

SUSTAINABILITY
REPORT 2024



ABOUT THIS REPORT

REPORTING PERIOD

At BMW Brilliance, we firmly believe that there is no accountability without transparency, and we release the Annual Sustainability Reports to disclose our economic, social and environmental impacts on the most critical aspects. This Report covers the calendar year from January 1st, 2024 to December 31st, 2024, with some contents extended over to 2025. The BMW Brilliance will report sustainability progress on an annual basis.

ABBREVIATIONS

For ease of presentation and readability, any joint activities for BMW entities in China within the reporting scope are also referred to as “BMW Brilliance”, “BMW in China” and “We” in this report. For content beyond China entities, it will refer to “BMW Group” or others.

REPORTING SCOPE

Since 2013, BMW has been disclosing sustainability information in China. In the reporting year of 2024, the report disclosure subject was BMW Brilliance Automotive Ltd. (BMW Brilliance) and its wholly-owned subsidiary LingYue Digital Information Technology Co., Ltd. This report is addressed to stakeholders in China and is available in simplified Chinese and English.

REPORTING STANDARD

The BMW Brilliance 2024 Sustainability Report provides stakeholders with comprehensive information about the company’s sustainability ambitions and progress. The topics included here have been selected and weighted in accordance with the findings of a systematic materiality process. The content of the Report was prepared to refer to the GRI Standards by the Global Sustainability Standards Board (GSSB). Using the GRI Content Index helps to show how we are implementing the communication requirements of the United Nations Global Compact.

THIRD-PARTY ASSURANCE

PricewaterhouseCoopers Zhong Tian LLP. has provided limited assurance on selected key performance indicators in this Report.



COVER NOTE

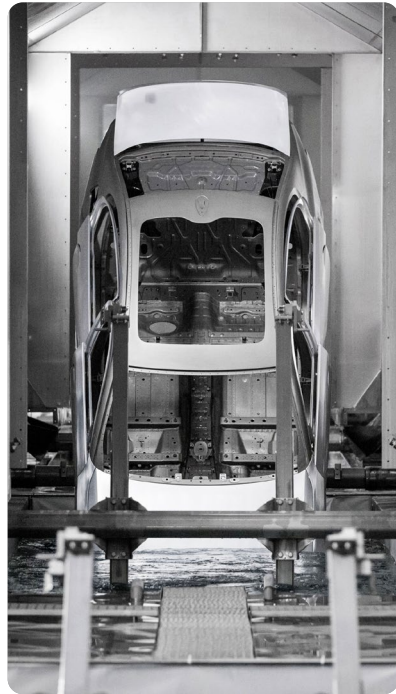
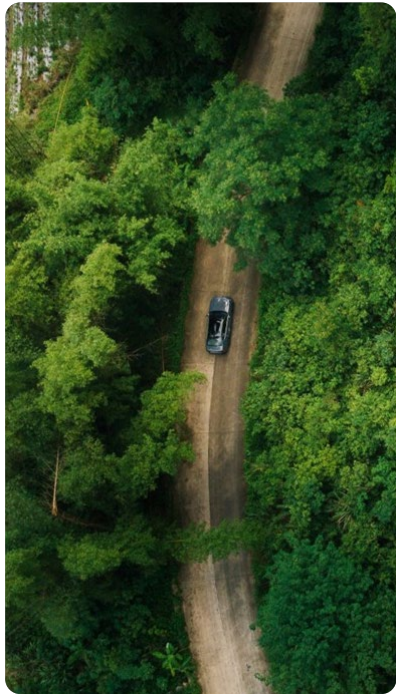
In 2024, the BMW China Cultural Journey was upgraded to support the protection and promotion of both the tangible and intangible cultural heritage along the Grand Canal, the longest artificial waterway in the world. The Grand Canal stands as a symbol of connection, linking diverse groups of people and cultures. BMW in China is deeply honoured as the first global OEM to contribute to the preservation of the Grand Canal, a UNESCO World Heritage Site, reflecting our appreciation for cultural diversity and commitment to connecting people and cultures.



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

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CEO PREFACE



Dr. Franz Decker
President and CEO
BMW Brilliance Automotive Ltd.

STRATEGIC
DIRECTION

FUNDAMENTAL

PRODUCTS AND
SERVICES

PRODUCTION
AND OPERATION

DEALER AND
SUPPLY CHAIN

EMPLOYEE
AND SOCIETY

OTHER
INFORMATION

CEO Preface

"An outstanding enterprise is not defined solely by sales and profits. Rooted in 'Responsibility' philosophy, BMW Brilliance's sustainability extends beyond carbon reduction – it embodies our commitment to people, the environment, and society."

In the midst of the global challenges that are driving significant changes in our world, it is now more critical than ever to remain steadfast in doing what is right. It is in these times that we must stand united, recognizing that cooperation is not just a choice, but a foundational principle - the very cornerstone upon which our collective future is constructed. We must act and innovate with values at our core, reflecting our shared responsibility towards both humanity and the planet to secure a brighter future for generations to come.

This commitment to responsibility is not rhetoric in press releases or footnotes in financial reports. It is the principle that guides our actions, ensuring that our innovations not only meet current needs but also secure a sustainable future. True excellence shall not just reflect in business performance, but encompass a holistic approach that includes product responsibility, environmental stewardship, value chain collaboration, and social contribution. So, with this year's report, the results of our actions are again transparently presented, serving as concrete outcomes of our persistent pursuit of responsibility, innovation, and sustainability.

PRODUCT RESPONSIBILITY

Responsibility to Customers lies at the heart of everything we do. We strive to pioneer innovation while upholding responsibility, setting the highest standards of safety while delivering an unmatched driving experience. The BMW i5's Excellent+rating in the China Insurance Automotive Safety Index (C-IASI) tests exemplifies this dedication. When it comes to safety innovation, BMW Brilliance spares no effort. The Shenyang R&D center's new compound electromagnetic compatibility (EMC) lab is an industry-first, integrating intelligent connectivity, human body protection, and advanced automotive testing to ensure vehicle safety, passenger health, and electromagnetic environmental sustainability. The all-new BMW X3's rigorous global testing, involving 500 vehicles traversing 2 million kilometers across a spectrum of conditions, from icy roads to high-speed highways, underscores our commitment to performance and reliability. In our production processes, AI-powered inspection systems have achieved detection accuracy nearing 100%, driving quality to unprecedented levels.

ENVIRONMENTAL STEWARDSHIP

Responsibility to the Environment is a continuous dedication for us. BMW Brilliance consistently drives the energy transition through innovative approaches that minimises our ecological footprint and maximises the resource efficiency. Teaming up with local partners, we're forging ahead in sustainable innovation. As the first domestic automaker to explore mid-depth closed-loop geothermal energy applications, we began the construction at our Powertrain Plant in 2024. Anticipated to slash annual CO₂e*¹ emissions by 18,000 tonnes upon its November 2025 launch, this industry-first initiative embodies our dedication to renewable energy and environmental responsibility. This is indeed a lighthouse project with far-reaching implications for great potential of geothermal energy as the next big step in tackling energy challenges. It provides a more efficient and innovative alternative to electric heating. Our commitment to energy transition spans from production to usage. By the end of 2024, 100% of the energy used at Beijing IONCHI New Energy Technology's charging facilities came from renewable source, also providing customers with more convenient charging options. Meanwhile, in collaboration with the State Grid, our goal is to achieve 100% green charging for all BMW customers by 2027, ensuring a daily low-carbon mobility for our BMW users.

In 2024, we took waste management and water efficiency to extreme heights: achieving zero landfill waste per vehicle produced marked a significant waste management goal, while potable water consumption per vehicle produced dropped 8.7% year-on-year – from 1.72 m³/per vehicle in 2023 to 1.57 m³/per vehicle – reflecting seven consecutive years of improved water efficiency. Within the water consumption, we are recycling true process water, while the majority remaining is for workers' live purpose. These efforts demonstrate our commitment to holistic green transformation across every production stage.

VALUE CHAIN COLLABORATION

We always believe in the true partnership with our suppliers. BMW Brilliance forges a collaborative "win-win ecosystem" through shared responsibility – driving sustainable transformation across the supply chain while empowering partners to adopt sustainable practices at every touchpoint. Through those efforts, our supply chain achieved a total reduction of around 1 million tonnes of CO₂e emissions in 2024, comparing to the base year 2019. Additionally, around 200 local Tier 1 suppliers, responsible for about 80% of electricity consumed by the production of existing derivatives, contractually committed to using renewable sources. This represents a significant acceleration from the 50% commitment at the end of 2023, underscoring our progress in decarbonising our supply chain.

In retail, we continued to deepen our collaboration with dealer partners and increased the number of Network Transformation Green Star certified dealerships by 45% – growing from 251 to 364 in 2024 – thereby upgrading the sustainability experience into the final consumer touchpoint.

SOCIAL CONTRIBUTION

Responsibility to Society. BMW in China is proud to contribute to cultural preservation and biodiversity conservation through deeper and broader collaboration. With the purpose of engaging and inspire a broader audience for the conservation concept, in 2024, we cooperated with the China Science & Technology Museum and successfully kicked off an exhibition titled "Enriching Wetlands for Harmonious Coexistence and Circularity". By integrating innovation with art, we highlighted the importance of wetlands and sparked a collective commitment to conservation.

Through our corporate initiatives, we also deepened social collaboration and contributed to society, fostering a harmonious coexistence between humanity and nature. In China, BMW embarked on the BMW China Culture Journey, focusing on protecting and showcasing the Grand Canal's cultural heritage, which has resonated with 218 million people. Additionally, we launched the Grand Canal Heritage Self-Driving Guide and integrated offline test drives with online campaigns that reached 450,000 people.

We believe that every strict safety requirement, every low-carbon collaboration, and every effort to protect nature and culture is building momentum for a more sustainable future of mobility. At BMW, Future Mobility is not simply about technology, it represents a long-term shift towards the harmonious coexistence between people, society, and technology. The upcoming Neue Klasse embodies this idea. More than just a car, the Neue Klasse is the revolutionary leap in innovation, with every aspect designed to push the boundaries of what's possible. From electric drive platforms to intelligent cockpits, and from the utilization of secondary materials to future-proof digital production processes, the Neue Klasse combines all our previous efforts and represents our ultimate commitment to this harmony. It marks a revolutionary breakthrough that builds on our 360° responsibility practices, bringing to life a new vision for mobility. By embracing responsible innovation, we are steering a qualitative transition in future mobility, making every journey a contribution to sustainable development and driving pleasure.

¹CO₂e is a unit measurement that is used to standardise the climate effects of various greenhouse gases besides CO₂.

AN OVERVIEW OF BMW BRILLIANCE

Founded in May 2003, BMW Brilliance Automotive Ltd. is a joint venture between BMW Group and Brilliance Auto Group. Its business operations include R&D, procurement, production, sales and after-sales services of BMW automobiles in China. With a focus on high-quality development, BMW Brilliance aspires to be the leading sustainable provider of first-class individual mobility across the entire value chain of China's automotive industry. BMW Brilliance has a state-of-the-art production base in Shenyang, Liaoning Province, branch companies in Beijing, Shanghai, Chengdu and Guangzhou. BMW Brilliance has established LingYue Digital Information Technology Co., Ltd in Beijing with its branch in Nanjing. BMW Brilliance has more than 25,000 employees and about 460 suppliers in China and has been the top taxpayer in Shenyang for 19 consecutive years and the largest taxpayer in Liaoning Province for the past 9 years. BMW's national sales and service network, comprised of more than 600 dealership franchises, has a leading reputation for customer satisfaction among premium automotive brands in China. Staying true to the BMW brand core, BMW Brilliance is dedicated to deliver the next level of intelligent "Sheer driving pleasure" to its customers by leveraging innovative technologies.

With strong roots in China for over two decades, BMW Brilliance embodies the BMW Group's long-term commitment in the country. BMW Brilliance's production base in Shenyang, with a total investment of more than 116 billion RMB since 2010, is the largest one in the BMW Group's worldwide production network, with Plant Dadong, Plant Tiexi and Lydia Site for the production of vehicles, Powertrain for the production of engines and power batteries, as well as a Research & Development Center. Guided by the

BMW iFACTORY production strategy, the BMW Brilliance plants produce technology-leading and high-quality BMW products by integrating the latest manufacturing processes and digital innovations including artificial intelligence.

BMW Brilliance is making final preparations for the series production of the Neue Klasse, supported by substantial investments in local production and innovation. BMW Brilliance has already begun pre-series production at its 10-billion-RMB battery assembly site in late 2024, where it will manufacture BMW 6th generation high-voltage batteries for locally produced NEUE KLASSE models starting from 2026. In total, over 14 billion RMB has been invested in BMW's local R&D and production of high-voltage batteries since 2017. The 1st pre-series vehicles of Neue Klasse already rolled off the production line at the plant site Lydia in Shenyang, and are now under rigorous testing and validation.

Building on two decades of successful partnership in China, BMW Brilliance has entered the new Phase 2.0 of its collaboration with local partners, focusing on key areas of future mobility, including vehicle intelligence and electrification. BMW Brilliance has been pushing the technological boundaries together with a broad network of local partners, including suppliers, technology companies, and leading academic institutions, ensuring its products are tailored to meet the needs of Chinese customers.

BMW Brilliance takes a holistic approach to sustainability and believes that creating values for all relies on a balance between economic, environmental and social responsibilities. BMW Brilliance drives sustainable development through responsible innovation. The company has established a robust environmental management system throughout the value chain, contributing to China's journey to climate neutrality. BMW Brilliance has significantly reduced its CO₂e emissions, energy consumption, and water consumption per vehicle produced over the years. Its production base is powered by 100% renewable electricity and features closed-loop systems for steel and aluminum. BMW Brilliance shares its best practices with its partners to establish CO₂ disclosure mechanisms and energy management capabilities, cascading sustainability into its value chain. Embracing circular economy principles, BMW Brilliance has partnered with local partners to achieve 100% recycling of retired power batteries.

BMW Brilliance's vision for sustainability is more than just being green, but also about the mutual growth of people, cultures, and communities. BMW Corporate Social Responsibility focuses on three major issues in Chinese society – "Traditional Culture Protection", "Biodiversity" and "Social Development" – continuously driving positive change with innovative and responsible solutions. In 2007, BMW launched the "BMW China Culture Journey", becoming the first auto company in China to advocate the preservation of traditional Chinese culture. BMW leads the innovation of intangible cultural heritage preservation and supports initiatives promoting and protecting the Grand Canal culture.

As a responsible corporate citizen with a long-term perspective in China, BMW Brilliance is fully committed to developing local talent, creating high-quality jobs, achieving shared success with its partners, and contributing to the economic development of Shenyang, Liaoning Province and Northeast China. BBA will continue to integrate responsible and sustainable practices throughout its entire value chain, contribute positively to Chinese society and provide its customers with the high-quality products and services that the BMW brand stands for.

BMW Brilliance has

Over

25,000

employees.

About

460

suppliers in China.

More than

600

dealership franchises in China.



| 360° APPROACH TO SUSTAINABILITY

At BMW in China, we embrace long-term thinking as our core sustainability philosophy. Our sustainability journey in China began over two decades ago and has resulted in an enduring commitment to environmental stewardship and responsible growth. To drive continuous improvement throughout our company and value chain, BMW in China takes a 360° approach and considers environmental, social and economic aspects. This framework encompasses seven key pillars: product innovation, renewable energy along the value chain, secondary materials / circular economy, efficiency in operation, resource efficiency, social responsibility, and compliance governance. Guided by core values, we anchor innovation in shared responsibility for humanity and the planet, striving to build a sustainable future for generations through action.

PRODUCT INNOVATION

Sheer Driving Pleasure remains BMW in China's defining brand value. We ensure to uphold safety and environmental responsibility while delivering an unparalleled driving experience. Upholding rigorous global testing protocols, we are committed to providing our customers with the highest level of safety and quality. BMW in China has also established clear CO₂e emission reduction goals. Guided by our dedication to electrification, digitalisation, and the circular economy, we are leading the way in developing innovative mobility solutions through R&D investments and collaborations with China's top tech innovators.

COMPLIANCE GOVERNANCE

At BMW in China, compliance transcends meeting regulatory requirements. Ethical leadership is at the heart of everything we do and drives our operational excellence. Our robust governance framework not only aligns with China's evolving legal landscape but also with our global standards of integrity.

SOCIAL RESPONSIBILITY

BMW in China forge systemic synergies where commercial vision converges with societal advancement – transforming innovation into a catalyst that harmonises national priorities, ecological imperatives, and cultural continuity into mutually elevating frameworks of collective progress.

RESOURCE EFFICIENCY

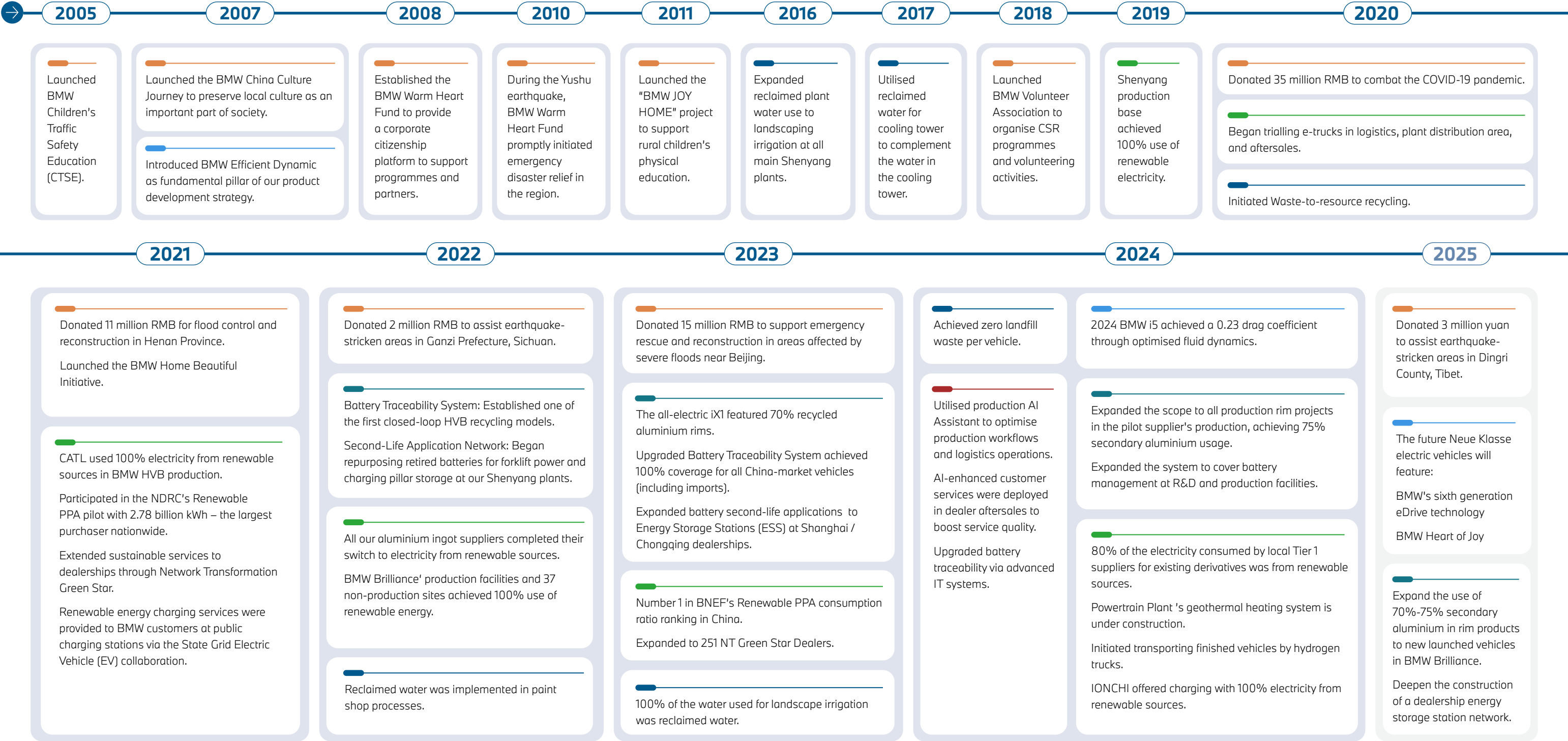
Since its inception, BMW in China has systematically embedded resource efficiency as the cornerstone of its environmental management system. Through relentless innovation in resource productivity, we optimise every resource and process – ensuring each breakthrough advances long-term operational efficiency.



Featured topic

BMW'S SUSTAINABILITY JOURNEY IN CHINA

SOCIAL RESPONSIBILITY PRODUCT INNOVATION SECONDARY MATERIALS / CIRCULAR ECONOMY RENEWABLE ENERGY ALONG THE VALUE CHAIN RESOURCE EFFICIENCY EFFICIENCY IN OPERATION



01 FUNDAMENTAL

“Adhering to the highest standards of compliance and transparency, we integrate climate risk mitigation measures into all aspects of corporate governance, with balancing economic performance with ecological and social responsibility, as well as upholding our values of collaboration and shared success to build a trustworthy corporate foundation.”



Mr. Simon Wang
Senior Vice President of Finance
BMW Brilliance Automotive Ltd.

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1.1

FROM STRATEGY TO ACTION

A RESPONSIBLE MEMBER TAKING CHINA AS HOME, JOINTLY SHAPING
A SUSTAINABLE FUTURE

Amidst the transformative changes in the automotive industry and sustainability demands, BMW in China remains unwavering in its dedication to environmental and social responsibility. Our sustainability strategy and initiatives adapt to the evolving sustainability landscape, proactively addressing emerging challenges. We engage in continuous dialogue with stakeholders and actively foster collaboration, ensuring mutual benefit and jointly achieving shared sustainable development goals. To drive sustainable development in a complex business environment, we have built a robust governance framework through cross-departmental collaboration and open communication, integrating sustainability into all core business decisions.

Green and Low-Carbon Public Education Base

BMW Brilliance Shenyang Production Base was awarded by Ministry of Ecology and Environment since 2023.

| SUSTAINABILITY MEGA TRENDS

The shift to sustainable development is facing a greater level of global complexity. Whilst the compounded effects of climate change, biodiversity degradation, desertification, among others, have become more apparent, economic headwinds are creating more challenging conditions for decision-makers.

2024 was a pivotal year for sustainability, with policy shifts, technological breakthroughs, and societal transformations creating both challenges and opportunities for businesses in the automotive industry.

Policy shifts are set to redefine corporate responsibility. National strategies are prioritising coordinated efforts in industrial structure optimisation, carbon emissions reduction, pollution control, and green spaces expansion, thereby accelerating the comprehensive sustainable transformation of economic and social development. Such policy drivers are supporting the automotive industry to pursue resource-efficient, low-carbon, and eco-centric development pathways.

Scientific and technological innovation is playing an increasingly important role in addressing environmental issues. In 2024, AI became more central to efforts to radically improve energy efficiency, resource use, and cut carbon emissions. The automotive industry is leveraging AI, IoT, and big data to enhance its environmental monitoring, improve efficiency, and promote eco-friendly industrial practices.

The need for exceptional leadership and talent continues to grow. The rapid transformation of the automotive industry, especially the rise of new energy vehicles, the iteration of digital technologies, and shifts in customer behaviour, has raised customer expectations for

safer and more sustainable mobility. With the recognition that personal and organisational growth is deeply interconnected, businesses are fostering skills rooted in intrinsic development to enable systemic change while addressing the growing demand for sustainable talent across sectors.

As a company deeply rooted in China, we remain steadfast in aligning our operations with national climate strategies while driving innovation to address evolving market challenges. We view sustainable development as both an imperative and an opportunity to navigate current complexities while unlocking transformative growth potential.

Our comprehensive strategy accelerates E-mobility adoption to redefine transportation and lead decarbonisation as well as circular economy transformations along the entire value chain. Simultaneously, we are harnessing IoT, AI and big data to digitise our operations and services, promote full digitalisation as well as environmental stewardship. Moreover, we place importance on the growth and well-being of our employees and empower them to contribute, as individuals and together, to sustainability through innovative solutions. This integrated approach not only elevates our sustainability performance, but also reinforces our position as an industrial pioneer shaping the future of responsible mobility.



| DIALOGUE WITH STAKEHOLDERS

As the sustainability landscape evolves, stakeholders, such as governments, customers, employees, and civil society, are increasingly focused on a company's environmental management, social responsibility, and corporate governance. To respond to stakeholder expectations, BMW in China continues to extend the scope of its sustainability endeavours and transparency efforts, enrich communication channels and maintain active engagement with stakeholders.

Upholding the commitment of "at Home in China", we actively engage in strategic collaboration with local governments, customers, employees, dealers and suppliers. By nurturing long-term, mutually beneficial partnerships founded on trust, we aim to jointly achieve our sustainability goals, driving positive change across the automotive industry and beyond.

BMW in China firmly believes that cooperation promotes cutting-edge technology innovation and sustainable development to provide forward-looking solutions for the complex challenges faced by the automotive industry. BMW in China has established its Sustainability Summit as a platform for multi-stakeholder dialogue. In 2024, BMW in China hosted the fourth edition of its Sustainability Summit in Beijing, bringing together key stakeholders to share insights on how innovative solutions can create greater customer value while reducing environmental impact. At the same time, BMW and Tsinghua University established "Tsinghua-BMW China Joint Research Institute for Sustainable Development and Mobility Innovation", which strengthens joint innovation practices in areas of cell safety technology, power battery recycling, artificial intelligence, Vehicle-to-everything(V2X) technology, and carbon reduction throughout the automotive life cycle.



