies.

The Company also offers shareholders the option of exercising their rights via representatives appointed by the Company who are bound to vote in accordance with the shareholder's instructions. Shareholders wishing to grant a proxy to Company representatives must issue specific voting instructions. Without these instructions, the authorisation is invalid. The Company representatives are obliged to vote in accordance with the instructions.

Proxy authorisations and instructions given to the voting representatives appointed by the Company can be submitted prior to the Annual General Meeting electronically via the Company's online service at [www.bmwgroup.com/agm-service](http://www.bmwgroup.com/agm-service). This option is available until the beginning of the voting procedure in the Annual General Meeting.

Alternatively, proxy authorisations and instructions can be issued to the voting representatives appointed by the Company using the proxy forms issued by the Company for this purpose. Common stock shareholders will receive these proxy forms together with the confirmation of registration. If shareholders wish to make use of this option, the completed proxy forms must have been received by the Company at the latest by 9 May 2022 at the following address:

Bayerische Motoren Werke Aktiengesellschaft  
c/o ADEUS Aktienregister-Service-GmbH  
P.O. Box 57 03 64  
22772 Hamburg  
Fax: +49 (0) 89-20 70 37-951  
E-mail: hv-service.bmw@adeus.de

#### **4. Procedure for exercising voting rights by postal vote.**

Common stock shareholders may cast their votes without attending the Annual General Meeting, in particular, either electronically or in writing (postal voting). The prerequisite for exercising voting rights by postal vote is compliance with the formalities and deadlines stipulated for registering for the Annual General Meeting.

The Company's online service will be available for electronic postal voting at [www.bmwgroup.com/agm-service](http://www.bmwgroup.com/agm-service) until the beginning of the voting procedure in the Annual General Meeting.

Alternatively, shareholders may also use the form sent with the registration confirmation for postal voting. Voting submitted in writing must be sent to reach the Company no later than the end of 9 May 2022 at the following address:

Bayerische Motoren Werke Aktiengesellschaft  
c/o ADEUS Aktienregister-Service-GmbH  
P.O. Box 57 03 64  
22772 Hamburg  
Fax: +49 (0) 89-20 70 37-951  
E-mail: hv-service.bmw@adeus.de

#### **5. Requests for items to be added to the agenda.**

Shareholders jointly representing at least one twentieth of the share capital or a proportionate amount of 500,000 € of the share capital (equivalent to 500,000 shares of stock with a nominal value of 1 € each) may, in accordance with § 122 (2) AktG, request that items be placed on the agenda and be disclosed. The petitioners shall furnish evidence that they have been holders of the shares for at least 90 days prior to the date of the receipt of the request by the Company and that they will hold the shares until the decision of the Board of Management is reached with respect to the application.

Each new item must be accompanied by a statement of reasons or a draft resolution. Any such requests are to be addressed to the Company's Board of Management in writing and submitted to the following address:

Bayerische Motoren Werke Aktiengesellschaft  
Board of Management  
Postal address: 80788 Munich, Germany  
Office address: Petuelring 130, 80809 Munich, Germany

The request must have been received by the Company at least 30 days before the meeting, i.e. by the end of 10 April 2022 at the latest.

## **6. Countermotions and election proposals.**

Every shareholder has the right to submit countermotions to the resolutions proposed by the Board of Management and/or the Supervisory Board on specific agenda items and to submit election proposals on agenda items 5 (election of the Auditor) and 6 (election to the Supervisory Board). Countermotions and election proposals are to be addressed exclusively to:

Bayerische Motoren Werke Aktiengesellschaft  
Dept. FF-2  
Postal address: 80788 Munich, Germany  
Fax: +49 89 382-11793  
E-mail: hv@bmw.de

Admissible countermotions and election proposals received by the Company at the above address no later than the end of 26 April 2022 will be published without undue delay on the internet at [www.bmwgroup.com/agm](http://www.bmwgroup.com/agm) upon proof of shareholder status including the name and place of residence or registered office of the shareholder.

Countermotions or election proposals by shareholders which are to be made available pursuant to § 126 or § 127 AktG shall be deemed to have been filed in the Annual General Meeting if the shareholder submitting the countermotion or the election proposal is duly authorised and registered for the Annual General Meeting.

## **7. Right to ask questions and opportunity to ask follow-up questions by means of electronic communication.**

Shareholders who have registered for the Annual General Meeting may address questions to the Board of Management on matters concerning the Company, the legal and business relations of the Company with affiliated companies and on the state of affairs of the Group and the companies included in the Group Financial Statements, providing the information requested is necessary for the proper assessment of an item on the agenda. In addition, they may ask questions on matters relating to subsidiaries of BMW AG mentioned under agenda item 9, insofar as these are material to the conclusion of the Amendment Agreements to the Profit and Loss Transfer Agreements which will be

submitted to the Annual General Meeting for approval. The questions will be answered by the Board of Management at the Annual General Meeting.

Shareholders' questions must be submitted via the Company's online service at [www.bmwgroup.com/agm-service](http://www.bmwgroup.com/agm-service) by no later than the end of 9 May 2022.

The Company also allows shareholders to ask follow-up questions on a voluntary basis. The number of follow-up questions is limited to one per question originally asked and a total of two follow-up questions per shareholder. The follow-up questions may only be submitted during the Annual General Meeting within a period of time determined by the chairman of the meeting via the Company's online service. They must not exceed 500 characters. A follow-up question must relate to the answer of a question previously duly submitted by the shareholder himself via the online service. It must not go beyond the content of the original question. The Company also reserves the right not to answer follow-up questions if the information requested is not necessary for a proper assessment of the items on the agenda.

## **8. Statements by shareholders.**

Shareholders registered for the Annual General Meeting may submit statements with reference to an item on the agenda of the Annual General Meeting in text form or by video.

Statements by shareholders must be submitted via the Company's online service at [www.bmwgroup.com/agm-service](http://www.bmwgroup.com/agm-service) by no later than the end of 6 May 2022. Statements may be submitted in German or English. The length of a statement in text form should not exceed 10,000 characters, and the length of video statements should not exceed four minutes. A neutral background should be used for video statements. Only video statements in which the shareholder or his proxy appears are permitted. Only one statement may be submitted per shareholder.

The Company intends to publish the statements in the online service accessible to registered shareholders and make them available to the Company and the registered shareholders before and during the Annual General Meeting. In addition, it is planned to play video statements by shareholders during the Annual General Meeting. Prerequisite for publication is the fulfilment of the requirements described in detail on the Company's website at [www.bmwgroup.com/agm](http://www.bmwgroup.com/agm) (notes on the rights of shareholders) and in the online service at [www.bmwgroup.com/agm-service](http://www.bmwgroup.com/agm-service).

Motions to add items to the agenda, countermotions, election proposals and other motions may not be made by submitting a statement. This also applies to questions and follow-up questions. The procedure for exercising these rights and participation opportunities is described in detail in the preceding sections 5-7.

It should be noted that the opportunity to submit statements is a voluntary offer by the Company to the shareholders that goes beyond the legal requirements. There is no legal entitlement to the publication of a submitted statement. In particular, the Company reserves the right not to publish or to abridge statements if they contain offensive,

discriminatory or criminally relevant content or if they contain obviously false factual allegations or if there are indications that third party rights could be infringed by publication of the statement. The same applies to statements that are not related to the agenda or exceed a duration of four minutes or a length of 10,000 characters. The Company also reserves the right to limit broadcasting of video statements if this is necessary with regard to a reasonable duration of the Annual General Meeting. In this case, a selection will be made from the submitted video statements at its due discretion.

## **9. Publications on the Company's website; broadcast of the Annual General Meeting on the internet; supplementary information.**

The convening of the Annual General Meeting, the documents and information to be made available, further explanations on the rights of the shareholders pursuant to §§ 122 (2), 126 (1), 127, 131 (1), 295 (1) and 293g (3) AktG in conjunction with § 1 (2) COVMG as well as supplementary information on the agenda are available on the Company's website at [www.bmwgroup.com/agm](http://www.bmwgroup.com/agm) from the day the Annual General Meeting is convened. The results of the voting will also be published there after the Annual General Meeting.

The speeches by the Chairman of the Supervisory Board, the CEO and the CFO at the Annual General Meeting on 11 May 2022 will be broadcast (live) without access restriction on the internet at [www.bmwgroup.com/agm](http://www.bmwgroup.com/agm). The speech by the CEO will also be available as a recording after the Annual General Meeting. The Company also intends to make summaries of these speeches available on its website no later than the end of 5 May 2022.

Shareholders who have registered for the Annual General Meeting can follow the entire Annual General Meeting (live) via the Company's online service at [www.bmwgroup.com/agm-service](http://www.bmwgroup.com/agm-service). The access data required to register for the online service is printed on the registration confirmation. Following the Annual General Meeting on the internet does not enable attendance within the meaning of § 118 (1) sentence 2 AktG.

Further information on the Annual General Meeting and the exercise of voting rights as well as on the granting of proxies and the issuing of instructions will be made available on the Company's website at [www.bmwgroup.com/agm](http://www.bmwgroup.com/agm). Proxy and postal voting forms will be sent to common stock shareholders with the registration confirmation.

Holders of American Depositary Shares in respect of common stock shares of the Company will receive information on the Annual General Meeting through The Bank of New York Mellon, New York, USA (Depositary).

## **10. Information on data protection.**

Information on the processing of your personal data in connection with the Annual General Meeting can be found on the internet at [www.bmwgroup.com/agm](http://www.bmwgroup.com/agm).



### III. Further information on the agenda items.

#### 1. Supplementary information on agenda item 6. (Election to the Supervisory Board)



**Dr-Ing Heinrich Hiesinger**  
Essen

Chairman of the Supervisory Board of  
ZF Friedrichshafen AG

Year/place of birth: 1960, Bopfingen  
Nationality: German

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#### **Career and education**

- since 2021 Member of the Supervisory Board of ZF Friedrichshafen AG  
(Chairman since 1 January 2022)
- since 2020 Member of the Supervisory Board of Fresenius Management SE
- since 2019 Member of the Supervisory Board of Deutsche Post AG
- since 2017 Member of the Supervisory Board of BMW AG
- 2011 – 2018 Chairman of the Board of Management of thyssenkrupp AG
- 2010 – 2011 Vice Chairman of the Board of Management of thyssenkrupp AG
- 2007 – 2010 Member of the Board of Management of Siemens AG
- 1992 – 2007 Various management functions within the Siemens Group in Germany  
and abroad (Power Transmission and Distribution Group and Siemens  
Building Technologies Group)
- 1986 – 1991 Research engineer at the Chair of High Voltage Technology at the  
Technical University of Munich with doctorate (Dr-Ing) in electrical  
engineering
- 1980 – 1986 Electrical engineering studies at the Technical University of Munich,  
graduating with a diploma in engineering (Diplomingenieur)

#### **Expertise and main areas of activity**

Dr Hiesinger has many years of international experience in globally active industrial companies through his activities at Siemens and thyssenkrupp. His extensive experience in the areas of technology, product development and production, as well as his knowledge of automation and digitalisation fit perfectly into the requirement profile of the Supervisory Board of BMW AG. He is familiar with the special tasks of globally dispersed corporate functions, having held management positions both in Germany and abroad. In his previous functions, Dr Hiesinger was also challenged in particular with the topics of compliance and sustainability and brings this experience to the Supervisory Board. He is also an expert in the entire value chain of the automotive industry from the supplier to the end customer.

## **Composition targets of the Supervisory Board of BMW AG**

Dr Hiesinger fulfils the following composition targets of the Supervisory Board of BMW AG:

- International experience and/or special expertise in one or more markets important to the Company
- Experience in managing and/or supervising another large company
- Expertise in the following business-relevant topics: mobility, digitisation, compliance, technology and sustainability
- Independent within the meaning of recommendation C.7 of the DCGK (German Corporate Governance Code)

## **Membership in other statutory supervisory boards (☐) and in equivalent domestic or foreign supervisory bodies of business enterprises (○)**

- ZF Friedrichshafen AG\* (Chair)
- Deutsche Post AG
- Fresenius Management SE\*

\*not publicly listed

## **2. Supplementary information on agenda item 7.**

(Approval of the remuneration report)

The remuneration report is enclosed in full at the end of this convening document.

## **3. Supplementary information on agenda item 8.**

(Authorisation to acquire and utilise treasury shares, including redemption of shares and reduction of share capital, and to exclude subscription rights:

Report of the Board of Management pursuant to § 71 (1) no. 8 AktG in conjunction with § 186 (3) and (4) AktG)

Under agenda item 8, the Board of Management shall be authorised pursuant to § 71 (1) no. 8 AktG to acquire and redeem or utilise treasury shares.

### **3.1 Scope of the authorisations**

The Board of Management shall be authorised for a period of five years – i.e. until 10 May 2027 – to acquire and redeem or utilise shares in the Company totalling up to 10% of the share capital. This is in line with the legal framework for such authorisations. The reference for the limitation to 10% of the share capital is the share capital at the time of the resolution or – if this value is lower – the share capital at the time of the respective exercise of the authorisation. In this context, the shares acquired pursuant to this authorisation, together with other shares of the Company which it acquires, if applicable, outside of this authorisation within the framework of the provisions of § 71 AktG and which are still in the possession of the Company or which are to be attributed to it pursuant to §§ 71a et seq. AktG, may at no time account for a share of more than 10% of the respective share capital.

In accordance with the legal requirements, the authorisation may not be used for the purpose of trading in treasury shares.

### 3.2 Acquisition of treasury shares

The proposed authorisation provides that treasury shares can only be acquired via the stock exchange, thus ensuring equal treatment of shareholders. The purchase price per share paid by the Company (excluding ancillary purchase costs) may not exceed or fall below the price of the share of the respective share class (common stock or preference share) in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange determined by the opening auction on the trading day by more than 10%. This corresponds to a range that is customary in the market.

### 3.3 Redemption of treasury shares

The acquired treasury shares may be redeemed by resolution of the Board of Management. No further Annual General Meeting resolution is required for this. As the Company has par value shares, the redemption is associated with a reduction of the share capital. The Board of Management is authorised to adjust the number of shares and the share capital in the Articles of Association accordingly.

### 3.4 Other utilisation of treasury shares (under exclusion of subscription rights, if applicable)

The authorisation provides that the acquired shares may be offered to and transferred to employees of the Company or a Group company within the framework of employee share programmes. Shares issued to employees are usually subject to a blocking period of several years. An appropriate discount from the relevant stock exchange price at the time may be granted. Issuing treasury shares to employees is in the interest of the Company and its shareholders, as this can strengthen identification with the company, motivation, sense of responsibility and company loyalty. To issue shares under an employee share program, it is necessary to exclude shareholders' subscription rights. Shares to service employee share programmes may also be acquired outside the proposed authorisation on the basis of the statutory permission in § 71 (1) no. 2 AktG.

The authorisation also provides that treasury shares may be offered and transferred against contributions in kind, in particular in connection with mergers or for the acquisition of companies, parts of companies or shareholdings in companies. The Company's options are expanded if, for example, treasury shares can be used as consideration instead of a cash payment when acquiring companies or parts of companies. For this utilisation, too, it is necessary to exclude the shareholders' subscription rights to allow the shares to be transferred solely to the seller of the respective item. When determining the valuation ratios, care must be taken to ensure that the interests of the shareholders are adequately protected. This utilisation of treasury shares is subject to the approval of the Supervisory Board. The Company currently has no concrete plans to utilise treasury shares in this way. The authorisation serves to extend the options so that the Company can act flexibly in appropriate

situations. The Board of Management and the Supervisory Board will only exercise this option if, in their assessment, this is in the interest of the Company and its shareholders.

If necessary, the acquired treasury shares can be resold via the stock exchange or by offer to all shareholders. In both cases, equal treatment of shareholders is ensured.

### 3.5 Limitation of the exclusion of shareholders' subscription rights

As mentioned above, it is particularly necessary to exclude shareholders' subscription rights when treasury shares are utilised for employee share programmes or for the acquisition of benefits in kind. Furthermore, in the event of the sale of treasury shares by offer to all shareholders, the Board of Management may exclude shareholders' subscription rights for fractional amounts. The exclusion of the subscription right for fractional amounts is necessary in order to make a disposal of acquired treasury shares by way of an offer for sale to the shareholders technically feasible. Treasury shares excluded from the shareholders' subscription rights as free fractional shares will either be sold via the stock exchange or otherwise in the best possible way for the Company.

In total, the shares used on the basis of the above authorisations under exclusion of shareholders' subscription rights may not exceed 10% of the share capital, neither at the time the resolution is adopted nor at the time the authorisation is exercised. If, during the term of this authorisation and until it is exercised, other authorisations to issue or sell shares of the Company or to issue rights that enable or oblige the subscription of shares of the Company are used and the subscription right is excluded in the process, this shall be counted towards the aforementioned 10% limit.

At present, the Company only has one other authorisation, namely the Authorised Capital 2019 (§ 4 (5) of the Articles of Association). The Authorised Capital 2019 still allows an increase of the share capital by up to € 1,722,600. This corresponds to approximately 0.26% of the share capital. The non-voting preference shares to be issued on the basis of the Authorised Capital 2019 can only be used for employee share programs. The subscription right is excluded to this extent. In the event of a utilisation of the Authorised Capital 2019 during the term of the proposed authorisation to acquire and use treasury shares, the newly issued shares would therefore have to be counted towards the aforementioned 10% limit for the use of treasury shares excluding shareholders' subscription rights.

### 3.6 Exercising the authorisations

The proposed authorisations may be exercised in whole or in part, once or several times, by the Company, Group companies or third parties acting for the account of the Company or Group companies. In addition, acquired treasury shares can also be transferred to Group companies. The acquisition of treasury shares may concern shares of both classes, but may also be limited to shares of one class. The Company may therefore acquire and utilise common stock shares, preference shares or shares of both classes as required.

#### **4. Supplementary information on agenda item 9.**

(Approval of Amendment Agreements to existing Profit and Loss Transfer Agreements between the Company and six subsidiaries)

The Company has concluded Profit and Loss Transfer Agreements with six subsidiaries. In addition to dynamic references to § 301 AktG (maximum amount of profit transfer) and § 302 AktG (assumption of losses) as amended, these agreements also occasionally contain literal reproductions of the legal text. The wording of § 302 AktG was slightly amended by the Act on the Further Development of Reorganisation and Insolvency Law (Gesetz zur Fortentwicklung des Sanierungs- und Insolvenzrechts) of 22 December 2020. Although the interpretation of the Agreements shows that the dynamic references take precedence over the literal renditions of the legal text, the amendment of the law gives cause to clarify the relevant provision in the existing Profit and Loss Transfer Agreements, to revise them to current standards and to standardise them overall.

The Amendment Agreements have the following essential content:

- Literal reproductions of the legal text shall be removed from all Profit and Loss Transfer Agreements.
- For all Profit and Loss Transfer Agreements with non-regulated companies on the one hand and with regulated companies (BMW Bank GmbH) on the other, uniform contractual provisions were drawn up for the Group and the existing Agreements were adapted to these standards. This does not result in any significant changes to the content of the Agreement.

The details of the amendments can be reviewed in the Amendment Agreements. These and the other documents listed below in accordance with § 293f AktG are available from the time of convening and also during the Annual General Meeting on the Company's website at [www.bmwgroup.com/agm](http://www.bmwgroup.com/agm).

##### **4.1 Documents relating to agenda item 9.1:**

Amendment Agreement with Bavaria Wirtschaftsagentur GmbH

- Amendment Agreement dated 17 March 2022 to the existing Profit and Loss Transfer Agreement between BMW AG and Bavaria Wirtschaftsagentur GmbH
- Currently existing Profit and Loss Transfer Agreements between BMW AG and Bavaria Wirtschaftsagentur GmbH as amended on 15 March 2010
- Joint Report of the Board of Management of BMW AG and the Management of Bavaria Wirtschaftsagentur GmbH dated 17 March 2022 on the Amendment Agreement to the Profit and Loss Transfer Agreement between BMW AG and Bavaria Wirtschaftsagentur GmbH pursuant to § 293a AktG
- Annual Financial Statements of Bavaria Wirtschaftsagentur GmbH for the last three financial years

#### 4.2 Documents relating to agenda item 9.2:

##### Amendment Agreement with BMW Anlagen Verwaltungs GmbH

- Amendment Agreement dated 17 March 2022 to the existing Profit and Loss Transfer Agreement between BMW AG and BMW Anlagen Verwaltungs GmbH
- Currently existing Profit and Loss Transfer Agreements between BMW AG and BMW Anlagen Verwaltungs GmbH as amended on 15 March 2010
- Joint Report of the Board of Management of BMW AG and the Management of BMW Anlagen Verwaltungs GmbH dated 17 March 2022 on the Amendment Agreement to the Profit and Loss Transfer Agreement between BMW AG and BMW Anlagen Verwaltungs GmbH pursuant to § 293a AktG
- Annual Financial Statements of BMW Anlagen Verwaltungs GmbH for the last three financial years

#### 4.3 Documents relating to agenda item 9.3:

##### Amendment Agreement with BMW Bank GmbH

- Amendment Agreement dated 17 March 2022 to the Profit and Loss Transfer Agreement existing between BMW AG and BMW Bank GmbH
- Currently existing Profit and Loss Transfer Agreements between BMW AG and BMW Bank GmbH as amended on 9 March 2021
- Joint Report of the Board of Management of BMW AG and the Management of BMW Bank GmbH dated 17 March 2022 on the Amendment Agreement to the Profit and Loss Transfer Agreement between BMW AG and BMW Bank GmbH pursuant to § 293a AktG
- Annual Financial Statements and Management Reports for BMW Bank GmbH for the last three financial years

#### 4.4 Documents relating to agenda item 9.4:

##### Amendment Agreement with BMW Fahrzeugtechnik GmbH

- Amendment Agreement dated 17 March 2022 to the Profit and Loss Transfer Agreement existing between BMW AG and BMW Fahrzeugtechnik GmbH
- Currently existing Profit and Loss Transfer Agreements between BMW AG and BMW Fahrzeugtechnik GmbH as amended on 15 March 2010
- Joint Report of the Board of Management of BMW AG and the Management of BMW Fahrzeugtechnik GmbH dated 17 March 2022 on the Amendment Agreement to the Profit and Loss Transfer Agreement between BMW AG and BMW Fahrzeugtechnik GmbH pursuant to § 293a AktG

- Annual Financial Statements of BMW Fahrzeugtechnik GmbH for the last three financial years

#### 4.5 Documents relating to agenda item 9.5:

##### Amendment Agreement with BMW INTEC Beteiligungs GmbH

- Amendment Agreement dated 17 March 2022 to the Profit and Loss Transfer Agreement existing between BMW AG and BMW INTEC Beteiligungs GmbH
- Currently existing Profit and Loss Transfer Agreements between BMW AG and BMW INTEC Beteiligungs GmbH as amended on 15 March 2010
- Joint Report of the Board of Management of BMW AG and the Management of BMW INTEC Beteiligungs GmbH dated 17 March 2022 on the Amendment Agreement to the Profit and Loss Transfer Agreement between BMW AG and BMW INTEC Beteiligungs GmbH pursuant to § 293a AktG
- Annual Financial Statements of BMW INTEC Beteiligungs GmbH for the last three financial years

#### 4.6 Documents relating to agenda item 9.6:

##### Amendment Agreement with BMW M GmbH Gesellschaft für individuelle Automobile

- Amendment Agreement dated 17 March 2022 to the Profit and Loss Transfer Agreement existing between BMW AG and BMW M GmbH Gesellschaft für individuelle Automobile
- Currently existing Profit and Loss Transfer Agreements between BMW AG and BMW M GmbH Gesellschaft für individuelle Automobile as amended on 15 March 2010
- Joint Report of the Board of Management of BMW AG and the Management of BMW M GmbH Gesellschaft für individuelle Automobile dated 17 March 2022 on the Amendment Agreement to the Profit and Loss Transfer Agreement between BMW AG and BMW M GmbH Gesellschaft für individuelle Automobile pursuant to § 293a AktG
- Annual Financial Statements of BMW M GmbH Gesellschaft für individuelle Automobile for the last three financial years

#### 4.7 Documents of BMW AG relating to agenda items 9.1 to 9.6

- Group Financial Statements and combined Management Reports for BMW AG and the Group for the last three financial years
- Annual Financial Statements of BMW AG for the last three financial years

The convening of the Annual General Meeting was published in the Federal Gazette (Bundesanzeiger) of 29 March 2022.