OUR STAKEHOLDER GROUPS AND ENGAGEMENT APPROACH

Stakeholder Groups	Exemplary Communication Channels	Focus Topics
 Employees	Trade Union, Digital Union platform, employee surveys, test-drive experiences, Social Days, all-round training, WeChat, internal webpage, etc.	- Occupational health and safety - Employee development and talent retention - Compliance - Diversity, equality and inclusion - Climate change adaption
 Customers	Surveys and research, social media, auto shows, mass media, My BMW App, Brand Experience Centre, JOYCUBE, Voice of Customer Mechanism, etc.	- Product responsibility - Air pollution control - Information security and privacy protection - Charging infrastructure
 Governments	Regular communication with local authorities, meetings with government officials, visits and management forums, etc.	- Product responsibility - Compliance - Air pollution control - Climate change adaption - Public policy
 Civil Society	Roundtables, lectures and discussions with experts, and scholars, specialised local programmes, traineeships, vocational opportunities, mass media, etc.	- Product responsibility - Decarbonisation along the entire value chain - Circularity and efficient resource management - Environment and ecology - Compliance - Corporate citizenship and community engagement
 Suppliers	Regular interaction, trainings, risk assessments, forums, Grand Supplier Day supplier media visits, etc.	- Responsible sourcing - Decarbonisation across the value chain - Circularity and efficient resource management - Environment and ecology - Stakeholder engagement
 Dealers	BMW NT Green Star Project, regular interaction, conferences, online forums, dealer environment, health and safety (EHS) self-assessments, training, etc.	- Occupational health and safety - Compliance - Product responsibility - Information security and privacy protection - Stakeholder engagement
 Local Residents	One-on-one meetings, plant visits, press events, traineeships, corporate social responsibility programmes, volunteering, etc.	- Information security and privacy protection - Product responsibility - Environment and ecology - Air pollution control - Charging infrastructure
 Media	Surveys, social media, trade fairs, auto shows, press releases, etc.	- Product responsibility - Diversity, equality and inclusion - Sustainable governance and corporate disclosure - Information security and privacy protection

MATERIALITY ASSESSMENT

A materiality assessment serves as the starting point for identifying the topics to be disclosed in a sustainability report. In 2024, BMW in China conducted a materiality assessment to identify and prioritise the sustainability issues that matter most to our business and key stakeholders.

The assessment formed a prioritised list of sustainability topics, ranked according to their significance to BMW in China and its stakeholders. This list provides us with clear guidance, enabling us to focus more on advancing sustainability efforts and contributing to the harmonious coexistence of the economy, society, and the environment.

OUR MATERIALITY ASSESSMENT PROCESS

We use a three-step approach to evaluate the “double materiality” of the selected sustainability topics.



STEP 1 Identify Issues

We began by evaluating sustainability trends to prepare a longlist of 17 material issues which were then grouped into three categories:

- Environmental
- Social
- Governance



STEP 2 Prioritise Issues

We surveyed 60 stakeholders from a representative cross-section of our eight stakeholder groups. This was then followed with in-depth interviews of 11 internal and 10 external stakeholders with professional sustainability backgrounds to rank issues using a double materiality assessment.



STEP 3 Strategic Priorities

We then grouped the material issues into strategic priorities. Our management team has reviewed the results and validated the importance of each topic. Upon validation, we began crafting detailed action plans to address each priority.

MATERIAL SUSTAINABILITY TOPICS OF BMW IN CHINA FOR THE YEAR 2024

●●● Very important ●● Important ● Moderate



E (Environmental)

Decarbonisation along the entire value chain	●●●
Environment and ecology	●●●
Air pollution control	●●
Circularity and efficient resource management	●●
Climate change adaption	●●



S (Social)

Product responsibility	●●●
Stakeholder engagement	●●●
Responsible sourcing	●●
Charging infrastructure	●●
Occupational health and safety	●●
Corporate citizenship and community engagement	●
Employee development and talent retention	●
Diversity, equality and inclusion	●



G (Governance)

Sustainable governance and corporate disclosure	●●
Compliance	●●
Information security and privacy protection	●●
Public policy	●●

| OUR 2024 ACTIONS ON MATERIAL ISSUES

Material Issues	Actions and Initiatives
Decarbonisation along the entire value chain	100% use of electricity from renewable sources¹ at all manufacturing sites and 36 non-manufacturing sites. - About 1 million tonnes of CO₂e emissions reduced in our supply chain from our 2019 baseline. 364 dealers awarded NT Green Star status for their outstanding performance in sustainable operations while delivering tangible benefits to local communities and stakeholders through progressive eco-efficient practices.
Environment and ecology	- Water recycling system in all plants achieved a reclaimed water use volume of 400,000 m³, an increase from 159,325 m³ in 2023. 100% of the water used for landscape irrigation was reclaimed water. - Eliminated all landfill waste per vehicle produced.
Air pollution control	- Paint shop discarded solvent recycled through distillation for reuse and further reduce VOCs emissions. - Implemented VOCs abatement systems to comply with local regulatory emission limits (<30 mg/Nm³) at Plant Tiexi, Plant Lydia, and Plant Dadong NEX. - Conduct in-depth checks for volatile organic compounds (VOCs), chemical substances and odours according to and odours inside the vehicle, ensuring we meet the requirements of China's Guideline for Air Quality Assessment of Passenger Car (GB/T 27630).
Circularity and efficient resource management	- Maximised the use of secondary materials in our products through partnerships with suppliers. - Recovered secondary raw materials for new battery cell production increased to 2,161 tonnes. - Established closed-loop recycling covers all vehicles produced in China as well as imported models, achieving 100% recycling of retired HVBs from authorised dealerships. This includes customer car batteries, dealer-sourced batteries, and production test batteries from BMW's Shenyang plants. - Collected 56,517 parts for remanufacturing and recycled 283 tonnes of materials, including iron, steel, aluminium, plastics, paper, and fabric.
Climate change adaption	- Conducted comprehensive risk opportunity and impact analyses to assess climate-related risks and opportunities across medium-to long-term timeframes. - Examined climate risks, opportunities, and impacts on the business from diverse perspectives. - Developed customised project plans and resilience solutions for regions identified with physical climate risks.
Product responsibility	- Launched seven fully electric models in the Chinese market: the BMW i7, the BMW i5, the BMW i4, the BMW i3, the BMW iX, the BMW iX3 and the BMW iX1. - BMW i5 eDrive 35L M Sport and Luxury Packages awarded "Vehicle Product Carbon Footprint Class Label – Class 1". - BMW i5 awarded 5+Star Rating at China New Car Assessment Program (C-NCAP). - Provided low-carbon services and shared mobility to cultivate sustainability awareness among customers.
Stakeholder engagement	BMW in China dealers organised Grand Canal-themed test drive events, complemented by online and offline activities to educate customers about the Grand Canal's culture.
Responsible sourcing	- On-site supplier Corporate Social Responsibility (CSR) audits. - Traceability assessment of the origin of 3TG metals (tantalum, tin, tungsten and gold) as well as other critical materials and request for N-tier suppliers to follow suit.

¹Both externally sourced and internally generated electricity is renewable, including solar PV, PPAs and GEC.

Material Issues	Actions and Initiatives
Charging infrastructure	- BMW customers were able to access more than 766,263 public charging points in China. - BMW BEVs in China were charged with 97,877 kWh of electricity from renewable sources through the State Grid public network. - All charging infrastructure deployed under BMW Brilliance's new joint venture, Beijing IONCHI New Energy Technology Ltd., operated on 100% renewable electricity by the end of the year.
Occupational health and safety	- Robust Occupational Health and Safety Management System - Optimise security management using the E-Safety platform. - Company-wide safety activities and organised trainings to improve associates' safety awareness and capability. - Implemented a dual-prevention mechanism for classification, investigation, and governance of hidden safety hazards that affect the OHS management. - Conducted Health initiatives for guiding healthier employee behaviours.
Corporate citizenship and community engagement	- Cultivated concept of Associate Social Responsibility with Social Drive activities. - Four flagship CSR programmes. - Organised 9 volunteer activities with the support of BMW Corporate Volunteer Association. - Free factory tour services are provided for all kinds of people
Employee development and talent retention	- With an employer branding culture, conducted candidate-centric recruiting, i.e., a refreshed employee value proposition (EVP), "Passion i", etc. - Utilised digital tools and cutting-edge AI technology to accurately reach outstanding talents.
Diversity, equality and inclusion	- Embraced the hiring of differently abled people, fostered an inclusive culture through indirect support and financial assistance. - In partnership with the Liaoning Disabled Persons' Federation, hosted a Workplace Experience Day for People with Disabilities. - A series of "Diversity Day" online events and offline experiential activities.
Sustainable governance and corporate disclosure	- Issued voluntary sustainability reporting since 2013, underscoring our dedication to corporate transparency. - Strengthened the compliance culture through ongoing internal communication and training initiatives.
Compliance	- Implemented a Compliance Management System (CMS) at each entity with strong enforcement of our "three-lines model". - Implemented an Internal Control System (ICS) to ensure the accuracy of external reporting. - Fostered a culture of compliance through Tone from the Top Videos, executive dialogues, regular compliance periodicals, and Compliance Interface Workshop.
Information security and privacy protection	- Elaborated policies, standards, and processes to safeguard the security and accuracy of data. - Implemented a Cloud Security Posture Management (CSPM) program to monitor and manage cloud infrastructure, ensuring security of cloud assets and sensitive data. - Maintain a high standard of data protection, employing rigorous procedures, tools, and instructions to safeguard customer privacy. - Conducted comprehensive Security Process & Privacy Impact Assessments (PIA) for all products prior to their launch and subsequent iterations.
Public policy	- Strengthened communication with government departments and a broader range of stakeholders. - Hosted philanthropic events to promote environmental protection and public welfare.

| SUSTAINABLE DEVELOPMENT MANAGEMENT

SUSTAINABILITY GOVERNANCE

BMW in China deeply integrates the philosophy of sustainability into strategic decision-making and daily operational practices through a robust governance framework. As the core leadership body, the BMW China Board spearheads the integration of sustainability into critical business decisions, guiding the company toward sustainable development amid a complex and dynamic commercial landscape.

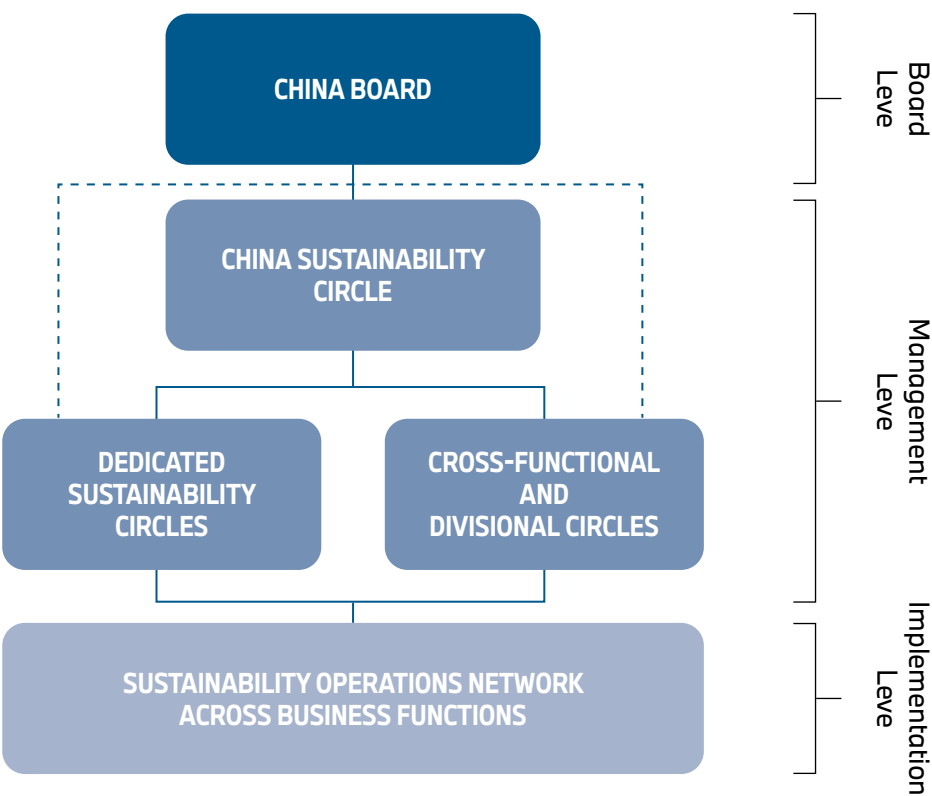
Within our target management mechanism, sustainability is embedded as a key consideration in the annual target management process for all business units. Each department is required to formulate specific implementation targets and establish an accountability system to ensure the effective realisation of defined objectives. Concurrently, the BMW China Board strengthens compliance control and risk prevention, overseeing strict adherence to legal requirements and internal regulations while implementing comprehensive risk management and control measures.

To ensure the effective implementation of our sustainability strategy, we have established a specialised governance body – the China Sustainability Committee. This committee regularly reports progress to the China Board, decomposes strategic tasks for execution, and collects feedback to form a closed-loop management system of "strategy formulation-execution-optimisation", ensuring sustainability remains a core consideration in all business decisions.

Our governance structure features a dual-track mechanism of "specialised committees+cross-functional collaboration": specialised committees focus on in-depth governance of critical areas such as production and supply chain, while cross-functional committees coordinate group-wide sustainability initiatives across all BMW entities in China. By establishing multi-dimensional feedback channels, we foster synergies across business units on sustainability priorities, enabling seamless collaboration and aligned action.

In daily operations, business divisions serve as executing entities responsible for translating Board decisions into actionable plans. Concurrently, cross-departmental management committees ensure the precise implementation of strategic goals at the operational level through regular evaluations and process oversight, forming a complete management chain of "strategy alignment-execution oversight-effectiveness assessment".

Corporate Sustainability Governance at BMW in China



ENHANCING CLIMATE RISK ASSESSMENT AND RESILIENCE

In recent years, climate change has become a severe global challenge. At the global level, the Paris Agreement has established a governance framework with long-term targets for emissions reduction. China has introduced carbon peaking and carbon neutrality goals and the National Climate Change Adaptation Strategy 2035. Climate change presents both a significant challenge and opportunity for manufacturers to innovate and transition towards sustainable practices. In this context, BMW in China has aligned with national priorities, embedding sustainability into our value chain through robust climate governance. Through these concrete actions, we are committed to supporting global and Chinese climate objectives, contributing to the development of a sustainable society.

Since 2021, BMW in China has been conducting enterprise-level risk assessments on climate change according to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We have identified key areas of physical and transition risks through comprehensive analysis, setting a solid foundation for our efforts. In 2022, we quantified physical risks at our Shenyang manufacturing base, integrating the results into our corporate risk report for future risk assessments. In 2023, we expanded to transition risks, conducting medium to long-term quantitative assessments across five dimensions: technology; market and competition; capital and financial markets; politics, laws and regulations; and society.

In 2024, we progressed to translating our risk insights into action plans. Building on 2023's transition risk analysis, we conducted a detailed opportunity-impact evaluation, mapping potential climate risks and opportunities across our business. We also customised future project plans and solutions for business areas with identified physical risks, with continuous improvement to our climate risk response measures. Through these actions, BMW in China is enhancing our climate risk assessment and management system. We are proactively building climate adaptability and strengthening our value chain for a resilient future.

1.2

CORPORATE GOVERNANCE

At BMW in China, compliance transcends meeting regulatory requirements. Ethical leadership is at the heart of everything we do and drives our operational excellence. The foundation is a robust governance framework that integrates cutting-edge compliance management systems with dynamic risk assessment and auditing protocols, ensuring alignment not only with China's evolving legal landscape but also with our global standards of integrity. Through this comprehensive and well-defined framework, we have implemented measures to address key areas of concern, including antitrust compliance, corruption and fraud prevention, data governance, information security, export control, and anti-money laundering.

BMW in China Honour List	
Advanced Authorised Economic Operator	General Administration of Customs
A-Level Tax Payer	State Taxation Administration
Level A Entity	State Administration of Foreign Exchange
Enterprise Quality Level A	China Quality Certification Centre
Labour Protection Level A	Ministry of Human Resources and Social Security
Honest Entity	Ministry of Ecology and Environment

| COMPLIANCE MANAGEMENT

At BMW in China, compliance is not merely a regulatory obligation, it is a strategic enabler of sustainable growth. Our governance structure is anchored in a robust, multi-layered Compliance Management System (CMS), aligned with our "three-lines model" and integrated into our overarching risk management framework. This system ensures accountability at every level, from the Shareholders' Meeting and Board of Directors to business departments and Compliance Interface roles. We foster a culture where ethical conduct and legal adherence are integral to our daily operations. Our unwavering commitment ensures efficient compliance with all regulatory requirements and robust management practices.

COMPLIANCE GOVERNANCE STRUCTURE



ROBUST GOVERNANCE STRUCTURE

COMPLIANCE MANAGEMENT SYSTEM (CMS)

At BMW in China, our governance structure encompasses a network of compliance management boards, functions and roles to implement an effective Compliance Management System (CMS). Rooted in the "three-lines model", the CMS is seamlessly integrated into our overarching risk management ecosystem, ensuring comprehensive oversight at every level.

- **Business departments** are the "first line", which is responsible for lawful conduct during the performance and operation of the daily business to ensure compliance requirements and processes are implemented accordingly.
- **The Compliance organisation** is the "second line", which supports the first line business departments to exercise their compliance responsibilities. A multi-layer comprehensive compliance organisation is in place, consisting of compliance functions and interfaces.
- **Corporate audit** is the "third line", which is responsible for independent auditing of compliance structures, processes and systems that support company management, monitoring functions and operational management.
- **Compliance committees** are management boards that supervise and approve activities, as well as manage compliance and reputational risk.

BMW in China has implemented a robust organisational framework to ensure accountability at every level, from the Shareholders' Meeting and Board of Directors to business departments and compliance interfaces. Shareholders exercise their ultimate compliance oversight at the Shareholders' Meeting. At the corporate level, compliance accountability resides with the Board of Directors (BoD), its sub-committee, the Audit and Compliance Committee (AC), and the Board of Management (BoM). At the functional level, the Corporate Governance and Compliance Committee (BCC) provides primary oversight.



To ensure compliance, roles and responsibilities are clearly defined across the organisation. As the first line, business departments are responsible for identifying compliance risks within their daily operations, assessing these risks in line with corporate objectives, and implementing controls to mitigate them. Each department has a designated Compliance Interface role, to serve as a vital link between business units and the central compliance function.

Legal and responsible conduct is cultivated through close coordination between the central compliance function, designated compliance oversight roles, and business departments. For BMW in China, the Corporate Governance & Compliance Department oversees compliance programs, while other departments, such as Legal Affairs, Data Governance, Information Technology (IT), Information Security, Controlling, Tax, Customs and Export Control, and Corporate Quality also broadly serve as compliance steering functions by providing guidance on compliance-related matters within their respective areas of expertise. Together, these functions form a cohesive governance ecosystem that drives accountability, transparency, and sustainable business practices.

INTERNAL CONTROL SYSTEM (ICS)

The Internal Control System (ICS) is an integral part of BMW in China's internal governance and is comprised of a set of measures and control activities that are integrated in processes and organisational structures. Its purpose of to ensure the accuracy of external reporting.

As a component of the second line, the ICS serves as the link between the Operating Units (first line) and Corporate Audit (third line). The design of the ICS is based on internationally recognised standards, such as the Committee of Sponsoring Organisation of the Treadway Commission (COSO) model. The principal features of the ICS are its role-based approach embedded throughout the organisation, a clearly defined control environment that is underpinned by a combination of risk assessment procedures, control activities, information and communication, and monitoring activities.

We employ standardised methods to safeguard our reporting processes. Through end-to-end process analysis, all potential risks are identified relating to data completeness and integrity, data availability or partially automated processes. Based on the classification of the identified risks, suitable control measures to mitigate them are prioritised and developed. These controls are designed to serve either preventive or detective functions, as appropriate.

Notwithstanding the control measures that are in place, all systems of control are subject to inherent limitations that cannot guarantee the prevention or immediate detection of all potential misstatements.

THREE-STAGE APPROACH TO COMPLIANCE MANAGEMENT SYSTEM AND COMPLIANCE TOPICS

BMW in China's Compliance Management System (CMS) is based on the "Prevent, Detect, and Respond" model, which defines specific measures for prevention, monitoring, control and response.

The CMS is customised to BMW in China's risk situation and addresses all relevant compliance topics. These topics include antitrust compliance, data governance, cybersecurity, technical compliance, customer rights protection, and fraud prevention, among others.

The CMS is designed to be holistic and adaptive. At its core lies the Legal Compliance Code, which is based on corporate principles and provides transparency to both employees and the public on key compliance priorities. Based on the Code, we have established internal policies and processes that align with legal requirements, ensuring robust governance across all operations. Through compliance risk assessment, we can identify business-specific compliance risks and mitigation measures. To embed compliance into our organisational culture, we prioritise training and awareness initiatives, empowering employees to uphold ethical standards in their daily work.

Leveraging IT-driven compliance systems, BMW in China ensures transparent and efficient documentation, assessment, and approval of compliance-related issues. The SpeakUP Line notification system serves as a vital channel for employees to raise concerns and seek guidance, fostering a culture of openness and accountability. Additionally, our multi-tiered monitoring mechanisms enable periodic reviews of regulatory compliance and process effectiveness, driving continuous improvement.

In the fight against fraud, BMW in China adopts a proactive approach. We implement measures, such as job rotations for high-risk positions and enhanced subcontracting management to mitigate potential risks. Simultaneously, we actively identify potential fraud leads and address root causes, reinforcing our commitment to integrity and operational excellence.

BMW in China advises all employees to avoid situations that may result in a conflict of interest. Any conflict of interest risk should be disclosed and documented in a transparent manner. Company-level instruction on conflicts of interest is in place to form a sound basis for decision-making and provide immediate guidance on this topic. The disclosure of conflict of interest is a standard process controlled by the IT system. When an employee joins the company or changes their position, the system will automatically send a declaration prompt to the employee via JoyChat, BMW in China's mobile office platform.



COMPLIANCE AWARENESS PROMOTION

Leadership is a key influence on our company culture. BMW in China's top management plays an active role in cultivating the company's compliance culture and inspiring it among all employees. In 2024, leadership messages were regularly communicated and reinforced through 'Tone from the Top' videos, reaching all levels through all-staff communication letters, the Compliance Day event, the Compliance Interface Workshop, and other channels. This active involvement from leadership reinforces the credibility of our initiatives and drives collective action toward sustainable business practices.

In addition to the strong leadership direction, BMW in China further strengthens its compliance culture through ongoing internal communication and training initiatives, ensuring that ethical practices and regulatory adherence are deeply embedded in the daily work of every employee.

By empowering employees to take personal accountability for ethical and lawful conduct within their respective domains, a robust compliance mindset permeates the workforce. Tailored online training modules and classroom sessions help to ensure a comprehensive understanding and adherence to regulatory frameworks across all levels of the organisation. In 2024, 38 customised classroom training sessions were provided to 3,297 associates who have specific business needs or need to manage certain compliance risks. There were 17 one-on-one sessions arranged for all newly onboarded Compliance Responsibles at the division or department level. In addition, the 2024 Compliance Interface Workshop was for all Compliance Interfaces from the business teams, who exchanged opinions on challenges and hot topics, and shared best practices to meet compliance standards.

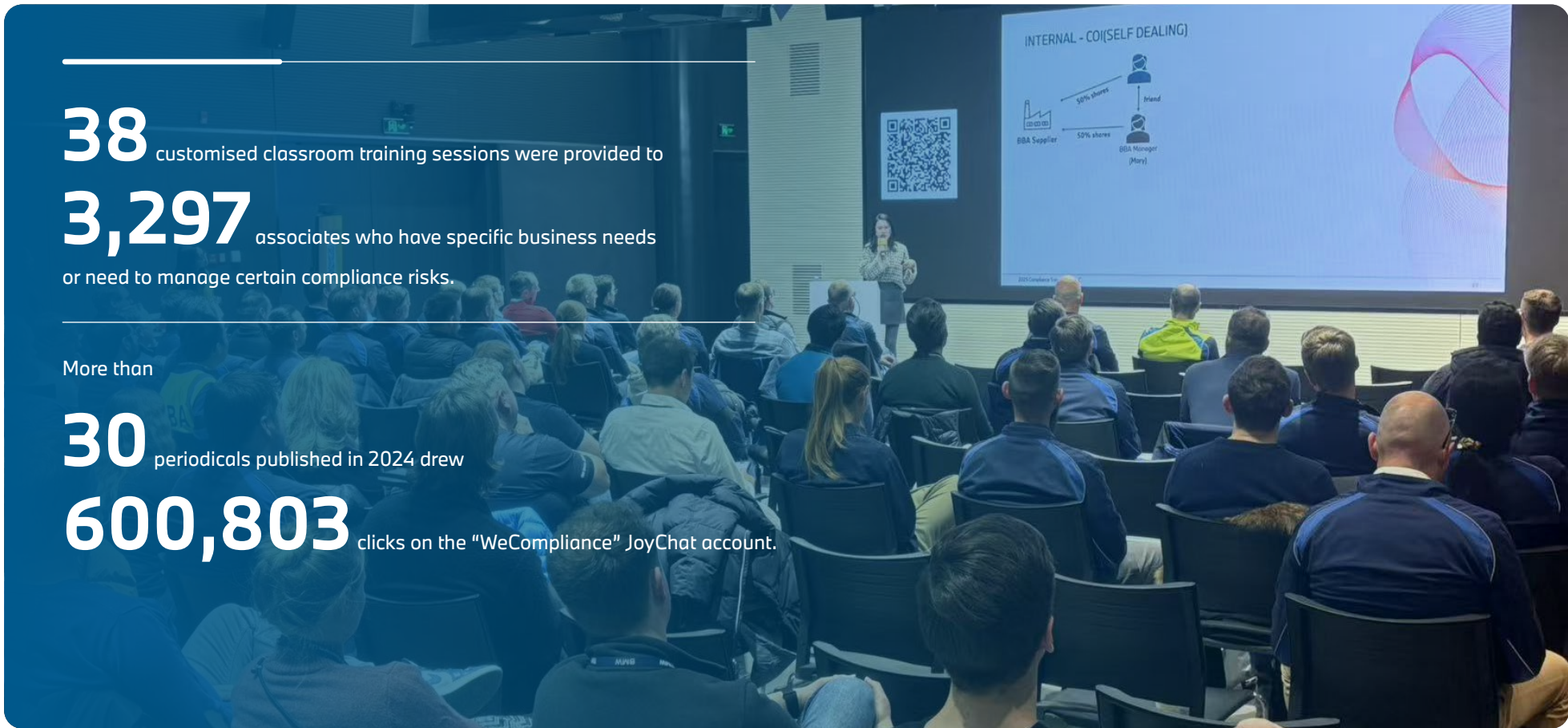
Over the years, we have innovated approaches to compliance communication through digitalisation. In 2020, we launched the

compliance information account "WeCompliance" to provide employees with timely updates, resources, and guidance on compliance-related matters. Subsequently, in 2022, the compliance-oriented interactive community "Compliance Q&A" was launched to create an open platform for employees to seek clarification, share insights, and discuss compliance challenges. In 2024, building on these efforts, we released a series of compliance micro-films on JoyChat and the company intranet on Anti-Corruption Day. The films centred on the risk scenarios that employees might encounter in their daily work, aiming to enhance their capabilities in identifying and preventing corruption risks.