Munich, 29 March 2022

**Bayerische Motoren Werke Aktiengesellschaft**

Board of Management

Annexe: remuneration report



**REMUNERATION REPORT****271 I. Review of the past financial year from a remuneration perspective****272 II. Remuneration of the members of the Board of Management**

**272** 1. Principles of the remuneration system and the contribution of remuneration to the promotion of the company's business strategy and its long-term development

**274** 2. Overview of remuneration system from the financial year 2021 onwards

**277** 3. Determination and review of the remuneration system and individual remuneration

**284** 4. Remuneration for the 2021 financial year

**294** 5. Shareholding rules

**294** 6. Retirement benefits

**295** 7. Malus and clawback provisions

**295** 8. Regulations in the event of death, invalidity and post-contractual non-competition clause

**295** 9. Remuneration granted and owed to members of the Board of Management pursuant to § 162 of the German Stock Corporation Act (AktG)

**306** 10. Remuneration granted and owed to former members of the Board of Management pursuant to § 162 of the German Stock Corporation Act (AktG)

**310 III. Remuneration of the members of the Supervisory Board**

**310** 1. Articles of Incorporation and procedure

**310** 2. Principles and elements of remuneration

**310** 3. Remuneration granted and owed to members of the Supervisory Board pursuant to § 162 of the German Stock Corporation Act (AktG)

**314 IV. Comparison of change in remuneration and earnings pursuant to § 162 (1) Sentence 2 No. 2 of the German Stock Corporation Act (AktG)****318 V. Other considerations****318 VI. Outlook for the 2022 financial year****319 VII. Auditor's Report**

# REMUNERATION REPORT

The Board of Management and the Supervisory Board have prepared this Remuneration Report in accordance with the requirements of § 162 of the German Stock Corporation Act (AktG). As a result of the implementation of the second EU Shareholder Rights Directive via § 162 AktG, the reporting standard applicable to Bayerische Motoren Werke Aktiengesellschaft (BMW AG) has changed as of the reporting year 2021. The report shows and explains the remuneration granted and owed to the individual current and former members of the Board of Management and the Supervisory Board of BMW AG in the financial year 2021.<sup>1</sup>

In order to facilitate understanding, the basic features of the remuneration systems applicable to the members of the Board of Management and the members of the Supervisory Board, as applied in the 2021 financial year, are also set out below. In view of the fact that individual members of the Board of Management also received remuneration components from earlier remuneration systems during the 2021 financial year (specifically the remuneration systems for the 2016 financial year and for 2019 financial year) elements of these systems are also explained to the extent necessary for comprehension.

The auditing firm PricewaterhouseCoopers GmbH has audited the remuneration report beyond the requirements of § 162 (3) Sentences 1 and 2 AktG.

**I. Review of the past financial year from a remuneration perspective**

The Supervisory Board adopted the current remuneration system for the members of the Board of Management with

effect from 1 January 2021. The Annual General Meeting approved it on 12 May 2021 with a majority of 91.60 % of the valid votes cast.

Despite the challenges posed by supply shortages and the ongoing coronavirus pandemic, 2021 was a very successful financial year for the BMW Group, with solid sales growth for its BMW, MINI and Rolls-Royce brands. The BMW brand set a new sales record and took over the top position in the global premium segment. In 2021, the BMW Group also consistently pushed ahead with the expansion of its range of electrified models, increasing the share of electrified vehicles sold by the BMW and MINI brands by more than 70 per cent compared to 2020. The launch of the BMW iX and the BMW i4 also marked the entry of two products at the forefront of innovation to the market.

Under the leadership of the Board of Management, the BMW Group's management continued to steer the company in a prudent fashion through the volatile and challenging environment that characterised last year. For example, the production, sales and purchasing networks successfully managed the challenges associated with the coronavirus pandemic and supply bottlenecks, demonstrating genuine flexibility in the process. As a result, the impact of Covid-19 was limited over the past financial year.

<sup>1</sup> Due to rounding, it is possible that individual figures in this report may not add up exactly to the totals provided, and that the percentages presented here may not be an exact reflection of the absolute values to which they relate.

At the same time, the Board of Management of the BMW Group worked very constructively and intensively on the core strategic course for the future, in order to create the conditions for an attractive and future-oriented product portfolio, and to achieve a significant improvement in profitability. The strategic decisions taken in this regard focused in particular on strategic issues related to electrification.

In December 2020, the Supervisory Board set ambitious targets linked to the variable remuneration of the members of the Board of Management for the 2021 financial year. Of the total variable target remuneration available, approximately 38 % is linked to environmental, social or governance (ESG) targets. It set targets for fleet carbon emissions in the EU and sales targets for electrified vehicles in the 2021 financial year as strategic focus targets for long-term variable remuneration (share-based remuneration). In doing so, it attached particular significance to the strategic importance of accelerating market penetration for electrified vehicles and sustainability targets in determining remuneration.

Thanks to its strong overall performance, the Board of Management exceeded both the financial and non-financial targets for short-term variable remuneration (bonuses) [↗ "Bonus for the 2021 financial year"](#). The financial target regarding long-term variable remuneration (share-based remuneration) was also exceeded with regard to the return on capital employed (RoCE) in the Automotive segment. The Board of Management achieved (or nearly achieved) the ambitious non-financial strategic focus targets for long-term variable remuneration. At 115.9 g/km, fleet carbon emissions came in under the EU legal limit of 125.8 g/km [↗ "Share-based remuneration for the 2021 financial year"](#).

If necessary, and in the interest of the long-term success of BMWAG, the Supervisory Board may temporarily deviate from the remuneration system – as provided for in § 87a (2) Sentence 2 AktG. In accordance with G.11 of the German Corporate Governance Code dated 16 December 2019, the Supervisory Board has also reserved the right to make adjustments if extraordinary developments occur, such as significant acquisitions and disposals, or changes in accounting standards or tax regulations that have a significant impact. After due examination, the Supervisory Board did not make use of these options for the 2021 financial year.

The composition of the Board of Management did not change during the year. For Dr. Wendt, the target remuneration applicable to Members of the Board of Management from the second mandate period onwards was applied at the beginning of his second mandate period, from 1 October 2021 onwards.

The remuneration system for the members of the Supervisory Board is set out in Article 15 of the Articles of Incorporation. It was confirmed by the Annual General Meeting on 12 May 2021 with a majority of 99.40 % of the valid votes cast, and implemented for the 2021 financial year in accordance with the provisions of the Articles of Incorporation.

In the 2021 financial year, there were several changes to the composition of the Supervisory Board, meaning that the Supervisory Board remuneration for individual Supervisory Board members had to be calculated pro rata temporis. With effect from the end of the 2021 Annual General Meeting, Dr. Kley resigned from the Supervisory Board and the Personnel Committee, which, among other things, is responsible for preparing decisions in connection with Board of Management remuneration. The Supervisory Board elected Dr. Bock as his successor on the Personnel Committee, with effect from 12 May 2021.

## II. Remuneration of the members of the Board of Management

### 1. Principles of the remuneration system and the contribution of remuneration to the promotion of the company's business strategy and its long-term development

The remuneration system in place since the 2021 financial year is easy to understand and clearly structured. It complies with the provisions of the German Stock Corporation Act (AktG) and the recommendations and suggestions of the German Corporate Governance Code. The Supervisory Board has applied the following principles in designing the remuneration system for the Board of Management:

- The remuneration structure is geared towards the sustainable and long-term development of the company. Therefore, variable remuneration components are predominantly granted on the basis of a multi-year assessment.
- The total remuneration of the members of the Board of Management is commensurate with their tasks and performance as well as the company's situation.
- The remuneration system ensures that both positive and negative developments are appropriately reflected in the remuneration ("pay for performance").
- The remuneration system takes into account both the performance of the entire Board of Management and the achievement of individual targets.
- The remuneration system observes the principle of consistency between the remuneration systems in the company: The remuneration systems for the Board of Management, executives and employees of BMW AG are all designed in a similar way.

— The total remuneration is in line with market practice both in terms of amount and structure, and takes into account the size, complexity and economic situation of the company.

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

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

— The variable bonus is divided into two parts, which influence behaviour in different ways. The earnings-related component of the bonus rewards recipients for achieving the company's financial targets in the vesting year, and promotes the earnings-related parts of the business strategy. In contrast, the performance component of the bonus is based on non-financial performance criteria, which are also derived from the business strategy. In this respect, the performance component of the bonus also offers particular incentives to encourage individuals consistently to pursue the goals of the business strategy for the long-term development of the company. These goals

do not have to be directly reflected in the key financial indicators for a given vesting year.

— The amount of the variable share-based remuneration also depends on the fulfilment of financial and non-financial objectives derived from the business strategy, since 50 % of the target cash amount earmarked for share purchases is linked to a financial key indicator (RoCE in the Automotive segment), and 50 % is linked to strategic focus targets. The obligation to use the net amount to purchase shares of common stock in the company and to hold these shares for at least four years also motivates the members of the Board of Management to strive to ensure the long-term positive development of the company, as this in turn promotes sustainable positive developments in the price of BMW shares.

## 2. Overview of remuneration system from the financial year 2021 onwards

The table below shows an overview of the remuneration system applicable from the financial year 2021 onwards.

COMPONENT	Parameters / measurement base, applicable amounts
<b>FIXED REMUNERATION COMPONENTS</b>	
Base remuneration	Member of the Board of Management: — € 0.90 million p.a. (first period of office) — € 1.05 million p.a. (from second period of office or fourth year of mandate) Chairman of the Board of Management: — € 1.95 million p.a. — Monthly payment on a pro rata basis
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
Compensation payments	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.
Retirement benefits	Defined contribution system with a guaranteed minimum return Benefits based on amounts credited to individual savings accounts for contributions paid and interest earned, various forms of disbursement Pension contribution p. a.: Member of the Board of Management: € 400,000 Chairman of the Board of Management: € 700,000
Remuneration linked to corporate strategy	— Base remuneration has the effect of discouraging unduly high levels of risk being to achieve short-term targets, thus contributing to the long-term development of the Company — Fixed remuneration components are a prerequisite for competitive levels of remuneration to attract and retain Board of Management members with the right qualifications
<b>VARIABLE REMUNERATION COMPONENTS</b>	
<b>Bonus</b>	
Bonus (sum of earnings component and performance component)	— Target amount p. a. (at 100% target achievement): — € 0.95 million (first period of office) — € 1.15 million (from second period of office or fourth year of mandate) — € 2.10 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
Earnings component (at 100% target achievement corresponds to 50% of target amount)	— Assessment period one year — Base amount p. a. (50% of target bonus amount): — € 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 a predefined allocation based on the parameters — Profit attributable to shareholders of BMW AG and Group post-tax return on sales in grant year — The earnings factor is 1.0 in case of a profit attributable to shareholders of BMW AG amounting to € 5.3 billion and a Group 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 Group 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 Group post-tax return on sales of below 3.0% — Earnings factor may not exceed 1.8 — Maximum amount of earnings component p. a.: — € 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>VARIABLE REMUNERATION COMPONENTS</b>	
<b>Bonus</b>	
Performance component (at 100% target achievement corresponds to 50% of target amount)	<ul style="list-style-type: none"> <li>— Assessment period one year</li> <li>— Base amount p. a. (50% of target bonus amount):               <ul style="list-style-type: none"> <li>— € 0.475 million (first period of office)</li> <li>— € 0.575 million (from second period of office or fourth year of mandate)</li> <li>— € 1.050 million (Chairman of the Board of Management)</li> </ul> </li> <li>— Formula: 50% of target amount x performance factor</li> <li>— Primarily qualitative, non-financial criteria, expressed in terms of a performance factor aimed at measuring the Board members contribution to sustainable and long-term performance and corporate orientation</li> <li>— Relevant period is the vesting year</li> <li>— Additional trend analysis over at least three financial years</li> <li>— Composition of performance factor:<sup>1</sup> <ul style="list-style-type: none"> <li>— 50% cross-divisional targets with ESG criteria</li> <li>— 40% other cross-divisional targets</li> <li>— 10% individual targets</li> </ul> </li> <li>— 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</li> <li>— 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</li> <li>— Measurement parameters and target values are determined before the start of the financial year</li> <li>— Performance factor may not exceed 1.8</li> <li>— Maximum amount of performance component p. a.:               <ul style="list-style-type: none"> <li>— € 0.855 million (first period of office)</li> <li>— € 1.035 million (from second period of office or fourth year of mandate)</li> <li>— € 1.890 million (Chairman of the Board of Management)</li> </ul> </li> </ul>
Remuneration linked to corporate strategy	<ul style="list-style-type: none"> <li>— Earnings component of bonus rewards attainment of financial targets and is beneficial for earnings-related aspects of business strategy</li> <li>— Performance component of bonus motivates the pursuit of non-financial strategic targets and is therefore beneficial for the long-term development of the BMW Group</li> </ul>
<b>Share-based remuneration</b>	
Personal investment cash amount	<ul style="list-style-type: none"> <li>— 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</li> <li>— Requirement for Board of Management members to hold the acquired shares of common stock for at least four years (share ownership guideline)</li> <li>— Assessment period of five years in total (one year for determining the personal cash investment amount, four years holding requirement)</li> </ul>
Basis of computation	<ul style="list-style-type: none"> <li>— Target amount p. a. (at 100% target achievement):               <ul style="list-style-type: none"> <li>— € 1.10 million (first period of office)</li> <li>— € 1.28 million (from second period of office or fourth year of mandate)</li> <li>— € 2.35 million (Chairman of the Board of Management)</li> </ul> </li> <li>— 50% of target amount depends on RoCE achieved in the Automotive segment (RoCE component)</li> <li>— 50% of the target amount depends on the achievement of predefined strategic focus targets (strategic focus target component)</li> <li>— Capped at 180% of target amount</li> <li>— Payment after the Annual General Meeting at which the Company Financial Statements are presented for the relevant vesting year</li> </ul>

<sup>1</sup> See below for the set targets for the 2021 financial year ([Variable remuneration for the 2021 financial year](#)).

COMPONENT	Parameters / measurement base, applicable amounts
<b>VARIABLE REMUNERATION COMPONENTS</b>	
<b>Share-based remuneration</b>	
RoCE component (at 100% target achievement corresponds to 50% of target amount)	<ul style="list-style-type: none"> <li>— Target amount RoCE component p. a. (50% of target amount of the personal investment cash amount):               <ul style="list-style-type: none"> <li>— € 0.55 million (first period of office)</li> <li>— € 0.264 million (from second period of office or fourth year of mandate)</li> <li>— € 1.175 million (Chairman of the Board of Management)</li> </ul> </li> <li>— Formula: 50% of target amount x RoCE factor</li> <li>— RoCE factor is derived from the RoCE achieved in the Automotive segment for the vesting year</li> <li>— Minimum, target and maximum values for RoCE are defined before the start of the financial year</li> <li>— RoCE factor may not exceed 1.8</li> <li>— Maximum amount of RoCE component p. a.:               <ul style="list-style-type: none"> <li>— € 0.990 million (first period of office)</li> <li>— € 1.152 million (from second period of office or fourth year of mandate)</li> <li>— € 2.115 million (Chairman of the Board of Management)</li> </ul> </li> </ul>
Strategic focus target component (at 100% target achievement corresponds to 50% of target amount)	<ul style="list-style-type: none"> <li>— Target amount strategic focus target component p. a. (50% of target amount of personal investment cash amount):               <ul style="list-style-type: none"> <li>— € 0.55 million (first period of office)</li> <li>— € 0.64 million (from second period of office or fourth year of mandate)</li> <li>— € 1.175 million (Chairman of the Board of Management)</li> </ul> </li> <li>— At least two strategic focus targets derived from the strategic plan</li> <li>— Weighting of the strategic focus targets is decided before the start of the financial year</li> <li>— Formula in event of two strategic focus targets with equal weighting p. a.:               <ul style="list-style-type: none"> <li>25% of target amount for personal investment cash amount x factor for strategic focus target 1 + 25% of target amount for personal investment cash amount x factor for strategic focus target 2</li> </ul> </li> <li>— Minimum, target and maximum values are defined before the start of the financial year</li> <li>— Factor for each strategic focus target may not exceed 1.8</li> <li>— Maximum amount of strategic focus target component p. a.:               <ul style="list-style-type: none"> <li>— € 0.990 million (first period of office)</li> <li>— € 1.152 million (from second period of office or fourth year of mandate)</li> <li>— € 2.115 million (Chairman of the Board of Management)</li> </ul> </li> </ul>
Remuneration linked to corporate strategy	<ul style="list-style-type: none"> <li>— personal investment cash amount is 50% dependent on key performance indicator RoCE and is therefore directly linked to a key measure of corporate strategy and reflects BMW AG's aspiration to generate a significant premium on the cost of capital</li> <li>— The remaining 50% of the personal investment cash amount is beneficial for the attainment of strategic focus targets and therefore contributes to the BMW Group's operational success in strategically important areas</li> <li>— Commitment to purchase shares of BMW AG common stock and four-years holding requirement is beneficial for the long-term development of the BMW Group</li> </ul>
<b>Malus and clawback rules</b>	
Malus	<ul style="list-style-type: none"> <li>— 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</li> <li>— Amounts may also be withheld in principle after a member has left the Board</li> </ul>
Clawback	<ul style="list-style-type: none"> <li>— Agreement entitling the BMW Group to reclaim variable remuneration already paid out in the event of specified incidences of serious non-compliance, incorrect calculation bases or incorrect financial statements</li> <li>— Amounts may also be clawed back in principle after a member has left the Board</li> </ul>

### 3. Determination and review of the remuneration system and individual remuneration

Determining the system and structure of Board of Management remuneration, and reviewing it regularly, is a task of the full Supervisory Board, as is determining the individual level of remuneration of members of the Board of Management. The Personnel Committee of the Supervisory Board assumes a preparatory function in the determination and review of the remuneration system as a whole, and of the individual remuneration paid to members of the Board of Management.

The Supervisory Board reviews the remuneration system annually to ensure it is appropriate in terms of structure, target and maximum remuneration, as well as actual remuneration. The Supervisory Board also takes remuneration studies into account when assessing the market conformity of the target and maximum remuneration, as well as when assessing actual remuneration in horizontal terms. Due to the size and structure of the BMW Group, DAX companies are used as a comparison group and the remuneration data from this group is compared with the remuneration paid to members of the Board of Management at BMW AG. Vertically, the Supervisory Board compares the remuneration of members of the Board of Management with the remuneration of senior executives and with the average remuneration of employees employed by BMW AG in Germany in areas inside and outside the scope of collective bargaining agreements, including in terms of how they have changed over a period of several years. Recommendations from independent external remuneration experts, as well as suggestions from investor and analyst circles, may also be included in the deliberations. For the 2021 financial year, the review has shown that the target and maximum remuneration as well as actual remuneration are appropriate.

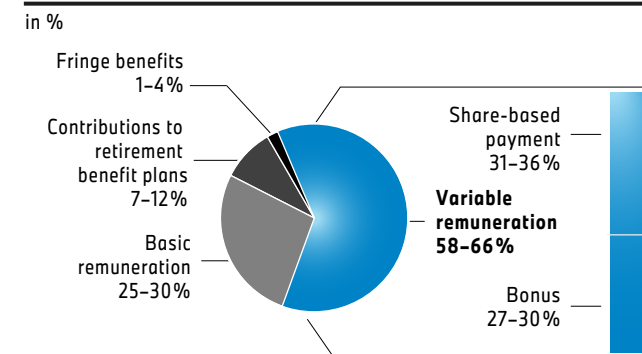
In accordance with the remuneration system, the Supervisory Board – acting on the proposal of the Personnel Committee – sets specific target remuneration for each individual member of the Board of Management for the upcoming financial year, as well as the performance criteria associated with the variable remuneration components provided for in the remuneration system.

The total target remuneration is composed of the fixed remuneration and the variable remuneration. Within the variable remuneration, the proportion of share-based remuneration as long-term variable remuneration exceeds the share of the bonus as short-term variable remuneration. The share of the individual remuneration components is within the ranges specified by the remuneration system.

#### a) Target remuneration for the 2021 financial year

The following tables show the individual target remuneration of the members of the Board of Management and the relative share of the respective remuneration component in the total target remuneration.

### OVERVIEW OF TOTAL TARGET REMUNERATION FOR MEMBERS OF THE BOARD OF MANAGEMENT



Excluding a possible payment to new members of the Board of Management to compensate for salary losses from a previous employment relationship and/or to cover relocation costs.

## TARGET REMUNERATION FOR THE FINANCIAL YEAR 2021 (2020)

### OLIVER ZIPSE

Chairman of the Board of Management since 16 August 2019  
Member of the Board of Management since 13 May 2015

### ILKA HORSTMEIER

Human Resources, Labour Relations Director  
since 1 November 2019

	FY 2021 <sup>1</sup>		FY 2020 <sup>2</sup>		FY 2021 <sup>1</sup>		FY 2020 <sup>2</sup>	
	in €	in %	in €	in %	in €	in %	in €	in %
<b>Fixed remuneration</b>								
Fixed remuneration								
Fixed remuneration								
Fixed remuneration								
<b>Total</b>	<b>2,669,355</b>	<b>37</b>	<b>2,366,256</b>	<b>35</b>	<b>1,347,633</b>	<b>40</b>	<b>1,237,374</b>	<b>37</b>
<b>BONUS</b>								
Earnings component of bonus 2020	(-)	(-)	540,000	8	(-)	(-)	255,000	8
Performance component of bonus 2020	(-)	(-)	1,260,000	19	(-)	(-)	595,000	18
Earnings component of bonus 2021	1,050,000	15	(-)	(-)	475,000	14	(-)	(-)
Performance component of bonus 2021	1,050,000	15	(-)	(-)	475,000	14	(-)	(-)
<b>PERFORMANCE CASH PLAN</b>								
Variable remuneration								
Variable remuneration								
<b>SHARE-BASED PAYMENT</b>								
Cash remuneration component (investment component) 2020 for holding obligation 2021-2025	(-)	(-)	810,000	12	(-)	(-)	382,500	11
Share-based remuneration component (matching component) 2020 for holding obligation 2021-2025 <sup>3</sup>	(-)	(-)	123,873	2	(-)	(-)	62,790	2
Personal cash investment amount 2021 <sup>4</sup>								
RoCE component	1,175,000	17	(-)	(-)	550,000	16	(-)	(-)
Strategic focus target component	1,175,000	17	(-)	(-)	550,000	16	(-)	(-)
<b>Total</b>	<b>4,450,000</b>	<b>63</b>	<b>4,333,873</b>	<b>65</b>	<b>2,050,000</b>	<b>60</b>	<b>2,145,290</b>	<b>63</b>
<b>Target total remuneration</b>	<b>7,119,355</b>	<b>100</b>	<b>6,700,129</b>	<b>100</b>	<b>3,397,633</b>	<b>100</b>	<b>3,382,664</b>	<b>100</b>

<sup>1</sup> Remuneration system as of financial year 2021.

<sup>2</sup> Remuneration system applicable until financial year 2020.

<sup>3</sup> Provisional monetary value calculated as of 2 January 2021 in accordance with German Accounting Standard 17, as amended. The final number of matching shares and/or the final cash value will only be determined when the investment obligation is fulfilled in shares of common stock of the company.

<sup>4</sup> Assessment period five years in total: One year for determining the personal cash investment amount, a four-year holding obligation for the shares acquired with the payout amount.



## TARGET REMUNERATION FOR THE FINANCIAL YEAR 2021 (2020)

		MILAN NEDELJKOVIĆ Production since 1 October 2019				PIETER NOTA Customer, Brands, Sales since 1 January 2018			
		FY 2021 <sup>1</sup>		FY 2020 <sup>2</sup>		FY 2021 <sup>1</sup>		FY 2020 <sup>2</sup>	
		in €	in %	in €	in %	in €	in %	in €	in %
Fixed remuneration	Fixed remuneration (basic remuneration)	900,000	27	800,000	24	1,050,000	27	800,000	24
	Fringe benefits (other remuneration)	43,237	1	101,973	3	18,525	0.5	18,408	1
	Contribution to the company pension scheme	400,000	12	350,000	10	400,000	10	350,000	11
	<b>Total</b>	<b>1,343,237</b>	<b>40</b>	<b>1,251,973</b>	<b>37</b>	<b>1,468,525</b>	<b>38</b>	<b>1,168,408</b>	<b>35</b>
<b>BONUS</b>									
	Earnings component of bonus 2020	(-)	(-)	255,000	8	(-)	(-)	255,000	8
	Performance component of bonus 2020	(-)	(-)	595,000	18	(-)	(-)	595,000	18
	Earnings component of bonus 2021	475,000	14	(-)	(-)	575,000	15	(-)	(-)
	Performance component of bonus 2021	475,000	14	(-)	(-)	575,000	15	(-)	(-)
<b>PERFORMANCE CASH PLAN</b>									
Variable remuneration	PCP 2020-2022	(-)	(-)	850,000	25	(-)	(-)	850,000	26
<b>SHARE-BASED PAYMENT</b>									
	Cash remuneration component (investment component) 2020 for holding obligation 2021-2025	(-)	(-)	382,500	11	(-)	(-)	382,500	12
	Share-based remuneration component (matching component) 2020 for holding obligation 2021-2025 <sup>3</sup>	(-)	(-)	62,790	2	(-)	(-)	62,790	2
	Personal cash investment amount 2021 <sup>4</sup>								
	RoCE component	550,000	16	(-)	(-)	640,000	16	(-)	(-)
	Strategic focus target component	550,000	16	(-)	(-)	640,000	16	(-)	(-)
	<b>Total</b>	<b>2,050,000</b>	<b>60</b>	<b>2,145,290</b>	<b>63</b>	<b>2,430,000</b>	<b>62</b>	<b>2,145,290</b>	<b>65</b>
<b>Target total remuneration</b>		<b>3,393,237</b>	<b>100</b>	<b>3,397,263</b>	<b>100</b>	<b>3,898,525</b>	<b>100</b>	<b>3,313,698</b>	<b>100</b>

<sup>1</sup> Remuneration system as of financial year 2021.

<sup>2</sup> Remuneration system applicable until financial year 2020.

<sup>3</sup> Provisional monetary value calculated as of 2 January 2021 in accordance with German Accounting Standard 17, as amended. The final number of matching shares and/or the final cash value will only be determined when the investment obligation is fulfilled in shares of common stock of the company.

<sup>4</sup> Assessment period five years in total: One year for determining the personal cash investment amount, a four-year holding obligation for the shares acquired with the payout amount.

## TARGET REMUNERATION FOR THE FINANCIAL YEAR 2021 (2020)

		NICOLAS PETER Finance since 1 January 2017				FRANK WEBER Development since 1 July 2020			
		FY 2021 <sup>1</sup>		FY 2020 <sup>2</sup>		FY 2021 <sup>1</sup>		FY 2020 <sup>2</sup>	
		in €	in %	in €	in %	in €	in %	in €	in %
Fixed remuneration	Fixed remuneration (basic remuneration)	1,050,000	27	950,000	25	900,000	26	400,000	24
	Fringe benefits (other remuneration)	22,746	1	24,231	1	97,833	3	28,593	2
	Contribution to the company pension scheme	400,000	10	350,000	9	400,000	12	175,000	10
	<b>Total</b>	<b>1,472,746</b>	<b>38</b>	<b>1,324,231</b>	<b>35</b>	<b>1,397,833</b>	<b>41</b>	<b>603,593</b>	<b>36</b>
<b>BONUS</b>									
	Earnings component of bonus 2020	(-)	(-)	300,000	8	(-)	(-)	127,500	8
	Performance component of bonus 2020	(-)	(-)	700,000	18	(-)	(-)	297,500	18
	Earnings component of bonus 2021	575,000	15	(-)	(-)	475,000	14	(-)	(-)
	Performance component of bonus 2021	575,000	15	(-)	(-)	475,000	14	(-)	(-)
<b>PERFORMANCE CASH PLAN</b>									
Variable remuneration	PCP 2020-2022	(-)	(-)	950,000	25	(-)	(-)	425,000	25
<b>SHARE-BASED PAYMENT</b>									
	Cash remuneration component (investment component) 2020 for holding obligation 2021-2025	(-)	(-)	450,000	12	(-)	(-)	191,250	11
	Share-based remuneration component (matching component) 2020 for holding obligation 2021-2025 <sup>3</sup>	(-)	(-)	68,802	2	(-)	(-)	31,360	2
	Personal cash investment amount 2021 <sup>4</sup>								
	RoCE component	640,000	16	(-)	(-)	550,000	16	(-)	(-)
	Strategic focus target component	640,000	16	(-)	(-)	550,000	16	(-)	(-)
	<b>Total</b>	<b>2,430,000</b>	<b>62</b>	<b>2,468,802</b>	<b>65</b>	<b>2,050,000</b>	<b>59</b>	<b>1,072,610</b>	<b>64</b>
<b>Target total remuneration</b>		<b>3,902,746</b>	<b>100</b>	<b>3,793,033</b>	<b>100</b>	<b>3,447,833</b>	<b>100</b>	<b>1,676,203</b>	<b>100</b>

<sup>1</sup> Remuneration system as of financial year 2021.

<sup>2</sup> Remuneration system applicable until financial year 2020.

<sup>3</sup> Provisional monetary value calculated as of 2 January 2021 in accordance with German Accounting Standard 17, as amended. The final number of matching shares and/or the final cash value will only be determined when the investment obligation is fulfilled in shares of common stock of the company.

<sup>4</sup> Assessment period five years in total: One year for determining the personal cash investment amount, a four-year holding obligation for the shares acquired with the payout amount.

## TARGET REMUNERATION FOR THE FINANCIAL YEAR 2021 (2020)

### ANDREAS WENDT

Purchasing and Supplier Network  
from 1 October 2018 until 31 December 2021

		FY 2021 <sup>1</sup>		FY 2020 <sup>2</sup>	
		in €	in %	in €	in %
Fixed remuneration	Fixed remuneration (basic remuneration)	937,500	26	800,000	24
	Fringe benefits (other remuneration)	60,303	2	56,319	2
	Contribution to the company pension scheme	400,000	11	350,000	10
	<b>Total</b>	<b>1,397,803</b>	<b>39</b>	<b>1,206,319</b>	<b>36</b>
<b>BONUS</b>					
	Earnings component of bonus 2020	(-)	(-)	255,000	8
	Performance component of bonus 2020	(-)	(-)	595,000	18
	Earnings component of bonus 2021	500,000	14	(-)	(-)
	Performance component of bonus 2021	500,000	14	(-)	(-)
<b>PERFORMANCE CASH PLAN</b>					
Variable remuneration	PCP 2020-2022	(-)	(-)	850,000	25
<b>SHARE-BASED PAYMENT</b>					
	Cash remuneration component (investment component) 2020 for holding obligation 2021-2025	(-)	(-)	382,500	11
	Share-based remuneration component (matching component) 2020 for holding obligation 2021-2025 <sup>3</sup>	(-)	(-)	62,790	2
	Personal cash investment amount 2021 <sup>4</sup>				
	RoCE component	572,500	16	(-)	(-)
	Strategic focus target component	572,500	16	(-)	(-)
	<b>Total</b>	<b>2,145,000</b>	<b>61</b>	<b>2,145,290</b>	<b>64</b>
<b>Target total remuneration</b>		<b>3,542,803</b>	<b>100</b>	<b>3,351,609</b>	<b>100</b>

<sup>1</sup> Remuneration system as of financial year 2021.

<sup>2</sup> Remuneration system applicable until financial year 2020.

<sup>3</sup> Provisional monetary value calculated as of 2 January 2021 in accordance with German Accounting Standard 17, as amended. The final number of matching shares and/or the final cash value will only be determined when the investment obligation is fulfilled in shares of common stock of the company.

<sup>4</sup> Assessment period five years in total: One year for determining the personal cash investment amount, a four-year holding obligation for the shares acquired with the payout amount.

## b) Maximum and minimum remuneration for the financial year 2021

The Supervisory Board has set upper limits on the remuneration of Members of the Board of Management for the 2021 financial year (vesting year) in two ways: It has set maximum limits in terms of the amount paid for all variable remuneration components and, additionally, for the total remuneration of the Board of Management members in each case. Both components of the bonus and both components of the share-based remuneration (the personal cash investment amount) are limited to a maximum of 180 % of the respective target amount.

The maximum remuneration of the Members of the Board of Management for the vesting year 2021, as determined in accordance with § 87a (1) Sentence 2 No. 1 AktG includes, as fixed components, the basic remuneration for 2021, other fixed remuneration for 2021, the pension contribution, and any service cost in excess of that contribution for 2021. The maximum remuneration includes the bonus for the vesting year 2021 and the share-based remuneration as variable components for the vesting year 2021. Any special payments to compensate for loss of salary from a previous employment relationship and/or

to cover relocation costs for new appointments are also covered by the maximum remuneration.

The total fixed maximum remuneration is less than the sum of the maximum amounts for the individual components.

In addition to the maximum limits for the individual components of overall remuneration, the Supervisory Board also set minimum thresholds that had to be exceeded in order for a target to be achieved. If these minimum thresholds are not reached, the relevant component of the variable remuneration is not paid.

## MAXIMUM AND MINIMUM REMUNERATION FOR THE FINANCIAL YEAR 2021

in €		OLIVER ZIPSE Chairman of the Board of Management since 16 August 2019 Member of the Board of Management since 13 May 2015		ILKA HORSTMEIER Human Resources, Labour Relations Director Member of the Board of Management since 1 November 2019		MILAN NEDELJKOVIĆ Production Board of the Board of Management since 1 October 2019		PIETER NOTA Customer, Brands, Sales Member of the Board of Management since 1 January 2018	
		Max	Min	Max	Min	Max	Min	Max.	Min.
Fixed remuneration	Fixed remuneration (basic remuneration)	1,950,000	1,950,000	900,000	900,000	900,000	900,000	1,050,000	1,050,000
	Fringe benefits	19,355	19,355	47,633	47,633	43,237	43,237	18,525	18,525
	<b>Total</b>	<b>1,969,355</b>	<b>1,969,355</b>	<b>947,633</b>	<b>947,633</b>	<b>943,237</b>	<b>943,237</b>	<b>1,068,525</b>	<b>1,068,525</b>
Variable remuneration	<b>BONUS</b>								
	Earnings component of bonus	1,890,000	0	855,000	0	855,000	0	1,035,000	0
	Performance component of bonus	1,890,000	0	855,000	0	855,000	0	1,035,000	0
	<b>SHARE-BASED REMUNERATION (PERSONAL CASH INVESTMENT AMOUNT)<sup>1</sup></b>								
	RoCE component	2,115,000	0	990,000	0	990,000	0	1,152,000	0
	Strategic focus target component	2,115,000	0	990,000	0	990,000	0	1,152,000	0
	<b>Total</b>	<b>8,010,000</b>	<b>0</b>	<b>3,690,000</b>	<b>0</b>	<b>3,690,000</b>	<b>0</b>	<b>4,374,000</b>	<b>0</b>
<b>Total fixed and variable remuneration</b>	<b>9,979,355</b>	<b>1,969,355</b>	<b>4,637,633</b>	<b>947,633</b>	<b>4,633,237</b>	<b>943,237</b>	<b>5,442,525</b>	<b>1,068,525</b>	
Pension expense <sup>2</sup>	702,274	702,274	401,765	401,765	401,466	401,466	402,852	402,852	
<b>Maximum remuneration<sup>3</sup> / Minimum remuneration</b>	<b>9,850,000</b>	<b>2,671,629</b>	<b>4,925,000</b>	<b>1,349,398</b>	<b>4,925,000</b>	<b>1,344,703</b>	<b>5,500,000</b>	<b>1,471,377</b>	

<sup>1</sup> Assessment period five years in total: One year for determining the personal cash investment amount, a four-year holding obligation for the shares acquired with the payout amount.

<sup>2</sup> The pension contribution and any service cost in excess of this contribution represent the cost to the Company. This amount is not paid out to the relevant member of the Board of Management.

<sup>3</sup> Maximum remuneration within the meaning of § 87 a (1) Sentence 2 no. 1 German Stock Corporation Act (AktG). This total upper limit is lower than the sum of the maximum amounts from the individual components. Any special payments to compensate for loss of salary from a previous employment relationship and/or to cover relocation costs for new appointments are also covered by the maximum remuneration.

## MAXIMUM AND MINIMUM REMUNERATION FOR THE FINANCIAL YEAR 2021

in €		NICOLAS PETER		FRANK WEBER		ANDREAS WENDT	
		Max	Min	Max	Min	Max	Min
Fixed remuneration	Fixed remuneration (basic remuneration)	1,050,000	1,050,000	900,000	900,000	937,500	937,500
	Fringe benefits	22,746	22,746	97,833	97,833	60,303	60,303
	<b>Total</b>	<b>1,072,746</b>	<b>1,072,746</b>	<b>997,833</b>	<b>997,833</b>	<b>997,803</b>	<b>997,803</b>
<b>BONUS</b>							
Variable remuneration	Earnings component of bonus	1,035,000	0	855,000	0	900,000	0
	Performance component of bonus	1,035,000	0	855,000	0	900,000	0
	<b>SHARE-BASED REMUNERATION (PERSONAL CASH INVESTMENT AMOUNT)<sup>1</sup></b>						
	RoCE component	1,152,000	0	990,000	0	1,030,500	0
	Strategic focus target component	1,152,000	0	990,000	0	1,030,500	0
	<b>Total</b>	<b>4,374,000</b>	<b>0</b>	<b>3,690,000</b>	<b>0</b>	<b>3,861,000</b>	<b>0</b>
<b>Total fixed and variable remuneration</b>		<b>5,446,746</b>	<b>1,072,746</b>	<b>4,687,833</b>	<b>997,833</b>	<b>4,858,803</b>	<b>997,803</b>
Pension expense <sup>2</sup>		401,099	401,099	402,075	402,075	401,099	401,099
<b>Maximum remuneration<sup>3</sup> / Minimum remuneration</b>		<b>5,500,000</b>	<b>1,473,845</b>	<b>4,925,000</b>	<b>1,399,908</b>	<b>5,068,750</b>	<b>1,398,902</b>

<sup>1</sup> Assessment period five years in total: One year for determining the personal cash investment amount, a four-year holding obligation for the shares acquired with the payout amount.

<sup>2</sup> The pension contribution and any service cost in excess of this contribution represent the cost to the Company. This amount is not paid out to the relevant member of the Board of Management.

<sup>3</sup> Maximum remuneration within the meaning of § 87 a (1) Sentence 2 no. 1 German Stock Corporation Act (AktG). This total upper limit is lower than the sum of the maximum amounts from the individual components. Any special payments to compensate for loss of salary from a previous employment relationship and/or to cover relocation costs for new appointments are also covered by the maximum remuneration.

The maximum limits for each individual element of the variable remuneration in the 2021 vesting year and the stipulated maximum remuneration limits were complied with in all cases [↗ Remuneration granted and owed](#).

The remuneration granted and owed pursuant to §162 German Stock Corporation Act (AktG) for financial year 2021 [↗ Remuneration granted and owed](#) includes a payout from the Performance Cash Plan 2019-2021 for members of the Board of Management who were in office back in the 2019 financial year. This variable component of the remuneration system applicable for the financial years 2018 to 2020 falls under the overall caps set by the Supervisory Board for the vesting year 2019. A final assessment of compliance with the overall caps set for the 2019 vesting year will only be possible when the matching component of the share-based remuneration for the 2019 vesting year is paid out after the expiry of the four-year shareholding period in the 2024 financial year.

The remuneration granted and owed for the 2021 financial year pursuant to §162 AktG [↗ Remuneration granted and owed](#) also includes the payment of the matching component of the share-based remuneration for the 2016 vesting year to the members of the Board of Management who were in office in that financial year. This payment was made in May 2021, after the expiry of the four-year shareholding period. This

component is subject to the overall cap set for the vesting year 2016, which was complied with for the members of the Board of Management in office at that time.

#### 4. Remuneration for the 2021 financial year

Following a proposal by the Personnel Committee, the Supervisory Board determined in December 2020 the target remuneration for the members of the Board of Management for the 2021 financial year, as well as the performance criteria for the variable remuneration components provided for in the remuneration system. In March 2022, at the suggestion of the Personnel Committee, the Supervisory Board set or confirmed the amount of the variable remuneration components due to the members of the Board of Management for the 2021 financial year after reviewing and assessing the extent to which the targets had been achieved.

##### a) Fixed remuneration for the 2021 financial year

Each member of the Board of Management receives a fixed basic remuneration, which is paid monthly on a pro rata basis. The fixed basic remuneration ensures a minimum income appropriate to the tasks and responsibilities of a member of the Board of Management. It counteracts the temptation to take disproportionately high risks in order to achieve short-term goals, and thus contributes to the company's long-term development.

The amount of the basic remuneration depends on the individual's respective function on the Board of Management and the duration of their tenure on the Board of Management or their appointment period, as applicable.

The fringe benefits include, in particular, insurance benefits, non-cash benefits from vehicle use and use of telephones and computers, health care, employee discounts and subsidies for safety equipment. In addition, the Supervisory Board can approve payments to newly appointed members of the Board of Management in order to compensate them for loss of salary from a previous employment relationship and / or to cover relocation costs. No such approvals were issued in the 2021 financial year.

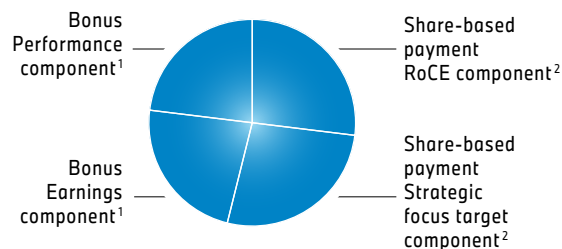
##### b) Variable remuneration for the 2021 financial year

The variable remuneration for the 2021 financial year consists of the bonus and the share-based remuneration. The bonus consists of the earnings and performance components, and the share-based remuneration (personal cash investment amount) consists of the RoCE component and the strategic focus targets component. The performance criteria for the variable remuneration paid to members of the Board of Management are based on the Group's key strategic financial and non-financial targets and performance indicators, and sustainably promote the Group's development. When determining specific target values, the Supervisory Board takes into account, in particular, long-term corporate planning and business development planning for the following year. These plans are prepared by the Board of Management and submitted to the Supervisory Board for approval. For details of the strategic relevance of the individual remuneration components, see also above [↗ Overview of remuneration system](#).

### OVERVIEW OF FIXED REMUNERATION FOR THE 2021 FINANCIAL YEAR (IN €)

	Base salary	Fringe benefits (other remuneration)	Total fixed remuneration
Oliver Zipse	1,950,000	19,355	1,969,355
Ilka Horstmeier	900,000	47,633	947,633
Milan Nedeljković	900,000	43,237	943,237
Pieter Nota	1,050,000	18,525	1,068,525
Nicolas Peter	1,050,000	22,746	1,072,746
Frank Weber	900,000	97,833	997,833
Andreas Wendt	937,500	60,303	997,803

**OVERVIEW OF VARIABLE TARGET REMUNERATION**



<sup>1</sup> Each represents approx. 23–24% of variable target remuneration.  
<sup>2</sup> Each represents approx. 26–27% of variable target remuneration.

**(1) Bonus for the 2021 financial year**

**Overview**

The bonus consists of an earnings component and a performance component. If 100 % of the target is achieved, the share of the bonus attached to each component is 50 % of the individual target amount of the bonus. The bonus amount is capped at 180 % of the individual target amount. The bonus is paid following the Annual General Meeting at which the annual financial statements for the vesting year are presented.

**Earnings component of the bonus**

The earnings component of the bonus rewards the performance of the business in the vesting year, as measured by the financial indicators "Profit attributable to shareholders of BMW AG" and "Group post-tax return on sales". For this purpose, the Supervisory Board adopts an allocation matrix before the start of the vesting year, from which an earnings factor is derived based on the values achieved.

For both indicators, the Supervisory Board defines a minimum value, a target value and a maximum value before the start of the vesting year. If one of the minimum values is not reached, the earnings factor is zero (corresponding to a target achievement of 0 %). If both target values are reached,

**OVERVIEW OF THE COMPOSITION OF THE BONUS**

**EARNINGS COMPONENT**

$$50\% \text{ OF TARGET AMOUNT} \times \text{EARNINGS FACTOR}$$

- Earnings factor is derived from an allocation matrix based on the parameters "profit attributable to shareholders of BMW AG" and "Group post-tax return on sales" in the vesting year.
- Earnings factor may not exceed 1.8.

**PERFORMANCE COMPONENT**

$$50\% \text{ OF TARGET AMOUNT} \times \text{PERFORMANCE FACTOR}$$

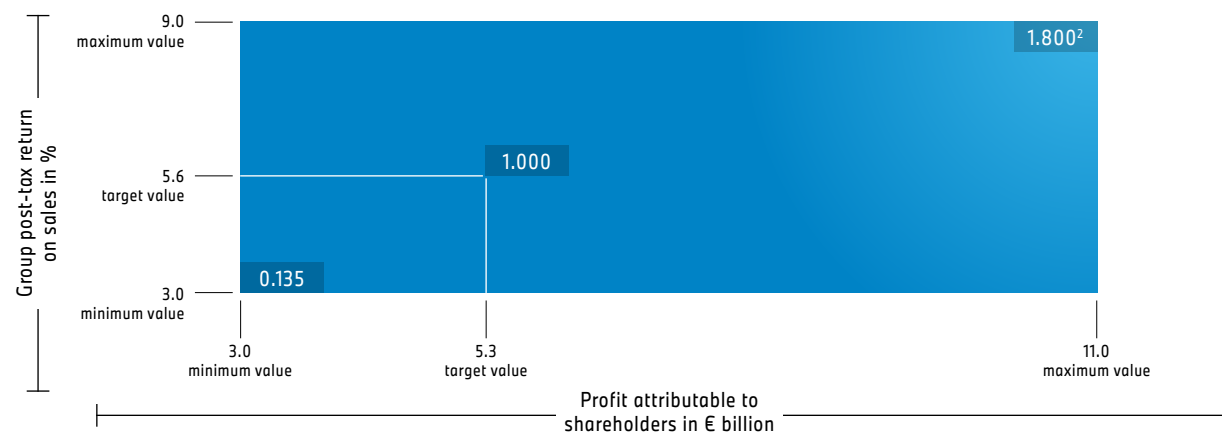
- Performance factor consists of
  - 50 % cross-divisional targets with ESG criteria,
  - 40 % other cross-divisional targets,
  - 10 % individual departmental targets.
- Performance factor may not exceed 1.8.

**BONUS**  
 (MAX. 180 % OF TARGET AMOUNT)

the earnings factor is 1.000 (corresponding to a target achievement of 100 %). As of the achievement of both maximum values, the earnings factor is 1.800 (corresponding to

a target achievement of 180 %, the highest possible percentage). For intermediate values, the earnings factor is derived from the matrix.