To ensure our employees are always prepared to address emerging challenges, we regularly send reminders on up-to-date compliance risks and requirements to all associates or target groups through compliance communication letters. By integrating real-time updates with actionable insights, we empower our workforce to stay ahead of regulatory changes and mitigate risks. We also publish compliance periodicals, including Legislation Express, Case Study, News Clippings, Quiz & Interaction, to all associates to keep them informed of the latest industry developments. This approach not only strengthens our compliance framework but also fosters a culture of vigilance and continuous learning. In 2024, we produced more than 30 periodicals, drawing 600,803 clicks on the "WeCompliance" JoyChat account.

DATA COMPLIANCE AND INFORMATION
SECURITY MANAGEMENT

BMW in China integrates stringent data protection standards into product and service development from the outset, guided by transparency, openness, and security. Our robust governance framework ensures efficient data management through dedicated teams and policies, safeguarding privacy while delivering exceptional customer experiences. We comply with China's and global regulatory requirements, continuously updating security measures to address evolving cyber threats. By ensuring the security and accuracy of data and complying with China's and other market-specific regulatory requirements, we aim to create a secure and resilient environment for our clients, partners, and stakeholders.



GOVERNANCE AND MANAGEMENT APPROACH

BMW in China’s data protection complies strictly with applicable laws and regulations, particularly the Personal Information Protection Law (PIPL) of the People’s Republic of China (PRC), the Data Security Law of the PRC and the Various Provisions on Vehicle Data Security Management (Trial)¹. The Board of Management examines and approves policies related to data compliance.

The Data Governance Department helps the company meet its data compliance commitments as we develop and implement new technologies, products, and services. The Data Compliance Officer (DCO) ensures conformity of design and implementation of overall data compliance and conducts compliance reviews of data processing activities.

significantly strengthened our organisation's ability to prevent data leaks and protect sensitive information.

In 2024, we implemented a Cloud Security Posture Management (CSPM) program. This program helps us continuously monitor and manage our cloud infrastructure, ensuring compliance with industry standards and best practices. By identifying and mitigating potential risks and vulnerabilities in real time, CSPM allows us to proactively address security issues before they can be exploited. Through automated assessments and continuous compliance checks, we can maintain strong security, protecting our cloud assets and sensitive data from potential threats. This initiative is a key component of our overall strategy to ensure a secure and resilient cloud environment. We drive adherence to norms and standards that ensure quality by obtaining management system certifications and system accreditations.

BMW Brilliance and our wholly owned subsidiary, LingYue Digital Information Technology Co., Ltd. (LingYue), hold international standard certifications ISO/IEC 27001 and 27701. LingYue also holds ISO/IEC 27017, ISO/IEC 27018 and ISO/IEC 38505 certifications and DSMM II for Dealer Mobile Office (DMO), Email, online sales system, and the User Centre.

Digital transformation demands robust and high-quality cybersecurity measures to safeguard our operations and data integrity. We have successfully passed multiple Intelligent Connected Vehicles (ICV) Cybersecurity Data Security Inspections and audits by authorities, and the Zhudun Cybersecurity Attack and Defence Drill. We perform regular mobile app compliance tests. In 2024, we maintained 39 certifications with excellent levels under China's Multi-Level Protection Scheme (MLPS).

INFORMATION AND DATA SECURITY MANAGEMENT

BMW in China attaches great importance to information and data security. We are committed to continuously reinforcing our information security management, specifically cybersecurity, IT security and production network security. Moreover, regarding high-risk data leakage scenarios, we deploy Data Loss Prevention (DLP) tools.

BMW in China has established a seamless working model in the area of supplier security, enhancing collaboration across various departments. This integrated approach ensures that all stakeholders are aligned and work together efficiently to protect our supply chain. By fostering strong interdepartmental cooperation, we are able to address security challenges more effectively and maintain a robust defence against potential threats.

The DLP system now covers more high-risk scenarios, with an increasing endpoint coverage rate. These enhancements have

BMW in China certifications for information and data security management:

Certified Entities	Certification Scheme	First issuance	2024 Certified
BMW Brilliance and LingYue	ISO/IEC 27001:2022 Information security, cybersecurity and privacy protection – Information security management systems – Requirements	2020	Recertification Audit
	ISO/IEC 27701:2019 Security techniques – Extension to ISO/IEC 27001 and ISO/IEC 27002 for privacy information management – Requirements and guidelines	2020	Recertification Audit
LingYue	ISO/IEC 27017:2015 Information technology – Security techniques – Code of practice for information security controls based on ISO/IEC 27002 for cloud services	2021	Recertification Audit
	ISO/IEC 27018:2019 Information technology – Security techniques – Code of practice for protection of personally identifiable information (PII) in public clouds acting as PII processors	2021	Recertification Audit
	ISO/IEC 38505:2017 Information technology – Governance of IT – Governance of data	2021	Recertification Audit
	Data Security Maturity Model Level II – according to GB/T 37988-2019 – For DMO, Email, online sales system, and User Centre	2023	Recertification Audit

¹The Various Provisions on Vehicle Data Security Management (Trial) mainly aims to standardise the management of automotive data security, safeguard the personal information security of vehicle owners, and ensure the security of vehicle networks.

For more information about customer data protection, see P28.

AWARENESS PROMOTION AND COMMUNICATION

We have also adopted various methods and channels to comprehensively enhance employee security awareness. These measures have created a strong security culture, embedding safety awareness into daily operations and decision-making processes. For example, a phishing awareness session reached 16,743 employees and partners, contributing to a consistent year-on-year decline in phishing email click rates. This is attributed to the continuous efforts of the organisation in security awareness and skills, which have enhanced employees' awareness and ability to prevent cyber-attacks.

We are committed to enhancing the security knowledge and capabilities of relevant teams, ensuring they are equipped to address evolving cybersecurity challenges. Through our "Security Purple Belt" program, we have conducted multiple training sessions for employees and partners, including IT Development Operations (DevOps) team members responsible for systems or services. These sessions focus on learning about and applying IT security measures to DevOps practices, enhancing cybersecurity expertise across the organisation. In 2024, more than 300 cybersecurity professionals joined the training program.



| FORECAST

As the regulatory environment remains dynamic and constantly evolving, our Compliance Management System (CMS) will require continuous adaptation and improvement. Faced with a host of external challenges, we will take systematic measures across a variety of compliance areas, with a particular focus on high-risk sectors.

While we have made steady progress in addressing various compliance

issues, we recognise that certain areas still pose a higher risk of misconduct. Therefore, combating non-compliance will remain a top priority in the foreseeable future. To this end, we will maintain constant vigilance and intensify our efforts to ensure the thorough, effective, and timely implementation of all compliance programs and processes.

In response to new data laws and regulations in China, we will take

immediate action to ensure all business departments achieve full compliance. We will remain proactive in monitoring changes in the external environment, further enhancing the management of the entire data lifecycle to meet evolving regulatory requirements. Additionally, we will refine our data security management system and drive the integration of data governance with business development, ensuring compliance serves as a foundation for sustainable growth.

02

PRODUCTS AND SERVICES

"BMW in China delivers the next level of intelligent 'Sheer driving pleasure' to its customers through uncompromising safety standards and innovative technologies."



Mr. Steven Shao
Senior Vice President of Sales and Marketing
BMW Brilliance Automotive Ltd.

At BMW in China, we deliver premium quality and performance through rigorous quality control and advanced technologies. Guided by the philosophy that no premium without responsibility, we integrate sustainable innovations into luxury mobility, offering customer-centric experiences. Our innovative solutions drive low-carbon transformation across products and services, so that we can advance our environmental leadership while ensuring uncompromised Sheer Driving Pleasure.

CHAPTER 2

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2.1

PREMIUM QUALITY AND SAFETY

BMW Brilliance's quality strategy is fully aligned with BMW Group's global framework while incorporating necessary adjustments to address the requirements of the Chinese market. This strategy translates the core elements of BMW Group's strategic approach into our quality work. Our quality strategy incorporates four pillars, including Position, Direction, Strategic Approach, and Cooperation. We have established several fields of action around these pillars, with dedicated projects to implement our quality strategy through systematic control processes, strategic initiatives and enablers that drive excellence throughout our operations, maximising impact and results.

We never cease our pursuit of continuous improvement. BMW Brilliance treats customer requirements as top priority and values the role of teams at all levels in enhancing our value creation and delivery. By understanding activities as interconnected processes and managing them as a coherent system, we achieve consistent results more efficiently. This aligns with our quality principle: lead in quality by taking responsibility and ownership to exceed customer expectations.

2024 J.D. Power Automotive Performance, Execution and Layout Study (APEAL) Award
Medium Luxury Car Segment **First Place: BMW 5 Series**

2024 J.D. Power Vehicle Dependability Study (VDS) Award
Compact Luxury Segment **First Place: BMW X1**

China New Car Assessment Program (C-NCAP)
2024 5+ Star Rating: BMW i5

New Energy Vehicle Customer Satisfaction Index (NEV-CACSI)
Top-Ranked Models:
Pure electric mid-to-large sedan: **BMW i5**
Hybrid mid-to-large sedan: **BMW 5 Series PHEV**
Pure electric compact SUV: **BMW iX1**

| QUALITY-FIRST CULTURE

At BMW Brilliance, responsibility is embedded in our corporate culture, driving us to set industry benchmarks in product quality and safety through proactive accountability and technological innovation. Our quality-first culture is the cornerstone of sustainable excellence, deeply rooted in the BMW Group's global strategic framework and adapted to China's dynamic market demands. Guided by the "Zero Defects, Zero Delays, Zero Waste" philosophy, we have institutionalised a holistic quality ecosystem spanning research and development (R&D), supply chain, production, and customer service.

Quality is both a standard and our competitive edge. To provide customers with unparalleled convenience and personalisation, we incorporate customer feedbacks, prioritise elevating the customer experience, meticulously refining our product offerings, and investing in technologies that enhance our sales process.

Our quality management system is bolstered by an enhanced cross-divisional audit network, ensuring its suitability and sustainability. In 2024, we intensified our focus on electrification, conducting specialised audits on power batteries, eDrive trains, and charging systems, yielding significant improvements.

Our active role in key industry forums, such as the German Association of the Automotive Industry (VDA) Automotive SYS conference and the J.D. Power Auto Summit 2024, underscores our commitment to quality leadership. We have also taken a proactive role in shaping industry standards and applied to co-organise in 2025 the 5th China Automotive Quality Technology Conference in Shenyang with the China Association for Consumer Products Quality and Safety Promotion (CACPQSP).

To align with rapid industry evolution, shifting customer demands, and to be compliant in line with regulatory changes, we provided training to product quality and safety representatives, as mandated by the

State Administration for Market Regulation (SAMR) Order Nos. 75 and 76, reinforcing our long-term quality management mechanisms. In 2024, we established targeted quality training programmes, including specialised software quality training in standards such as Automotive Software Process Improvement and Capability Determination (ASPICE), Safety of the Intended Functionality (SOTIF), and ISO/SAE 21434. These initiatives ensure that employees understand their roles, minimise quality risks, and accelerate problem resolution, directly supporting our quality management objectives and preparing our organisation for new vehicle model launches.

TOTAL QUALITY MANAGEMENT

BMW Brilliance adheres to strict quality standards and is dedicated to providing superior products and services. Our Quality Management System (QMS) is based on a rigorous quality management framework, ensuring that all products and services meet the highest quality and safety standards while maintaining a customer-oriented approach. Through the Quality Management Representative of BMW Brilliance (QMB), we implement the "Corporate Quality" philosophy at the corporate departmental level. We use various methods to regularly assess the effectiveness of the management system, including customer feedback, target achievement, internal and external audits, key performance indicators, and lessons learned to continuously adjust and improve product quality.

In 2024, BMW Brilliance further enhanced the quality system of our service organisation through the Quality Circle-Quality Management System (QC-QMS), implementing stricter internal requirements and control of relevant functional departments. All our manufacturing bases in China are ISO 9001 certified. In response to the rapid development of new energy vehicle (NEV) technology, we have established a comprehensive NEV safety management system and conducted self-inspections to ensure compliance and the pursuit of excellence.

ENSURING PRODUCT QUALITY

BMW Brilliance's robust R&D system is the foundation of our confidence and ability to explore cutting-edge technologies. We have established the largest and most complete R&D network outside Germany, with full-stack Intelligent Connected Vehicle (ICV) software development capabilities. This network spans Beijing, Shanghai, Shenyang, and Nanjing, covering areas such as new energy vehicles, autonomous driving, intelligent connectivity, digital services, and design. Through collaborative innovation, we are able to boost BMW's unique driving pleasure in the new era of smart mobility while providing exceptional products.

Our innovation efforts contribute to product quality through advanced testing and validation systems. The Shenyang R&D centre features a new compound electromagnetic compatibility (EMC) lab – the industry's first to combine intelligent connectivity with EMC testing capabilities. The lab includes an antenna testing area to support comprehensive assessments of future vehicle-level antenna performance.

By implementing a comprehensive quality management system, BMW Brilliance is demonstrating our firm commitment to continuous innovation and technological leadership. We ensure that every product delivered to our customers meets high standards of safety and quality requirements. Through these efforts, BMW aims to provide not only exceptional products but also unparalleled service, ensuring customer satisfaction and trust.

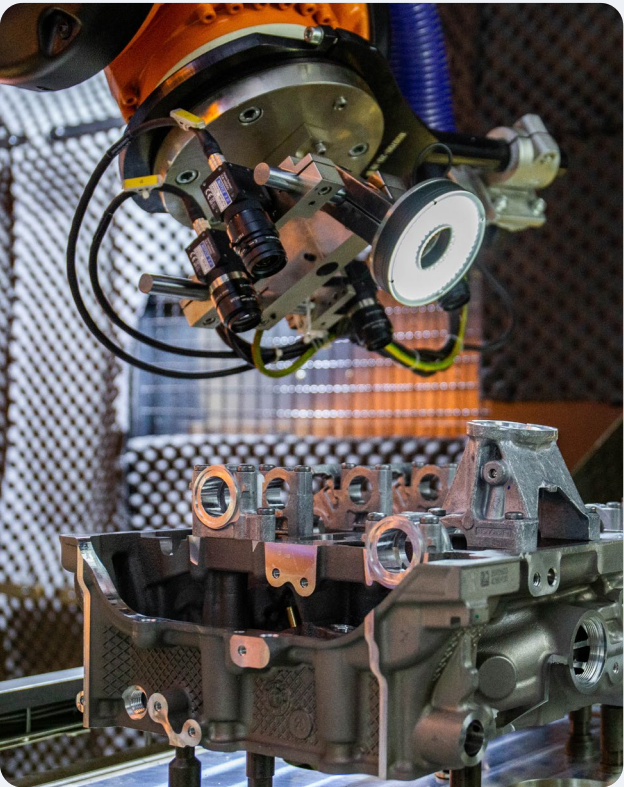


1. AI Vision Detection System

AI-POWERED QUALITY INSPECTION SYSTEM

At the BMW Brilliance production base in Shenyang, approximately 100 AI applications are currently in operation. Among these, the industry-first AI-powered smart inspection system analyses a single stamped image in just 0.01 seconds, with detection accuracy approaching 100%, leaving no room for defects. This system ensures every part meets the highest standards before being integrated into our vehicles.

Beyond structural integrity, we subject vehicle models, such as the X3, to rigorous virtual simulations and real-world dynamic testing, along with aerospace-grade electromagnetic compatibility (EMC) validation. Every detail is engineered to stand the test of time.



| COMPREHENSIVE PRODUCT SAFETY PRACTICES

At BMW Brilliance, product safety is the foundation of our “luxury” approach as an automaker. In an era where product reliability is critical, safety is deeply embedded in our corporate culture and operational practices.

We understand that ensuring the safety of our vehicles is not just about meeting regulatory standards, but about providing our customers with peace of mind and a trustworthy driving experience. Our dedication to product safety is manifested in every aspect of our operations, from design and development to production and aftersales service. Each component is meticulously crafted and inspected to ensure long-lasting performance and safety.

We never compromise on the reliability of our products. BMW Brilliance prioritises safety and responsibility, focusing on developing reliable, mature technology tailored to our customers. Our Shenyang production base drives this commitment forward by leveraging the latest technologies and breakthrough innovations to achieve new manufacturing excellence levels. With extensive applications of artificial intelligence (AI), data science, and virtualisation, we ensure precision and quality at every production stage. Moreover, our vehicles undergo rigorous testing in various extreme conditions, from scorching deserts to freezing tundra. This holistic approach to product safety extends to the air quality inside our vehicles. We are committed to developing technologies and processes that minimise harmful emissions and improve indoor air quality, ensuring a safe and healthy driving environment.

CARING FOR CUSTOMER HEALTH

At BMW Brilliance, our commitment to customer health and safety is reflected in our comprehensive approach spanning three key areas: interior air quality management, hazardous materials control, and acoustic comfort engineering. By integrating rigorous standards, innovative technologies, and systematic management practices across these domains, we deliver vehicles that protect our customers' wellbeing while providing an exceptional driving experience.

INTERIOR AIR QUALITY MANAGEMENT

We prioritise our customers' health with a 360-degree approach. From raw material sourcing to finished vehicle production, every stage undergoes close monitoring. All our models undergo testing under different conditions that mimic real-life usage, with standards that surpass industry-compliance levels. We conduct in-depth checks for volatile organic compounds (VOCs), chemical substances and odours according to requirements of China's Guideline for Air Quality Assessment of Passenger Car (GB/T 27630).

Our focus on interior air quality directly responds to customer concerns. According to sustainability studies, customers in China particularly value sustainability elements that directly impact their immediate environment. For this purpose, BMW Brilliance equipped the vehicles with special cabin filters as standard, which filter pollutants and particles from the air. Reducing in-car odour provides a positive impact on our customers' health, addressing a well-known concern reflected in Initial Quality Study (IQS) and J.D. Power surveys, where many customers associate strong interior odours with toxicity and health risks.

HAZARDOUS MATERIALS CONTROL

We are committed to stringent hazardous material management standards. All hazardous materials are handled in accordance with the BMW Group's Global Hazardous Material Approval Process, ensuring compliance with both European Union and Chinese regulations.

In the EU, we follow Directive 2000/53/EC for proper end-of-life vehicle disposal and recycling and comply with Regulation EC 1907/2006 (REACH¹) for chemical substance management. In China, we fully comply with GB/T 30512 Requirements for Prohibited Substances on Automobiles and the Ministry of Industry and Information Technology's (MIIT) Management Requirements for Hazardous Material and Recyclability of Automobiles. Our substance management approach includes careful control of hazardous substances in parts, defining clear requirements for these substances. We submit material composition data to the China Quality Certification Centre Material Database System (CQC MDS) and the China Automotive Material Data System (CAMDS), ensuring supply chain transparency.

ACOUSTIC COMFORT SOLUTIONS

In our pursuit of exceptional customer care, we have developed both conventional and digital acoustic solutions to enhance driving comfort. In the development of the all-new X3 premium sport utility

vehicle (SUV), we paid special attention to local customer preferences, and included China-specific measures such as chassis dampers and improved rear door sealing to provide a more isolated road and wind noise experience.

We have also pioneered digital acoustic technologies, such as Engine Order Cancellation (EOC), which was implemented in the new X3. This technology effectively reduces internal combustion engine-induced noise, providing a quieter experience when customers wish to drive in maximum comfort. Complementing this, our Iconic Sounds feature enhances specific engine and exhaust notes when My Modes is switched to Sport, delivering a richer acoustic and driving sensation.

PROMOTING DRIVING SAFETY

As part of our holistic approach to product responsibility and customer well-being, BMW Brilliance is dedicated to enhancing road safety through comprehensive driver education and training programmes. This commitment extends beyond vehicle engineering to developing driver skills.

The BMW Driving Experience was originally launched in 1977, establishing BMW as the first vehicle manufacturer in the world to offer professional driver training. Through this programme, we systematically apply the theory of motorsport to everyday driving to improve the skills, reactions, and awareness of drivers. Enhancing safe driving not only protects the lives of drivers but also plays a crucial role in reducing traffic accidents and improving overall road safety.

We continue to actively engage with our customers to promote the concept of safe driving and create a safer driving environment. Through the BMW Driving Experience China event, we provide comprehensive training to cultivate safe driving habits and improve drivers' abilities to navigate complex road conditions. In 2024, the event attracted 17,041 participants, demonstrating our impact on building a culture of safety among our customer community. This initiative complements our technological safety innovations and quality management systems, forming a comprehensive approach to customer safety.

EXCELLENT PERFORMANCE IN CHINA INSURANCE AUTOMOTIVE SAFETY INDEX (C-IASI)

The BMW i5 received an excellent+ rating in the safety index of pedestrians outside the vehicle. The BMW i5 also demonstrated exceptional performance in structural crashworthiness.

- Excellent+:
 Safety index of pedestrians outside the vehicle
- Excellent:
 Safety index of passengers in the vehicle
-  Total vehicle assisted safety score
-  Maintainability
-  Collision compatibility
-  Structural crashworthiness
-  Low-speed active safety: scoring rate of **75.91%**



¹ Registration, Evaluation, Authorisation and Restriction of Chemicals, an EU regulation.

| THE VOICE OF CUSTOMERS

At BMW Brilliance, we are deeply committed to understanding and addressing customer needs to deliver excellent products and services. Embracing a customer-centric philosophy, we continuously innovate in analytical technology by extending our channels, leveraging Large Language Model (LLM)-powered analytical tools, and implementing closed-loop improvements. We strive to deliver a premium customer experience while consistently improving product and service quality.

Listening to customers is at the heart of our approach. Throughout the entire customer journey – from initial inquiries to aftersales services – we gather valuable feedback to fully understand customer needs at every touchpoint. We maintain a strong partnership with dealers, empowering them to effectively address customer concerns and enhance their capabilities through specialised tools and best practices.

We have also established a Voice of Customers Closed-Loop Mechanism to ensure seamless collaboration across all business

aspects. This drives cross-functional measures to refine product and service quality and systematically enhance the customer experience along the journey.

| AFTERSALES SERVICE QUALITY

We maintain our unwavering commitment to a customer-centric approach. Our service philosophy transcends transactional support, evolving into anticipatory care powered by comprehensive feedback systems and technological innovations, such as intelligent-driven diagnostics that enable us to better understand and respond to customer needs.

In 2024, we significantly enhanced our Customer Board Platform used by dealers. We upgraded the feedback collection functionality, allowing us to monitor and improve customer satisfaction and dealer

performance more effectively. These enhancements have streamlined our operational procedures, raised service quality standards, and established a robust foundation for ongoing customer experience improvements.

Beyond above routine measures, two new modules were developed for the platform, Repair Quality and Mystery Shopping, to assess the customer experience through multiple touchpoints along the aftersales customer journey, enabling dealers to make customised action plans and sustain closed-loop customer experience management. Throughout 2024, more than 450 dealers actively used this platform and implemented approximately 1,000 aftersales action plans, reflecting our deep understanding of customer requirements and our persistent pursuit of service excellence. We continue to gather customer feedback through various online and offline channels, analysing this information from multiple perspectives to drive continuous improvement in service delivery.

In 2024, through continuous optimisation of our LLM-based AI system, natural language processing (NLP) engine, knowledge base, and fault codes, we achieved faster and more accurate categorisation of customer feedback, enabling more efficient problem solving of customer concerns and consistent improvement in service quality. This is particularly evident in those regarding charging wall boxes and ConnectedDrive features. For charging and ConnectedDrive related scenarios, we developed specific failure pattern recognition capabilities that specifically tailored to Chinese customers' usage scenarios. By leveraging our LLM-based classification system, we successfully match customer complaints with standard problem patterns, significantly improving problem-solving accuracy and resolution times, further streamlining our entire problem-solving processes. Additionally, with a stronger focus on the customer perspective, we launched Live-Q module within our internal systems to better capture and resolve quality concerns experienced by BMW Brilliance vehicle owners. This allows our vehicle owners to report product quality issues directly through our internal JoyChat application. These reports are then processed through our Product Quality Management Process (PMP), adding another valuable input source to our continuous improvement efforts in China and enhancing our overall service efficiency.



| CUSTOMER PRIVACY PROTECTION

BMW Brilliance prioritises customer privacy as a critical component of our data governance framework. We believe that effective privacy protection enhances customer experience and builds lasting trust. Our approach integrates privacy considerations into product and service development from the earliest stages, emphasising transparency, openness, and security. We implement comprehensive policies, standards, and processes designed to safeguard the security and accuracy of customer data while ensuring compliance with regulatory requirements across China and beyond. We have passed multiple Intelligent Connected Vehicles (ICV) Cybersecurity Data Security Inspections and audits by authorities, and the Zhudun Cybersecurity Attack and Defence Drill as well.