**EARNINGS COMPONENT OF THE BONUS: ALLOCATION MATRIX<sup>1</sup>**



<sup>1</sup> Simplified depiction  
<sup>2</sup> Earnings factor 2021

### Targets set and extent of achievement – earnings component of the bonus for the 2021 financial year

The targets set and the extent to which they have been achieved, as well as the specific amounts associated with the earnings component of the bonus for the 2021 financial year, are shown in the following tables. In the financial year 2021, BMW AG's share of profit attributable to shareholders was € 12.4 billion, and the Group post-tax return on sales was 11.2 %. Both key indicators exceeded the maximum values defined for the assessment of the earnings component, so the earnings factor has been capped at the maximum value of 1.800 (corresponding to a target achievement of 180 %, the highest possible percentage).

### Performance component of the bonus

The performance component of the bonus rewards the achievement of certain non-financial targets. Before the beginning of the financial year, the Supervisory Board sets these targets in the form of various non-financial performance criteria and associated metrics. The performance criteria are derived primarily from the corporate strategy, long-term corporate planning and the business development planning done for the following year. The targets are divided into individual targets for the individual members of the Board of Management (departmental targets) and collective targets for the entire Board of Management (interdepartmental targets). The Supervisory Board has discretion in weighting the performance criteria. Approximately 10 % of the target amount for the performance bonus is intended to be allo-

cated to the departmental targets. Departmental targets can be department-specific targets or contributions to shared targets measured individually for each department. The remainder of the target amount for the performance bonus (amounting to approximately 90 %) should be associated with interdepartmental, non-financial targets. In this regard, around 50 % of the target amount should be connected to the achievement of non-financial targets relating to environmental, social and governance (i. e., ESG targets).

### Targets set and extent of achievement – performance component of the bonus for the financial year 2021

The targets set by the Supervisory Board for the 2021 vesting year as part of the performance component of the bonus, the weighting of the relevant criteria and the individual target achievement are summarised in the tables below.

## TARGETS SET AND ACHIEVED EARNINGS COMPONENT OF BONUS FOR THE FINANCIAL YEAR 2021

Performance criteria	Minimum value	Target value	Maximum value	Actual value	Target achievement in %	Earnings factor
Profit attributable to shareholders of BMW AG in € billion	3.0	5.3	11.0	12.4	180 %	1,800
Group post-tax return on sales in %	3.0	5.6	9.0	11.2		

## OVERVIEW OF EARNINGS COMPONENT OF THE BONUS FOR THE FINANCIAL YEAR 2021

Member of the Board of Management	Proportionate target bonus amount in €	Earnings factor	Earnings component of bonus in €
Oliver Zipse	1,050,000	1.800	1,890,000
Ilka Horstmeier	475,000		855,000
Milan Nedeljković	475,000		855,000
Pieter Nota	575,000		1,035,000
Nicolas Peter	575,000		1,035,000
Frank Weber	475,000		855,000
Andreas Wendt	500,000		900,000

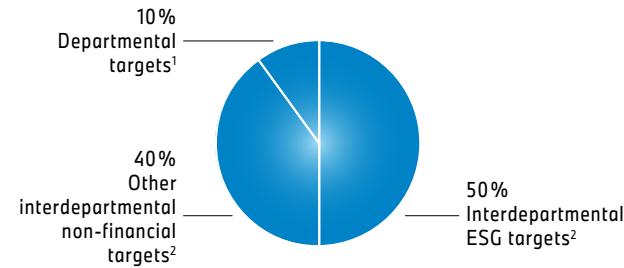
In order to determine the extent to which targets were achieved in 2021, the Supervisory Board assessed the departmental targets, on the one hand, and the interdepartmental targets, on the other hand, within a target achievement corridor with a partial performance factor between 0 (corresponding to a target being 0 % achieved) and 1.80 (corresponding to a target being 180 % achieved, the highest possible percentage). The performance factor for the bonus was determined from the two partial performance factors, with a weighting of 10 % for the departmental targets and 90 % for the interdepartmental targets. With regard to the interdepartmental targets, 50 % of the weighting is for non-financial environmental, social and governance (ESG) targets, and 40 % is for other non-financial targets.

In order to determine the extent to which targets were achieved, the Supervisory Board assessed the leadership performance of the individual members of the Board of Management and the overall performance of the Board of Management as a whole. With regard to the departmental targets, the Supervisory Board assessed the individual performance of each member of the Board of Management.



With regard to the interdepartmental targets, the Supervisory Board deliberately considered the Board of Management as a team and assessed the performance of all the members of the Board of Management as a whole. The Supervisory Board's decision-making process is based on a detailed, documented analysis of performance as measured against all the agreed criteria, as well as in-depth discussions at Personnel Committee and full Supervisory Board level. As a basis for its assessment, the Supervisory Board was guided, in particular, by the quantitative and qualitative metrics defined in the corporate planning that had been done before the beginning of the financial year. These metrics include, for example, key indicators such as vehicle sales, segment shares and the share of sales for electrified vehicles, as well as other metrics for assessing sustainability performance, R&D rate, the quality of the customer experience compared to the competition, investments in training and further education, targets for diversity in the workforce and the results of employee surveys. The results of comparative studies and calculations were also used to assess individual metrics. In addition to a review of performance in 2021, the Supervisory Board carried out a trend review covering several financial years. In doing so, it assessed the effects of decisions, measures and the overall course set in previous financial years on the financial year 2021 and, by way of a forecast, also estimated the significance of the performance in 2021 for the future development of the company.

### OVERVIEW OF TARGETS OF THE PERFORMANCE COMPONENT OF THE BONUS FOR THE FINANCIAL YEAR 2021



<sup>1</sup> Individual assessment for each member of the Board of Management.

<sup>2</sup> Collective assessment of the Board of Management as a team.

## OVERVIEW OF DEPARTMENTAL TARGETS FOR THE PERFORMANCE COMPONENT OF THE BONUS FOR FINANCIAL YEAR 2021

		Target set	Weighting
Interdepartmental ESG targets	Entire Board of Management <sup>1</sup>	Innovation performance (environmental) Develop the Company's reputation e.g. (corporate culture, promoting integrity and ensuring compliance) Transformability (investment in training and further education, sustainability) Employer attractiveness Leadership performance (employee satisfaction)	50 %
		Interdepartmental other non-financial targets	
Joint departmental targets	All members of the Board of Management <sup>2</sup>	Contribution to meeting growth and profitability targets Leadership performance in the department Achievement of departmental diversity targets Preventive activities in ensuring compliance	
		Specific departmental targets	
Specific departmental targets	Oliver Zipse	Coordination of the work of the Board of Management Positioning with regard to proposed legislation Continue to develop the Compliance Management System Present and promote new products	10 %
	Ilka Horstmeier	Promote employer attractiveness Staff restructuring and qualification Implement the diversity strategy Promote the strategic development of real estate management	
	Milan Nedeljković	Ensure the production network is managed effectively Deliver dynamic alignment of the production structure in line with strategic factors Achieve quality targets in production Reduce carbon emissions in production	
	Pieter Nota	Plan sales and prices, realise potential in our sales markets Prepare and successfully deliver launches of new products Expand the digital marketing and sales concepts Expand the internal control system (ICS) with regard to sales management and reporting	
	Nicolas Peter	Ensure reliable communication with capital markets Prepare the first Integrated Annual Report and further develop the ICS for non-financial key indicators Manage financial risk and secure Group financing during and after the Covid-19 pandemic Coordinate the delivery of Performance NEXT financial targets	
	Frank Weber	Develop attractive and exciting vehicle models Ensure planned new products are handed over to production on time Develop new vehicle architecture Continue to develop automated driving and hydrogen technology	
	Andreas Wendt	Ensure production flexibility for vehicle components Maintain an efficient and flexible supplier network during the Covid-19 pandemic Meet quality requirements and cost targets in the supplier network Establish a CO <sub>2</sub> management system in the supply chain	

<sup>1</sup> Collective assessment of the Board of Management as a team. <sup>2</sup> Individual assessment for each member of the Board of Management.

## OVERVIEW OF TARGET ACHIEVEMENT FOR THE PERFORMANCE COMPONENT OF THE BONUS FOR FINANCIAL YEAR 2021

	Targets	Weighting	Average target achievement	Performance factor	Proportionate target bonus amount in €	Performance component of bonus in €
Oliver Zipse	Interdepartmental targets – ESG	50 %	107.0 %	1.06	1,050,000	1,113,000
	Interdepartmental targets – Other	40 %	102.5 %			
	Departmental targets	10 %	118.1 %			
Ilka Horstmeier	Interdepartmental targets – ESG	50 %	107.0 %	1.06	475,000	503,500
	Interdepartmental targets – Other	40 %	102.5 %			
	Departmental targets	10 %	113.8 %			
Milan Nedeljković	Interdepartmental targets – ESG	50 %	107.0 %	1.06	475,000	503,500
	Interdepartmental targets – Other	40 %	102.5 %			
	Departmental targets	10 %	113.1 %			
Pieter Nota	Interdepartmental targets – ESG	50 %	107.0 %	1.06	575,000	609,500
	Interdepartmental targets – Other	40 %	102.5 %			
	Departmental targets	10 %	113.1 %			
Nicolas Peter	Interdepartmental targets – ESG	50 %	107.0 %	1.06	575,000	609,500
	Interdepartmental targets – Other	40 %	102.5 %			
	Departmental targets	10 %	116.3 %			
Frank Weber	Interdepartmental targets – ESG	50 %	107.0 %	1.06	475,000	503,500
	Interdepartmental targets – Other	40 %	102.5 %			
	Departmental targets	10 %	115.6 %			
Andreas Wendt	Interdepartmental targets – ESG	50 %	107.0 %	1.06	500,000	530,000
	Interdepartmental targets – Other	40 %	102.5 %			
	Departmental targets	10 %	115.6 %			

### (2) Share-based remuneration for the 2021 financial year

As part of the share-based remuneration as a variable long-term component of remuneration, the members of the Board of Management receive a cash payment earmarked for investment in BMW shares of common stock (the "personal cash investment amount"). This amount depends on the achievement of certain financial and non-financial targets in the past financial year (vesting year). The members of the Board of Management are obliged to invest their personal

cash investment amounts (less taxes and duties) in BMW shares of common stock, and to hold these shares for a period of at least four years (Share Ownership Guideline). The obligation to purchase BMW shares of common stock and the multi-year holding period strengthens the entrepreneurial long-term orientation of the Board of Management. Implementing the corporate strategy sustainably by taking appropriate decisions also creates lasting value for the shareholders, and thus regularly provides the basis for posi-

tive long-term capital market performance. Due to the substantial investment and the fixed holding period associated with these shares, members of the Board of Management participate in the long-term positive (and negative) development of the company, as reflected in the share price, even after their departure.

**Personal cash investment amount**

The personal cash investment amount is paid out after the Annual General Meeting at which the annual financial statements for the vesting year are presented. The size of this amount depends on the target amount, the RoCE achieved in the Automotive segment and the degree to which certain strategic focus targets were achieved in the vesting year. The personal cash investment amount is limited to a maximum of 180 % of the target amount and is calculated as follows:

$$\text{Personal cash investment amount} = \text{RoCE component} + \text{strategic focus targets component}$$

**Target amount for the personal cash investment amount**

The target amounts for the individual members of the Board of Management for the 2021 financial year are presented in the table "Overview of share-based remuneration for the 2021 financial year", below.

**RoCE component of the personal cash investment amount**

Before the beginning of the relevant vesting year, the Supervisory Board sets minimum, target and maximum values for the RoCE in the Automotive segment in the vesting year on the basis of corporate planning, and assigns a RoCE factor to each of these values. If the minimum value is not reached, the RoCE factor is 0. If the target value is reached, the RoCE factor is 1.00. As of the achievement of the maximum value, the RoCE factor is 1.80. The RoCE component of the personal investment cash amount is determined by multiplying the RoCE factor for the vesting year by 50 % of the individual target amount.

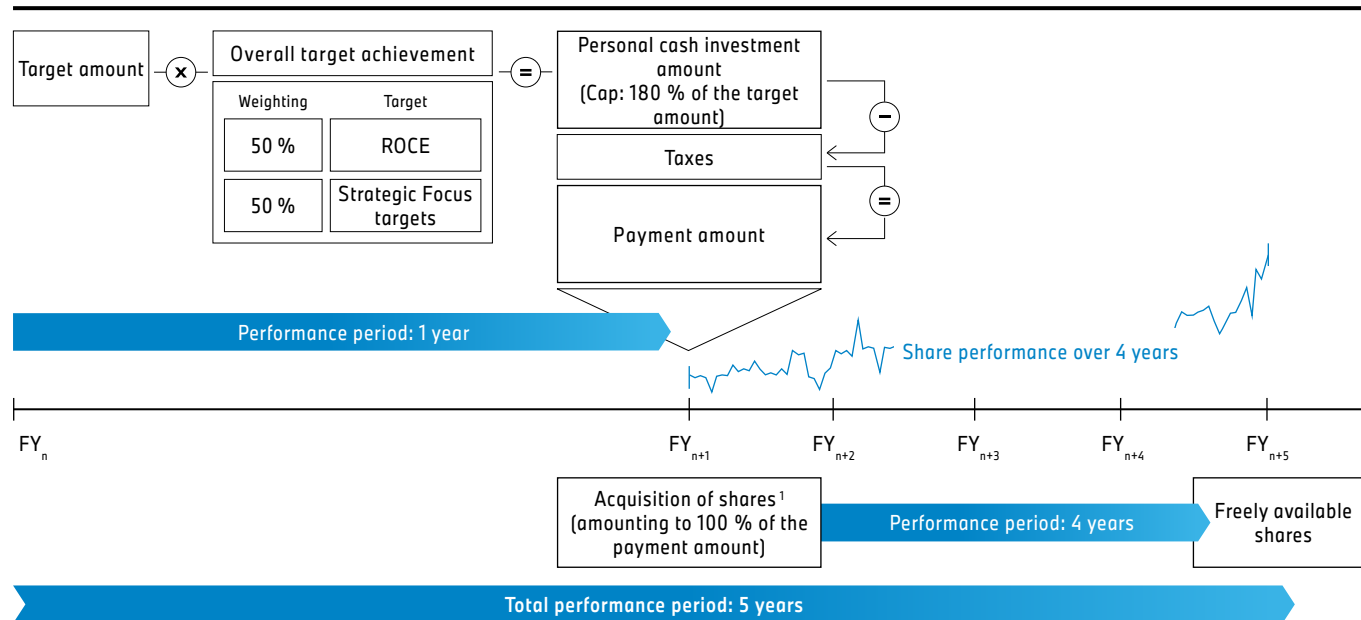
**Strategic focus targets component of the personal cash investment amount**

The Supervisory Board sets at least two strategic focus targets before the start of the vesting year. It derives these targets from the corporate strategy and corporate planning. It then sets a minimum, target and maximum value for each

strategic focus target, and assigns a factor to each of these values. If the minimum value is not reached, the factor for that target is 0. If the target value is reached, the factor for that target is 1.00. As of the achievement of the maximum value, the factor for that target is 1.80. The strategic focus targets component of the personal cash investment amount is determined in a two-step process. In the first step, the factor for the vesting year achieved for the relevant strategic focus target is multiplied by the share of the individual target amount attributable to this target. In the second step, the

values determined for the individual strategic focus targets using this calculation are added together. If two strategic focus targets are set, each strategic focus target accounts for 25 % of the individual target amount, unless the Supervisory Board decides on a different weighting. If more than two strategic focus targets are set, the Supervisory Board determines the weighting of each target.

**OVERVIEW OF SHARE-BASED REMUNERATION**



<sup>1</sup> Simplified depiction. Payment, acquisition of shares and the start of the four-year holding period occur following the Annual General Meeting at which the annual financial statements for the vesting year are presented.

**Targets set and extent of achievement for the RoCE component for the 2021 financial year**

RoCE in the Automotive segment for the financial year 2021 is defined as segment profit before financial result, divided by the average capital employed in the segment. The Supervisory Board has determined the following values for the vesting year 2021: Minimum value: 10 %, Target value: 16 %, Maximum value: 45 %. The RoCE achieved for the 2021 financial year was 59.9 %, meaning that the maximum value set for the purposes of assessing the value of the RoCE component was exceeded and the RoCE factor for the calculation of the personal cash investment amount is 1.80 (its maximum value). The target was set by the Supervisory Board in December 2020 on the basis of long-term corporate planning. RoCE for the Automotive segment increased significantly in the 2021 financial year, to 59.9 % (2020:

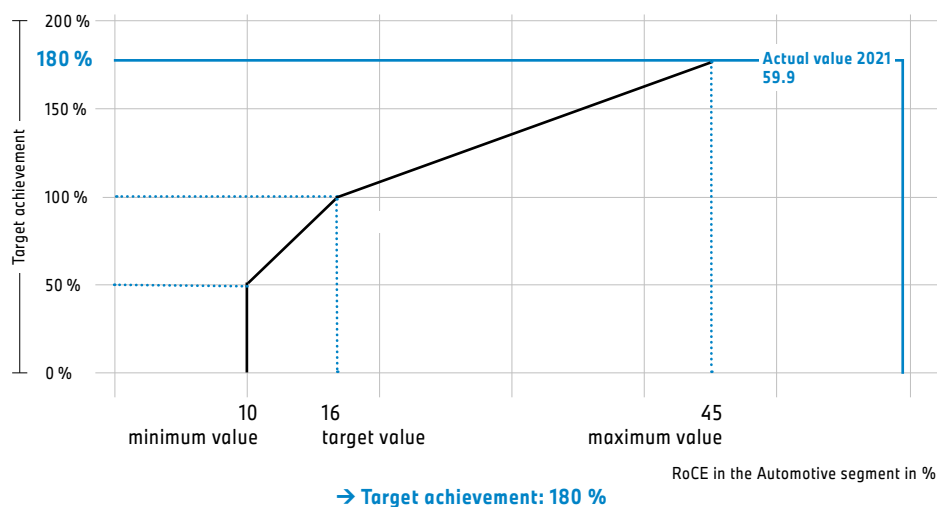
12.7 % / +47.2 percentage points). This was driven in large part by increasing EBIT compared to the previous year. A reduction in capital employed, and specifically the reduction in average inventory during the financial year, was another contributing factor. This was due, in particular, to the rapid recovery of operational business from the consequences of the coronavirus pandemic and the positive price effects for new and pre-owned vehicles caused by the shortage of supply due to the tense supply situation for semiconductors.

**Targets set and extent of achievement for the strategic focus targets component for the 2021 financial year**

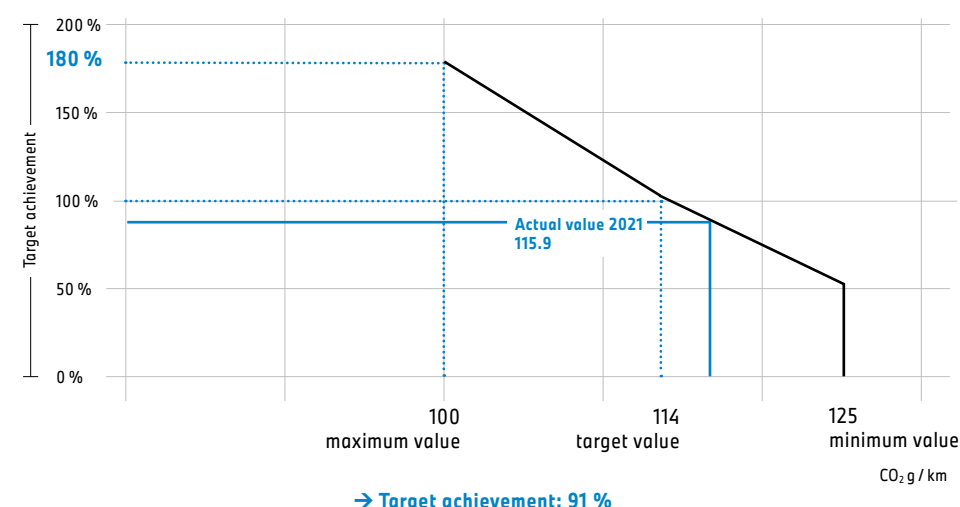
In December 2020, the Supervisory Board set the following strategic focus targets for the vesting year 2021, in accordance with the remuneration system:

- Reduce CO<sub>2</sub> fleet emissions in the EU according to WLTP; weighting in relation to personal cash investment amount: 25 %.
- Sales of all-electric vehicles (Battery Electric Vehicles, BEV); weighting in relation to personal cash investment amount: 12.5 %.
- Sales of plug-in hybrid vehicles (PHEV); weighting in relation to personal cash investment amount: 12.5 %.

**TARGETS SET AND EXTENT OF ACHIEVEMENT ROCE**



**TARGETS SET AND EXTENT OF ACHIEVEMENT REDUCTION OF FLEET CARBON EMISSIONS (EU)<sup>1</sup>**



<sup>1</sup> According to the WLTP test procedure. With effect from September 2018, all vehicles in the EU must be approved in accordance with the new WLTP testing cycle. However, the European Commission did not switch the calculation of fleet carbon emissions to WLTP until 2021. Therefore, up to and including 2020, a recalculation of the WLTP fleet emissions to NEDC values was necessary for reporting purposes.

With regard to reducing fleet carbon emissions according to WLTP, the Supervisory Board set the following values in CO<sub>2</sub> g/km under WLTP for fleet consumption in Europe as threshold values relevant to remuneration for the vesting year 2021: Minimum value: 125 CO<sub>2</sub> g/km, Target value: 114 CO<sub>2</sub> g/km, Maximum value: 100 CO<sub>2</sub> g/km. The actual value for the 2021 financial year was 115.9 CO<sub>2</sub> g/km, so the target was 91% achieved. The CO<sub>2</sub> fleet value achieved (after setting an ambitious original target), thus is below the legal limit of 125.8 CO<sub>2</sub> g/km by 9.9 CO<sub>2</sub> g/km in 2021.

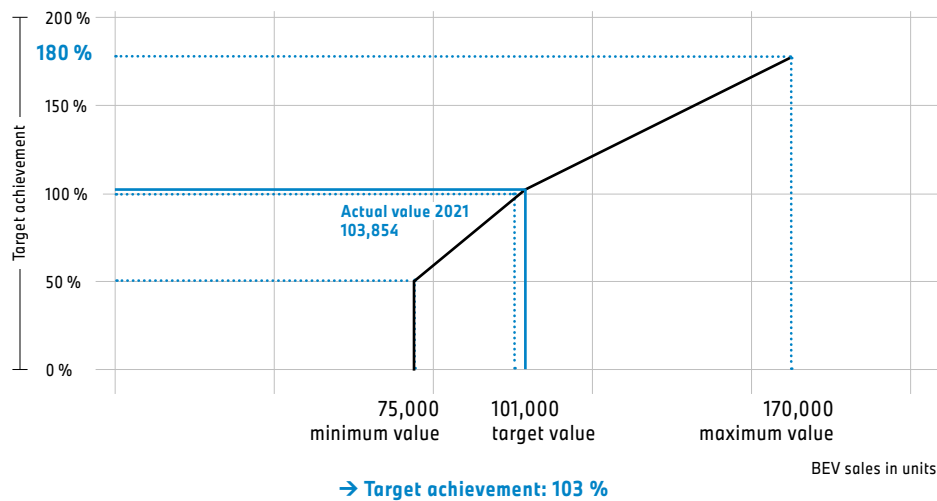
For sales of all-electric vehicles (BEV), the Supervisory Board set the following reference values in units for the vesting year 2021: Minimum value: 75,000 units, Target value:

101,000 units, Maximum value: 170,000 units. The actual value for the 2021 financial year was 103,854 units, so the target was 103% achieved.