Our dedicated Data Governance Department, overseen by our Data Compliance Officer (DCO), conducts thorough compliance reviews of data processing activities. When potential data security incidents arise, our robust response process enables immediate assessment and coordinated action across relevant departments, maintaining transparency and accountability throughout our operations.

In response to the increasing digitalisation of automotive technology, we have strengthened our approach to Intelligent Connected Vehicle (ICV) data protection. We adhere to rigorous Chinese regulations,

including GB 44495-2024 Technical requirements for vehicle cybersecurity and GB/T 44464-2024 General requirements of vehicle data. Before launching any product or subsequent iteration, we perform comprehensive security process evaluations with state-of-the-art security concepts and Privacy Impact Assessments. This proactive strategy incorporates information security considerations from the initial design phase, delivering vehicles that prioritise both innovation and customer privacy.

| FORECAST

In 2025, BMW Brilliance will continue to uphold high standards of automotive manufacturing, leading the low-carbon intelligent production trend. We plan to implement comprehensive carbon reduction measures across the entire value chain in collaboration with our partners. Our quality-first culture will be strengthened through enhanced AI applications , closed-loop improvement mechanisms, and optimised user experience processes that convert customer feedback into tangible product enhancements. We are also investing in advanced acoustic solutions, including Road Noise Cancellation (RNC) technology, which will debut in the first Neue Klasse vehicle, balancing performance with sustainability to provide customers with the ultimate acoustic experience.

On the safety front, our R&D teams continue to develop technologies that ensure BMW vehicles meet the highest safety standards while delivering intelligent driving experiences that anticipate customer needs. We will maintain close connections with industry quality experts and authorities to reinforce these safety initiatives. For service excellence, we are implementing a management approach to provide a seamless customer experience across all touchpoints and departments across BMW Brilliance to effectively address customer needs, strengthening satisfaction.

Compliance of the BMW Brilliance with data protection laws and regulations:

National and industry levels	The Personal Information Protection Law (PIPL) of the People's Republic of China (PRC)	The Data Security Law of the PRC	The Several Provisions on Vehicle Data Security Management (Trial)
Corporate level	The Department of Data Governance		

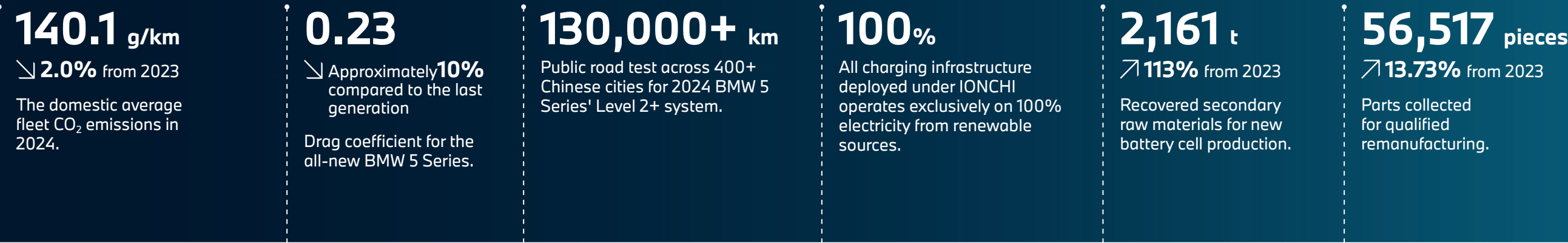
For more information on customer data protection, see [P.20](#).



2.2

SUSTAINABLE PRODUCTS AND SERVICES

Sustainable mobility means more than just selling battery-electric vehicles. Focusing on its customer-centric strategy, BMW in China takes a holistic approach, incorporating sustainability in the vehicle's entire life cycle, from raw material selection to development and production through to recycling. Through R&D investment and collaborations with Chinese innovative partners, we aim to deliver products and services that embody high-quality performance and environmental stewardship, ensuring customers experience exceptional driving pleasure.



| SUSTAINABLE PRODUCT PORTFOLIO

BMW in China is dedicated to expanding our BEV fleet to provide customers with more choices on their journey toward a more sustainable future. By the end of 2024, seven fully electric models have been introduced in the Chinese market, including the BMW i7, the BMW i5, the BMW i4, the BMW i3, the BMW iX, the BMW iX3 and the BMW iX1, demonstrating BMW in China's resolute transition to E-mobility. BMW in China works to continuously enhance the energy efficiency of its conventional drivetrains through the refinement of energy management in vehicles and the adoption of further measures. In China, numerous model series that feature a 48-volt recuperation system have been offered, such as new BMW 5 Series, and the BMW X5.

Guided by the BMW Group's sustainability strategy, BMW in China is fully committed to advancing electrification, digitalisation, and circular economy principles across all our operations. The unveiling of the BMW Neue Klasse represents a transformative milestone in sustainable vehicle development, showcasing a pioneering approach to low-carbon mobility and circular innovation. This vehicle utilises a high proportion of recycled and reusable materials in production, alongside its fully electric drivetrain, which together further reduce carbon emissions across the entire value chain and product lifecycle. Anchored in BMW's commitment to sustainable innovation and premium driving experiences, the BMW Neue Klasse delivers unparalleled performance with a 20% improvement in vehicle efficiency, 30% faster charging speeds, and a 30% increase in driving range. Currently, BMW in China is working to prepare for the launch of the first Neue Klasse model, including the implementation of its local production in Shenyang.

BMW in China is committed to continuously improving CO₂ emissions reduction and fuel efficiency. At BMW in China, the average CO₂ emissions of the new vehicle fleet are calculated based on the volume-weighted average of emissions across all vehicles produced during the reporting period. The calculation is determined in accordance with China's National Standard (GB) type approval testing procedures. The domestic average fleet CO₂ emissions decreased to 140.1 g/km in 2024, down from 142.9 g/km, representing a 2% reduction. Energy efficiency is placed at the centre of complete vehicle development, achieved through the deployment of innovative technologies for product upgrades. For instance, the newly launched long-wheelbase of version 8th generation BMW 5 Series shows significant progress over its predecessor, the long-wheel-base version of the 7th generation of BMW 5 Series, with technological upgrades reducing vehicle-specific fuel consumption to 7.0 l/100km from 8.1 l/100km.



| INNOVATIVE SUSTAINABLE SOLUTIONS

Sheer Driving Pleasure remains BMW in China’s defining brand value. With this commitment, BMW in China is exploring innovative solutions to sustainability to advance customer experiences, delivering low-carbon, efficient, intelligent, and safe mobility solutions to its customers.

SUSTAINABLE DESIGN CONCEPT

Committed to a customer-centric philosophy, BMW in China stays attuned to the needs of our customers and consistently refines product development to exceed expectations. With “At Home in China” innovation approach, BMW in China caters to the needs of the Chinese market and provides premium experiences through our offerings. In China's urban mobility landscape, where city commuting dominates vehicle usage, BMW in China's sustainable design strategy prioritises lightweight engineering across its BEVs and efficient combustion engine portfolios, significantly extending electric range and enhancing energy savings. By developing innovative, sustainability-driven solutions tailored to evolving local market requirements, we create tangible value for customers through enhanced product experiences and services.

EFFICIENCY DYNAMICS

BMW in China incorporates efficiency dynamics into its product design philosophy to ensure maximum energy efficiency and minimum emissions. Innovative solutions for energy efficiency, aerodynamics, and lightweight design. The BMW i5, launched in 2024, exemplifies our efficiency dynamics excellence.

ENERGY EFFICIENCY

BMW in China aims to enhance vehicle energy efficiency by improving electric range and reducing energy consumption through innovative technologies.

UNLEASH DRIVING PLEASURE THROUGH HIGHER PERFORMANCE AND EFFICIENCY

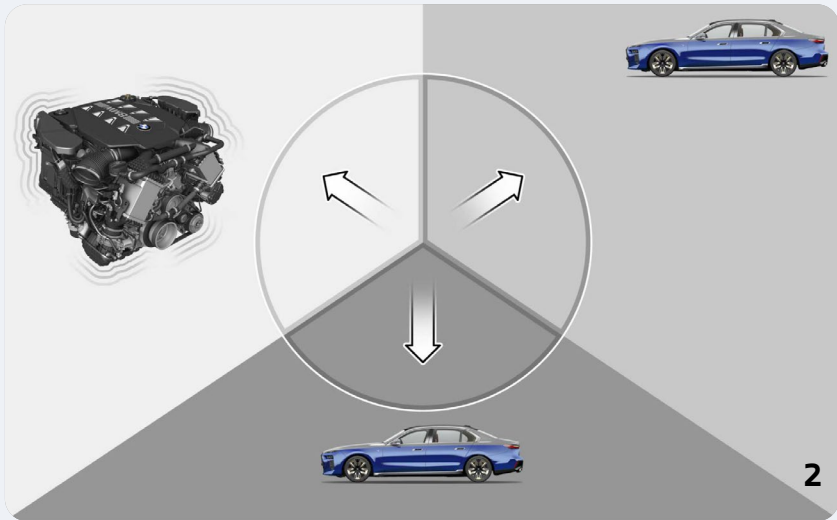
BMW EFFICIENTDYNAMICS

Using the innovative BMW EfficientDynamics strategy, BMW in China has made energy efficiency a standard feature across all model series, reducing fuel consumption and emissions while enhancing dynamic performance and driving pleasure. This core strategy is exemplified in the new BMW i5, which achieves a perfect balance by precisely optimising air resistance, climate control, tires, electric drive systems, and energy distribution based on specific driving scenarios. For instance, when the "Max Range Mode" is activated in the My Modes efficiency setting, the BMW i5 maximises electric range by up to 25%. BMW in China demonstrates through engineering excellence that sustainable mobility and excellent driving experiences can coexist seamlessly.



BMW MILD HYBRID TECHNOLOGY

BMW's 48V Mild Hybrid technology introduced to the 5 Series in 2024. This system intelligently integrates a 48V battery to harness energy recovered during braking, using it to power vehicle electronics as well as provide supplemental electrical power. The technology enhances driving dynamics through improved acceleration responsiveness and smoother engine operation, while simultaneously increasing fuel efficiency during steady-speed cruising. Notably, the system's seamless start/stop functionality and energy recuperation capabilities contribute to measurable reductions in CO₂ emissions during operation. By bridging conventional and electrified powertrain technologies, this mild hybrid solution demonstrates BMW in China's commitment to progressive efficiency improvements.



1. BMW EfficientDynamics
2. 48V Mild Hybrid technology

DELIVERING OUTSTANDING WINTER ELECTRIC RANGE PERFORMANCE

The fifth-generation BMW eDrive technology has triumphed over extreme cold, guaranteeing the BMW i5 delivers outstanding range performance and reduced charging times even in the harshest low-temperature conditions. In the independent 2024 AutoHome New Energy Vehicle Super Test, the 2024 BMW i5 eDrive 35L Luxury Package demonstrated exceptional performance across rigorous evaluation criteria, including range, energy efficiency, charging speed, and heating, ventilation, and air conditioning (HVAC) comfort, under dual-temperature zone conditions (low-temperature zone: 5 to 15°C; cold zone: -15°C to -10°C). The model particularly stood out in the range and cold-start HVAC heating tests, delivering outstanding range performance, and maintaining stable cabin temperatures, significantly outperforming competing models.



AERODYNAMICS

Aerodynamics plays a critical role in enhancing vehicle performance and optimising energy efficiency. The 2024 BMW i5 has achieved an excellent drag coefficient of 0.23, an approximate 10% reduction in drag resistance through a series of aerodynamic optimisations for the wheels and underbody covers.

LIGHTWEIGHT CONSTRUCTION AND DESIGN

Lightweight construction offers customers reduced fuel consumption, extended electric range, and enhanced driving experience. The 2024 BMW i5 features a high-quality, precision-engineered, and intelligent lightweight body.

Using an **aluminium rear subframe** ensures high strength while reducing weight.

The AirCurtain in the front bumper directs airflow around the wheels to reduce turbulence and further enhance aerodynamic performance.

Steering column has been lightened by 1.4 kg compared to the previous generation, contributing to lower rotational inertia and improved control agility.

Smooth underbody surfaces and optimised coverage for each type of Powertrain reduce air resistance and uplift.

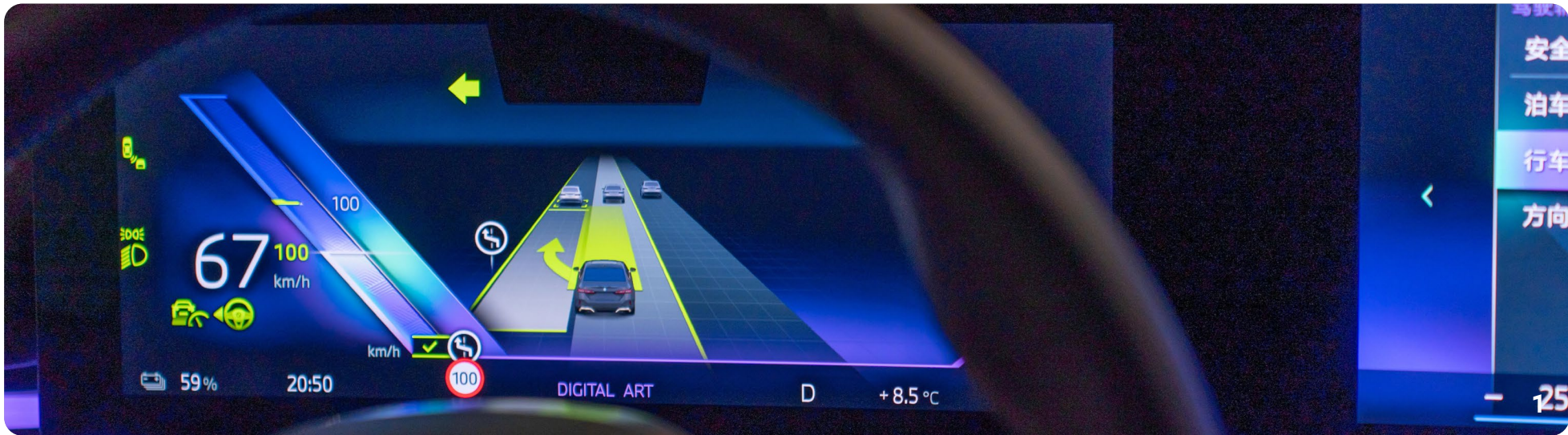
The active shutter grill system dynamically adjusts to optimise mass flow intake, reducing aerodynamic drag.

INTELLIGENT DRIVING SYSTEM

At BMW in China, safety is top priority. While we advance driving performance and intelligent technologies, we maintain strict safety standards through human-centred design and rigorous testing.

To maintain safety leadership, BMW in China follows the "driver-in-the-loop" principle, mandating continuous driver control as the foundational requirement for all intelligent mobility solutions. Our driver assistance systems help to reduce driver stress and fatigue and prevent accidents. For example, the Active Lane Change Assistant in the BMW i5 requires the driver's visual confirmation before executing a lane change, guaranteeing the driver is always the ultimate steering authority.

BMW in China requires rigorous validation protocols for all intelligent driving technologies. Every system undergoes exhaustive technical verification and extreme condition testing before its launch, particularly for designs potentially affecting driver focus or in-cabin safety. By the end of 2024, BMW Group had completed 2.4 million kilometres of global autonomous driving validation testing. The 2024 BMW 5 Series 's Level 2+ system was validated through more than 130,000 km of public road tests across more than 400 Chinese cities, supported by over 100 functional updates and 2,000 localised calibrations. Local BMW R&D teams compiled a database of more than 10,000 authentic Chinese driving scenarios to ensure system robustness.



1. The Active Lane Change Assistant

CARBON FOOTPRINT REDUCTION AND PRODUCT LIFE CYCLE ASSESSMENT

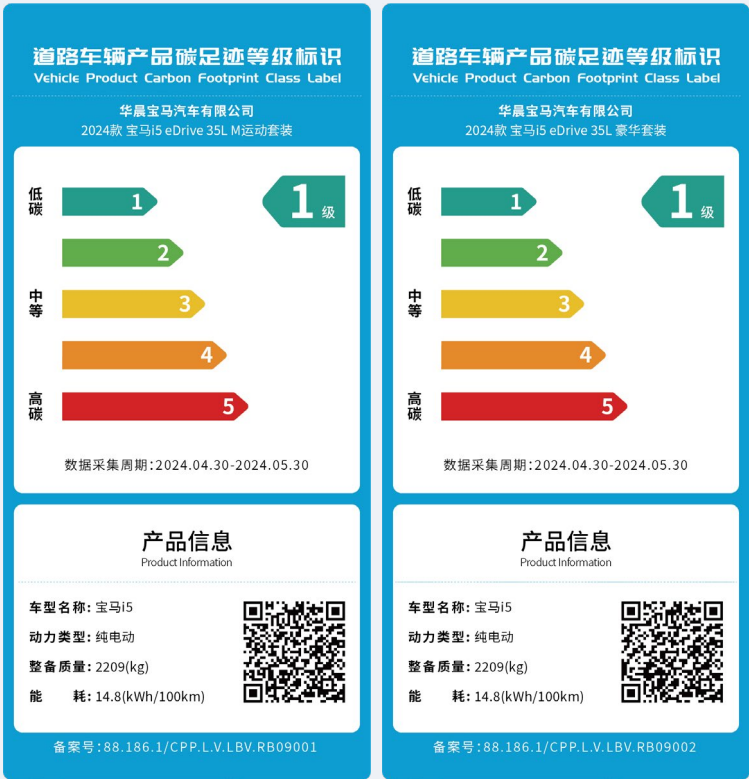
BMW in China believes that sustainability is an indispensable element of a luxury brand. Reduction of CO₂e emissions of the product lifecycle is a key building block on the path to more sustainable action. With its commitment to technological innovation in sustainability, BMW in China has proactively sought emission reduction opportunities and implemented multi-dimensional decarbonisation measures across the value chain. Incorporated years of sustainable development experience and innovative technologies, the much-anticipated BMW i5 was launched in January 2024.

BMW in China is actively exploring Life Cycle Assessment (LCA) methodologies, conducting a comprehensive carbon footprint evaluation for the BMW i5. This all-encompassing evaluation follows the vehicle from the extraction and production of raw materials, through the parts and vehicle manufacturing process, its years of service in the hands of customers, to its end-of-life phase.

Awarded the Vehicle Product Carbon Footprint Class Label, a product such as the BMW i5 not only represents advanced automotive engineering, it is a reflection of innovative technologies and the core brand values that have long defined BMW's reputation for excellence.

2024 BMW i5 EDRIIVE 35L M SPORT AND LUXURY PACKAGES AWARDED VEHICLE PRODUCT CARBON FOOTPRINT CLASS LABELCLASS 1

The 2024 BMW i5 eDrive 35L M Sport and Luxury Packages were awarded the Vehicle Product Carbon Footprint Class Label – Class 1 (First class out of 5 classes) by the Automotive Energy-saving and Green-development Assessment Center for Automobile Industry in China in the first year for their outstanding low-carbon performance.



AAAAA

2024 BMW i5 eDrive 35L M Sport wins the 5-star C-GCAP in LOW CARBON segment.

| PIONEERING CIRCULAR SOLUTIONS

The concept of "circularity" is at the heart of the BMW Group's sustainable development strategy. Aiming to achieve efficient resource use and minimum environmental impact, we are dedicated to exploring innovative technologies and business models. This concept spans the entire product lifecycle, from design and production to vehicle use and recycling.

MATERIAL INNOVATION

At BMW in China, our supply chain practice and material standards align closely with BMW Group's global guidelines, developing high-performance, lightweight, and recyclable materials that meet the highest standards of quality and sustainability. By expanding recycled raw material applications and developing sustainable materials, BMW in China has made significant progress in resource efficiency, emissions reduction, and sustainable technology innovation.

EXPANDING RECYCLED RAW MATERIAL USAGE

BMW in China not only defines and requires the use and proportion of recycled raw materials in the design stage of newly launched projects but also applies more parts made with recycled raw materials to already mass-produced projects. The interoperability of recycled material technology between newly launched and mass-produced projects, the sharing of quality control experience, and the mutual verification process have further promoted the expansion of recycled materials while ensuring quality.

SCALING UP THERMOPLASTIC RECYCLING

2024 was pivotal in scaling up thermoplastic recycling initiatives. BMW in China fostered interoperability between newly launched and mass-produced projects, shared quality control expertise, and implemented cross-project verification processes to ensure the highest quality standards while promoting the recycling of thermoplastic materials. For instance, the application of recycled thermoplastic materials in the BMW iX3 project served as a benchmark, with the accumulated expertise rapidly extended to similar components in other vehicle projects.



OUR EMPLOYEE STORY



Wang Qi

Car Body & Exterior Interior R&D center

“

As an R&D professional in materials for vehicle interior and exterior trims, Wang Qi has firmly upheld the “BMW Premium Selection” standard for China-market-specific components over the past 12 years. She combines BMW's pursuit of high quality with a commitment to environmental responsibility. Under her leadership, the material R&D team has incorporated these high standards across material development and application. She fosters a culture of independent thinking, encourages exploration of cutting-edge exhibitions and academic research, and established a bi-weekly meeting to align market feedback with new insights. Her approach has enhanced cross-functional knowledge sharing and enabled multiple breakthroughs in high-performance, environmentally friendly interior materials. Looking ahead, Wang Qi and her team will continue to be guided by the cradle to cradle design philosophy to advance sustainable mobility. They will promote increasing use of recycled materials, simplifying material complexity, promoting design for disassembly, and prioritising locally sourced materials.

”

1. The BMW iX3

EXPLORING NEW MATERIALS

Based on insights into future material demands, we are deepening cooperation with Chinese innovation partners to explore more environmentally friendly and high-performance material alternatives.

VEGANZA: A LEAP IN INTERIOR INNOVATION

BMW in China has consistently promoted the integration of natural and eco-conscious materials into its luxury interiors, redefining sustainable sophistication. A landmark achievement in this journey was the introduction of a fully vegan interior option for the all-new 5 Series, featuring BMW's innovative Veganza material. As the fourth-generation evolution of synthetic leatherette, Veganza is crafted without animal-derived components while surpassing conventional standards for quality and sustainability. Veganza delivers enhanced softness, flexibility, and durability compared to traditional leatherette, alongside superior aesthetics, and tactile refinement. Rigorous testing under BMW in China's stricter internal criteria for Veganza demonstrates exceptional stability and odour resistance, ensuring consistently healthy cabin air quality.

BIO-BASED MATERIALS: A SUSTAINABLE MILESTONE

In 2024, BMW in China achieved a significant milestone in material innovation with the integration of a new bio-composite nylon material (polyamide 56) into the BMW X3. The material, used in interior components, offers exceptional performance, combining high strength, high rigidity, and good environmental adaptability. Most importantly, it brings significant decarbonisation effects¹.

BMW in China continues to cultivate bio-based materials with excellent performance. In 2024, used coffee grounds and sugarcane fibre were under research to be used in production as bio-based raw materials. After a year of unrelenting effort, the test data of coffee grounds and sugarcane fibre thermoplastic bio-based materials have reached BMW's global universal standard.

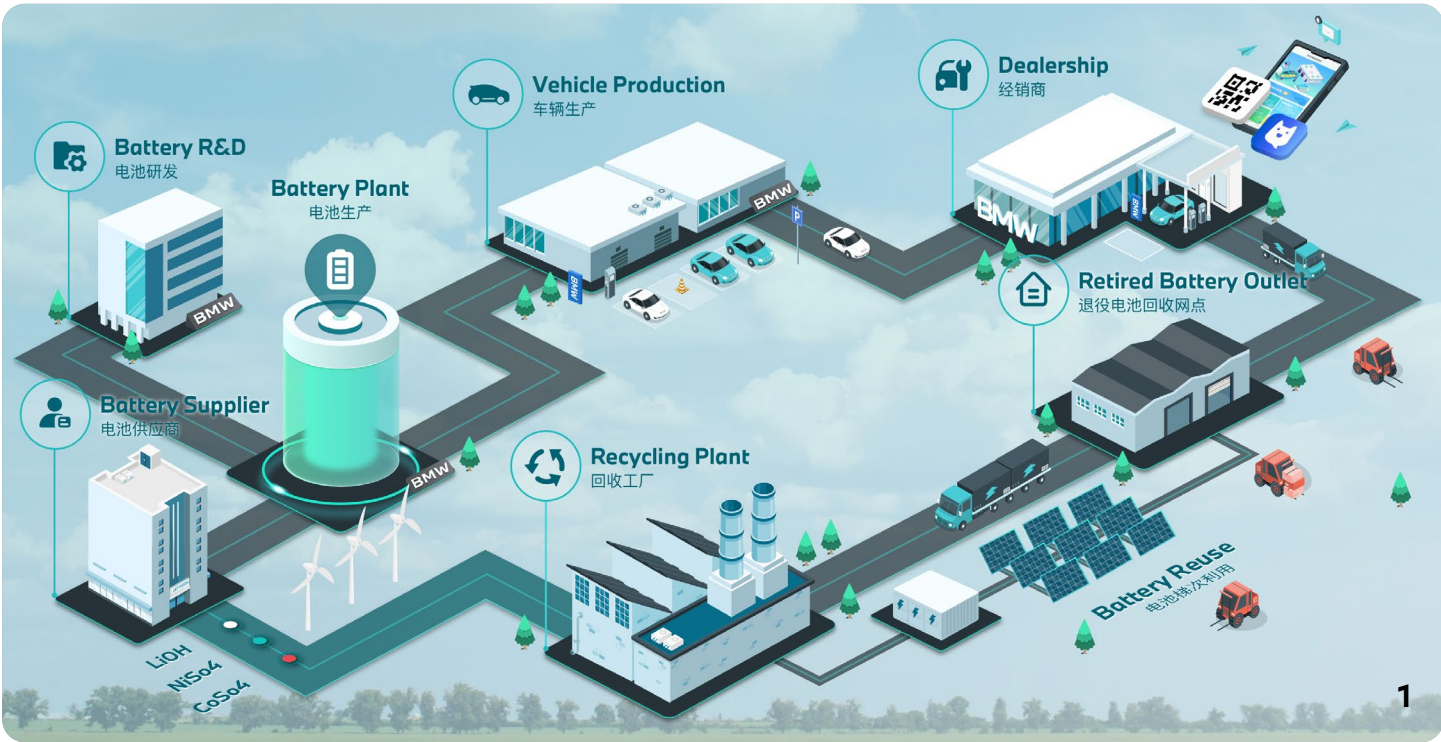
¹Backed by third-party certification from SGS, the new bio-composite nylon material has over 40% lower carbon emissions compared to petroleum-based nylon.