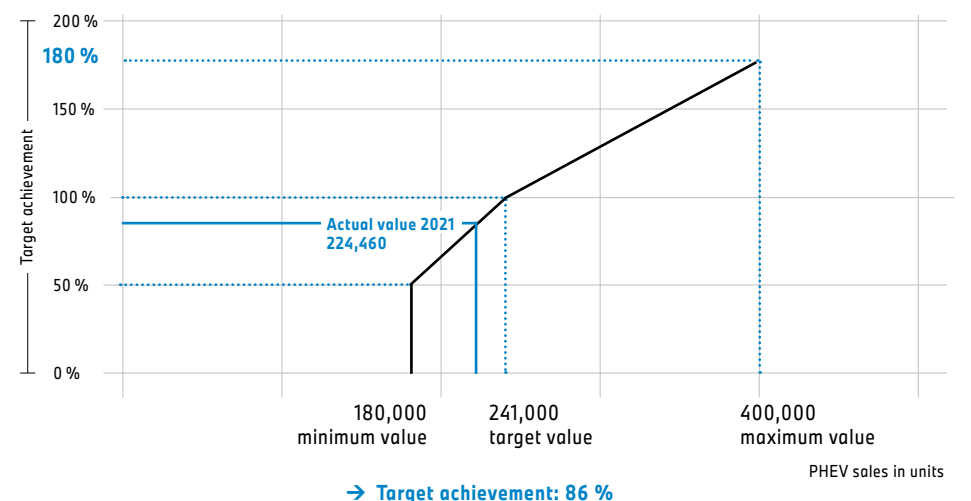
For sales of plug-in hybrid vehicles (PHEV), the Supervisory Board set the following reference values in units for the 2021 vesting year: Minimum value: 180,000 units, Target value: 241,000 units, Maximum value: 400,000 units. The actual value for the 2021 financial year was 224,460 units, so the target was 86% achieved.

The personal investment cash amount for the vesting year 2021 will be paid out after the Annual General Meeting 2022, at which the Financial Statements of BMW AG for the financial year 2021 will be presented.

**TARGETS SET AND EXTENT OF ACHIEVEMENT BEV SALES**



**TARGETS SET AND EXTENT OF ACHIEVEMENT PHEV SALES**



The following tables provide an overview of the targets set and extent of achievement of share-based remuneration for the 2021 financial year.

## TARGETS SET AND TARGET ACHIEVEMENT OF SHARE-BASED REMUNERATION FOR FY 2021

	Performance criteria	Weighting	Minimum value	Target value	Maximum value	Actual Value	Target achievement	Factor
RoCE component	RoCE in the Automotive segment (in %)	50 %	10.00	16.00	45.00	59.90	180 %	1.80
Component – Strategic focus targets	Reduction of fleet CO <sub>2</sub> emissions (in g/km)	25 %	125	114	100	115.9	91 %	0.91
	Sales of all-electric vehicles (BEV) in units	12.50 %	75,000	101,000	170,000	103,854	103 %	1.03
	Sales of plug-in hybrid vehicles (PHEV) in units	12.50 %	180,000	241,000	400,000	224,460	86 %	0.86

## OVERVIEW OF SHARE-BASED REMUNERATION FOR THE 2021 FINANCIAL YEAR

Member of the Board of Management	RoCE component		Component – Strategic focus target (CO <sub>2</sub> )			Component – Strategic focus target (BEV)			Component – Strategic focus target (PHEV)			Total Personal cash investment amount in €
	Proportionate target amount in €	RoCE factor	Proportionate target amount in €	Factor – Strategic focus targets (CO <sub>2</sub> )	Component Strategic focus target CO <sub>2</sub> in €	Proportionate target amount in €	Factor – Strategic focus targets (BEV)	Component Strategic focus target BEV in €	Proportionate target amount in €	Factor – Strategic focus targets (PHEV)	Component Strategic focus target PHEV in €	
Oliver Zipse	1,175,000		587,500		534,625	293,750		302,563	293,750		252,625	3,204,813
Ilka Horstmeier	550,000		275,000		250,250	137,500		141,625	137,500		118,250	1,500,125
Milan Nedeljković	550,000		275,000		250,250	137,500		141,625	137,500		118,250	1,500,125
Pieter Nota	640,000	1.80	320,000	0.91	291,200	160,000	1.03	164,800	160,000	0.86	137,600	1,745,600
Nicolas Peter	640,000		320,000		291,200	160,000		164,800	160,000		137,600	1,745,600
Frank Weber	550,000		275,000		250,250	137,500		141,625	137,500		118,250	1,500,125
Andreas Wendt	572,500		286,250		260,488	143,125		147,419	143,125		123,088	1,561,494

## 5. Shareholding rules

The members of the Board of Management in office as at 31 December 2021 hold a total of 58,560 BMW shares of common stock which they are required to hold in accordance with the terms of the share-based remuneration programmes for the financial years 2017–2020.

The share-based remuneration (investment component) for the vesting year 2020 was paid out in 2021, immediately after which the BMW shares of common stock were acquired.

## 6. Retirement benefits

The retirement benefits system provides for annual contributions by the company with a guaranteed minimum interest rate equal to the maximum interest rate specified in the German actuarial reserve regulation (Deckungsrückstellungsverordnung). Commitments to pay annual contributions to the company pension scheme are linked to the term of appointment as a member of the Board of Management. Pension entitlements become vested when the employment relationship has existed for one year. 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.

As regards pension commitments, retired members of the Board of Management are entitled to retirement benefits at the age of 62 at the earliest. 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. This figure is in turn based on the annual contributions and an annual interest rate depending on the form of investment. The payment is made as a lump sum or in annual instalments at the discretion of the member of the Board of Management. For entitlements arising before 2016, there is an option to receive payment as a lifelong pension or in a combined form. In the event of the death of a member of the Board of Management entitled to benefits before the occur-

## 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 2017–2020<sup>1</sup>

	Share portfolio as at 1 January 2021	Additions in the financial year <sup>2</sup>	End of the holding period in the financial year	Share portfolio as at 31 December 2021
<b>Oliver Zipse</b>	16,637	4,508	2,771	18,374
	(11,938)	(6,696)	(1,997)	(16,637)
<b>Ilka Horstmeier</b>	782	2,285	(-)	3,067
	(-)	(782)	(-)	(782)
<b>Milan Nedeljković</b>	1,174	2,285	(-)	3,459
	(-)	(1,174)	(-)	(1,174)
<b>Pieter Nota</b>	8,650	2,285	(-)	10,935
	(3,954)	(4,696)	(-)	(8,650)
<b>Nicolas Peter</b>	11,110	2,504	(-)	13,614
	(6,736)	(4,374)	(-)	(11,110)
<b>Frank Weber</b>	0	1,142	(-)	1,142
	(-)	(-)	(-)	(-)
<b>Andreas Wendt</b>	5,684	2,285	(-)	7,969
	(988)	(4,696)	(-)	(5,684)
<b>Total</b>	<b>44,037</b>	<b>17,294</b>	<b>2,771</b>	<b>58,560</b>
	<b>(23,616)</b>	<b>(22,418)</b>	<b>(1,997)</b>	<b>(59,341)<sup>3</sup></b>

<sup>1</sup> 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.

<sup>2</sup> Payment of the 2020 cash remuneration component (investment component) in May 2021 with subsequent acquisition of reported BMW shares of common stock, for which the four-year holding period until 2025 applies.

<sup>3</sup> Disclosures for the previous year on the share portfolio as at 31 December include shares held by a member of the Board of Management who left office during the financial year 2020.

rence of the insured event, a surviving spouse or registered partner is entitled to a survivor's benefit; otherwise, surviving children are entitled to a survivor's benefit depending on their age and level of education. In the event of death or invalidity, a minimum benefit in the amount of the potential annual pension contributions that could have been made up to the age of 60 is approved. This benefit cannot exceed ten years of contributions.

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 also have the option of using the BMW car service, subject to availability and at a charge.

For members of the Board of Management in office in the financial year 2021, expenses for post-employment benefits of € 3.1 million (2020: € 2.6 million) were incurred. These



benefits correspond to allocations to pension provisions in accordance with IAS 19.

### 7. Malus and clawback provisions

The remuneration system applied since 2021 provides for the possibility of withholding variable remuneration (malus) and reclaiming variable remuneration already paid out (clawback) under certain conditions. The rules allow the Supervisory Board to withhold or reclaim variable remuneration in the event of certain serious compliance-related violations (compliance malus and/or compliance clawback). These provisions can also be applied where variable remuneration components linked to the achievement of certain targets have been paid out on the basis of incorrect calculation bases or incorrect financial statements. Remuneration can also be withheld or reclaimed after an individual's departure from the Board of Management.

The Supervisory Board has not identified any reason to withhold or reclaim variable remuneration components in the 2021 financial year.

### 8. Regulations in the event of death, invalidity and post-contractual non-competition clause

In the event of death or invalidity, special regulations apply regarding the early maturity of Performance Cash Plans and share-based remuneration components (matching components) based on target amounts. Where the contract of employment is terminated prematurely 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 (matching components) are forfeited. The other variable remuneration components (bonus, personal cash investment amount) are settled on the basis of the target amounts.

A one-year post-contractual non-competition clause has been agreed with the Board members under specified

circumstances against payment of a remuneration amount. Contracts of employment provide for the payment of a monthly waiting allowance in the amount of the applicable monthly basic remuneration for the duration 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 from third parties, except remuneration for Supervisory Board appointments approved during the term of office. The company may unilaterally waive the requirement to comply with the post-contractual non-competition clause.

Dr. Wendt left the Board of Management on 31 December 2021. For the period from 1 January 2022 to 31 December 2022, the waiting allowance contractually owed to him amounts to approximately € 1.1 million. A provision was made for this.

### 9. Remuneration granted and owed to members of the Board of Management pursuant to §162 of the German Stock Corporation Act (AktG)

The following tables ([↗ "Presentation of remuneration granted and owed"](#)) show the fixed and variable remuneration granted and owed to the members of the Board of Management in the reporting year in accordance with §162 AktG.

The tables include all amounts received by the individual members of the Board of Management in the reporting period ("remuneration granted") and all remuneration legally due but not yet received ("remuneration owed").

In addition to actual amounts received, "remuneration granted" in the reporting year is also assumed if the activity on which the remuneration component is based has been fully performed by the member of the Board of Management as of the balance sheet date, and if all conditions for the

### PENSION ENTITLEMENTS

in €	Service cost in accordance with IFRS for the financial year 2021	Cash value of entitlements to pension benefits in accordance with IFRS as at 31 December 2021
<b>Oliver Zipse</b>	702,274	4,644,382
	(502,626)	(3,701,016)
<b>Ilka Horstmeier</b>	401,765	1,953,670
	(352,433)	(1,391,936)
<b>Milan Nedeljković</b>	401,466	2,441,046
	(352,121)	(1,830,168)
<b>Pieter Nota</b>	402,852	1,632,365
	(354,680)	(1,157,145)
<b>Nicolas Peter</b>	401,099	3,731,163
	(351,746)	(3,134,163)
<b>Frank Weber</b>	402,075	1,100,507
	(175,000)	(655,460)
<b>Andreas Wendt</b>	401,099	3,379,883
	(351,746)	(2,863,441)
<b>Total<sup>1</sup></b>	<b>3,112,630</b>	<b>18,883,016</b>
	<b>(2,615,352)</b>	<b>(18,289,989)</b>

<sup>1</sup> Disclosures for the previous year include amounts relating to members of the Board of Management who left office during the financial year 2020.

accrual of entitlement (e.g. the expiry of assessment periods or the non-occurrence of forfeiture conditions) have occurred.

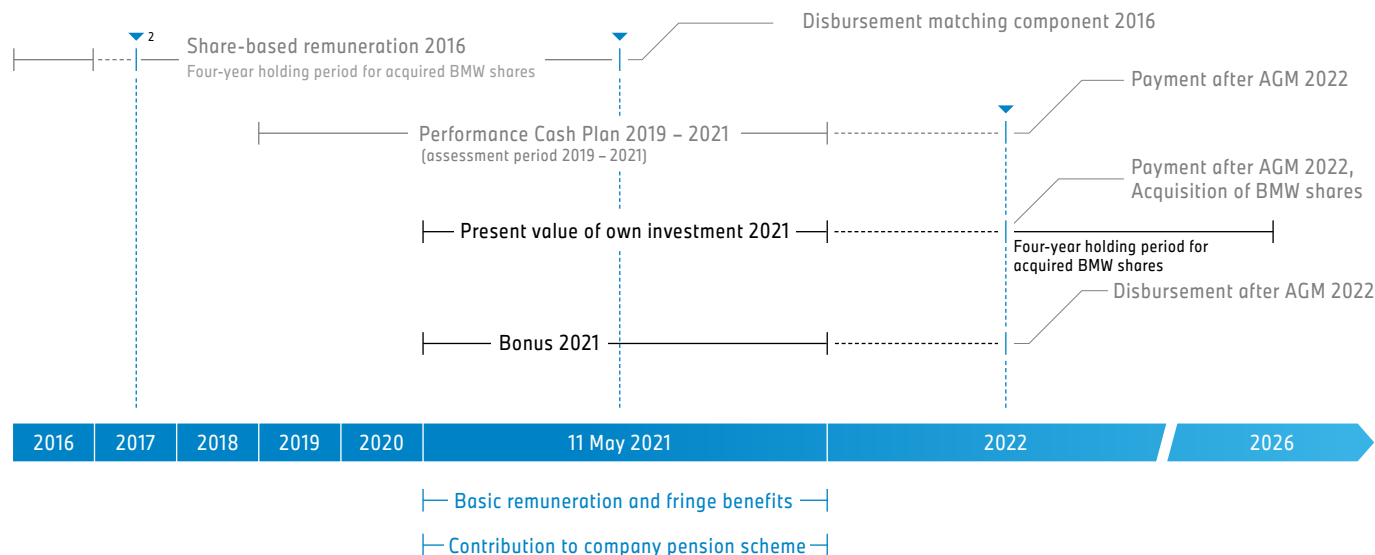
Thus, in addition to the fixed remuneration components, the following variable remuneration components are reported as remuneration granted for the 2021 financial year within the meaning of §162 of the German Stock Corporation Act (AktG):

- Bonus for the 2021 financial year (to be paid out in 2022)
- Share-based remuneration (personal cash investment amount) for the 2021 financial year (to be paid out in 2022)
- Performance Cash Plan 2019–2021, due to the expiry of the three-year assessment period in the 2021 financial year (payments for the vesting year 2019 to be paid out in 2022)
- Share-based remuneration component (matching component) for the vesting year 2016, due to the expiry of the four-year holding period in the financial year 2021 (paid out in 2021)

Thus, the remuneration granted and owed includes all remuneration components earned through the activities of the members of the Board of Management in the 2021 financial year. In addition, it includes remuneration components already earned as a result of activity in previous financial years, but for which the respective member of the Board of Management's payment entitlement only arose due to the occurrence of conditions or at the end of the 2021 financial year.

In addition to the amount of remuneration, the relative share of the relevant remuneration component in the total remuneration granted and owed is also shown. For the sake of clarity, the service cost for the company pension scheme is also shown, although this service cost is not classified as remuneration within the meaning of §162 AktG.

## OVERVIEW OF REMUNERATION GRANTED AND OWED IN FINANCIAL YEAR 2021 WITH PAYOUT PROFILE <sup>1</sup>



<sup>1</sup> Simplified depiction.

<sup>2</sup> Payment of 2016 cash remuneration component (investment component) in 2017, immediately following the acquisition of BMW shares of common stock subject to holding requirements for 2017–2021.

### a) Variable remuneration for the 2021 financial year

The variable remuneration for the 2021 financial year and the extent to which targets were achieved are set out above in [Variable remuneration for the 2021 financial year](#).

### b) Performance Cash Plan 2019–2021

The remuneration system applicable for the financial years 2018–2020 provided for the Performance Cash Plan (PCP) as a long-term variable cash remuneration component.

For the purposes of calculating the Performance Cash Plan, a fixed target amount is multiplied by a multi-year target achievement factor (PCP factor) after the end of a three-year assessment period. The target amount for a member of the

Board of Management's Performance Cash Plan (100 %) in the first appointment period is € 0.85 million p. a.; from the second appointment period or the fourth year of mandate onwards it is € 0.95 million p. a. For the Chairman of the Board of Management, the target amount is € 1.6 million p. a. For all members of the Board of Management, the maximum payout amount is limited to 180 % of the target amount of the Performance Cash Plan p. a.

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 (consisting of the vesting year and the following two years) are presented.

In order to determine the PCP factor, a multi-year profit factor is multiplied by a multi-year performance factor. The maximum amount that can be paid to a Board member is capped at 180 % of the PCP target amount p. a.

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. The earnings factor for the individual year of the assessment period is determined on the basis of the Group's consolidated net profit and the consolidated return on sales after tax for the assessment year concerned, and can amount to a maximum of 1.800. 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 sets a multi-year performance factor after the end of the evaluation period. To this end, the Supervisory Board takes account in particular of the development of the business during the evaluation period, the forecast trend in the development of the business, 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.

The members of the Board of Management in office as at 1 January 2018 received an advance payment from the Performance Cash Plan 2019–2021 in 2020. The advance payment amounted to € 0.5 million for a Board of Management member in their first appointment period, and € 0.6 million from the second appointment period or the fourth year of appointment. For the Chairman of the Board of Management, the advance payment was € 0.9 million. At the end of the assessment period, the advance payments will be set off or refunded, depending on the actual entitlement arising.

The Performance Cash Plan 2019–2021 was approved for the performance of the Members of the Board of Management in the 2019 financial year. As at the balance sheet date of the reporting year, the three-year assessment period of this remuneration component, which was subject to certain forfeiture provisions, had expired.

In the 2021 financial year, a consolidated net profit of € 12.5 billion and a consolidated return on sales after tax of 11.2 % were achieved. For both indicators, the defined maximum values were thus exceeded, meaning that the earnings factor was capped at the maximum value of 1.800 (corresponding to a target being 180 % achieved, the maximum possible percentage). Based on the earnings factors for the individual years of the assessment period (financial year 2019: 0.798, financial year 2020: 0.444, financial year 2021: 1.800), the multi-year performance factor is 1.014. The multi-year perfor-

mance factor for all members of the Board of Management holding office for the 2019 financial year is 1.0, resulting in a PCP factor of 1.014 for the 2019–2021 Performance Cash Plan<sup>1</sup>.

In determining the multi-year performance factor for the members of the Board of Management in office for the 2019 financial year, the Supervisory Board assessed, in particular, the trend in the development of the business over the assessment period, the forecast trend in the development of the business, the individual contribution made by each Board member to earnings, and the status of compliance in the individual Board member's area of responsibility. In assessing the development of the business over the assessment period and the forecast trend, the Supervisory Board assessed, in particular, the development of certain key indicators – such as the change in the number of deliveries, EBIT

## PERFORMANCE CASH PLAN OVERVIEW

<b>TARGET AMOUNT</b>	<b>x</b>	<b>PCP FACTOR</b>	<b>=</b>	<b>CASH PAYMENT</b>
				– Cash payment at end of evaluation period – Capped at 180 % of target amount

## PCP FACTOR OVERVIEW

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

<sup>1</sup> The PCP factor for Mr Krüger is 1.081. This differs from the PCP factor mentioned above, since a value of 1.0 was agreed for the earnings factor of the 2019 financial year.

margin for the Automotive segment and RoCE for the Automotive segment, as well as the return on equity for the Financial Services segment. For the financial years 2020 and 2021, the Supervisory Board has taken into account the impact of the coronavirus pandemic and the semiconductor crisis on these key indicators. It was not necessary to change the assessments relating to individual contributions to profitability or the status of compliance within Board members' areas of responsibility.

### c) Share-based remuneration component (matching component) 2016

Share-based remuneration components have been included in the remuneration of members of the BMWAG Board of Management since 2011. In the financial year 2021, the matching component of the share-based remuneration of the vesting year 2016 was paid out.

Under the share-based remuneration programme for the financial year 2016, the members of the Board of Management were each required to invest an amount equal to 20 % of the total bonuses they received from the company as additional cash remuneration for the financial year 2016, which were paid exclusive of taxes and social security contributions (the investment component) in shares of the company's common stock. In principle, the members of the Board of Management must hold these shares of common stock for at least four years. Under a matching plan, the member of the Board of Management receives from the company – at the company's discretion – either an additional share of common stock or the equivalent in cash (share-based remuneration component/matching component) for every three shares of common stock held after the four-year holding period.

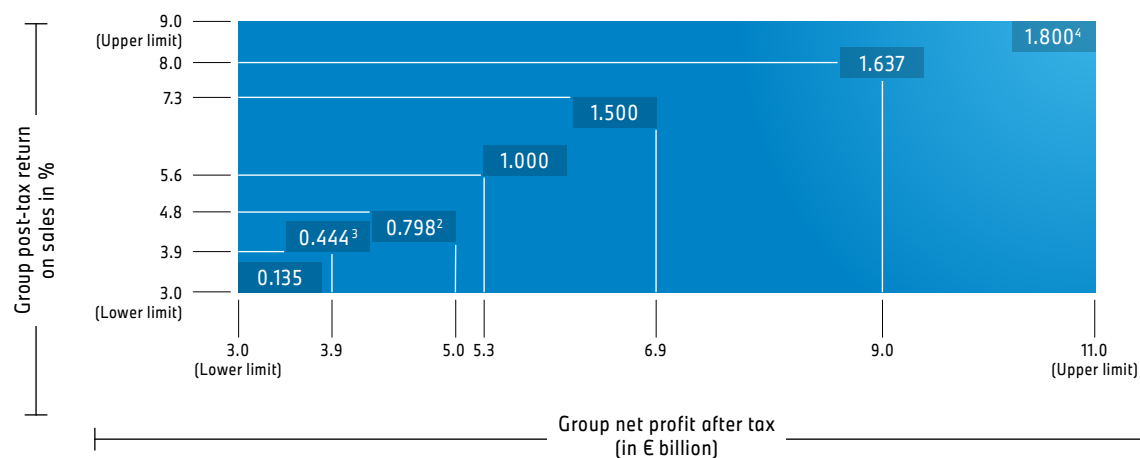
The investment component for the 2016 financial year was paid out immediately after the 2017 Annual General Meeting on 11 May 2017, and the shares of common stock were acquired on 12 May 2017. Therefore, the holding period for the

acquired shares of common stock expired on 11 May 2021. The company settled the matching component in cash, and paid out the equivalent value of the matching shares.

### d) Presentation of remuneration granted and owed

The following tables show the remuneration granted and owed to the members of the Board of Management.

## EARNINGS COMPONENTS: ALLOCATION TABLE FOR CALCULATING EARNINGS FACTOR FOR 2019–2021<sup>1</sup>



<sup>1</sup>Simplified depiction <sup>2</sup>Earnings factor 2019 <sup>3</sup>Earnings factor 2020 <sup>4</sup>Earnings factor 2021

## PERFORMANCE CASH PLAN 2019–2021

in €	Target amount	PCP factor	Total amount PCP 2019–2021	Advance payment <sup>1</sup>	Remuneration (payment amount PCP 2019–2021)
Oliver Zipse	1,194,624	1.014	1,211,349	712,900	498,449
Ilka Horstmeier	141,667	1.014	143,650	(-)	143,650
Milan Nedeljković	212,500	1.014	215,475	(-)	215,475
Nicolas Peter	850,000	1.014	861,900	500,000	361,900
Pieter Nota	850,000	1.014	861,900	500,000	361,900
Frank Weber	(-)	(-)	(-)	(-)	(-)
Andreas Wendt	850,000	1.014	861,900	(-)	861,900

<sup>1</sup> The advance payment was paid out in 2020.