1. The BMW's closed-loop HVB recycling model

SUSTAINABLE HIGH VOLTAGE BATTERIES (HVBS)

PIONEERING SUSTAINABLE HVBS

BMW in China, as one of the first automakers to adopt closed-loop battery recycling, is leading the development of a sustainable, circular, and high-quality ecosystem for the lifecycle management of China's HVBs. By fostering close partnerships with industry leaders, BMW in China ensures that raw materials from BMW all-electric vehicles are recycled through a closed-loop process upon retirement, significantly reducing the environmental impact of end-of-life batteries.



BMW's HVB closed loop recycling was included as a case study in Pengpai Media's *The Path Towards a Sustainable Future: Multinational Circular Actions.*

BATTERY SECONDARY USE

The cascaded reuse of retired HVBs can significantly enhance resource efficiency by extending battery life and reducing the environmental impact of battery disposal. BMW in China evaluates various use case scenarios for retired HVBs before dismantling them to maximise their value.

One scenario for retired HVBs is their use as stationary batteries for energy storage. In 2024, BMW in China achieved notable progress by expanding retired HVBs' application from its own operations to dealer networks through innovative business models. Two dealerships in Shanghai and Chongqing have installed energy storage stations using retired HVBs, significantly reducing the cost of energy storage and improving energy utilisation efficiency. By the end of 2024, five systems across China were operating using retired batteries.

Another scenario for retired HVBs is their use in forklifts in BMW in China's manufacturing base. Replacing lead-acid batteries with second-life lithium batteries can improve the forklift's performance and reduce maintenance requirements. By the end of 2024, 65 forklifts were using our retired HVBs, and ongoing research with partner companies continues to optimise and expand these sustainable applications.

BATTERY RECYCLING

BMW in China, in collaboration with expert battery transportation and recycling partners, has established a comprehensive HVB lifecycle management system.

As a pioneer in China's electric vehicle market, BMW in China created one of the earliest closed-loop recycling models for HVB raw materials in 2022. This system ensures the recovery of critical materials, such as nickel, lithium, and cobalt, which are then returned to battery suppliers to produce new HVBs. Now, BMW in China's closed-loop recycling has achieved 100% recycling of retired HVBs from authorised dealerships, including customer car batteries, dealer-sourced batteries, and production test batteries from BMW's Shenyang plants.

In 2024, the volume of retired HVBs collected from authorised dealers increasing from 1,020 tonnes to 2,388 tonnes. This meant 2,161 tonnes of secondary raw materials were recovered for new battery cell production, resulting in an estimated 70% reduction in CO₂e emissions and reducing the need for raw material mining.

As recycling volumes continue to increase, we have upgraded our infrastructure to meet increasing demand. Through new construction and renovation projects, 100% of our 4S dealerships are equipped with standardised storage facilities for retired batteries. Additionally, we established two new regional warehouses in Xi'an and Jinan, meaning we now have six regional warehouses nationwide. This expansion strengthens our service network and enhances our capacity to manage battery end-of-life processes effectively.

In 2024, the volume of retired HVBs collected from authorised dealers increasing from

1,020 tonnes to 2,388 tonnes.

BATTERY-INTEGRATED IT SYSTEM TO IMPROVE TRACEABILITY AND RECYCLING EFFICIENCY

BMW in China uses advanced Battery-Integrated IT systems to ensure strict compliance with national battery regulations for tracking and coding processes. Our intelligent platform seamlessly connects key stakeholders, including dealerships, logistics services providers, and raw material recyclers, enabling efficient closed-loop traceability.

By precisely tracking battery models and lifecycle data, the optimal end-of-life pathway – whether for recycling or cascaded use – based on battery condition and usage history can be precisely determined. To date, 100% coding and tracking of all customer car batteries has been achieved. In 2024, the IT systems further covered end-of-life battery management at R&D and production facilities, ensuring end-to-end transparency and steering.

Digital solutions have been integrated into BMW in China's existing tracking platform to streamline the logistics routing of retired HVB recycling. Currently, the entire BMW in China dealer network is fully integrated into the HVB lifecycle management ecosystem, significantly improving recycling and logistic operation efficiency.



1. Battery lifecycle monitoring system

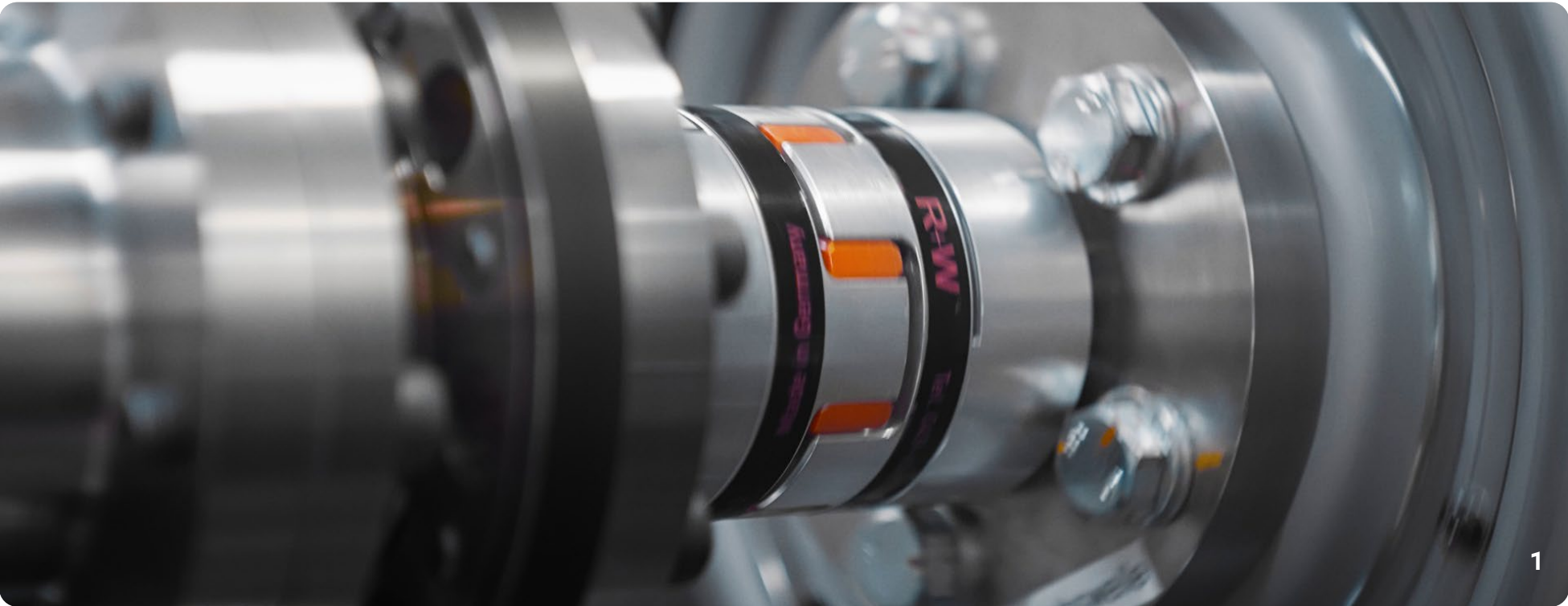
AMPLIFYING PARTS REMANUFACTURING

BMW in China is committed to a circular economy, accelerating the expansion of its parts remanufacturing capabilities and scope, significantly reducing carbon emissions and wastewater, as well as the use of raw materials in the production process. In 2024, BMW in China strengthened its collaboration with suppliers to optimise transaction flow through standardised processes and enhanced coordination with the Central Department to accelerate remanufacturing development cycles, further increasing the efficiency of material recycling and vehicle parts turnover.

ADVANCING PARTS REMANUFACTURING AND MARKET DEPLOYMENT

At BMW in China, we are committed to delivering high-quality remanufactured parts by applying advanced remanufacturing technologies and stringent quality standards. The remanufactured parts are produced using the same assembly processes as new parts and undergo rigorous functional testing in line with BMW in China's unified standards. Furthermore, all remanufactured parts are supported by the same two-year unlimited-mileage warranty policy as original new parts, reinforcing BMW in China's commitment to quality and reliability.

In 2024, BMW in China expanded its remanufactured parts portfolio and released more parts to the market, such as electronic steering gears, transmissions, four-wheel drive transfer cases, and air conditioning compressors, while actively exploring and advancing the application of remanufacturing concepts to high-voltage components in battery electric vehicles (BEVs). The integration of BMW in China's cutting-edge R&D with strategic market deployment shapes consumer trends toward sustainable mobility solutions. We take immense pride in our progress and remain unwavering in our commitment to promoting sustainable practices through comprehensive recycling initiatives and the remanufacturing of automotive parts.



PROMOTING PARTS REMANUFACTURING AND RECYCLING PROGRESS

BMW in China has taken proactive measures to achieve precise management of parts remanufacturing and recycling, driving efficiency and sustainability across operations. In 2024, the development of the online platform system for the old parts transaction was completed.

By expanding the scope of our recycling initiatives, BMW in China has reinforced its commitment to resource efficiency and circular economy principles. In 2024, we collected 56,517 parts for remanufacturing and recycled a total of 283 tonnes of materials, including iron, steel, aluminium, plastics, paper, and fabric.

283 t ↗ 15% from 2023

Weight of parts collected for qualified remanufacturing.

| CHARGING AND DIGITAL SERVICES

At BMW in China, sustainability goes beyond offering means for transportation. Sustainable innovations have been integrated across service operations, emphasising responsible marketing practices, streamlined digital interfaces, and charging infrastructure upgrades, transforming the comfort and convenience of every drive.

CHARGING INFRASTRUCTURE

Developing a sustainable charging ecosystem is a priority for BMW in China. Through highly efficient, interconnected charging networks and potential to be compatible with intelligent energy management technologies, BMW in China delivers convenient and reliable charging services that elevate user experience while reducing carbon emissions across the vehicle lifecycle.

1. Remanufactured parts



1. The BMW wallbox

EXPANSION OF CHARGING NETWORK

As China's new energy vehicles (NEVs) market booms, there is a critical need for further development of charging infrastructure. BMW in China continues to enhance its charging ecosystem to meet the evolving needs of Chinese customers, delivering a premium, seamless experience through strategic infrastructure expansion and diversified charging solutions. In collaboration with our partners, we have accelerated the deployment of public charging networks, private charging solutions, and exclusive chargers at dealerships.

PUBLIC CHARGING

BMW in China continues to expand its public charging network with additional Charging Point Operators (CPOs), enhancing the accessibility and application of its Easy Charge technology. As of the end of 2024, our customers were able to access more than 766,263 public charging points in China, a year-on-year increase of 30%. Building on the success of the 2023 BMW Super Charging Station initiative, in 2024, BMW in China advanced its high-power charging capabilities by establishing IONCHI, a 50-50 joint venture with Mercedes-Benz. IONCHI has deployed nearly 200 stations nationwide, each supporting charging capacities of up to 600 kW and open to all brands of electric vehicles. By streamlining charging processes and enhancing charging speeds, these stations deliver a premium, seamless, and digitally integrated charging experience, setting new standards for convenience and efficiency.

PRIVATE CHARGING

BMW in China is committed to continually enhancing and upgrading our private charging services, delivering BMW wallboxes and installation services of unparalleled quality. In 2024, BMW Brilliance introduced BMW wallbox and installation service through direct sales model, providing customers with a seamless journey of "purchase, installation, and use" via e-commerce and dealer channel. Designed with safety, intelligence, and convenience at its core, BMW wallbox is equipped with safety protection and intelligent operation; The installation service offers customer safe, exclusive, and customised service, visualising the real-time progress in My BMW App, so as to ensure customer is at ease, worry-free, and content. As a pioneering of direct sales for BMW in China, the intelligence and connectivity of BMW wallbox successfully bridges the brand and customers. While enabling a convenient charging experience, it also invites users to linger within the BMW App ecosystem, fostering a long-lasting connection between the brand and customers.

CHARGING AT DEALERSHIPS

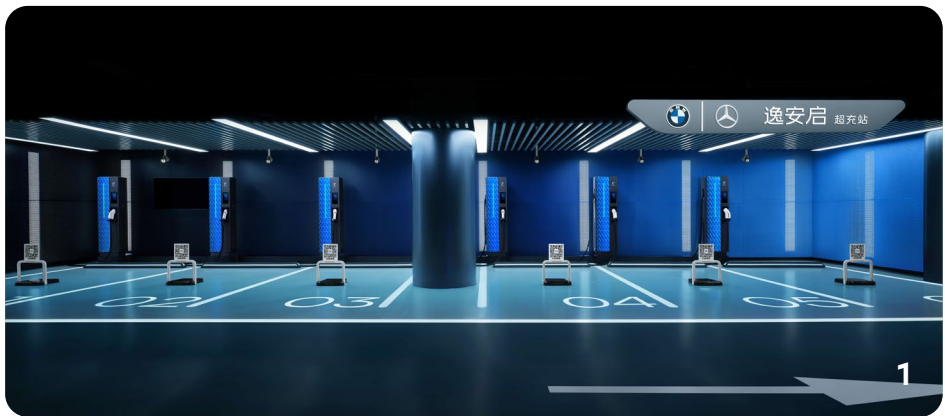
BMW in China continuously upgrades dealership charging infrastructure. By the end of 2024, 646 dealer charging stations were available nationwide. This robust network offers charging convenience and strengthens customer confidence in adopting NEVs.

LOW-CARBON CHARGING SERVICES

The transition to truly sustainable mobility requires comprehensive carbon reduction during vehicle use. BMW in China is advancing this goal through its partnership with the State Grid Smart Internet of Vehicles (IoV) to provide low-carbon charging services.

In 2021, BMW in China became the first automaker to partner with State Grid Smart IoV to provide charging from renewable sources. Building on this milestone, we enhanced our collaboration in 2024 with a robust framework targeting to achieve 100% electricity from renewable sources via My BMW App in State Grid's public charging network for all BMW in China battery electric vehicles (BEVs) by 2027. To ensure full compliance with BMW Group's low-carbon charging accounting standards, Green Electricity Certificates (GEC) are used to authenticate and track renewable energy consumption. In 2024, State Grid Smart IoV and BMW in China piloted the use of GEC to certify BMW BEV charging with renewable sources. This improvement ensures the carbon emission reduction from charging with renewable sources in China fully complies with BMW Group standard. Furthermore, State Grid Smart IoV will maximise the correlation of GEC and BMW customer charging behaviour in terms of timing and geographical distribution. In 2024, BMW BEVs in China charged 97,877 kWh of electricity from renewable sources in the State Grid public charging network, an increase of 10.5% from 2023.

To further advance renewable energy adoption, all charging infrastructure deployed under BMW in China's new joint venture, Beijing IONCHI New Energy Technology Ltd., operates exclusively on 100% electricity from renewable sources by the end of 2024.



1. The charging infrastructure deployed under IONCHI

DIGITAL CHARGING SERVICE

Digitalisation connects BMW and MINI's customers, products, services and brands. BMW in China upgraded the My BMW App and My MINI App to provide customers and dealers with comprehensive charging services. The integrated platform enhances customer engagement and streamlines dealer business operations by providing both parties with access to a comprehensive charging portal, which features services such as charging navigation, digital solutions, community features, membership benefits, and real-time support. By the end of 2024, the platform had connected 377,601 NEV users, indicating users' increasing adoption and enhanced digital competency. BMW in China also integrated IONCHI's branded charging services into the My BMW App and My MINI App, enabling BMW owners to access premium charging facilities with exclusive features. This integration further strengthens the App's position as a central hub for customer-centric mobility solutions.

DIGITAL CUSTOMER JOURNEY

Our digital transformation efforts have bolstered our online service capabilities, integrating automatic activity notifications and enhanced service tool functionalities. By integrating traditional business methods and cutting-edge technology, we've crafted a smarter, holistic service experience. This digitalisation has enhanced BMW in China's service quality while establishing a vibrant and efficient ecosystem that connects customers, products, services, and the BMW brand.

The My BMW App is our primary digital touchpoint with customers throughout their daily routines. In 2024, we enhanced the App with several customer-focused feature innovations, including Roadside Assistance-Call Dealer, which allows users to contact dealers directly via hotline or chatroom during traffic accidents for immediate assistance. We have also enhanced learning navigation with a more concise interface for easier setup and operation, and introduced a new App Tutorial that guides users through detailed operations for each feature. We added advanced remote vehicle controls, such as Remote-Control Parking and Comfort Open & Close functionalities, along with expanded Digital Key Plus, allowing users to lock/unlock their BMW vehicles and start the engine via smartphones.

The App has also expanded its offerings with local lifestyle products specifically designed for Chinese consumers, providing more diversified and customised options that strengthen customer engagement, brand loyalty, and cultural relevance. With the App maintaining its impressive 4.9/5 star rating in the Apple Store, the total registered user base has exceeded 11 million, demonstrating strong user recognition and growing popularity. By the end of 2024, 377,601 NEV users were connected through the My BMW App.

BMW dealers serve as extensions of our customer-focused services, and their customer connections are vital to our business. We have extended our digital footprint into the dealer network, embarking on a comprehensive Dealer End Paperless Transformation. This initiative aims to streamline operations, enhance efficiency, and reduce environmental impact by minimising paper usage across various dealer processes. We have fully digitised the used car certification process with the implementation of a 360° officially certified used car inspection system. This implementation has replaced the previous paper-based documentation process, enabling a more seamless and accurate certification experience for both dealers and customers. Our after-sales final inspection process has transitioned to a paperless workflow, resulting in a significant reduction in paper usage. In 2024, the SPARK-DMO platform avoided the consumption of 87 million pieces of paper. Additionally, we have launched an e-invoice system for Original Equipment Manufacturer (OEM) and dealers' membership credit management. This system streamlines transactions, making it easier for OEM and dealers to manage membership credits while reducing paper use.

377,601

NEV users connected on the My BMW App.

| FORECAST

Looking ahead to 2025, BMW in China is committed to further improving the energy efficiency of our products, with a focus on delivering innovations in the Chinese market.

The Neue Klasse marks the beginning of the next generation of BMW electric vehicle models. It will be launched in 2025 on our fully-electric New Cluster Architecture (NCAR), with the new generation of highly innovative technology clusters and a new BMW design language. Production in China will start in 2026. The Neue Klasse will redefine the BMW brand, setting new standards for digitalisation, electrification, and circularity. It will use 800 volts (800V) technology with BMW cylindrical battery cells that have 20% higher energy density, 30% faster charging, and over 30% longer range, compared to current Gen 5 models.

Guided by the principles of the circular economy in China, BMW in China is committed to promoting circularity across the entire product lifecycle. In 2025, BMW in China will continue to advance sustainable material innovation through in-depth research and collaboration. Building on its "Originating from China, Used for China" principle, BMW in China is exploring the development of bio-based materials using tea leaves, as well as the application of surface spray-free materials in interior parts, lightweight materials, and surface laser engraving technology. For retired HVBs, in addition to continuing to expand their reuse in forklifts and energy storage stations, we will actively develop more scenarios to maximise the lifecycle value of batteries and reduce environmental impact. Moreover, BMW in China plans to scale up its parts recycling and remanufacturing. Our ongoing investments in research and design for remanufactured parts will expand to include

starters, alternators, and electrical drive units. At the same time, building on the progress made in 2024, the new online platform system for old parts transactions will enter its launch phase, further streamlining our operations and enhancing efficiency.

BMW in China will continue to offer convenient charging solutions – whether on the road, at home or at dealerships. In 2025, we plan to further expand public charging infrastructure. More charging stations powered by 100% renewable energy will be installed through the newly established Chinese joint venture IONCHI.



1. The Neue Klasse

03

PRODUCTION AND OPERATION

“For years, BMW Brilliance has integrated low-carbon and circular mindsets throughout its value chain. We have created a unique structure-‘EMT’ that synergies R&D innovation, sustainable procurement and lean manufacturing, making a new dimension in flexible and sustainable production. We perform as one team for our customers’ JOY of driving.”



Mr. Michele Melchiorre
Senior Vice President of Technology and Manufacturing
BMW Brilliance Automotive Ltd.

By taking a 360° approach to sustainability – from raw material sourcing, production, facility management, distribution logistics, and the vehicle’s sale to customers at the dealership – we aim to minimise negative environmental impacts. At the core of our production philosophy is an unwavering commitment to the principles of energy optimisation, resource stewardship, and the circular economy. We relentlessly advance innovation to create value for the environment without uncompromising production quality and agility.

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3.1

ENVIRONMENTAL MANAGEMENT

At BMW Brilliance, our environmental governance goes beyond regulatory compliance. Guided by the nation's strategic vision of accelerating the transformation to a sustainable automotive industry and the BMW Group's global sustainability principles, BMW Brilliance has established a robust governance framework that embeds environmental stewardship in our core operational strategy. We drive sustainability across operations through binding policies, rigorous standards, and effective management systems, ensuring compliance while driving environmental excellence in our daily production and operations.

-100%

Waste for disposal
per vehicle produced
compared to 2019.

-34.6%

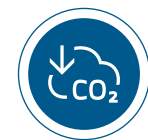
Potable water consumption
per vehicle produced
compared to 2019.

SUSTAINABILITY FOCUS IN PRODUCTION

Sustainability is one of the guiding principles of BMW Brilliance's production and operation process. The latest BMW Group's global iFACTORY strategy is to use innovative technologies that facilitate flexible, efficient production, minimising the use of resources and using digital solutions in the fields of data science, AI, virtual planning and development [\[more information can be found in the BMW Group Report 2024\]](#). We have a distinctive strategic approach in China for sustainable production.

BMW Brilliance incorporates local culture and strengths to be faster and more effective in industrialising products with the best fit for local production and customers. In China, our commitment to pioneering sustainable manufacturing with resource-efficient and circular practices is focused on four areas: energy and emissions; water; waste; and secondary materials.

FOUR AREAS



Energy and Emissions



Water



Waste



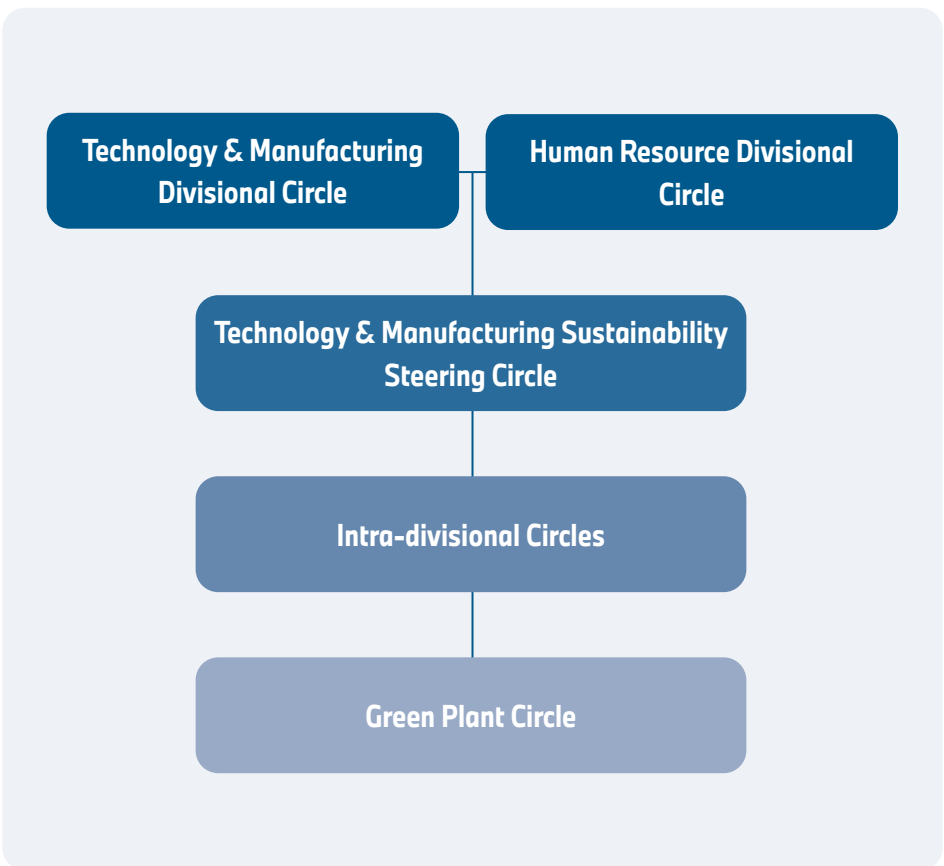
Secondary materials

ENVIRONMENTAL GOVERNANCE

At BMW Brilliance, we enforce the BMW Group's environmental policy by systematically addressing the impacts, risks, and opportunities related to water stewardship, energy efficiency, and climate action. Our operations go beyond maintaining compliance with legislation, regulations, and industry standards. We also pursue continuous improvement in sustainable manufacturing practices, supporting the nation's strategic vision of accelerating the sustainable transformation of the automotive industry.

Sustainability is fully integrated into BMW Brilliance's environmental governance framework, guiding decision-making, and operations at every level. The Technology & Manufacturing Sustainability Steering Circle within BMW Brilliance is a senior management group that meets monthly to review our sustainability strategy and key projects in production. It oversees and directs efforts to reduce CO₂e emissions, improve energy efficiency, minimise waste and water consumption, improve secondary material application, and manage other environmental aspects. The Green Plant Circles at every plant continuously optimises environmental key performance indicators (KPIs) through innovative projects and production efficiency. We are dedicated to improving environmental management and overall performance by exchanging ideas with BMW plants around the world.

ENVIRONMENTAL GOVERNANCE STRUCTURE



In 2024, ISO 14001:2015 Environmental Management Systems certification was renewed at all our production sites. Our Environmental Management Teams and Compliance Department maintain close collaboration to ensure full alignment with all applicable environmental regulations and corporate sustainability standards.

BMW Brilliance has established a clear environmental roadmap guiding long-term development for all our plants. To ensure measurable progress, we use a systematic and scientific approach to set environmental goals that are in line with the BMW Group and conduct regular monitoring of key environmental progress status regarding CO₂e emissions, water consumption, waste management, energy consumption, and volatile organic compounds (VOCs) emissions. Through precise tracking and in-depth performance analysis, we ensure that objective achievement meet our targets while driving through continuous operational optimisation.



1. 100% electricity from renewable sources of the BMW Shenyang production base

3.2

PRODUCTION AND OPERATION CARBON STEWARDSHIP

Aligned with national decarbonisation goals as well as those of the BMW Group, BMW Brilliance is driving low-carbon transformation across our entire value chain. We prioritise energy efficiency and renewable energy adoption, aiming to achieve both operational excellence and reduced CO₂e emissions. Our production processes serve as the foundation for this transformation, combining innovative technologies with systematic energy management to achieve sustainable impact.

100%

Use of electricity from renewable sources for all manufacturing sites and 36 non-manufacturing sites.

91.86 GWh

↗ 2.5% from 2023
Electricity consumption from on-site solar photovoltaic (PV).

As an integral part of the BMW Group, BMW Brilliance is fully committed to supporting the Group's ambitious decarbonisation target: reducing CO₂e emissions by at least absolute 40 million tonnes by 2030 (baseline: 2019)¹ across all scopes. Our production processes constitute the primary source of our Scope 1 and Scope 2 greenhouse gas emissions², predominantly emissions from natural gas, purchased electricity, and heating. To achieve our decarbonisation objectives, BMW Brilliance continues to optimise energy management and explore alternative technology and energy options with local governments and partners.

To strengthen the accountability for greenhouse gas management across our operational sites, BMW Brilliance's emissions boundary has been revised from 2024 onwards. When assessed according to the emission boundary used in 2023, 2024 Scope 1 and Scope 2

emissions totalled 120,688 t CO₂e, a 12.5% reduction year-on-year. This decline was driven by the fluctuation in production volume, the accelerated transition to renewable energy and systematic energy efficiency measures.



1. Advanced zero air consumption dryer

BMW Brilliance Scope 1 and Scope 2 Greenhouse Gas Emissions (in t CO₂e)

	2022	2023	2024 ^{*3, 4}	Change %	2024 ⁵
Total	130,427	137,971	120,688	-12.5%	140,421
Scope 1 Greenhouse gas emissions	54,306	57,309	46,568	-18.7%	52,783
Scope 2 Greenhouse gas emissions	76,121	80,662	74,120	-8.1%	87,639

Note: 2024 emissions data marked with an asterisk (*) has been assessed according to the emissions boundary used in previous years. 2024 emissions data that is unmarked has been assessed using the new emissions boundary.

¹This new target replaces the previous goal.

²See p. 121 for the Basis of Reporting of Scope 1, Scope 2 and Scope 3 Greenhouse Gas emissions.

³From the reporting year 2024 onwards, Scope 1 and Scope 2 emissions are measured in tonnes of carbon dioxide equivalent (t CO₂e). Direct CO₂e emissions generated by fossil fuel consumption of vehicle production (BMW Brilliance plants) and of other BMW Brilliance locations not directly related to production (non-manufacturing sites, e.g. Research and Development Centres, Training Centres, Office Buildings), as well as direct CO₂e emissions of company vehicles of BMW Brilliance, excluding fossil fuel consumption of construction and on-site third-party suppliers of BMW Brilliance plants.

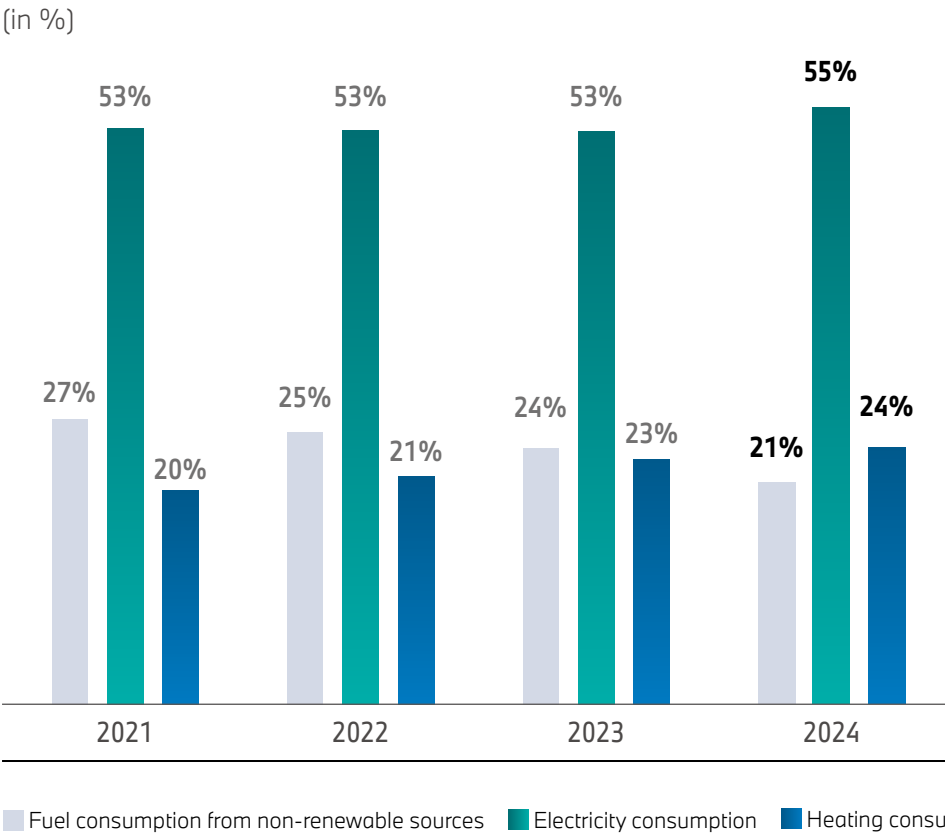
⁴Indirect CO₂e emissions generated by the consumption of purchased electricity and purchased heating from vehicle production (BMW Brilliance plants) and of other BMW Brilliance locations not directly related to production (non-manufacturing sites, e.g. Research and Development Centres, Training Centres, and Office Buildings), excluding purchased electricity and purchased heating consumption of construction and onsite third-party suppliers.

⁵BMW Brilliance's emissions boundary has changed from 2024 onwards. See p.121 Other information-basis of reporting for the definition. The scope 1 Greenhouse gas emissions and scope 2 Greenhouse gas emissions figures are assured on the basis of a limited assurance engagement.

LOW-CARBON ENERGY TRANSITION

To fully align with the BMW Group's decarbonisation target, BMW Brilliance is facilitating the energy transition across its production and operations by systematically shifting from fossil fuels to renewable energy sources, fundamentally restructuring its energy portfolio. Our integrated energy transition approach includes innovating with geothermal heating systems, exploring alternative energy solutions, such as biomethane, and 100% use of electricity from renewable sources. It also includes accelerating the electrification process in production. This has helped achieve a systematic decrease in fossil fuel dependence across BMW Brilliance's production and operations over the years. The proportion of fuel from non-renewable sources declined from 27% in 2021 to 21% in 2024. At the same time, the proportion of electricity consumption has increased to 55%, as we drive the electrification of our production process.

Energy consumption structure



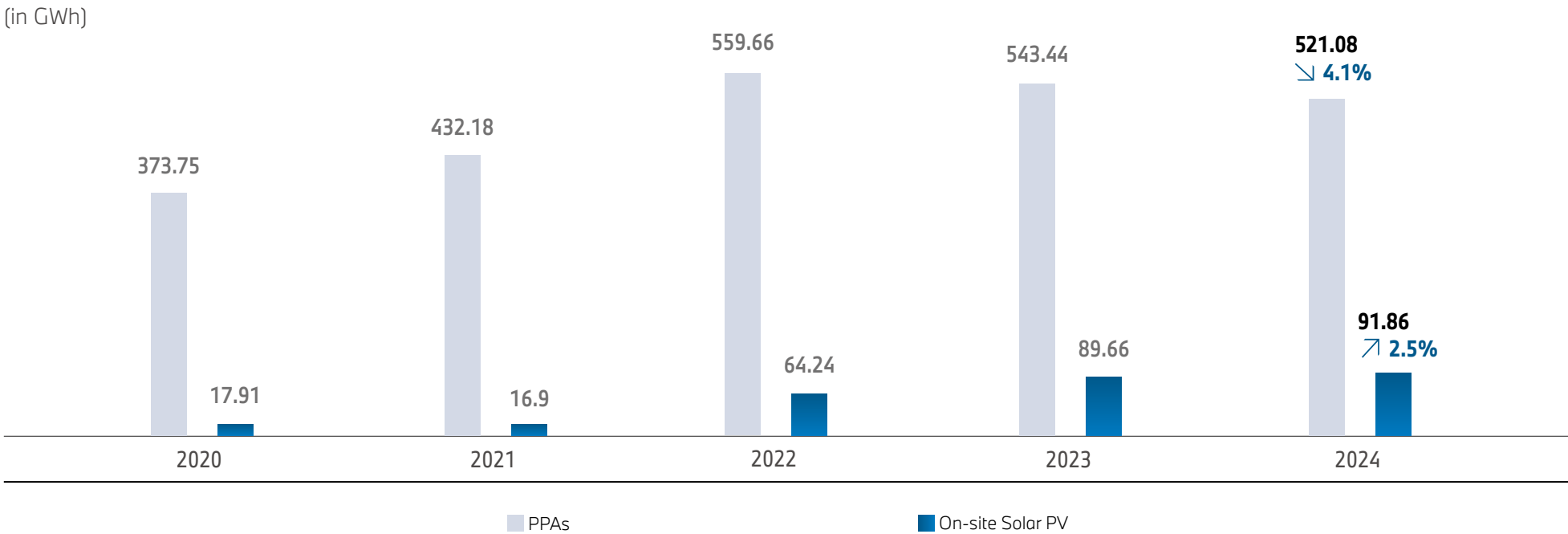
For electricity used in production, beginning in 2019, BMW Brilliance’s production facilities have been powered by 100% electricity from renewable sources. From 2021, all BMW Brilliance’s production facilities in Shenyang and 36 non-production sites have been powered by 100% electricity from renewable sources, marking a significant milestone in our decarbonisation journey. This comprehensive transition was facilitated through a multipronged approach: deploying on-site solar photovoltaic (PV) panel installations, securing electricity from renewable sources via power purchase agreements (PPAs), and purchasing Energy Attribute Certificates. In 2024, 80% of our electricity from renewable sources was from PPAs, 14% from on-site solar PV, and 6% from Green Electricity Certificates. BMW Brilliance is expanding its renewable energy procurement through PPAs and expanding on-site solar capacity to minimise direct environmental impacts.

Heating systems have significant decarbonisation potential in our operations. BMW Brilliance is advancing its efforts to reduce indirect emissions from purchased heat by transitioning to cleaner energy solutions. We introduced geothermal heating for building heating supply, marking a significant milestone in energy transformation. In 2024, we accelerated this transition with the approval and construction of geothermal systems at our Powertrain Plant to replace coal-based heating. During the 2024 heating season, geothermal energy successfully replaced municipal heating in the Gen 6 Battery Powertrain project office building. Upon construction completion at the Powertrain Plant, we will evaluate geothermal heating expansion to Plant Tiexi and Plant Lydia.

ON-SITE SOLAR PV INSTALLATION

The on-site capacity of our solar PV installation was 89.6 Megawatt peak (MWp) across the Shenyang base in 2024. The total electricity consumption from on-site solar PV was 91.86 Gigawatt hours (GWh), an increase of approximately 2.5% compared to 2023.

Consumption of electricity from renewable sources in production from PPAs and On-site Solar PV



GEOTHERMAL FOR RENEWABLE HEATING

Following the promising results of 2023’s geothermal well tests, we began construction of the middle-depth closed-loop geothermal project at our Powertrain Plant in 2024. System launch is planned for November 2025. Upon its completion, the system (made up of 28 drilling wells and heat pumps) will provide fossil-free heating to the entire Powertrain Plant, which is expected to reduce CO₂e emissions by 18,000 t/year.



We are also exploring the use of other forms of renewable energy for natural gas substitution, such as biomethane, to diversify our renewable energy portfolio. In 2024, the technical evaluation of biomethane adoption for Powertrain Plant foundry equipment was completed and entered the CO₂e accounting and validation phase to quantify the emission reduction potential. We are also evaluating qualified suppliers in the local market to ensure they comply with BMW Group’s rigorous supplier selection standards.

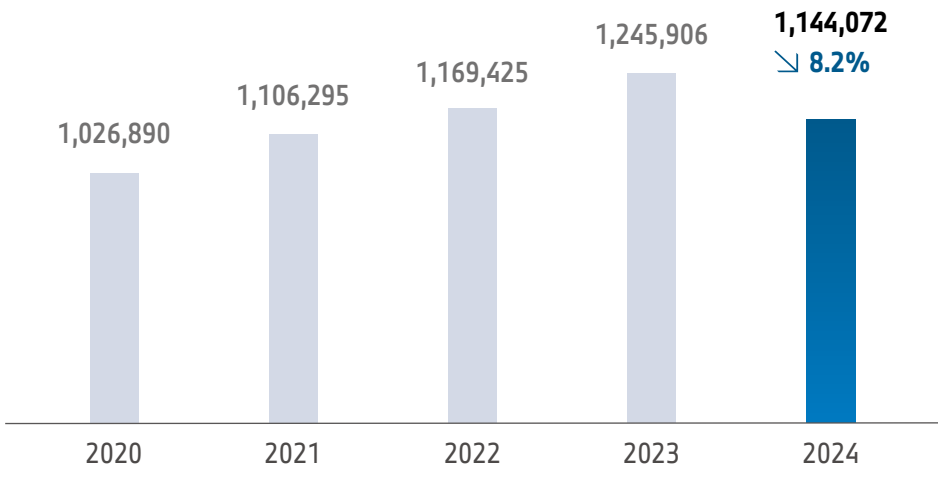
1. The Geothermal Energy Project

ENERGY EFFICIENCY IMPROVEMENT

At BMW Brilliance, we keep driving energy efficiency to reduce energy consumption, conserve resources, and decrease CO₂e emissions in production. We continuously optimise energy efficiency according to ISO 50001 energy management systems requirements. In 2024, BMW Brilliance reduced total energy consumption by 8.2% year-on-year to 1,144,072 MWh.

Total energy consumption⁶

(in MWh)



An Innovative Management Optimisation Project was introduced to systematically identify high-impact energy-saving opportunities, improve Significant Energy Use (SEU) operation efficiency and reduce energy consumption. Through collaboration between the Facility Management and Technology teams, we systematically standardised SEU types and relevant variables, establishing clear operational benchmarks. In implementing an optimised operation model, we identified and improved key operational parameters and conditions to maximise SEU efficiency. This initiative resulted in the identification of 300 SEUs and 720 relevant variables and enabled the implementation of 66 energy-saving measures in 2024.

⁶Total energy consumption from fuel from non-renewable resources, heating, and electricity.

BMW Brilliance takes an integrated approach to reduce energy consumption and lower CO₂e emissions, combining production planning optimisation, infrastructure digitalisation, process improvements, and intelligent energy controls. We identify potential in energy-intensive equipment at our plants and maximise efficiency through measures such as equipment adjustments and process upgrades. In 2024, BMW Brilliance achieved remarkable energy efficiency improvements through two optimisation initiatives at Plant Dadong. The plant achieved annual energy savings of 2,000 MWh by using intelligent energy management tools to implement precise temperature parameter adjustments and thermodynamic modelling to redefine optimal operating temperature ranges for the oven tar system and thermal boxes. The plant also achieved annual energy savings of 1,700 MWh from the decommissioning of drying oven equipment for the BMW X5 project, due to the introduction of waterborne wax that enables natural air-drying.

LEAN MANUFACTURING OPTIMISATION IN THE PAINT SHOP

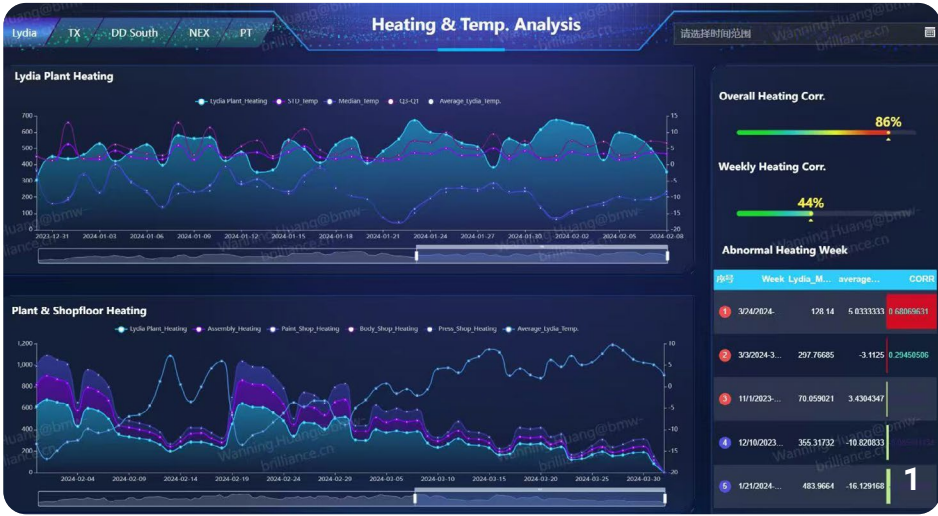
At Plant Tiexi, Plant Dadong NEX, and Plant Lydia, we have implemented a technologically advanced upgrade to waterborne wax while maintaining cost parity. By transitioning to a new waterborne wax that enables natural air-drying, we were able to switch off seven ovens, optimising the drying process, with significant reductions in annual energy consumption and CO₂e emissions.

With a focus on long-term development, we conduct periodic comprehensive evaluations and phased upgrades of equipment. This systematic approach progressively reduces overall energy demand while maintaining production excellence. In 2024, specific infrastructure upgrades included the replacement of conventional lighting with energy-efficient LED tubes, the installation of new compressed air dryers, and the implementation of intelligent control systems for awning lighting.

INTEGRATING DIGITAL SOLUTIONS

At BMW Brilliance, we are promoting flexible, efficient sustainability solutions by using digital platforms to collect and monitor energy consumption. The AI-driven technology is used as a pilot to analyse data, predict future usage patterns, and identify efficiency opportunities. The analyses enable us to make operational decisions to consistently achieve monthly energy reduction targets.

In 2024, we implemented AI production assistance, based on large language and vision model technology to make similarity recommendations for non-standardised spare parts in our body shop operations. We are currently developing a digital platform for sustainability. By leveraging large language models to simulate and optimise energy solutions, along with AI-powered forecasting for advanced data analytics, the platform will help improve energy efficiency and enable smarter energy management across operations.



1. One Sustainability Platform (testing)

3.3

RESOURCE EFFICIENCY AND ENVIRONMENT

China is advancing the low-carbon transformation of manufacturing through sustainable innovation, cleaner production, and the circular economy. Aligned with these national priorities and the BMW Group's environmental commitments, we place great emphasis on the efficient use of resources and recyclability of all types. For decades, BMW Brilliance has systematically integrated resource efficiency as the foundational pillar of our environmental management system, with rigorous monitoring of key indicators, including energy and water consumption, waste disposal, circularity, VOCs emissions, and sustainable land use.

400,000m³

Reclaimed water use across all plants.

100%

Use of municipal reclaimed water for plant greenery irrigation in all Shenyang plants.

100%

Plants in Shenyang achieved zero landfill waste.⁷

⁷Zero landfill waste excludes the waste incineration residual at waste treatment supplier.

| WATER STEWARDSHIP

Shenyang, as a water-scarce northern city, is a key implementation zone for China's dual control strategy on water use intensity and total consumption, driving manufacturers to fundamentally shift toward conservation-oriented water use practices.

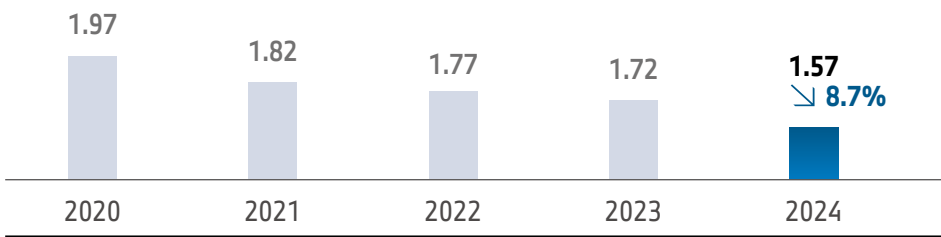
Water is an essential resource in our manufacturing operations. Despite increasing production demands, we are committed to reducing freshwater consumption across both production processes and daily operations. Through process optimisation and equipment upgrades, we have reduced overall water demand and achieved significant water savings. By the end of 2024, process water represented only 20% of total freshwater consumption. For instance, since 2012, all newly constructed Shenyang plants have adopted dry paint booths. Compared to conventional wet paint booths, this innovative system uses natural limestone powder to capture overspray paint mist, decreasing both freshwater usage and wastewater generation.

BMW Brilliance has implemented closed-loop water systems and expanded the use of reclaimed water in production processes and daily operations. High-efficiency water treatment facilities were implemented to recycle wastewater. By increasing the capacity of on-site water treatment, we ensure a stable supply of reclaimed water for the production process and cooling towers.

In 2024, reclaimed water use across all BMW Brilliance's plants reached a total volume of 400,000 m³. Annual potable water consumption per vehicle produced has declined for seven consecutive years, which demonstrates BMW Brilliance's commitment to the efficient use of resources and recyclability.

Potable water consumption per vehicle produced

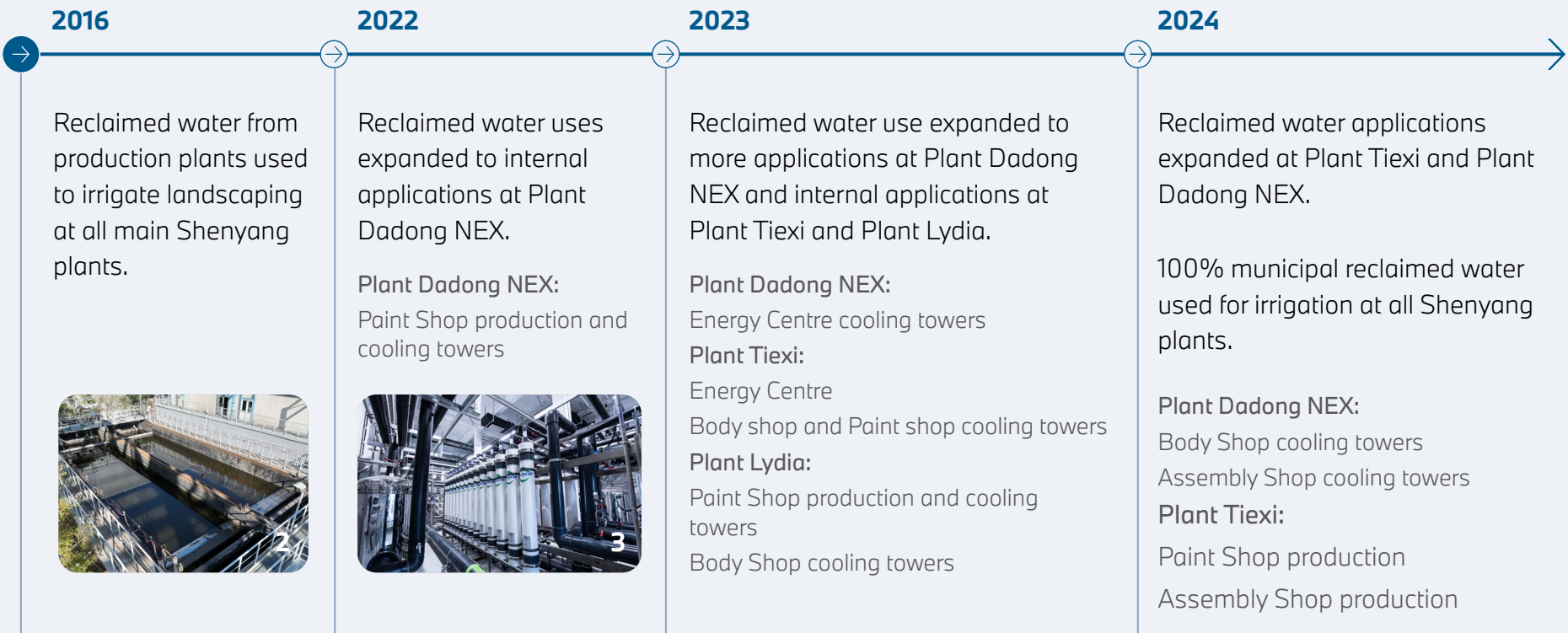
(in m³/ vehicle)



The scope of our reclaimed water usage scenarios has also been expanded. Since 2016, reclaimed water use has expanded from irrigation of landscaping plants at our sites to cooling towers and paint shops. In 2024, we achieved significant milestones in reclaimed water usage. After the water efficiency project successfully went live, especially the implementation of a new grey water station in Plant Tiexi, the use of the plant's internal reclaimed water in production and operation has increased. Moreover, we used 100% municipal reclaimed water for the irrigation of plant greenery to release higher-quality internal reclaimed water for manufacturing.