## REMUNERATION GRANTED AND OWED IN FINANCIAL YEAR 2021 (2020)

### OLIVER ZIPSE

Chairman of the Board of Management since 16 August 2019

Member of the Board of Management since 13 May 2015

		FY 2021			FY 2020		
		Vesting year 2021 in € <sup>1</sup>	Earlier vesting years in € <sup>3</sup>	as a % of total remuneration	Vesting year 2020 in € <sup>2</sup>	Earlier vesting years in € <sup>3</sup>	as a % of total remuneration
<b>Fixed remuneration</b>	Fixed remuneration	1,950,000	(-)	22	1,800,000	(-)	34
	Fringe benefits (other remuneration)	19,355	(-)	0.2	66,256	(-)	1
	<b>Total</b>	<b>1,969,355</b>		<b>23</b>	<b>1,866,256</b>		<b>35</b>
<b>BONUS</b>							
	Earnings component of bonus 2020	(-)	(-)	(-)	239,760	(-)	4
	Performance component of bonus 2020	(-)	(-)	(-)	1,449,000	(-)	27
	Earnings component of bonus 2021	1,890,000	(-)	22	(-)	(-)	
	Performance component of bonus 2021	1,113,000	(-)	13	(-)	(-)	
<b>PERFORMANCE CASH PLAN</b>							
	PCP 2018-2020	(-)	(-)	(-)	(-)	277,584 <sup>9</sup>	5
	PCP 2019-2021	(-)	498,449 <sup>8</sup>	6	(-)	712,900 <sup>8</sup>	13
<b>SHARE-BASED PAYMENT</b>							
<b>Variable remuneration</b>	Cash remuneration component (investment component) 2020 for holding obligation 2021-2025	(-)	(-)	(-)	759,942	(-)	14
	Share-based remuneration component (matching component) 2015 for holding obligation 2016-2020	(-)	(-)	(-)	(-)	33,423	1
	Share-based remuneration component (matching component) 2016 for holding obligation 2017-2021 <sup>4</sup>	(-)	76,941	1	(-)	(-)	(-)
	Personal cash investment amount 2021 <sup>5</sup>						
	RoCE component	2,115,000	(-)	24	(-)	(-)	(-)
	Strategic focus target component	1,089,813	(-)	12	(-)	(-)	(-)
	<b>Total variable remuneration Vesting year 2021 or earlier vesting years</b>	<b>6,207,813</b>	<b>575,390</b>	<b>71 or 7</b>	<b>2,448,702</b>	<b>1,023,907</b>	<b>46 or 19</b>
<b>Total variable remuneration</b>	<b>6,783,203</b>		<b>77</b>	<b>3,472,609</b>		<b>65</b>	
<b>Remuneration for vesting year 2021 or earlier vesting years</b>		<b>8,177,168</b>	<b>575,390</b>	<b>93 or 7</b>	<b>4,314,958</b>	<b>1,023,907</b>	<b>81 or 19</b>
<b>Remuneration according to § 162 German Stock Corporation Act (AktG)</b>		<b>8,752,558</b>		<b>100</b>	<b>5,338,865</b>		<b>100</b>
<b>Service cost<sup>6</sup></b>		<b>702,274</b>			<b>502,626</b>		
<b>Total amount received incl. service cost<sup>7</sup></b>		<b>9,454,832</b>			<b>5,841,491</b>		

<sup>1</sup> Remuneration system from financial year 2021.

<sup>2</sup> Remuneration system applicable until financial year 2020.

<sup>3</sup> Remuneration for prior vesting years if, as of the balance sheet date, the activity underlying the remuneration component has been fully performed, and all conditions for the entitlement are met.

<sup>4</sup> The number of shares purchased in 2017 with the 2016 cash remuneration component (investment component) amounted to 2,771 (purchased on 12 May 2017 at a price of €87.50). The 2016 matching component was paid out in cash in May 2021. The number of mathematical matching shares for calculating the equivalent value in cash amounts to 923 (holding period expired on 11 May 2021). Reference price for calculating the equivalent value of the matching shares: € 83.36.

<sup>5</sup> Assessment period five years in total: One year for determining the personal cash investment amount, a four-year holding obligation for the shares acquired with the payout amount.

<sup>6</sup> The pension expense in accordance with IAS 19 reflects the expense recognised by the BMW Group; this amount is not paid out.

<sup>7</sup> Corresponds to the previous disclosure of amounts received in accordance with the model tables in the version of the German Corporate Governance Code dated 7 February 2017. For the purposes of compliance with the maximum specified remuneration limit, only the service cost and the remuneration for the vesting year are to be taken into account. The defined maximum remuneration for the vesting year 2021 is € 9,850,000; the remuneration for the vesting year 2021 including service cost is € 8,879,442, which is below the maximum remuneration.

<sup>8</sup> An advance payment in the amount of € 712,900 was paid out from the PCP 2019 – 2021 in 2020.

<sup>9</sup> An advance payment in the amount of € 566,666 was paid out from the PCP 2018 – 2020 in 2019.

## REMUNERATION GRANTED AND OWED IN FINANCIAL YEAR 2021 (2020)

### ILKA HORSTMEIER

Human Resources, Labour Relations Director

Member of the Board of Management since 1 November 2019

		FY 2021			FY 2020		
		Vesting year 2021 in € <sup>1</sup>	Earlier vesting years in € <sup>3</sup>	as a % of total remuneration	Vesting year 2020 in € <sup>2</sup>	Earlier vesting years in € <sup>3</sup>	as a % of total remuneration
<b>Fixed remuneration</b>	Fixed remuneration	900,000	(-)	23	800,000	(-)	39
	Fringe benefits (other remuneration)	47,633	(-)	1	87,374	(-)	4
	<b>Total</b>	<b>947,633</b>		<b>24</b>	<b>887,374</b>		<b>43</b>
<b>BONUS</b>							
	Earnings component of bonus 2020	(-)	(-)	(-)	113,220	(-)	6
	Performance component of bonus 2020	(-)	(-)	(-)	684,250	(-)	33
	Earnings component of bonus 2021	855,000	(-)	22	(-)	(-)	(-)
	Performance component of bonus 2021	503,500	(-)	13	(-)	(-)	(-)
<b>PERFORMANCE CASH PLAN</b>							
	PCP 2018-2020	(-)	(-)	(-)	(-)	(-)	(-)
	PCP 2019-2021	(-)	143,650	4	(-)	(-)	(-)
<b>Variable remuneration</b>	<b>SHARE-BASED PAYMENT</b>						
	Cash remuneration component (investment component) 2020 for holding obligation 2021-2025	(-)	(-)	(-)	358,862	(-)	18
	Share-based remuneration component (matching component) 2015 for holding obligation 2016-2020	(-)	(-)	(-)	(-)	(-)	(-)
	Share-based remuneration component (matching component) 2016 for holding obligation 2017-2021	(-)	(-)	(-)	(-)	(-)	(-)
	Personal cash investment amount 2021 <sup>4</sup>						
	RoCE component	990,000	(-)	25	(-)	(-)	(-)
	Strategic focus target component	510,125	(-)	13	(-)	(-)	(-)
	<b>Total variable remuneration Vesting year 2021 or earlier vesting years</b>	<b>2,858,625</b>	<b>143,650</b>	<b>72 or 4</b>	<b>1,156,332</b>	<b>(-)</b>	<b>57</b>
	<b>Total variable remuneration</b>	<b>3,002,275</b>		<b>76</b>	<b>1,156,332</b>		<b>57</b>
	<b>Remuneration for vesting year 2021 or earlier vesting years</b>	<b>3,806,258</b>	<b>143,650</b>	<b>96 or 4</b>	<b>2,043,706</b>	<b>(-)</b>	<b>100</b>
<b>Remuneration according to § 162 German Stock Corporation Act (AktG)</b>	<b>3,949,908</b>		<b>100</b>	<b>2,043,706</b>		<b>100</b>	
<b>Service cost<sup>5</sup></b>	<b>401,765</b>			<b>352,433</b>			
<b>Total amount received incl. service cost<sup>6</sup></b>	<b>4,351,673</b>			<b>2,396,139</b>			

<sup>1</sup> Remuneration system from financial year 2021.

<sup>2</sup> Remuneration system applicable until financial year 2020.

<sup>3</sup> Remuneration for prior vesting years if, as of the balance sheet date, the activity underlying the remuneration component has been fully performed, and all conditions for the entitlement are met.

<sup>4</sup> Assessment period five years in total: One year for determining the personal cash investment amount, a four-year holding obligation for the shares acquired with the payout amount.

<sup>5</sup> 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.

<sup>6</sup> Corresponds to the previous disclosure of amounts received in accordance with the model tables in the version of the German Corporate Governance Code dated 7 February 2017. For the purposes of compliance with the maximum specified remuneration limit, only the service cost and the remuneration for the vesting year are to be taken into account. The defined maximum remuneration for the vesting year 2021 is € 4,925,000; the remuneration for the vesting year 2021 including service cost is € 4,208,023, which is below the maximum remuneration.

## REMUNERATION GRANTED AND OWED IN FINANCIAL YEAR 2021 (2020)

### MILAN NEDELJKOVIĆ

Produktion, Member of the Board of Management since 1 October 2019

		FY 2021			FY 2020		
		Vesting year 2021 in € <sup>1</sup>	Earlier vesting years in € <sup>3</sup>	as a % of total remuneration	Vesting year 2020 in € <sup>2</sup>	Earlier vesting years in € <sup>3</sup>	as a % of total remuneration
<b>Fixed remuneration</b>	Fixed remuneration	900,000	(-)	22	800,000	(-)	39
	Fringe benefits (other remuneration)	43,237	(-)	1	101,973	(-)	5
	<b>Total</b>	<b>943,237</b>		<b>23</b>	<b>901,973</b>		<b>44</b>
<b>BONUS</b>							
	Earnings component of bonus 2020	(-)	(-)	(-)	113,220	(-)	6
	Performance component of bonus 2020	(-)	(-)	(-)	684,250	(-)	33
	Earnings component of bonus 2021	855,000	(-)	21	(-)	(-)	(-)
	Performance component of bonus 2021	503,500	(-)	13	(-)	(-)	(-)
<b>PERFORMANCE CASH PLAN</b>							
	PCP 2018-2020	(-)	(-)	(-)	(-)	(-)	(-)
	PCP 2019-2021	(-)	215,475	5	(-)	(-)	(-)
<b>SHARE-BASED PAYMENT</b>							
<b>Variable remuneration</b>	Cash remuneration component (investment component) 2020 for holding obligation 2021-2025	(-)	(-)	(-)	358,862	(-)	17
	Share-based remuneration component (matching component) 2015 for holding obligation 2016-2020	(-)	(-)	(-)	(-)	(-)	(-)
	Share-based remuneration component (matching component) 2016 for holding obligation 2017-2021	(-)	(-)	(-)	(-)	(-)	(-)
	Personal cash investment amount 2021 <sup>4</sup>						
	RoCE component	990,000	(-)	25	(-)	(-)	(-)
	Strategic focus target component	510,125	(-)	13	(-)	(-)	(-)
	<b>Total variable remuneration Vesting year 2021 or earlier vesting years</b>	<b>2,858,625</b>	<b>215,475</b>	<b>71 or 5</b>	<b>1,156,332</b>	<b>(-)</b>	<b>56</b>
<b>Total variable remuneration</b>	<b>3,074,100</b>		<b>77</b>	<b>1,156,332</b>		<b>56</b>	
<b>Remuneration for vesting year 2021 or earlier vesting years</b>		<b>3,801,862</b>	<b>215,475</b>	<b>95 or 5</b>	<b>2,058,305</b>	<b>(-)</b>	<b>100</b>
<b>Remuneration according to § 162 German Stock Corporation Act (AktG)</b>		<b>4,017,337</b>		<b>100</b>	<b>2,058,305</b>		<b>100</b>
<b>Service cost<sup>5</sup></b>		<b>401,466</b>			<b>352,121</b>		
<b>Total amount received incl. service cost<sup>6</sup></b>		<b>4,418,803</b>			<b>2,396,139</b>		

<sup>1</sup> Remuneration system from financial year 2021.

<sup>2</sup> Remuneration system applicable until financial year 2020.

<sup>3</sup> Remuneration for prior vesting years if, as of the balance sheet date, the activity underlying the remuneration component has been fully performed, and all conditions for the entitlement are met.

<sup>4</sup> Assessment period five years in total: One year for determining the personal cash investment amount, a four-year holding obligation for the shares acquired with the payout amount.

<sup>5</sup> 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.

<sup>6</sup> Corresponds to the previous disclosure of amounts received in accordance with the model tables in the version of the German Corporate Governance Code dated 7 February 2017. For the purposes of compliance with the maximum specified remuneration limit, only the service cost and the remuneration for the vesting year are to be taken into account. The defined maximum remuneration for the vesting year 2021 is € 4,925,000; the remuneration for the vesting year 2021 including service cost is € 4,208,023, which is below the maximum remuneration.

## REMUNERATION GRANTED AND OWED IN FINANCIAL YEAR 2021 (2020)

### PIETER NOTA

Customer, Brands, Sales, Member of the Board of Management since 1 January 2018

		FY 2021			FY 2020		
		Vesting year 2021 in € <sup>1</sup>	Earlier vesting years in € <sup>3</sup>	as a % of total remuneration	Vesting year 2020 in € <sup>2</sup>	Earlier vesting years in € <sup>3</sup>	as a % of total remuneration
<b>Fixed remuneration</b>	Fixed remuneration	1,050,000	(-)	22	800,000	(-)	29
	Fringe benefits (other remuneration)	18,525	(-)	0.4	18,408	(-)	1
	<b>Total</b>	<b>1,068,525</b>		<b>22</b>	<b>818,408</b>		<b>30</b>
<b>BONUS</b>							
	Earnings component of bonus 2020	(-)	(-)	(-)	113,220	(-)	4
	Performance component of bonus 2020	(-)	(-)	(-)	684,250	(-)	25
	Earnings component of bonus 2021	1,035,000	(-)	21	(-)	(-)	(-)
	Performance component of bonus 2021	609,500	(-)	13	(-)	(-)	(-)
<b>PERFORMANCE CASH PLAN</b>							
	PCP 2018-2020	(-)	(-)	(-)	(-)	282,850 <sup>8</sup>	10
	PCP 2019-2021	(-)	361,900 <sup>7</sup>	8	(-)	500,000 <sup>7</sup>	18
<b>SHARE-BASED PAYMENT</b>							
<b>Variable remuneration</b>	Cash remuneration component (investment component) 2020 for holding obligation 2021-2025	(-)	(-)	(-)	358,862	(-)	13
	Share-based remuneration component (matching component) 2015 for holding obligation 2016-2020	(-)	(-)	(-)	(-)	(-)	(-)
	Share-based remuneration component (matching component) 2016 for holding obligation 2017-2021	(-)	(-)	(-)	(-)	(-)	(-)
	Personal cash investment amount 2021 <sup>4</sup>						
	RoCE component	1,152,000	(-)	24	(-)	(-)	(-)
	Strategic focus target component	593,600	(-)	12	(-)	(-)	(-)
	<b>Total variable remuneration Vesting year 2021 or earlier vesting years</b>	<b>3,390,100</b>	<b>361,900</b>	<b>70 or 8</b>	<b>1,156,332</b>	<b>782,850</b>	<b>42 or 28</b>
	<b>Total variable remuneration</b>	<b>3,752,000</b>		<b>78</b>	<b>1,939,182</b>		<b>70</b>
<b>Remuneration for vesting year 2021 or earlier vesting years</b>		<b>4,458,625</b>	<b>361,900</b>	<b>92 or 8</b>	<b>1,974,740</b>	<b>782,850</b>	<b>72 or 28</b>
<b>Remuneration according to § 162 German Stock Corporation Act (AktG)</b>		<b>4,820,525</b>		<b>100</b>	<b>2,757,590</b>		<b>100</b>
<b>Service cost<sup>5</sup></b>		<b>402,852</b>			<b>354,680</b>		
<b>Total amount received incl. service cost<sup>6</sup></b>		<b>5,223,377</b>			<b>3,112,270</b>		

<sup>1</sup> Remuneration system from financial year 2021.

<sup>2</sup> Remuneration system applicable until financial year 2020.

<sup>3</sup> Remuneration for prior vesting years if, as of the balance sheet date, the activity underlying the remuneration component has been fully performed, and all conditions for the entitlement are met.

<sup>4</sup> Assessment period five years in total: One year for determining the personal cash investment amount, a four-year holding obligation for the shares acquired with the payout amount.

<sup>5</sup> 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.

<sup>6</sup> Corresponds to the previous disclosure of amounts received in accordance with the model tables in the version of the German Corporate Governance Code dated 7 February 2017. For the purposes of compliance with the maximum specified remuneration limit, only the service cost and the remuneration for the vesting year are to be taken into account. The defined maximum remuneration for the vesting year 2021 is € 5,500,000; the remuneration for the vesting year 2021 including service cost is € 4,861,477, which is below the maximum remuneration.

<sup>7</sup> An advance payment in the amount of € 500,000 was paid out from the PCP 2019 – 2021 in 2020.

<sup>8</sup> An advance payment in the amount of € 500,000 was paid out from the PCP 2018 – 2020 in 2019.



## REMUNERATION GRANTED AND OWED IN FINANCIAL YEAR 2021 (2020)

### NICOLAS PETER

Finance, Member of the Board of Management since 1 January 2017

		FY 2021			FY 2020		
		Vesting year 2021 in € <sup>1</sup>	Earlier vesting years in € <sup>3</sup>	as a % of total remuneration	Vesting year 2020 in € <sup>2</sup>	Earlier vesting years in € <sup>3</sup>	as a % of total remuneration
<b>Fixed remuneration</b>	Fixed remuneration	1,050,000	(-)	22	950,000	(-)	30
	Fringe benefits (other remuneration)	22,746	(-)	0.5	24,231	(-)	1
	<b>Total</b>	<b>1,072,746</b>		<b>22</b>	<b>974,231</b>		<b>31</b>
<b>BONUS</b>							
	Earnings component of bonus 2020	(-)	(-)	(-)	133,200	(-)	4
	Performance component of bonus 2020	(-)	(-)	(-)	805,000	(-)	26
	Earnings component of bonus 2021	1,035,000	(-)	21	(-)	(-)	(-)
	Performance component of bonus 2021	609,500	(-)	13	(-)	(-)	(-)
<b>PERFORMANCE CASH PLAN</b>							
	PCP 2018-2020	(-)	(-)	(-)	(-)	282,850 <sup>8</sup>	9
	PCP 2019-2021	(-)	361,900 <sup>7</sup>	8	(-)	500,000 <sup>7</sup>	16
<b>SHARE-BASED PAYMENT</b>							
<b>Variable remuneration</b>	Cash remuneration component (investment component) 2020 for holding obligation 2021-2025	(-)	(-)	(-)	422,190	(-)	14
	Share-based remuneration component (matching component) 2015 for holding obligation 2016-2020	(-)	(-)	(-)	(-)	(-)	(-)
	Share-based remuneration component (matching component) 2016 for holding obligation 2017-2021	(-)	(-)	(-)	(-)	(-)	(-)
	Personal cash investment amount 2021 <sup>4</sup>						
	RoCE component	1,152,000	(-)	24	(-)	(-)	(-)
	Strategic focus target component	593,600	(-)	12	(-)	(-)	(-)
	<b>Total variable remuneration Vesting year 2021 or earlier vesting years</b>	<b>3,390,100</b>	<b>361,900</b>	<b>70 or 8</b>	<b>1,360,390</b>	<b>782,850</b>	<b>44 or 25</b>
	<b>Total variable remuneration</b>	<b>3,752,000</b>		<b>78</b>	<b>2,143,240</b>		<b>69</b>
<b>Remuneration for vesting year 2021 or earlier vesting years</b>		<b>4,462,846</b>	<b>361,900</b>	<b>93 or 8</b>	<b>2,334,621</b>	<b>782,850</b>	<b>75 or 25</b>
<b>Remuneration according to § 162 German Stock Corporation Act (AktG)</b>		<b>4,824,746</b>		<b>100</b>	<b>3,117,471</b>		<b>100</b>
<b>Service cost<sup>5</sup></b>		<b>401,099</b>			<b>351,746</b>		
<b>Total amount received incl. service cost<sup>6</sup></b>		<b>5,225,845</b>			<b>3,469,217</b>		

<sup>1</sup> Remuneration system from financial year 2021.

<sup>2</sup> Remuneration system applicable until financial year 2020.

<sup>3</sup> Remuneration for prior vesting years if, as of the balance sheet date, the activity underlying the remuneration component has been fully performed, and all conditions for the entitlement are met.

<sup>4</sup> Assessment period five years in total: One year for determining the personal cash investment amount, a four-year holding obligation for the shares acquired with the payout amount.

<sup>5</sup> 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.

<sup>6</sup> Corresponds to the previous disclosure of amounts received in accordance with the model tables in the version of the German Corporate Governance Code dated 7 February 2017. For the purposes of compliance with the maximum specified remuneration limit, only the service cost and the remuneration for the vesting year are to be taken into account. The defined maximum remuneration for the vesting year 2021 is € 5,500,000; the remuneration for the vesting year 2021 including service cost is € 4,863,945, which is below the maximum remuneration.

<sup>7</sup> An advance payment in the amount of € 500,000 was paid out from the PCP 2019 – 2021 in 2020.

<sup>8</sup> An advance payment in the amount of € 500,000 was paid out from the PCP 2018 – 2020 in 2019.

## REMUNERATION GRANTED AND OWED IN FINANCIAL YEAR 2021 (2020)

### FRANK WEBER

Development, Member of the Board of Management since 1 July 2020

		FY 2021			FY 2020		
		Vesting year 2021 in € <sup>1</sup>	Earlier vesting years in € <sup>3</sup>	as a % of total remuneration	Vesting year 2020 in € <sup>2</sup>	Earlier vesting years in € <sup>3</sup>	as a % of total remuneration
<b>Fixed remuneration</b>	Fixed remuneration	900,000	(-)	23	400,000	(-)	40
	Fringe benefits (other remuneration)	97,833	(-)	3	28,593	(-)	3
	<b>Total</b>	<b>997,833</b>		<b>26</b>	<b>428,593</b>		<b>43</b>
<b>BONUS</b>							
	Earnings component of bonus 2020	(-)	(-)	(-)	56,610	(-)	6
	Performance component of bonus 2020	(-)	(-)	(-)	342,125	(-)	34
	Earnings component of bonus 2021	855,000	(-)	22	(-)	(-)	(-)
	Performance component of bonus 2021	503,500	(-)	13	(-)	(-)	(-)
<b>PERFORMANCE CASH PLAN</b>							
	PCP 2018-2020	(-)	(-)	(-)	(-)	(-)	(-)
	PCP 2019-2021	(-)	(-)	(-)	(-)	(-)	(-)
<b>SHARE-BASED PAYMENT</b>							
<b>Variable remuneration</b>	Cash remuneration component (investment component) 2020 for holding obligation 2021-2025	(-)	(-)	(-)	179,431	(-)	18
	Share-based remuneration component (matching component) 2015 for holding obligation 2016-2020	(-)	(-)	(-)	(-)	(-)	(-)
	Share-based remuneration component (matching component) 2016 for holding obligation 2017-2021	(-)	(-)	(-)	(-)	(-)	(-)
	Personal cash investment amount 2021 <sup>4</sup>						
	RoCE component	990,000	(-)	26	(-)	(-)	(-)
	Strategic focus target component	510,125	(-)	13	(-)	(-)	(-)
	<b>Total variable remuneration Vesting year 2021 or earlier vesting years</b>	<b>2,858,625</b>	<b>(-)</b>	<b>74</b>	<b>578,166</b>	<b>(-)</b>	<b>57</b>
<b>Total variable remuneration</b>	<b>2,858,625</b>		<b>74</b>	<b>578,166</b>		<b>57</b>	
<b>Remuneration for vesting year 2021 or earlier vesting years</b>		<b>3,856,458</b>	<b>(-)</b>	<b>100</b>	<b>1,006,759</b>	<b>(-)</b>	<b>100</b>
<b>Remuneration according to § 162 German Stock Corporation Act (AktG)</b>		<b>3,856,458</b>		<b>100</b>	<b>1,006,759</b>		<b>100</b>
<b>Service cost<sup>5</sup></b>		<b>402,075</b>			<b>175,000</b>		
<b>Total amount received incl. service cost<sup>6</sup></b>		<b>4,258,533</b>			<b>1,181,759</b>		

<sup>1</sup> Remuneration system from financial year 2021.

<sup>2</sup> Remuneration system applicable until financial year 2020.

<sup>3</sup> Remuneration for prior vesting years if, as of the balance sheet date, the activity underlying the remuneration component has been fully performed, and all conditions for the entitlement are met.

<sup>4</sup> Assessment period five years in total: One year for determining the personal cash investment amount, a four-year holding obligation for the shares acquired with the payout amount.

<sup>5</sup> 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.

<sup>6</sup> Corresponds to the previous disclosure of amounts received in accordance with the model tables in the version of the German Corporate Governance Code dated 7 February 2017. For the purposes of compliance with the maximum specified remuneration limit, only the service cost and the remuneration for the vesting year are to be taken into account. The defined maximum remuneration for the vesting year 2021 is € 4,925,000; the remuneration for the vesting year 2021 including service cost is € 4,258,533, which is below the maximum remuneration.

## REMUNERATION GRANTED AND OWED IN FINANCIAL YEAR 2021 (2020)

### ANDREAS WENDT

Purchasing and Supplier Network

Member of the Board of Management from 1 October 2018 until 31 December 2021

		FY 2021			FY 2020		
		Vesting year 2021 in € <sup>1</sup>	Earlier vesting years in € <sup>3</sup>	as a % of total remuneration	Vesting year 2020 in € <sup>2</sup>	Earlier vesting years in € <sup>3</sup>	as a % of total remuneration
<b>Fixed remuneration</b>	Fixed remuneration	937,500	(-)	19	800,000	(-)	36
	Fringe benefits (other remuneration)	60,303	(-)	1	56,319	(-)	3
	<b>Total</b>	<b>997,803</b>		<b>21</b>	<b>856,319</b>		<b>39</b>
<b>BONUS</b>							
	Earnings component of bonus 2020	(-)	(-)	(-)	113,220	(-)	5
	Performance component of bonus 2020	(-)	(-)	(-)	684,250	(-)	31
	Earnings component of bonus 2021	900,000	(-)	19	(-)	(-)	(-)
	Performance component of bonus 2021	530,000	(-)	11	(-)	(-)	(-)
<b>PERFORMANCE CASH PLAN</b>							
	PCP 2018-2020	(-)	(-)	(-)	(-)	195,713	9
	PCP 2019-2021	(-)	861,900	18	(-)	(-)	(-)
<b>Variable remuneration</b>	<b>SHARE-BASED PAYMENT</b>						
	Cash remuneration component (investment component) 2020 for holding obligation 2021-2025	(-)	(-)	(-)	358,862	(-)	16
	Share-based remuneration component (matching component) 2015 for holding obligation 2016-2020	(-)	(-)	(-)	(-)	(-)	(-)
	Share-based remuneration component (matching component) 2016 for holding obligation 2017-2021	(-)	(-)	(-)	(-)	(-)	(-)
	Personal cash investment amount 2021 <sup>4</sup>						
	RoCE component	1,030,500	(-)	21	(-)	(-)	(-)
	Strategic focus target component	530,994	(-)	11	(-)	(-)	(-)
	<b>Total variable remuneration Vesting year 2021 or earlier vesting years</b>	<b>2,991,494</b>	<b>861,900</b>	<b>62 or 18</b>	<b>1,156,332</b>	<b>195,713</b>	<b>52 or 9</b>
	<b>Total variable remuneration</b>	<b>3,853,394</b>		<b>79</b>	<b>1,352,045</b>		<b>61</b>
	<b>Remuneration for vesting year 2021 or earlier vesting years</b>	<b>3,989,297</b>	<b>861,900</b>	<b>82 or 18</b>	<b>2,012,651</b>	<b>195,713</b>	<b>91 or 9</b>
<b>Remuneration according to § 162 German Stock Corporation Act (AktG)</b>	<b>4,851,197</b>		<b>100</b>	<b>2,208,364</b>		<b>100</b>	
<b>Service cost<sup>5</sup></b>	<b>401,099</b>			<b>351,746</b>			
<b>Total amount received incl. service cost<sup>6</sup></b>	<b>5,252,296</b>			<b>2,560,110</b>			

<sup>1</sup> Remuneration system from financial year 2021.

<sup>2</sup> Remuneration system applicable until financial year 2020.

<sup>3</sup> Remuneration for prior vesting years if, as of the balance sheet date, the activity underlying the remuneration component has been fully performed, and all conditions for the entitlement are met.

<sup>4</sup> Assessment period five years in total: One year for determining the personal cash investment amount, a four-year holding obligation for the shares acquired with the payout amount.

<sup>5</sup> 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.

<sup>6</sup> Corresponds to the previous disclosure of amounts received in accordance with the model tables in the version of the German Corporate Governance Code dated 7 February 2017. For the purposes of compliance with the maximum specified remuneration limit, only the service cost and the remuneration for the vesting year are to be taken into account. The defined maximum remuneration for the vesting year 2021 is € 5,068,750; the remuneration for the vesting year 2021 including service cost is € 4,390,396, which is below the maximum remuneration.

#### 10. Remuneration granted and owed to former members of the Board of Management pursuant to § 162 of the German Stock Corporation Act (AktG)

The following tables show the fixed and variable remuneration granted and owed to former members of the Board of Management who have definitively terminated their service within the last 10 financial years, in accordance with § 162 AktG.

For individual former members of the Board of Management, the remuneration granted and owed also includes the Performance Cash Plan 2019–2021 and/or the share-based remuneration component (matching component) 2016. In this regard, please refer to the statements on remuneration granted and owed for the active members of the Board of Management.

#### REMUNERATION GRANTED AND OWED IN FINANCIAL YEAR 2021

		FRANK-PETER ARNDT Member of the Board of Management until 31 March 2013		
		Financial year 2021 in €	Earlier vesting years in € <sup>1</sup>	as a % of total remuneration
Fixed remuneration	Fringe benefits (other remuneration)	30,128	(-)	12
	<b>Total</b>	<b>30,128</b>		<b>12</b>
Variable remuneration	Performance Cash Plan 2019-2021	(-)	(-)	(-)
	Share-based remuneration component (matching component) 2016 for holding obligation 2017-2021	(-)	(-)	(-)
	<b>Total</b>	<b>(-)</b>		<b>(-)</b>
Waiting allowance/Pensions	Waiting allowance	(-)	(-)	(-)
	Pensions	216,814	(-)	88
	(Partial) capital payments	(-)	(-)	(-)
	<b>Total</b>	<b>216,814</b>		<b>88</b>
<b>Total remuneration for financial years 2021 or earlier vesting years</b>		<b>246,942</b>	<b>(-)</b>	
<b>Total remuneration according to § 162 German Stock Corporation Act (AktG)</b>		<b>246,942</b>		<b>100</b>

		MILAGROS CAIÑA CARREIRO-ANDREE Member of the Board of Management until 31 October 2019		
		Financial year 2021 in €	Earlier vesting years in € <sup>1</sup>	as a % of total remuneration
Fixed remuneration	Fringe benefits (other remuneration)	32,950	(-)	4
	<b>Total</b>	<b>32,950</b>		<b>4</b>
Variable remuneration	Performance Cash Plan 2019-2021	(-)	363,300 <sup>2</sup>	47
	Share-based remuneration component (matching component) 2016 for holding obligation 2017-2021	(-)	96,364 <sup>3</sup>	12
	<b>Total</b>	<b>459,664</b>		<b>59</b>
Waiting allowance/Pensions	Waiting allowance	285,000	(-)	37
	Pensions	(-)	(-)	(-)
	(Partial) capital payments	(-)	(-)	(-)
	<b>Total</b>	<b>285,000</b>		<b>37</b>
<b>Total remuneration for financial years 2021 or earlier vesting years</b>		<b>317,950</b>	<b>459,664</b>	
<b>Total remuneration according to § 162 German Stock Corporation Act (AktG)</b>		<b>777,615</b>		<b>100</b>

<sup>1</sup> Remuneration for prior vesting years is due if, as of the balance sheet date, the activity underlying the remuneration component has been fully performed, and all conditions for the entitlement are met.

<sup>2</sup> The target amount of the 2019-2021 Performance Cash Plan is € 950,000. An advance payment of € 600,000 was made from the PCP 2019-2021 in 2020.

<sup>3</sup> The number of shares purchased in 2017 with the 2016 cash remuneration component (investment component) amounted to 3,470 (purchased on 12 May 2017 at a price of € 87.50). The 2016 matching component was paid out in cash in May 2021. The number of mathematical matching shares for calculating the equivalent value in cash amounts to 1,156 (holding period expired on 11 May 2021). Reference price for calculating the equivalent value of the matching shares: € 83.36).

**REMUNERATION GRANTED AND OWED IN FINANCIAL YEAR 2021**

		KLAUS DRAEGER Member of the Board of Management until 30 September 2016			FRIEDRICH EICHNER Member of the Board of Management until 31 December 2016		
		Financial year 2021 in €	Earlier vesting years in € <sup>1</sup>	as a % of total remuneration	Financial year 2021 in €	Earlier vesting years in € <sup>1</sup>	as a % of total remuneration
Fixed remuneration	Fringe benefits (other remuneration)	27,604	(-)	7	27,335	(-)	7
	<b>Total</b>	<b>27,604</b>		<b>7</b>	<b>27,335</b>		<b>7</b>
Variable remuneration	Performance Cash Plan 2019-2021	(-)	(-)	(-)	(-)	(-)	(-)
	Share-based remuneration component (matching component) 2016 for holding obligation 2017-2021	(-)	72,273 <sup>2</sup>	19	(-)	96,364 <sup>3</sup>	24
	<b>Total</b>	<b>72,273</b>		<b>19</b>	<b>96,364</b>		<b>24</b>
Waiting allowance/Pensions	Waiting allowance	(-)	(-)	(-)	(-)	(-)	(-)
	Pensions	279,984	(-)	74	272,727	(-)	69
	(Partial) capital payments	(-)	(-)	(-)	(-)	(-)	(-)
	<b>Total</b>	<b>279,984</b>		<b>74</b>	<b>272,727</b>		<b>69</b>
<b>Total remuneration for financial years 2021 or earlier vesting years</b>		<b>307,588</b>	<b>72,273</b>		<b>300,062</b>	<b>96,364</b>	
<b>Total remuneration according to § 162 German Stock Corporation Act (AktG)</b>		<b>379,861</b>		<b>100</b>	<b>396,427</b>		<b>100</b>

		KLAUS FRÖHLICH Member of the Board of Management until 30 June 2020		
		Financial year 2021 in €	Earlier vesting years in € <sup>1</sup>	as a % of total remuneration
Fixed remuneration	Fringe benefits (other remuneration)	20,629	(-)	3
	<b>Total</b>	<b>20,629</b>		<b>3</b>
Variable remuneration	Performance Cash Plan 2019-2021	(-)	363,300 <sup>4</sup>	49
	Share-based remuneration component (matching component) 2016 for holding obligation 2017-2021	(-)	76,941 <sup>5</sup>	10
	<b>Total</b>	<b>440,241</b>		<b>59</b>
Waiting allowance/Pensions	Waiting allowance	285,000	(-)	38
	Pensions	(-)	(-)	(-)
	(Partial) capital payments	(-)	(-)	(-)
	<b>Total</b>	<b>285,000</b>		<b>38</b>
<b>Total remuneration for financial years 2021 or earlier vesting years</b>		<b>305,629</b>	<b>440,241</b>	
<b>Total remuneration according to § 162 German Stock Corporation Act (AktG)</b>		<b>745,870</b>		<b>100</b>

<sup>1</sup> Remuneration for prior vesting years is due if, as of the balance sheet date, the activity underlying the remuneration component has been fully performed, and all conditions for the entitlement are met.

<sup>2</sup> The number of shares purchased in 2017 with the 2016 cash remuneration component (investment component) amounted to 2,603 (purchased on 12 May 2017 at a price of € 87.50). The 2016 matching component was paid out in cash in May 2021. The number of mathematical matching shares for calculating the equivalent value in cash amounts to 867 (holding period expired on 11 May 2021). Reference price for calculating the equivalent value of the matching shares: € 83.36.

<sup>3</sup> The number of shares purchased in 2017 with the 2016 cash remuneration component (investment component) amounted to 3,470 (purchased on 12 May 2017 at a price of € 87.50). The 2016 matching component was paid out in cash in May 2021. The number of mathematical matching shares for calculating the equivalent value in cash amounts to 1,156 (holding period expired on 11 May 2021). Reference price for calculating the equivalent value of the matching shares: € 83.36.

<sup>4</sup> The target amount of the 2019-2021 Performance Cash Plan is € 950,000. An advance payment of € 600,000 was made from the PCP 2019-2021 in 2020.

<sup>5</sup> The number of shares purchased in 2017 with the 2016 cash remuneration component (investment component) amounted to 2,771 (purchased on 12 May 2017 at a price of € 87.50). The 2016 matching component was paid out in cash in May 2021. The number of mathematical matching shares for the purposes of calculating the equivalent value in cash amounts to 923 (holding period expired on 11 May 2021). Reference price for calculating the equivalent value of the matching shares: € 83.36.

## REMUNERATION GRANTED AND OWED IN FINANCIAL YEAR 2021

		<b>HARALD KRÜGER</b> Chairman of the Board of Management until 15 August 2019			<b>NORBERT REITHOFER</b> Chairman of the Board of Management until 13 May 2015 Chairman of the Supervisory Board since 13 May 2015		
		Financial year 2021 in €	Earlier vesting years in € <sup>1</sup>	as a % of total remuneration	Financial year 2021 in €	Earlier vesting years in € <sup>1</sup>	as a % of total remuneration
Fixed remuneration	Fringe benefits (other remuneration)	27,241	(-)	2	40,156	(-)	11
	<b>Total</b>	<b>27,241</b>		<b>2</b>	<b>40,156</b>		<b>11</b>
Variable remuneration	Performance Cash Plan 2019-2021	(-)	829,600 <sup>2</sup>	61	(-)	(-)	(-)
	Share-based remuneration component (matching component) 2016 for holding obligation 2017-2021	(-)	153,966 <sup>3</sup>	11	(-)	(-)	(-)
	<b>Total</b>	<b>983,566</b>		<b>72</b>	<b>(-)</b>		<b>(-)</b>
Waiting allowance/Pensions	Waiting allowance	360,000	(-)	26	(-)	(-)	(-)
	Pensions	(-)	(-)	(-)	323,691	(-)	89
	(Partial) capital payments	(-)	(-)	(-)	(-)	(-)	(-)
	<b>Total</b>	<b>360,000</b>		<b>26</b>	<b>323,691</b>		<b>89</b>
<b>Total remuneration for financial years 2021 or earlier vesting years</b>		<b>387,241</b>	<b>983,566</b>		<b>363,847</b>	<b>(-)</b>	
<b>Total remuneration according to § 162 German Stock Corporation Act (AktG)</b>		<b>1,370,807</b>		<b>100</b>	<b>363,847</b>		<b>100</b>

		<b>IAN ROBERTSON</b> Member of the Board of Management until 31 December 2017		
		Financial year 2021 in €	Earlier vesting years in € <sup>1</sup>	as a % of total remuneration
Fixed remuneration	Fringe benefits (other remuneration)	21,600	(-)	7
	<b>Total</b>	<b>21,600</b>		<b>7</b>
Variable remuneration	Performance Cash Plan 2019-2021	(-)	(-)	(-)
	Share-based remuneration component (matching component) 2016 for holding obligation 2017-2021	(-)	96,364 <sup>4</sup>	31
	<b>Total</b>	<b>96,364</b>		<b>31</b>
Waiting allowance/Pensions	Waiting allowance	(-)	(-)	(-)
	Pensions	191,038	(-)	62
	(Partial) capital payments	(-)	(-)	(-)
	<b>Total</b>	<b>191,038</b>		<b>62</b>
<b>Total remuneration for financial years 2021 or earlier vesting years</b>		<b>212,638</b>	<b>96,364</b>	
<b>Total remuneration according to § 162 German Stock Corporation Act (AktG)</b>		<b>309,002</b>		<b>100</b>

<sup>1</sup> Remuneration for prior vesting years is due if, as of the balance sheet date, the activity underlying the remuneration component has been fully performed, and all conditions for the entitlement are met.

<sup>2</sup> The target amount of the 2019-2021 Performance Cash Plan is € 1,600,000. The PCP factor is 1.081. This differs from the PCP factor mentioned above, since a value of 1.0 was agreed for the earnings factor of the 2019 financial year. An advance payment of € 900,000 was made from the PCP 2019-2021 in 2020.

<sup>3</sup> The number of shares purchased in 2017 with the 2016 cash remuneration component (investment component) amounted to 5,542 (purchased on 12 May 2017 at a price of € 87.50). The 2016 matching component was paid out in cash in May 2021. The number of mathematical matching shares for the purposes of calculating the equivalent value in cash amounts to 1,847 (holding period expired on 11 May 2021). Reference price for calculating the equivalent value of the matching shares: € 83.36.

<sup>4</sup> The number of shares purchased in 2017 with the 2016 cash remuneration component (investment component) amounted to 3,470 (purchased on 12 May 2017 at a price of € 87.50). The 2016 matching component was paid out in cash in May 2021. The number of mathematical matching shares for calculating the equivalent value in cash amounts to 1,156 (holding period expired on 11 May 2021). Reference price for calculating the equivalent value of the matching shares: € 83.36.

## REMUNERATION GRANTED AND OWED IN FINANCIAL YEAR 2021

		<b>PETER SCHWARZENBAUER</b>		
		Member of the Board of Management until 31 October 2019		
		Financial year 2021 in €	Earlier vesting years in € <sup>1</sup>	as a % of total remuneration
Fixed remuneration	Fringe benefits (other remuneration)	19,451	(-)	1
	<b>Total</b>	<b>19,451</b>		<b>1</b>
Variable remuneration	Performance Cash Plan 2019-2021	(-)	302,750 <sup>2</sup>	9
	Share-based remuneration component (matching component) 2016 for holding obligation 2017-2021	(-)	92,946 <sup>3</sup>	3
	<b>Total</b>	<b>395,696</b>		<b>12</b>
Waiting allow- ance/Pensions	Waiting allowance	(-)	(-)	(-)
	Pensions	(-)	(-)	(-)
	(Partial) capital payments	2,882,022	(-)	87
	<b>Total</b>	<b>2,882,022</b>		<b>87</b>
<b>Total remuneration for financial years 2021 or earlier vesting years</b>		<b>2,901,473</b>	<b>395,696</b>	
<b>Total remuneration according to § 162 German Stock Corporation Act (AktG)</b>		<b>3,297,170</b>		<b>100</b>

<sup>1</sup> Remuneration for prior vesting years is due if, as of the balance sheet date, the activity underlying the remuneration component has been fully performed, and all conditions for the entitlement are met.

<sup>2</sup> The target amount of the PCP 2019-2021 is € 791,667. An advance payment of € 500,000 was made from the PCP 2019-2021 in 2020.

<sup>3</sup> The number of shares acquired in 2017 with the cash remuneration component (investment component) 2016 amounted to 3,346. The 2016 matching component was paid out in cash in May 2021. The number of mathematical matching shares for the calculating the equivalent value in cash amounts to 1,115 (holding period expired on 11 May 2021). Reference price for calculating the equivalent value of the matching shares: € 83.36).

### III. Remuneration of the members of the Supervisory Board

#### 1. Articles of Incorporation and procedure

The regulation governing remuneration for the Supervisory Board applicable to the reporting year was adopted by the Annual General Meeting on 14 May 2020. It is set out in Article 15 of the Articles of Incorporation, and specifies both the remuneration system to be used and the precise framework for calculating the remuneration due to the members of the Supervisory Board. The regulation was confirmed by the Annual General Meeting on 12 May 2021 with a majority of 99.40 % of the valid votes cast.

#### 2. Principles and elements of remuneration

With effect from the 2020 financial year, remuneration for members of the Supervisory Board has been structured as purely fixed remuneration, and complies with Suggestion G.18 of the German Corporate Governance Code as amended on 16 December 2019. This strengthens the independence of the Supervisory Board in advising and monitoring the Board of Management. The structure and amount of the fixed remuneration ensure that highly qualified individuals can continue to be proposed to the Annual General Meeting for membership of the Supervisory Board. This strengthens its advisory and supervisory function, which contributes to the company's sustainable and long-term development.

In accordance with the Articles of Incorporation, each member of the Supervisory Board of BMW AG who does not exercise any additional function relevant to remuneration receives – in addition to the reimbursement of reasonable expenses – fixed remuneration of € 200,000 p.a.

The latest version of the GCCC, dated 16 December 2019, recommends that exercising the functions of the chair and deputy chair of Supervisory Board should also be considered when determining the level of remuneration, along with any committees an individual chairs or sits on (Suggestion G.17). This is to take account of the extra time commitment associ-

ated with these positions. In view of the particular demands placed on the members and, in particular, on the Chairman of the Audit Committee and the increased scope of the Audit Committee's tasks, a higher level of remuneration is provided for work on this committee than for work on other committees. 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, each member of the Audit Committee twice the amount, and each member of another 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 if additional remuneration-relevant functions are performed, remuneration is determined on a proportionate basis.

In addition, each member of the Supervisory Board receives an attendance fee of € 2,000 per meeting for each meeting of the Supervisory Board (plenary) in which he or she participates. This also applies to participation by telephone or video link. If they attend more than one meeting on the same day, the meetings are not remunerated separately.

In accordance with the provisions of the Articles of Incorporation, the remuneration and the attendance fee are only paid after the end of the respective financial year. Furthermore, the company reimburses each member of the Super-

visory 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.

#### 3. Remuneration granted and owed to members of the Supervisory Board pursuant to § 162 of the German Stock Corporation Act (AktG)

The following table shows the remuneration granted and owed to the members of the Supervisory Board in the 2021 financial year pursuant to § 162 (1) Sentence 1 AktG. The activities on which the remuneration for the 2021 financial year is based were performed fully as at the balance sheet date). Therefore, the remuneration for the Supervisory Board activity is classified as granted for the 2021 financial year, even if the payment of the Supervisory Board remuneration (including the attendance fee) was only made after the end of the 2021 financial year, in accordance with Article 15 of the Articles of Incorporation.

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

#### OVERVIEW OF REMUNERATION <sup>1</sup>

	Factor	Amount in € p. a. <sup>3</sup>
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 <sup>2</sup>	2.25	450,000
Chairman of another committee <sup>2</sup>	2.00	400,000
Member of the Audit Committee <sup>2</sup>	2.00	400,000
Member of another committee <sup>2</sup>	1.50	300,000

<sup>1</sup> 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.

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

<sup>3</sup> Plus attendance fee of € 2,000 per plenary session.