Expansion of use cases for reclaimed water:



100%

Greenery in the plants irrigated by municipal reclaimed water.

1. The new grey water station at Plant Tiexi
2. The reclaimed water treatment system at Plant Dadong
3. The reclaimed water station

| WASTE REDUCTION AND DISPOSAL

Waste management is a critical aspect of BMW Brilliance's focus on sustainable production, ensuring minimal environmental impact while optimising resource efficiency. We have applied rigorous waste management practices, ensuring compliance with local regulations and environmental policies. Our waste management prioritise waste reduce, reuse, and recycle while ensuring proper hazardous waste disposal through certified transporters. In 2024, we optimised the hazardous waste management process and uploaded the hazardous waste data to the government platform automatically instead of manually.

USING SMART GOVERNMENT PLATFORM

BMW Brilliance is proactively responding to governmental digital transformation initiatives for hazardous waste management. Since implementing the provincial smart supervision platform, we have achieved end-to-end data visibility and intelligent tracking, significantly enhancing transparency of waste disposal and operational effectiveness.



1. Hazardous waste smart supervision platform

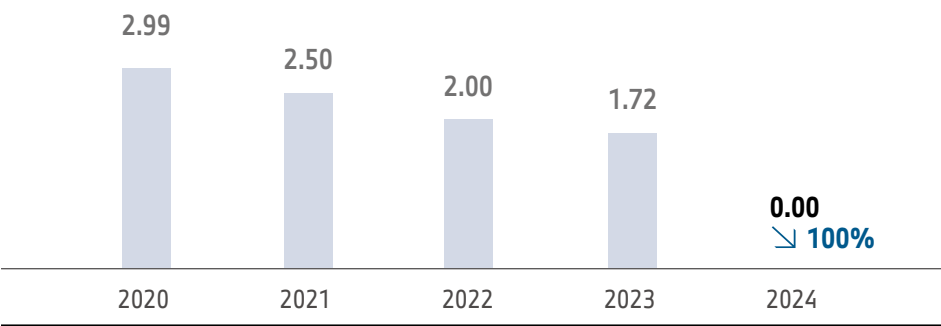
Through an innovative approach, we continue to explore the transformation of waste from landfill treatment to recyclable use, to minimise the harm of waste generated to the environment. In 2024, all Shenyang plants achieved zero landfill waste. Our last two landfill hazardous wastes, phosphate sludge and paint shop wastewater sludge, were transformed into recycling waste as cement raw material.

RESOURCE RECYCLING AND WASTE REDUCTION

In our painting process at Plant Dadong NEX, we employ an low-temperature, low-pressure distillation purification system to recycle water-based waste solvents, achieving an recycling rate up to 80%. Currently, this technology has been patented. By significantly reducing CO₂e emissions from VOCs combustion in production processes while minimising waste treatment requirements, the innovative technology exemplifies our commitment to both resource efficiency and hazardous waste reduction, delivering measurable environmental benefits.

Waste for disposal per vehicle produced

(in kg/vehicle)



100%

Plants in Shenyang achieved zero landfill waste in 2024.⁸

⁸Zero landfill waste excludes residual waste incineration at the waste treatment supplier.

We believe that reducing resource consumption at the source and improving material efficiency are key to minimising waste. For example, in the press shop, innovative technologies are being applied to reduce steel consumption and scrap generation and employee awareness of waste reduction has been strengthened.

OUR EMPLOYEE STORY



Guo Yingliang

Tool Maintenance Lydia Press Shop

Guo Yingliang, Mold Maintenance Supervisor at BMW Brilliance's Press Shop, has championed innovation in resource efficiency throughout his 14-year career. While striving for personal breakthroughs, in 2018, he established the "Press Shop Guo Yingliang Innovation Studio" with the support of corporate management and the BMW Brilliance Shenyang Trade Union. The studio has become a key platform for solving technical challenges on the shop floor. For example, the project "Optimising Production Processes to Reduce Raw Material Consumption" has significantly improved resource efficiency and reduced waste. By optimising material use with millimetre-level precision, the initiative saves 574 tonnes of steel and aluminium and reduces CO₂e emissions by over 4,000 tonnes a year. Recognised with the 2024 Liaoning May Day Labour Medal, Guo exemplifies how BMW's skilled technicians are advancing sustainable manufacturing through technology and ingenuity.

| VOCS EMISSIONS REDUCTION

In vehicle production, volatile organic compounds (VOCs) refer to organic solvents that are primarily emitted from paint shops. These substances can easily vaporise and pose a risk to human health. At BMW Brilliance, we maintain strict compliance with local emission standards while implementing advanced technological solutions. VOCs abatement systems were implemented to comply with local regulatory emission limits ($<30 \text{ mg/Nm}^3$) at Plant Tiexi, Plant Lydia, and Plant Dadong NEX. BMW Brilliance has established a digital monitoring system connected to government supervisory platforms for real-time data sharing and has periodically submitted VOCs emissions reports to local environmental authorities to ensure full transparency and regulatory compliance.

We have a comprehensive VOCs management system that spans the entire operational lifecycle to reduce VOCs emissions at all BMW Brilliance's production sites, from emission source control to process optimisation to end-of-pipe treatment. For example, the Integrated Paint Process line robot atomizer cleaners were upgraded at Plant Tiexi and Plant Dadong NEX, achieving a 95% reduction in solvent use and a related reduction in VOCs emissions through enhanced cleaning efficiency. Through continuous material innovation, we introduced a new generation of low-VOC base coat paint, with VOCs content of just 132g/L, which is significantly below the government's GB/T 38597 standard recommendation of 420g/L. It is also a 66% reduction from conventional coatings.

FOAMING MATERIAL UPGRADES

In 2024, the paint shops of Plant Lydia and Plant Dadong NEX began using new foaming materials that not only enhance production process stability but also reduced VOCs emissions by approximately 46%, exceeding the BMW Group's stringent requirements.

| BIODIVERSITY AND LAND-USE

At BMW Brilliance, we are committed to mitigating negative impacts on local ecosystems, including vegetation, soil integrity, and biodiversity. To achieve this, we systematically incorporate nature-based solutions into the planning and execution of new building projects, and adhere to environmental and social standards across all our operations. These measures enable us to actively contribute to biodiversity conservation, minimise land degradation and enhance the ecological health of the surrounding environment. In 2024, BMW Brilliance created a low-maintenance, self-sustaining ecological zone at Plant Tiexi using harvested rainwater. According to third-party feasibility studies, the project can achieve a rainwater catchment total runoff control rate of

more than 85%, meeting the local government's construction standard for sponge city initiatives for flood management. The transformation converted 48,000 m² of lawn into 43,000 m² of natural area and 5,000 m² of biodiverse landscaping with a pond and an ecological area, eliminating irrigation, chemical treatments, and weeding. To reduce energy consumption, a solar-powered rainwater system was installed to maintain pond and irrigation operations. Animal habitats and native plantings, complemented by an educational display system, are used to enhance biodiversity while demonstrating BMW Brilliance's sustainability leadership in ecological stewardship and public awareness.



1. The ecological zone at Plant Lydia

| SUSTAINABLE WORKING ENVIRONMENT

BMW Brilliance's commitment to sustainable practices goes beyond production to our 36 non-manufacturing facilities, including offices, Research and Development Centres, Spare Parts Distribution Centres, Brand Experience Centres, and Training Centres.

Creating sustainable workspaces delivers multiple benefits, including increasing energy and resource efficiency, attracting top talent, and fostering environmental awareness among employees. At BMW Brilliance, we embed sustainability principles throughout our operations, from strategic site selection to architectural planning, construction, and ongoing facility management. Our goal is to significantly reduce the carbon footprint of our facilities by cutting CO₂e emissions, minimising waste, and optimising resource efficiency. The BMW Sustainable Building Standard, launched in 2023, covers the entire real estate management lifecycle. It leverages globally recognised criteria, such as LEED and WELL standards, to make the work environment greener and healthier by achieving measurable sustainability goals at every stage of construction.

Beyond infrastructure, we actively involve our workforce in sustainability initiatives, recognising that their collective actions create ripple effects that extend far beyond our company walls. By empowering employees to drive meaningful change, we amplify our positive impact on society and accelerate progress toward a sustainable future.

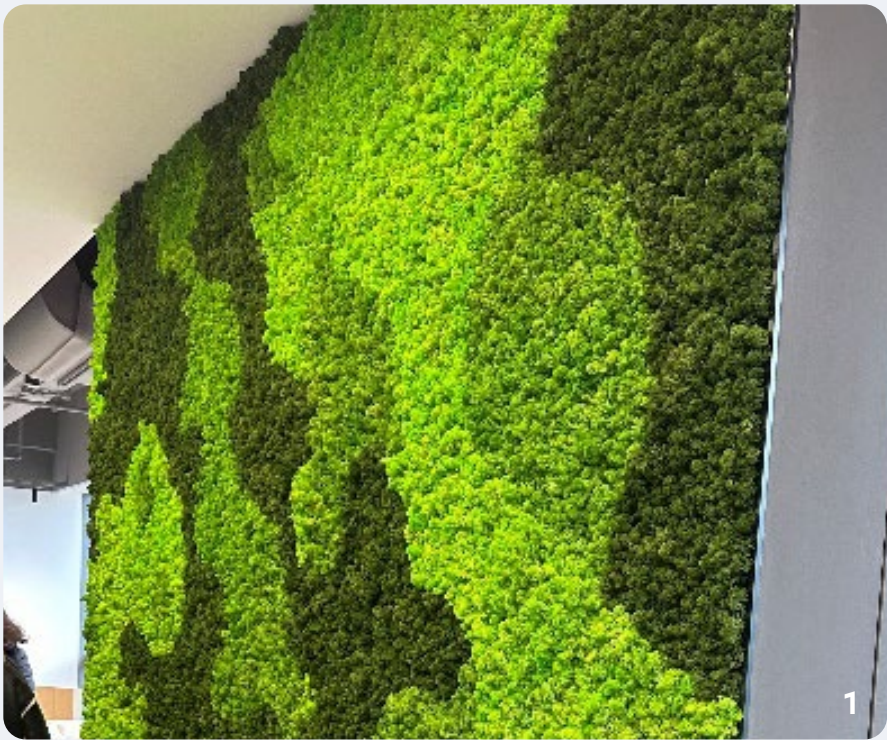
| FORECAST

In 2025, BMW Brilliance will continue its decarbonisation and environmental protection efforts with advanced energy management, resource efficiency and circularity, and digital transformation initiatives.

BMW Brilliance is accelerating its low-carbon transition by systematically replacing non-renewable energy across all operations. We will progressively transition heating systems to renewable sources

SUSTAINABLE WORKPLACE INNOVATION AT CHENGDU REGIONAL OFFICE

BMW Brilliance's sustainable workplace initiative at the Chengdu Regional Office demonstrates how environmental stewardship and employee wellbeing are supported by human-centric design and smart technologies. The pilot project combines biophilic elements, such as living plant walls, with advanced systems including self-circulating air purifiers, and professional acoustic design and inspection. On-site air quality monitoring system and smart metering system have been deployed to monitor air, electricity and water, while infrastructure upgrades such as LED lighting and high efficiency bathroom fixtures deliver measurable resource savings. All ergonomic furniture was produced from environmental friendly material. This approach – integrating energy efficiency measures, resource conservation practices, and sustainable lifestyle options – serves as a model of sustainable office transition and aligns with our corporate sustainability goals.



and maintain 100% usage of electricity from renewable sources across all facilities, with expanded PPAs and increased on-site solar capacity. Our continuous exploration of renewable energy solutions will further diversify our clean energy portfolio, reinforcing our commitment to cutting CO₂e emissions. The Sustainability Platform as a centralised digital hub, will integrate sustainability data and AI-driven decision making to manage energy consumption, water stewardship, CO₂e emissions, and waste discharge. It will serve internal operational teams with predictive analytics while ensuring automated monitoring reporting for regulators, the BMW Group, and third-party auditors.

For enhanced resource efficiency and minimised negative environmental impact, BMW Brilliance continues to explore innovative practices. In 2025, we will improve sustainable water management through expanded reclaimed water use, optimised production scheduling, and employee water conservation training. Building on our 2024 achievement of zero landfill waste for all plants in Shenyang,

we are developing innovative waste-to-resource solutions, such as collaborating with suppliers to transform waste solvents into reusable materials to reduce CO₂e emissions. In 2024, we investigated the feasibility of recycling used clear coat solvent in collaboration with external partners. The project will upgrade the waste treatment from energy recovery to material recycling, which supports the circular economy.

Digital transformation is driving operational sustainability beyond production processes. In 2025, we plan to implement a Business Process Management (BPM) system to replace paper-based documentation, creating a more efficient and sustainable workplace ecosystem.

1. The living plant walls at Chengdu Regional Office

3.4

LOW-CARBON LOGISTICS

Low-carbon logistics is one focus of BMW Brilliance's sustainability development. At BMW Brilliance, we have integrated sustainability into the fabric of our logistics operations, spanning the entire logistics network from raw materials to finished vehicles. By implementing measures, such as increasing the use of low-emission vehicles, optimising transportation routes, using electricity from renewable sources in the warehouses, and adopting innovative packaging solutions, we are fulfilling our commitment to decarbonise our value chain.

35%

Rail freight proportion for line-haul from Grand-Shanghai Area (Shanghai, Jiangsu and Zhejiang) to Shenyang.

8,679

Finished vehicles transported by hydrogen trucks at the Shenyang production base.

33 ↗ 65% from 2023

E-Trucks deployed in aftersales logistics.

126,198

Pieces of parts transported in 138 trips by hydrogen trucks from local suppliers to Shenyang production base.

2,592 t

CO₂e emissions reduced by integrating 4RE principles – RE:THINK, RE:DUCE, RE:USE, RE:CYCLE – in sustainable packaging.

LOW-CARBON TRANSPORTATION MODE

Reducing CO₂e emissions from transportation across our value chain is critical to achieving BMW Brilliance's goal of low-carbon transportation. We are expanding the adoption of low-carbon intermodal transport, such as rail and sea freight, to reduce emissions and enhance operational efficiency and stability.

BMW Brilliance is driving a modal shift in inbound logistics, expanding rail freight, and increasing supplier participation to improve logistics efficiency and minimise our environmental impact. In 2024, in cooperation with logistics partners, the ratio of rail freight in inbound logistics increased to 35% for line-haul routes from the Grand-Shanghai Area

(Shanghai, Jiangsu and Zhejiang) to Shenyang. With four more local parts suppliers transitioning to rail in 2024, 17 suppliers now fully use rail freight, demonstrating BMW Brilliance's commitment to scalable sustainable supply chain practices.

Efficiency and sustainability are balanced through cutting-edge solutions, including a system-based standardised air freight exclusion logic to standardise freight decisions. In 2024, the proportion of air freight decreased by 23.6%. Additionally, the introduction of point-to-point rail transportation with optimised routing eliminated unnecessary mileage, further cutting CO₂e emissions.



1. The use of hydrogen trucks for transporting finished vehicles and parts in the Shenyang area

2. More local parts suppliers transitioning to rail freight

ALTERNATIVE-POWERED VEHICLE EXPLORATION

BMW Brilliance is also driving innovation in clean energy adoption, setting new benchmarks for sustainable operations.

In line with China's national hydrogen energy development plan and with the support of governments at all levels, BMW Brilliance is promoting the use of hydrogen transport fuel, by incorporating hydrogen trucks into the commercial operations of our Shenyang production base. Hydrogen trucks are now deployed to transport both parts and finished vehicles, which enables minimal emissions and greater sustainability. In 2024, hydrogen trucks completed 138 delivery trips, transporting 126,198 parts from local suppliers to the Shenyang production base. Moreover, with the successful delivery of 8,679 finished vehicles in the Shenyang area, BMW Brilliance marked a milestone in sustainable logistics by initiating pilot operations of hydrogen trucks for the transportation of finished vehicles.

BMW Brilliance is accelerating the transition to a seamless low-carbon logistics network by expanding the use of electric trucks (E-Trucks) for aftersales logistics. In 2024, the aftersales logistics fleet increased to 33 E-Trucks, resulting in a 211 tonnes of CO₂e emissions reduction. Four E-Trucks are also now dedicated to last-mile delivery in Wuhan, Zhengzhou, and Nanchang, increasing end-to-end decarbonisation. In 2024, CO₂e emissions in local aftersales logistics was reduced by 22.9% through the increased deployment of E-trucks and standardised air freight exclusion



In 2024, hydrogen trucks completed

138 parts deliveries in the Shenyang area.

Moreover, hydrogen trucks successfully delivered

8,679 finished vehicles in the Shenyang area.

SUSTAINABLE WAREHOUSE MANAGEMENT

Effective warehouse management is an essential part of BMW Brilliance's low-carbon logistics strategy, including physical infrastructure upgrades, use of electricity from renewable sources, and resource efficiency.

BMW Brilliance continuously improves sustainable building management standards, embedding resource efficiency and environmental criteria into every phase of warehouse design, construction, and operation. In 2025, our Built-to-Suit Chengdu Regional Distribution Centre (RDC) will obtain China Class 1 Green Warehouse Certification and LEED Building Design and Construction Gold Certification. All our Vehicle Distribution Centres and Decentralised Distribution Areas are powered with 100% electricity from renewable sources, marking a complete transition to sustainable energy sources. This initiative strengthens our commitment to achieving low-carbon operations.

In 2025, our Built-to-Suit Chengdu Regional Distribution Centre (RDC) will obtain



China Class 1 Green Warehouse Certification



LEED Building Design and Construction Gold Certification

By promoting paperless management, BMW Brilliance has also drastically reduced its consumption of paper, printing consumables, and associated resources, contributing to lower CO₂e emissions. In 2024, we made significant progress in paperless management by implementing paperless solutions across our internal inbound and outbound processes. Specifically, we successfully piloted paperless outbound operations at our Regional Distribution Centre in Chengdu and Beijing and launched a paperless inbound pilot at the Foshan Regional Distribution Centre.



RE:THINK

Our sustainable packaging implementation starts with the RE:THINK concept. This involves comprehensively re-evaluating our business segments and exploring innovative solutions to identify key areas where sustainable packaging can be integrated. By introducing modular concepts, lightweight structure design, and lean material design into packaging, we achieve foldability for space efficiency, reduce material consumption, and enhance logistics efficiency, further supporting our decarbonisation goals.

By integrating modular design concepts into our packaging, we are expanding the application of standardised parts packaging across multiple projects. In 2024, 1,829 pieces of P-containers – the modularisation plastic universal container with individually replaceable components – were implemented in the new BMW 2 Series and new BMW X3, resulting in a 247 tonnes of CO₂e emissions reduction.

247 t

CO₂e emissions reduced¹ by using the P-containers in the new BMW 2 Series and new BMW X3.

¹CO₂e emissions reduced compared with original packaging solutions.

143 t

CO₂e emissions reduced by optimising the density of universal packaging.

157 t

CO₂e emissions reduced through the bin-sharing project.

SUSTAINABLE PACKAGING

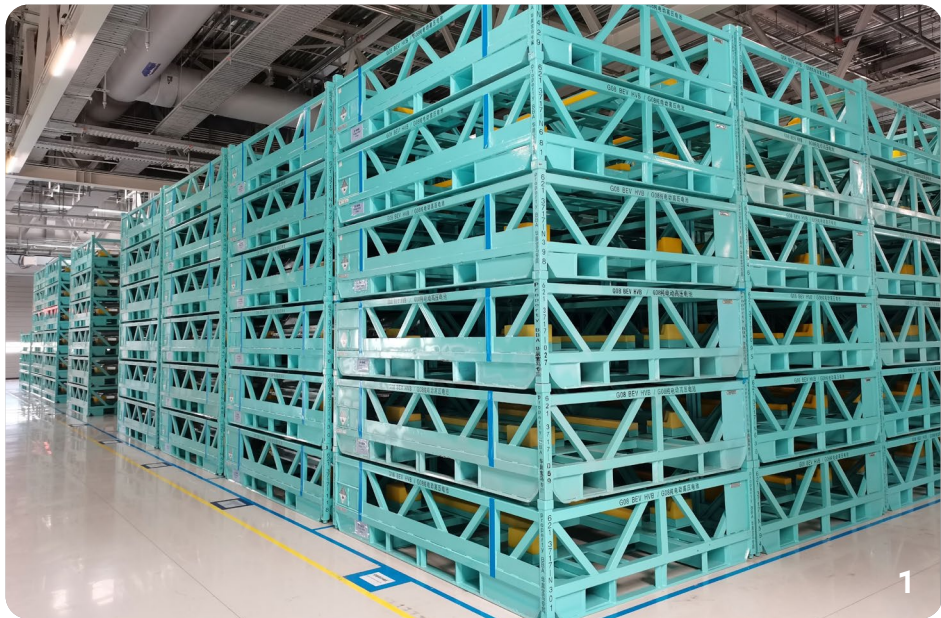
As critical enablers of automotive component logistics, packaging plays a pivotal role in safeguarding the quality of parts and enhancing supply chain efficiency. Guided by a circularity mindset, BMW Brilliance's packaging planning function consistently applies the 4RE principles – RE:THINK, RE:DUCE, RE:USE, RE:CYCLE – to drive process optimisation and embed lean concepts across the entire container lifecycle. In 2024, this resulted in an emissions reduction of 2,592 tonnes of CO₂e.

In lightweight structural design, the C-module structure, a modular metallic framework for in-house containers, was implemented in packaging for new BMW 2 Series and BMW X3 parts. Additionally, by optimising universal packaging utilisation, we enhanced load capacity and maximised efficiency, achieving a 143 tonnes of CO₂e emissions reduction.

In lean material design, BMW Brilliance is currently testing plastic pallets as a sustainable alternative to traditional steel pallets. We are also promoting the development of bio-based materials for containers and exploring innovative combinations of biomaterials and plastics. In 2024, 4,627 pieces of biomaterial containers were used, which resulted in an emissions reduction of 4 tonnes of CO₂e.

BMW Brilliance is also exploring innovative approaches to encourage its parts suppliers to adopt sustainable packaging. Developed in collaboration with packaging suppliers, our bin-sharing project introduced a leasing model for parts suppliers, optimising container utilisation and reducing investment by repurposing existing resources, which reduced emissions by 157 tonnes of CO₂e in 2024.

RE: THINK serves as the foundational driver for our 4RE principle, pioneering innovation to achieve efficient resource utilisation and minimum environmental impact.



1. New lightweight-designed high-voltage battery package



RE:DUCE

RE:DUCE underscores BMW Brilliance's commitment to resource efficiency. In 2024, the packaging planning function continued to focus on reducing materials through packaging design. By optimising design and materials and adhering to rigorous engineering standards, the team created lean, high-quality packaging solutions. For instance, 4,594 container pieces with optimised package utilisation for the new BMW 2 Series, X3, and Neue Klasse, led to a reduction of 410 tonnes of CO₂e emissions. Lightweight EPP packaging was implemented in the Neue Klasse, reducing material consumption. In addition, through packaging optimisation initiatives, BMW Brilliance optimised the single-use protective solutions for critical parts, ensuring both efficiency and sustainability. These cutting-edge packaging solutions reduce material consumption and maintain uncompromised protective performance.



RE:CYCLE

RE:CYCLE underscores BMW Brilliance's circularity approach to packaging, ensuring that resource utilisation is maximised. In collaboration with our packaging manufacturing partners, we have established material recovery systems to recycle non-steel materials.

We conducted in-depth research and testing to pursue a higher ratio of recycling and reuse of non-steel materials. In 2024, 14,173 pieces of EPP containers were put into use, which were 15% recycled materials and resulted in a 14 tonnes of CO₂e emissions reduction. Containers with a higher ratio of recycled plastic were used in the transportation of parts for the new BMW 2 Series and X3. In 2024, the use of 17,090 recycled plastic containers – comprising 14,541 units made by Con-Pearl with 40% recycled material and 2,549 Thermos units with 60% recycled material – achieved an emissions reduction of 52 tonnes of CO₂e in 2024.



RE:USE

RE:USE emphasises the using existing resources as many times as possible. Within the context of sustainable packaging, BMW Brilliance prioritises the reuse of metal containers. For example, 1,448 containers and 1,435 pieces of base frames were reused to package components for the new BMW 2 series, X3, 5/i5 series, and Neue Klasse, which contributed to a 1,161 tonnes of CO₂e emissions reduction in 2024. Additionally, 12 types of flexible-structure containers were deployed for components packaging. These containers feature adjustable designs to meet varying requirements, which resulted in a significant reduction of 345 tonnes of CO₂e emissions in 2024.

1,161t

CO₂e emissions reduced by reusing **1,448** containers and **1,435** pieces of base frames to package components for the new BMW 2 series, X3, 5/i5 series, and Neue Klasse.