## COMPENSATION PAID AND OWED TO SUPERVISORY BOARD MEMBERS ACCORDING TO § 162 OF THE GERMAN STOCK CORPORATION ACT (AKTG) IN FISCAL YEAR 2021 (2020)

### MEMBERS OF THE SUPERVISORY BOARD IN OFFICE AS OF DECEMBER 31, 2021

	fixed remuneration		attendance fee		total remuneration	
	in €	as a % of total remuneration	in €	as a % of total remuneration	in €	as a % of total remuneration
<b>Norbert Reithofer (Chairman)</b>	600,000	98	10,000	2	610,000	100
	(600,000)	(98)	(10,000)	(2)	(610,000)	(100)
<b>Manfred Schoch (Deputy Chairman)<sup>1</sup></b>	400,000	98	10,000	2	410,000	100
	(400,000)	(98)	(10,000)	(2)	(410,000)	(100)
<b>Stefan Quandt (Deputy Chairman)</b>	400,000	98	10,000	2	410,000	100
	(400,000)	(98)	(10,000)	(2)	(410,000)	(100)
<b>Stefan Schmid (Deputy Chairman)<sup>1</sup></b>	400,000	98	10,000	2	410,000	100
	(400,000)	(98)	(10,000)	(2)	(410,000)	(100)
<b>Kurt Bock (Deputy Chairman, Chairman of the Audit Committee)</b>	450,000	98	10,000	2	460,000	100
	(357,930)	(97)	(10,000)	(3)	(367,930)	(100)
<b>Christiane Benner<sup>1</sup></b>	200,000	95	10,000	5	210,000	100
	(200,000)	(95)	(10,000)	(5)	(210,000)	(100)
<b>Marc Bitzer<sup>2</sup></b>	127,419	94	8,000	6	135,419	100
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Verena zu Dohna<sup>1,4</sup></b>	200,000	95	10,000	5	210,000	100
	(200,000)	(95)	(10,000)	(5)	(210,000)	(100)
<b>Bernhard Ebner<sup>1,3</sup></b>	46,237	96	2,000	4	48,237	100
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Rachel Empey<sup>2</sup></b>	127,419	94	8,000	6	135,419	100
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Heinrich Hiesinger</b>	200,000	95	10,000	5	210,000	100
	(200,000)	(95)	(10,000)	(5)	(210,000)	(100)

<sup>1</sup> These employee representatives have declared that they will transfer their remuneration to the Hans Böckler Foundation in accordance with the guidelines of the German Federation of Trade Unions.

<sup>2</sup> Member of the Supervisory Board since 12 May 2021.

<sup>3</sup> Member of the Supervisory Board since 8 October 2021.

<sup>4</sup> Member of the Supervisory Board until 31 December 2021.

## COMPENSATION PAID AND OWED TO SUPERVISORY BOARD MEMBERS ACCORDING TO § 162 OF THE GERMAN STOCK CORPORATION ACT (AKTG) IN FISCAL YEAR 2021 (2020)

### MEMBERS OF THE SUPERVISORY BOARD IN OFFICE AS OF DECEMBER 31, 2021

	fixed remuneration		attendance fee		total remuneration	
	in €	as a % of total remuneration	in €	as a % of total remuneration	in €	as a % of total remuneration
<b>Johann Horn<sup>1,2</sup></b>	126,344	95	6,000	5	132,344	100
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Susanne Klatten</b>	200,000	95	10,000	5	210,000	100
	(200,000)	(95)	(10,000)	(5)	(210,000)	(100)
<b>Jens Köhler<sup>1,3</sup></b>	82,258	95	4,000	5	86,258	100
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Dominique Mohabeer<sup>1</sup></b>	200,000	95	10,000	5	210,000	100
	(200,000)	(95)	(10,000)	(5)	(210,000)	(100)
<b>Anke Schäferkordt</b>	200,000	95	10,000	5	210,000	100
	(126,344)	(94)	(8,000)	(6)	(134,344)	(100)
<b>Christoph Schmidt<sup>4</sup></b>	127,419	94	8,000	6	135,419	100
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Vishal Sikka</b>	200,000	95	10,000	5	210,000	100
	(200,000)	(96)	(8,000)	(4)	(208,000)	(100)
<b>Thomas Wittig</b>	200,000	95	10,000	5	210,000	100
	(200,000)	(95)	(10,000)	(5)	(210,000)	(100)
<b>Werner Zierer<sup>1</sup></b>	200,000	95	10,000	5	210,000	100
	(200,000)	(95)	(10,000)	(5)	(210,000)	(100)
<b>Total acting members of the Supervisory Board</b>	<b>4,687,096</b>	<b>96</b>	<b>176,000</b>	<b>4</b>	<b>4,863,096</b>	<b>100</b>
	<b>(3,884,274)</b>	<b>(97)</b>	<b>(136,000)</b>	<b>(3)</b>	<b>(4,020,274)</b>	<b>(100)</b>

<sup>1</sup> These employee representatives have declared that they will transfer their remuneration to the Hans Böckler Foundation in accordance with the guidelines of the German Federation of Trade Unions.

<sup>2</sup> Member of the Supervisory Board since 14 May 2021.

<sup>3</sup> Member of the Supervisory Board since 3 August 2021.

<sup>4</sup> Member of the Supervisory Board since 12 May 2021.

## COMPENSATION PAID AND OWED TO SUPERVISORY BOARD MEMBERS ACCORDING TO § 162 OF THE GERMAN STOCK CORPORATION ACT (AKTG) IN FISCAL YEAR 2021 (2020)

### FORMER MEMBERS OF THE SUPERVISORY BOARD

	fixed remuneration		attendance fee		total remuneration	
	in €	as a % of total remuneration	in €	as a % of total remuneration	in €	as a % of total remuneration
<b>Karl-Ludwig Kley (Deputy Chairman)<sup>2</sup></b>	146,237	99	2,000	1	148,237	100
	(418,548)	(98)	(10,000)	(2)	(428,548)	(100)
<b>Reinhard Hüttl<sup>2</sup></b>	73,118	97	2,000	3	75,118	100
	(190,000)	(95)	(10,000)	(5)	(200,000)	(100)
<b>Horst Lischka<sup>1,2</sup></b>	73,118	97	2,000	3	75,118	100
	(200,000)	(95)	(10,000)	(5)	(210,000)	(100)
<b>Willibald Löw<sup>1,3</sup></b>	108,602	95	6,000	5	114,602	100
	(200,000)	(95)	(10,000)	(5)	(210,000)	(100)
<b>Simone Menne<sup>2</sup></b>	73,118	97	2,000	3	75,118	100
	(200,000)	(95)	(10,000)	(5)	(210,000)	(100)
<b>Brigitte Rödig<sup>1,4</sup></b>	150,538	96	6,000	4	156,538	100
	(200,000)	(95)	(10,000)	(5)	(210,000)	(100)
<b>Total former members of the Supervisory Board</b>	<b>624,731</b>	<b>97</b>	<b>20,000</b>	<b>3</b>	<b>644,731</b>	<b>100</b>
	<b>(1,408,548)</b>	<b>(96)</b>	<b>(60,000)</b>	<b>(4)</b>	<b>(1,468,548)</b>	<b>(100)</b>
<b>Total current and former members of the Supervisory Board</b>	<b>5,311,827</b>	<b>96</b>	<b>196,000</b>	<b>4</b>	<b>5,507,827</b>	<b>100</b>
	<b>(5,292,822)</b>	<b>(96)</b>	<b>(196,000)</b>	<b>(4)</b>	<b>(5,488,822)</b>	<b>(100)</b>

<sup>1</sup> These employee representatives have declared that they will transfer their remuneration to the Hans Böckler Foundation in accordance with the guidelines of the German Federation of Trade Unions.

<sup>2</sup> Member of the Supervisory Board until 14 May 2021.

<sup>3</sup> Member of the Supervisory Board until 16 July 2021.

<sup>4</sup> Member of the Supervisory Board until 1 October 2021.

#### **IV. Comparison of change in remuneration and earnings pursuant to § 162 (1) Sentence 2 No. 2 of the German Stock Corporation Act (AktG)**

Pursuant to § 162 (1) Sentence 2 No. 2 AktG, the following table shows the change in earnings, the annual change in the remuneration of the members of the Board of Management and the Supervisory Board, and the annual change in the average remuneration of the employees on a full-time equivalent basis over the last five financial years.

For the members of the Board of Management and the Supervisory Board, the remuneration granted and owed in the relevant financial year is presented within the meaning of § 162 (1) Sentence 1 AktG. The remuneration granted and owed to former members of the Board of Management includes any variable remuneration from previous vesting years and any remuneration from any contracts of employment that remained valid beyond the end of their mandate, as well as retirement benefit plans (pension payments, payments from the capital account), other remuneration and any waiting allowances paid.

The change in earnings is presented on the basis of BMW AG's net profit for the year in accordance with the German Commercial Code (HGB). In addition, the changes in the key indicators "earnings attributable to shareholders of BMW AG" and "Group post-tax return on sales" are reported, as these key indicators are relevant to the calculation of the variable remuneration of the members of the Board of Management (earnings component of the bonus).

The presentation of average employee remuneration is based on the average remuneration of all employees of BMW AG on a full-time equivalent basis. In the 2021 financial year, this was 78,144 people. As of 31 December 2021, BMW Group employed 118,909 people worldwide. The components of the average employee remuneration presented are generally in line with the remuneration granted and owed to the members of the Board of Management and the Supervisory Board according to § 162 (1) Sentence 1 AktG.

## COMPARISON OF CHANGES IN EARNINGS AND REMUNERATION FOR EMPLOYEES, THE BOARD OF MANAGEMENT AND THE SUPERVISORY BOARD

	2017	2018	Change in %	2019	Change in %	2020	Change in %	2021	Change in %	
<b>I. CHANGES IN EARNINGS</b>										
Net income of BMW AG according to the German Commercial Code (HGB) (in € million)	3,197	2,801	- 12 %	2,107	- 25 %	1,702	- 19 %	4,978	192 %	
Profit attributable to shareholders of BMW AG (in € million)	8,589	7,117	- 17 %	4,915	- 31 %	3,775	- 23 %	12,382	228 %	
Group post-tax return on sales (in %)	8.8	7.3	- 17 %	4.8	- 34 %	3.9	- 19 %	11.2	187 %	
<b>II. AVERAGE REMUNERATION OF EMPLOYEES IN €</b>										
Employees of BMW AG	90,771	93,522	3 %	89,353	- 4 %	86,715	- 3 %	99,169	14 %	
<b>III. REMUNERATION OF THE BOARD OF MANAGEMENT IN €<sup>1</sup></b>										
Oliver Zipse <sup>2</sup>	since May 2015, Chairman since 16 August 2019	4,115,640	2,710,234	- 34 %	3,923,856	45 %	5,338,865	36 %	8,752,558	64 %
Ilka Horstmeier	since November 2019	(-)	(-)	(-)	384,435	(-)	2,043,706	432 %	3,949,908	93 %
Milan Nedeljkovic	since October 2019	(-)	(-)	(-)	537,696	(-)	2,058,305	283 %	4,017,337	95 %
Pieter Nota <sup>3</sup>	since January 2018	(-)	2,487,689	(-)	2,651,143	7 %	2,757,590	4 %	4,820,525	75 %
Nicolas Peter <sup>3</sup>	since January 2017	4,182,138	2,435,932	- 42 %	2,660,349	9 %	3,117,471	17 %	4,824,746	55 %
Frank Weber	since July 2020	(-)	(-)	(-)	(-)	(-)	1,006,759	(-)	3,856,458	283 %
Andreas Wendt	from October 2018 until December 2021	(-)	612,359	(-)	2,233,062	265 %	2,208,364	- 1 %	4,851,197	120 %

<sup>1</sup> The reported remuneration for the years 2017-2020 has been recalculated in accordance with the requirements of § 162 German Stock Corporation Act (AktG).

<sup>2</sup> For the financial years 2019 and 2020, the calculation of remuneration also included the advances paid in the amounts of € 566,667 and € 712,000 from the Performance Cash Plans 2018-2020 and 2019-2021, which were paid out in 2019 and 2020, respectively.

<sup>3</sup> For the financial years 2019 and 2020, the calculation of remuneration also included the advances in the amount of € 500,000 each from the Performance Cash Plans 2018-2020 and 2019-2021, which were paid out in 2019 and 2020, respectively.

## COMPARISON OF CHANGES IN EARNINGS AND REMUNERATION FOR EMPLOYEES, THE BOARD OF MANAGEMENT AND THE SUPERVISORY BOARD

		Change in 2018 on 2017 in %	Change in 2019 on 2018 in %	Change in 2020 on 2019 in %	2021	Change in 2021 on 2020 in %
<b>FORMER MEMBERS OF THE BOARD OF MANAGEMENT IN €<sup>1</sup></b>						
Frank-Peter Arndt	until March 2013	- 28 %	0 %	4 %	246,942	1 %
Milagros Caiña Carreiro-Andree <sup>2,3</sup>	until October 2019	- 39 %	8 %	- 25 %	777,615	- 68 %
Klaus Draeger	until September 2016	- 1 %	- 8 %	2 %	379,861	2 %
Friedrich Eichiner	until December 2016	- 73 %	- 8 %	62 %	396,427	- 32 %
Klaus Fröhlich <sup>2</sup>	until June 2020	- 30 %	10 %	- 23 %	745,870	- 69 %
Harald Krüger <sup>4,5</sup>	until August 2019	- 36 %	10 %	- 34 %	1,370,807	- 64 %
Norbert Reithofer	until May 2015, Chairman of the Supervisory Board since May 2015	- 1 %	- 10 %	- 21 %	363,847	1 %
Ian Robertson	until December 2017	- 69 %	- 83 %	10 %	309,002	7 %
Peter Schwarzenbauer <sup>6</sup>	until October 2019	- 39 %	- 2 %	- 54 %	3,297,170	149 %

<sup>1</sup> The reported remuneration for the years 2017-2020 has been recalculated in accordance with the requirements of § 162 German Stock Corporation Act (AktG).

<sup>2</sup> For the financial years 2019 and 2020, the calculation of remuneration also took into account the advances in the amount of € 600,000 each from the Performance Cash Plan 2018-2020 and 2019-2021, which were paid out in 2019 and 2020, respectively.

<sup>3</sup> Ms Caiña Carreiro-Andree's contract of employment ran until 30 June 2020.

<sup>4</sup> For the financial years 2019 and 2020, the calculation of remuneration also took into account the advances in the amount of € 900,000 each from the Performance Cash Plan 2018-2020 and 2019-2021, which were paid out in 2019 and 2020, respectively.

<sup>5</sup> Mr Krüger's contract of employment ran until 30 April 2020.

<sup>6</sup> For the financial years 2019 and 2020, the calculation of remuneration also included the advances paid in the amounts of € 600,000 and € 500,000 from the Performance Cash Plan 2018-2020 and 2019-2021, which were paid out in 2019 and 2020, respectively.

## COMPARISON OF CHANGES IN EARNINGS AND REMUNERATION FOR EMPLOYEES, THE BOARD OF MANAGEMENT AND THE SUPERVISORY BOARD

		2017	2018	Change in %	2019	Change in %	2020	Change in %	2021	Change in %
<b>IV. REMUNERATION OF THE SUPERVISORY BOARD IN €</b>										
Norbert Reithofer	since 2015, Chairman	640,000	640,000	0 %	640,000	0 %	610,000	- 5 %	610,000	0 %
Manfred Schoch <sup>1</sup>	since 1988, Deputy Chairman	430,000	430,000	0 %	430,000	0 %	410,000	- 5 %	410,000	0 %
Stefan Quandt	since 1997, Deputy Chairman	430,000	430,000	0 %	430,000	0 %	410,000	- 5 %	410,000	0 %
Stefan Schmid <sup>1</sup>	since 2007, Deputy Chairman	430,000	428,000	0 %	430,000	0 %	410,000	- 5 %	410,000	0 %
Kurt Bock <sup>2</sup>	since May 2018, Deputy Chairman and Chairman of the Audit Committee	(-)	138,968	(-)	220,000	58 %	367,930	67 %	460,000	25 %
Christiane Benner <sup>1</sup>	since 2014	216,000	218,000	1 %	220,000	1 %	210,000	- 5 %	210,000	0 %
Marc Bitzer	since May 2021	(-)	(-)	(-)	(-)	(-)	(-)	(-)	135,419	(-)
Verena zu Dohna <sup>1</sup>	since May 2019	(-)	(-)	(-)	139,532	(-)	210,000	51 %	210,000	0 %
Bernhard Ebner <sup>1</sup>	since October 2021	(-)	(-)	(-)	(-)	(-)	(-)	(-)	48,237	(-)
Rachel Empey	since May 2021	(-)	(-)	(-)	(-)	(-)	(-)	(-)	135,419	(-)
Heinrich Hiesinger	since May 2017	140,355	220,000	57 %	220,000	0 %	210,000	- 5 %	210,000	0 %
Johann Horn <sup>1</sup>	since May 2021	(-)	(-)	(-)	(-)	(-)	(-)	(-)	132,344	(-)
Susanne Klatten	since May 1997	220,000	218,000	- 1 %	220,000	1 %	210,000	- 5 %	210,000	0 %
Jens Köhler <sup>1</sup>	since August 2021	(-)	(-)	(-)	(-)	(-)	(-)	(-)	86,258	(-)
Dominique Mohabeer <sup>1</sup>	since June 2012	220,000	220,000	0 %	220,000	0 %	210,000	- 5 %	210,000	0 %
Anke Schäferkordt	since May 2020	(-)	(-)	(-)	(-)	(-)	134,344	(-)	210,000	56 %
Christoph Schmidt	since May 2021	(-)	(-)	(-)	(-)	(-)	(-)	(-)	135,419	(-)
Vishal Sikka	since May 2019	(-)	(-)	(-)	139,532	(-)	208,000	49 %	210,000	1 %
Thomas Wittig	since May 2019	(-)	(-)	(-)	139,532	(-)	210,000	51 %	210,000	0 %
Werner Zierer <sup>1</sup>	since November 2001	220,000	220,000	0 %	220,000	0 %	210,000	- 5 %	210,000	0 %
<b>FORMER MEMBERS OF THE SUPERVISORY BOARD IN €</b>										
Karl-Ludwig Kley <sup>3</sup>	from May 2008 to May 2021, Deputy Chairman	430,000	430,000	0 %	428,000	0 %	428,548	0 %	148,237	- 65 %
Reinhard Hüttl	from May 2009 to May 2021	189,780	200,000	5 %	200,000	0 %	200,000	0 %	75,118	- 62 %
Horst Lischka <sup>1</sup>	from May 2009 to May 2021	220,000	220,000	0 %	220,000	0 %	210,000	- 5 %	75,118	- 64 %
Willibald Löw <sup>1</sup>	from May 1999 to July 2021	220,000	220,000	0 %	220,000	0 %	210,000	- 5 %	114,602	- 45 %
Simone Menne	from May 2015 to May 2021	218,000	218,000	0 %	220,000	1 %	210,000	- 5 %	75,118	- 64 %
Brigitte Rödig <sup>1</sup>	from July 2013 to October 2021	220,000	220,000	0 %	220,000	0 %	210,000	- 5 %	156,538	- 25 %

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

<sup>2</sup> Dr. Bock was elected Chairman of the Audit Committee after the 2020 Annual General Meeting.

<sup>3</sup> Chairman of the Audit Committee until 2020 Annual General Meeting.

## V. Other considerations

BMW AG did not grant any loans to members of the Board of Management or the Supervisory Board in the financial year 2021, nor did it enter into any contingent liabilities in their favour. In the year under review, members of the Board of Management and the Supervisory Board concluded contracts with BMW Group companies for vehicle leasing and vehicle services (maintenance and repair work) at arm's length conditions.

The company maintains a financial loss liability insurance policy for company directors. The insurance provides cover for legal liability claims and protects the private assets of members of BMW AG's corporate entities if a claim is made against them for financial loss in the course of exercising their function as a corporate entity. A deductible is provided for members of the Board of Management that complies with the requirements of the German Stock Corporation Act (AktG).

## VI. Outlook for the 2022 financial year

In principle, the current remuneration system for members of the Board of Management will apply unchanged for the 2022 financial year.

Under this system, 50 % of the share-based remuneration as a long-term component of the variable remuneration depends on the RoCE achieved in the Automotive segment in the relevant vesting year. For the financial year 2021, the RoCE is defined as the segment profit before financial result, divided by the average capital employed in the segment. The definition of this key indicator has been adjusted for the financial year 2022. Previously, "capital employed" comprised the sum of all current and non-current operating assets, adjusted for deductible capital. The deductible capital corresponded to the capital shares that were available to the operational business, largely without interest. This included, for example, trade payables and other provisions. In future, the definition of capital employed will include the

sum of intangible assets, property, plant and equipment and net working capital. This simplified definition aims to make this indicator more transparent and easier to understand. In addition, the capital employed items taken into account reflect the focus of operational segment management. The new definition leads to an increase in capital employed compared to the previous definition. The strategic target value for the RoCE in the Automotive segment according to the new definition will therefore be 18 % from the financial year 2022 onwards (previous year: 40 %). In terms of content, this amounts to an even more ambitious objective compared to the previous measurement of return on capital.

There are no plans to change the remuneration system for members of the Supervisory Board for the 2022 financial year,

Bayerische Motoren Werke Aktiengesellschaft

For the Supervisory Board

Dr.-Ing. Dr.-Ing. E.h.  
Norbert Reithofer  
Chairman of the  
Supervisory Board

For the Board of  
Management

Oliver Zipse  
Chairman of the Board  
of Management



**VII. Auditor's Report**

To Bayerische Motoren Werke Aktiengesellschaft Munich

Remuneration Report pursuant to § 162 AktG for the Financial Year from January 1 to December 31, 2021

**Auditor's Report**

To Bayerische Motoren Werke Aktiengesellschaft, Munich

We have audited the remuneration report of Bayerische Motoren Werke Aktiengesellschaft, Munich, for the financial year from January 1 to December 31, 2021 including the related disclosures, which was prepared to comply with § [Article] 162 AktG [Aktiengesetz: German Stock Corporation Act].

**Responsibilities of the Executive Directors and the Supervisory Board**

The executive directors and the supervisory board of Bayerische Motoren Werke Aktiengesellschaft are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of § 162 AktG. The executive directors and the supervisory board are also responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibilities**

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in accordance with German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts including the related disclosures stated in the remuneration report. The procedures selected depend on the auditor's judgment. This includes the assessment of the risks of material misstatement of the remuneration report including the related disclosures, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the preparation of the remuneration report including the related disclosures. The objective of this is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the executive directors and the supervisory board, as well as evaluating the overall presentation of remuneration report including the related disclosures.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Audit Opinion**

In our opinion, based on the findings of our audit, the remuneration report for the financial year from January 1 to December 31, 2021, including the related disclosures, complies in all material respects with the accounting provisions of § 162 AktG.

**Reference to an Other Matter – Formal Audit of the Remuneration Report according to § 162 AktG**

The audit of the content of the remuneration report described in this auditor's report includes the formal audit of the remuneration report required by § 162 Abs. [paragraph] 3 AktG, including the issuance of a report on this audit. As we express an unqualified audit opinion on the content of the

remuneration report, this audit opinion includes that the information required by § 162 Abs. 1 and 2 AktG has been disclosed in all material respects in the remuneration report.

**Restriction on use**

We issue this auditor's report on the basis of the engagement agreed with Bayerische Motoren Werke Aktiengesellschaft. The audit has been performed only for purposes of the company and the auditor's report is solely intended to inform the company as to the results of the audit. Our responsibility for the audit and for our auditor's report is only towards the company in accordance with this engagement. The auditor's report is not intended for any third parties to base any (financial) decisions thereon. We do not assume any responsibility, duty of care or liability towards third parties; no third parties are included in the scope of protection of the underlying engagement. Section 334 BGB [Bürgerliches Gesetzbuch: German Civil Code], according to which objections arising from a contract may also be raised against third parties, is not waived.

Munich, March 9, 2022

PricewaterhouseCoopers GmbH  
Wirtschaftsprüfungsgesellschaft

Petra Justenhoven  
Wirtschaftsprüferin

Andreas Fell  
Wirtschaftsprüfer