PACKAGING SUPPLIER COMMUNICATION

To deepen supplier awareness and engagement, BMW Brilliance has enhanced its dialogue on sustainability topics during supplier audits. We also actively encourage suppliers to adopt sustainable practices, such as using electricity from renewable sources and optimising waste management systems in production. By 2024, 12 additional suppliers used electricity from renewable sources in their production and operations, achieving a 36% electricity from renewable sources adoption rate among our packaging suppliers. Moreover, BMW Brilliance promotes the integration of standardised environmental management systems across our supply chain. Currently, nearly 50% of our packaging suppliers have transitioned to electric forklifts for in-plant transportation, and 50% of our suppliers have obtained ISO 14001 Environmental Management System Certification.

| FORECAST

In 2025, BMW Brilliance will continue to promote sustainable logistics by expanding multimodal transportation and low-carbon transformation across our entire value chain. For local inbound transportation, we are aiming to reach 100% sea freight for the line-haul transportation of parts from Shandong to Shenyang and increase our rail freight ratio to 50% for the line-haul transportation of parts from Grand-Shanghai Area to Shenyang. We will also further enhance our sustainability through innovative clean energy adoption, systematically reducing our environmental footprint and contributing to a more sustainable supply chain. For aftersales logistics, we will

continue to expand the use of E-Trucks to more cities for last-mile delivery. Additionally, we plan to achieve 99% paperless operations across all internal warehouses in our seven Regional Distribution Centres (RDCs).

BMW Brilliance will continue to uphold the 4RE principles to optimise our sustainable packaging. This includes maximising container reuse and recycling, pursuing lightweight design for higher efficiency, and exploring low-emission packaging solutions. At the same time, we will work with suppliers to foster innovation for sustainable development. In 2025, we will advance next-generation EPP container solutions with 25% recycled material integration for the BMW Neue Klasse.



1. Finished vehicle logistics via sea freight

04

DEALER AND SUPPLY CHAIN

At a time of technology disruption in the automotive industry, BMW Brilliance soars with innovation as wings, sustainability as compass, forging a resilient, transparent, and efficient value chain. Our dealers deliver exceptional service to uphold brand commitments and deepen customer trust, and our suppliers adhere to high environmental and social standards, as well as consistent technology innovation. Together with our partners, we advance toward a more sustainable future.

CHAPTER 4

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4.1 DEALER MANAGEMENT AND EMPOWERMENT

Dealers play a vital role in BMW Brilliance's sustainability journey. To address climate change and evolving social expectations, BMW Brilliance collaborates closely with its dealers through the BMW Network Transformation (NT) Green Star project, dealer empowerment, and environment, health, and safety (EHS) enhancement activities. This includes our commitment to continuously upgrading dealer capabilities while reinforcing recognition of the BMW brand and its sustainable measures. Our vision is to forge a future-ready dealership ecosystem – one rooted in long-term partnership, environmental stewardship, and the delivery of unparalleled customer experiences that align with global sustainability imperatives.

"With the challenging transformation of China's automotive industry, BMW Brilliance remains committed to helping sales partners turn challenges into business opportunities, aiming to deliver premium customer experiences while driving the sustainable development of both BMW and its sales partners."



Mr. Stephen Li
Vice President of Sales Channel Development
BMW Brilliance Automotive Ltd.

364 ↗ 45% from 2023

BMW dealerships awarded BMW NT Green Star Certification by the end of 2024.

410,947

Total training person-days (*online and on-site training).

16,891

*Certified retail partner workforce by the end of 2024.

BMW NETWORK TRANSFORMATION GREEN STAR

BMW Brilliance is collaborating with its dealer network to build a sustainable service ecosystem, aligned to customers' growing demand for environmentally responsible lifestyles. Initiated in 2022, the BMW NT Green Star Project empowers dealers to deliver planet-conscious, customer-focused services. As a living project that grows with our sustainability ambitions, the BMW NT Green Star Project supports our dealers' sustainable operations while delivering tangible benefits to local communities and stakeholders through progressive eco-efficient practices. By the end of 2024, 364 dealers had been awarded the BMW NT Green Star certification, up from 251 at the end of 2023.

Through the BMW NT Green Star Project, BMW Brilliance has provided dealers with all-around support to drive the low-carbon transformation of the entire dealer network. A series of guidebooks were issued to encourage dealers to transition to energy-efficient operations in line with BMW NT Green Star Project practices, with our assistance from planning to implementation. In addition, BMW Brilliance regularly updates and expands BMW NT Green Star Project practices, equipping dealers with the latest innovations for continuous environmental performance improvement.

The BMW NT Green Star Lighthouse is the advanced version of the BMW NT Green Star Project, and it covers the use of high energy-efficient technology, procurement of 100% electricity from renewable sources, and local cultural initiatives. Our BMW NT Green Star Lighthouse sets the benchmark for the sustainable design and operation of dealers. In 2024, we significantly expanded the Lighthouse project's reach. By year-end, of our 364 Green Star dealers, five achieved the BMW NT Green Star Lighthouse Certification, up from one Lighthouse dealer in 2023.

5

Achieved the BMW NT Green Star Lighthouse Certification.





SUSTAINABLE ENVIRONMENT

BMW Brilliance takes a customer-centric approach to dealer showroom development, creating spaces that blend premium comfort with sustainable innovation. Through eco-friendly design of the buildings and equipment, the showrooms are not only efficient, safe, and comfortable, but also environmentally responsible. For example, high-efficiency structures and equipment have significantly reduced dealers' operational energy consumption. By incorporating green landscaping, natural lighting and ventilation systems, dealers offer comfortable and inviting spaces for customers. Furthermore, we use low-carbon building materials certified by national standards throughout construction to ensure environmental safety and minimise the carbon footprint of the dealers.



RENEWABLE ENERGY

The BMW Dealership Renewable Energy Application (REA) Guidebook offers technical guidance to help dealers procure and implement renewable energy solutions for low-carbon operations. In alignment with China's National Energy Administration policy issuing Green Electricity Certificates (GEC) for trade as verification for renewable energy production and consumption – we updated our REA guidebook to include GEC as part of our expanded renewable energy solutions portfolio in 2024. This is helping Green Star dealers achieve a low-carbon energy transition through a range of policy-compliant renewable energy options.

Green Electricity Certificates (GEC)

As one of the sustainable energy approaches, updated in the BMW Dealership Renewable Energy Application (REA) Guidebook.



LOW-CARBON OPERATION

We continue to encourage our dealers to integrate sustainable practices across their operations, such as using digitalised services to reduce paper consumption and switching to materials with lower carbon footprints. In response to the growing adoption of new energy vehicles (NEVs) and in alignment with national initiatives, dedicated high-voltage battery (HVB) recycling rooms were set up across 658 dealerships by the end of 2024, achieving 100% coverage in 4S dealerships for temporary battery storage.

658

Dealerships set up high-voltage batteries (HVBs) recycle rooms, achieving 100% coverage in all 4S dealerships.



SUSTAINABLE ENGAGEMENT

Our Sustainable Engagement Activity Guidebook empowers our dealers to undertake sustainability-themed activities, engaging more customers in sustainability action and increasing the influence of the BMW NT Green Star Project.

Sustainable Engagement Activity Guidebook

Developed for dealers' empowerment.

DEALER EMPOWERMENT AND ENVIRONMENT, HEALTH, AND SAFETY (EHS)

The automotive industry's transformation, especially the rapid growth of new energy vehicles, has posed new requirements and challenges for dealership EHS management. Dealer EHS is a critical compliance pillar within the BMW Brilliance Sustainability Project. The EHS Dealer Enablement Project addresses operational risks by strengthening safety awareness among dealers and internal teams.

To ensure the safety of battery electric vehicle (BEV) repair operations, it is a priority to ensure foundational EHS awareness among dealers. This is implemented through innovative multimedia training programs, multiple communication and support channels, and assessments with incentives.

A systematic management approach to dealership EHS management has been adopted, beginning with enhancing an EHS policy framework that aligns with national and local environmental, health, and safety regulations in China. This framework includes the operational standards for all dealership activities. To address potential EHS risks, proactive risk mitigation is implemented through regular dealer self-checks and EHS dealer workshops.

Dealer EHS training was provided to dealership employees to ensure dealers have the knowledge and practical skills to handle EHS-related issues effectively. We significantly expanded EHS training for dealership employees, transitioning from limited offline workshops to combining digital and in-person engagement with more dealers and region coverage. In 2024, four regional EHS workshops were conducted in Shanghai, Chengdu, Shenzhen, and Beijing, with experts on industry best practice. In addition, supplementary resources related to low-carbon operations, including instructional videos on topics such

as oil filling systems and automated washing protocols, and a monthly newsletter, were shared via the BMW Joy Learning App for continuous learning.

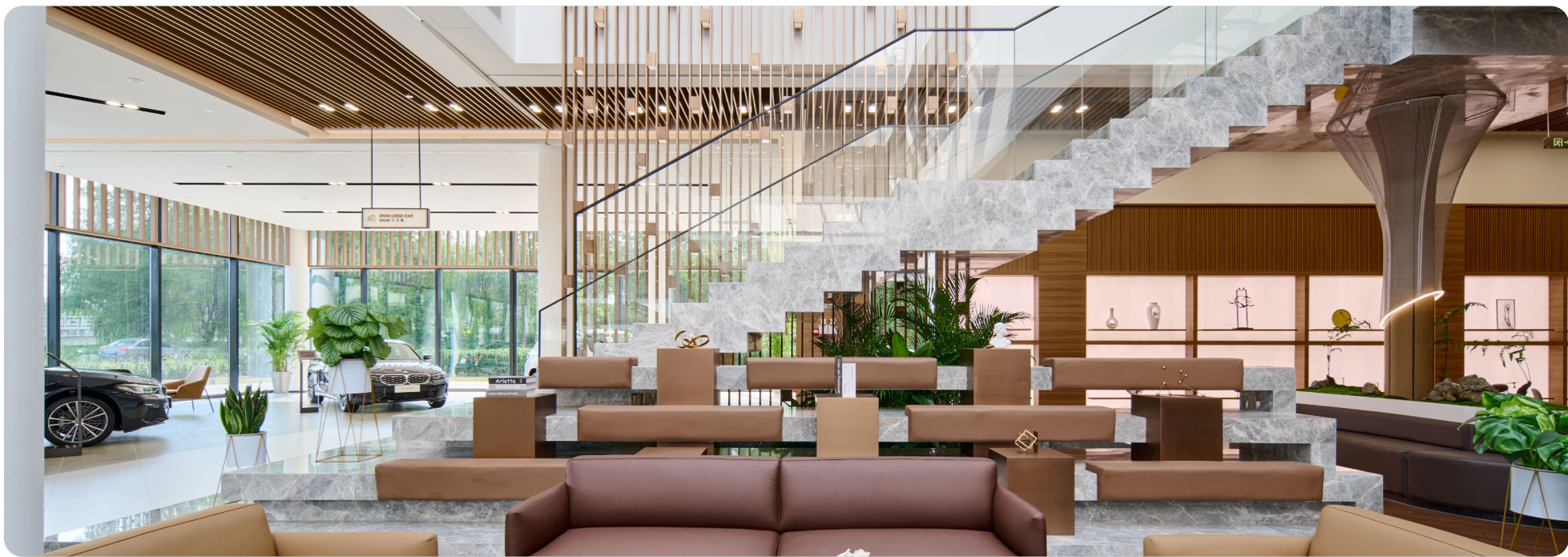
To enhance safety accountability, the EHS self-inspection checklist has been reinforced. By requiring dealers to conduct regular internal audits using this tool, we elevate overall safety management across the network. In 2024, we implemented one round review of dealers' self-management performance by evaluating their EHS self-inspections.

This approach – spanning policy alignment, risk management, adaptive training, and dealer accountability – collectively advances a culture of responsible operations while supporting the long-term resilience of BMW Brilliance's dealership ecosystem.

SUSTAINABLE DEALER EMPOWERMENT

SUPPORTING DEALER TO RESHAPE THEIR CAPABILITIES AND ACCELERATE TALENT TRANSFORMATION

The rapid transformation of the automotive industry has raised higher customer expectations for dealers in terms of market insight, sales proficiency, and service capabilities. BMW Brilliance is committed to delivering premium and professional service experiences to its customers. By integrating industry trends and market insights, we have redefined our dealer capability-building and talent transformation strategy to empower both dealership front-line staff and management talent. This approach deepens dealers' sense of belonging to the BMW brand and strengthens their service capabilities so they can achieve sustainable growth and operational excellence.



EXPANDING DEALER TALENT

The dealer talent pipeline is a key driver of future business success. It is critical to long-term brand development and market competitiveness. BMW Brilliance continues to advance the BMW Education of Sales & Service Talent (BEST) programme, attracting, selecting, and developing high-potential dealer talent. By the end of 2024, BMW Brilliance had cumulatively partnered with 17 vocational institutions, nurturing over 10,000 students through our programme. More than 5,000 programme graduates have joined the dealer network, a testament to the success of the programme in attracting a strong stream of skilled professionals and delivering our commitment to social responsibility.

As the automotive market continues to evolve, the BEST programme is also undergoing continuous iteration in terms of collaboration focus and priorities. In March 2024, during the BEST Principals' Conference, BMW Brilliance engaged in strategic dialogue with partner institutions to explore new models for dealer talent development. From empowerment approaches to training content and cooperation frameworks, the programme is shaping new pathways for innovation-driven talent cultivation. Between March and December 2024, BMW Brilliance hosted BMW DAY events at partner institutions to showcase its innovative products and brand value. With a total 5,015 participating students, BMW DAY effectively sparked student enthusiasm for the BMW brand, broadened students' career horizons and deepened the integration of Industry-Academia-Research Collaboration, further enhancing the influence of the BMW brand.



RESHAPING FRONT-LINE COMPETENCIES

BMW Brilliance is dedicated to enhancing the premium customer experience by strengthening dealership front-line staff knowledge and brand understanding. In 2024, BMW Brilliance launched a series of focus training courses designed to enhance product expertise, brand recognition, sales proficiency for front-line staff, and reshaped an updated training and certification system for sales consultants.

To support the introduction of new vehicle models, BMW Brilliance provides product launch training to sales and aftersales teams to build strong product knowledge, service skills, and brand confidence. In 2024, product launch trainings were conducted for the new BMW 5 Series, the new electric MINI, and the M5, ensuring that dealers were equipped with the latest product knowledge of different brands, maintenance essentials, and customer engagement tools to deliver high-quality service.



Amid the transition towards electrification, BMW Brilliance has introduced online learning via the BMW Joy Learning App and offline sessions to deliver customised NEV training courses and NEV Qualification and Certification system. Sustainability topics are also covered in the courses, guiding dealers to accurately communicate the sustainability features and high-performance attributes of BMW's battery electric vehicles (BEVs). By the end of 2024, 5,233 sales consultants, 3,564 service advisors, and 2,621 technicians received BEV-related certifications, delivering solid foundational support for the successful implementation of BMW Group's electrification strategy.

By the end of 2024,



5,233
sales consultants,



3,564
service advisors,



2,621
technicians

received BEV-related certifications.



As a key component of dealer empowerment, the Bimmer 1 course was launched in 2024 to foster deeper dialogue between dealer talent and the brand. Focusing on five key dimensions – intelligent driving, electrification, design, driving dynamics, and brand – the course covers practical application skills and is tailored to address the capability development needs of front-line staff in today's competitive landscape. In 2024, 140 dealer staffs completed the training, with a Net Promoter Score for satisfaction of 100%. The course delivers measurable performance enhancements across all experience levels, serving as a sustainable growth engine for both the brand and its dealer ecosystem. In 2025, the course will be expanded to encompass all dealers' elite front-line staff.

To further strengthen the overall sales workforce's skills, BMW Brilliance organised the 2024 BMW National Sales and Management Team Competition. Guided by the principle that "practical application drives competitive excellence", this event addressed key operational challenges through an agile, competition-based learning framework.

In 2024, by integrating the randomised selection with the team collaboration model, we engaged over 8,000 dealership participants in the competition, strengthening dealers' practical skills while accelerating the dealer network's sustainable growth.

EMPOWERING MANAGEMENT TALENT DEVELOPMENT AND TRANSFORMATION

The automotive industry is undergoing a profound transformation, propelled by the rapid expansion of new energy vehicles, rapid digitalisation, and shifting consumer expectations. It is fundamentally redefining the competencies required of dealer management. In response, BMW Brilliance has established a talent development ecosystem that integrates comprehensive career advancement channels with immersive leadership development programmes. The 2024 BMW National Sales Competition exemplifies one of our leadership development programmes.

2024 BMW NATIONAL SALES AND MANAGEMENT TEAM COMPETITION – MANAGEMENT ELITE FORUM

As part of the 2024 BMW National Sales and Management Team Competition, the Management Elite Forum "Management Open Mic Forum" provided a platform for dealers to share transformative best practices across six strategic dimensions: business opportunity conversion; lead management; new media operations; customer value retention; talent effectiveness; and mechanism innovation. This dynamic forum catalysed multidimensional thinking among participating managers, who generated actionable insights to redefine retail competitiveness in an evolving business environment. The six breakout sessions sparked impactful ideas for performance enhancement by focusing on real-world business cases, contributing to BMW brand's commitment to sustainable development.



ENHANCING THE MOTIVATION AND RETENTION OF ELITE TALENT

Elite talent in the dealer network is the driving force for delivering premium customer experiences and fostering innovation across the industry. BMW Brilliance places great emphasis on building a robust ecosystem for elite talents. With comprehensive incentive and retention mechanisms, we aim to harness their passion, sense of belonging, and alignment with the BMW brand, ensuring a professional, motivated front-line team that consistently conveys the brand's values to customers.

The development framework for elite talent is a vital component of BMW Brilliance's overall talent strategy. It spans the entire lifecycle – from talent identification to training to retention – across the dealer network. The BMW China Training Academy has established a joint evaluation mechanism involving headquarters, regional teams, and dealers to systematise the selection, development, and motivation of elite personnel. By the end of 2024, the dealer network had 5,060 senior professionals and 3,096 elite talents, representing 34% of key frontline positions, forming a stable and strengthened talent pool.

To further support the career development of elite staff, BMW launched a range of tailored programmes and targeted incentives. These include the BMW GKL+ Elite Sales Camp, BMW Premium Customer Experience Ambassador & Service Star programmes, and the BMW Business School. These programmes are dedicated to nurturing elite managers within the dealer network. These initiatives not only provide elite talents with comprehensive career advancement channels and reinforce their confidence and enthusiasm for the brand. They also serve as a strong foundation for the sustainable development of the entire dealer network.

2024 BMW GKL+ ELITE SALES CAMP

Following debut of the BMW GKL+ Elite Sales Camp in 2023, the second iteration was held in Shenzhen in 2024. A total of 79 sales talents participated in a series of immersive, experiential training sessions, ranging from luxury watch appreciation and premium tea tasting to cutting-edge drone technology workshops. These tailored development experiences broadened participants' business perspectives and deepened their expertise, generating inspiration to energise individual career trajectories and enhance the long-term development of elite talent.



2024 BMW PREMIUM CUSTOMER EXPERIENCE AMBASSADOR & SERVICE STAR

Under the theme "BE MORE BMW – Inspired by Passion", the 2024 BMW Premium Customer Experience Ambassador programme selected 32 Premium Customer Experience Ambassadors. These ambassadors were invited to attend the final awards ceremony of the BMW National Sales and Management Team Competition, along with a dedicated Hall of Honour experience. In addition, 65 candidates were awarded the title of BMW Service Star, reinforcing our dealer network's service excellence and further enhancing brand influence and customer satisfaction.



BMW BUSINESS SCHOOL – 2024 BMW MANAGEMENT DEVELOPMENT ACADEMY

To support the transformation and growth of BMW Brilliance's investors and management talent, the second cohort of the BMW Management Development Academy graduated in May 2024, with 70 participants completing the programme. The third cohort also launched in 2024. As part of the programme, 40 participants visited BOE Technology Group, a global leader in semiconductor display solutions, where they gained insights into the company's business models, technological advantages, and management philosophy. This initiative provides elite management with broader perspectives and strategic inspiration, supporting their continued professional development in a changing industry landscape.



BUILDING AN EFFICIENT AND AGILE ORGANISATION THAT STIMULATES INDIVIDUAL CREATIVITY

BMW Brilliance is committed to building efficient and agile dealer organisations by empowering individuals with skills to drive creativity and innovation. In the context of digital transformation, digital training has become a strategic imperative to keep pace with evolving industry needs. BMW Brilliance focuses on leveraging digital tools to enhance training efficiency and effectiveness. Since 2017, the BMW China Training Academy has actively embraced digital transformation, leveraging innovative tools like “The Answerer” and Extended Reality (XR) technologies for flexible and efficient talent development for dealers.

“The Answerer” on the BMW Joy Learning App is as a knowledge-sharing and interactive empowerment platform for the entire dealer network. Through continuous optimisation of our digital platform, we have significantly enhanced operational efficiency for enabling dealers to help each other to resolve issues, consolidate knowledge, and promote knowledge. By the end of 2024, “The

Answerer” had reached a daily active user count of 1,605, with a 100% response rate within 72 hours and a reply rate exceeding 99%. During the front-line stage of the 2024 BMW National Sales Competition, “The Answerer” featured 20 core topics, receiving a total of 4,392 responses and contributions, with learning content viewed over 30,000 times, highlighting its crucial role in dealer empowerment.

BMW Brilliance has significantly improved the practical impact of its digital empowerment initiatives by streamlining and refining online training content. All online courses have been systematically reviewed to ensure alignment with industry trends and dealer operational needs, allowing front-line staff to access the most relevant knowledge and apply it directly in day-to-day business, translating learning into real productivity.

INNOVATIVE OPERATIONAL MECHANISMS

Enhanced Incentive and Sharing Systems of “The Answerer”

By introducing features such as points leaderboards and other motivational tools, the platform has attracted more core dealer users to contribute high-quality content, which has increased user engagement and platform stickiness.

Establishment of the Voice of Customer Mechanism

Dealer inquiries are promptly addressed in collaboration with relevant departments, enabling responses that provide tangible business value.

By the end of 2024, “The Answerer” had reached a daily active user count of

1,605, with a **100%** response rate
within 72 hours and a reply rate exceeding
99%.



| FORECAST

Sustainable development for dealers begins with ongoing transformation. In 2025, the BMW NT Green Star Project will continue driving sustainable transformation across our dealer network, with adaptations to the evolving market situation. The goal continues to be empowering dealers to deliver exceptional customer experiences while generating tangible value for local communities and stakeholders through environmentally responsible operations.

BMW Brilliance will continue to be stringent in dealer EHS excellence, encouraging dealers to ensure optimal health and safety standards for both dealership teams and customers. Key 2025 activations include comprehensive HVB repair safety standards, featuring regular equipment inspections and specialised workshops, complemented by awareness-building initiatives, such as short videos on low-carbon operations and monthly EHS newsletters. We will also further strengthen dealer capabilities through regional training sessions, standardised workbay maintenance procedures, and practical risk assessment tools, forming an integrated framework that advances both a healthy environment and sustainable business growth.

BMW Brilliance will also further refine its dealer empowerment and development strategy, with a continued focus on strengthening core competencies of staff and driving business innovation. In addition, by fostering agile organisational growth and transformation, we aim to ensure the long-term success of the BMW brand in the local market.

To enhance training effectiveness, BMW Brilliance will continue to optimise course content to ensure it remains practical, actionable, and focused on communicating product highlights and service value. Additionally, decoupling certification from training is designed to improve the overall quality of certification. For upcoming product launches, standardised sales readiness checks will be implemented to ensure consistency in sales capabilities across the network. Brand & Customer Institute will also officially launch, integrating immersive brand experiences with diverse digital learning tools. Sustainability will be a core theme of the series of courses, reinforcing the brand and product value proposition and supporting dealers in deepening their understanding of BMW's brand philosophy. The BMW China

Training Academy will enhance the delivery of product livestream sessions, including more short video segmentation, to provide dealers with efficient and practical sales support tools. At the same time, "The Answerer" will be upgraded with the introduction of the AI Chatbot, which will significantly improve the efficiency and accuracy of responses, and with strengthened cross-functional collaboration to support front-line staff.

In terms of talent development and elite retention, the BEST programme will be improved by launching the first-ever BEST Competition to attract more young talents who are passionate about the BMW brand. To consolidate the foundational abilities of dealers, newcomer assessment and structured training will also be reinforced. A comprehensive platform for the long-term development and motivation of elite talent will also be established, integrating resources

from the BMW China Training Academy, regional teams, and dealers, with a tiered incentive mechanism to maximise talent engagement and retention. At the same time, BMW National Aftersales Service Competition of Excellence (NASCE) will launch to recognise excellence, provide platforms for learning and exchange, and accelerate capability-building across the network.

To drive organisational empowerment and transformation, BMW Brilliance will promote structural changes that enhance retail competitiveness and operational excellence. Tailored management models and organisational structures will be introduced to accommodate dealers at different scales and maturity levels, enabling continued transformation to an efficient organisation and dealer upskilling across the network.



4.2

PURCHASING AND SUPPLIER NETWORK

The supply chain is a key component of the entire value chain, so it is vital that we work with a broad range of stakeholders to manage its impact on sustainability. BMW Brilliance is integrating sustainability into supply chain management system by focusing on three aspects: enhancing suppliers' environmental responsibility, promoting suppliers' social responsibility, and empowering a sustainable supply chain. We support suppliers to embed sustainability into their daily operations, so that together, we can build a sustainable and resilient supply chain.

“ At BMW in China, we aim for a sustainable supply chain with industry overarching transparency, embedding supplier environmental accountability, social responsibility initiatives, and supply chain empowerment into every tier.”



Mr. Xin Jin
Vice President of Purchasing and QMP
BMW Brilliance Automotive Ltd.

≈ **1 Million tonnes**
CO₂e reduction achieved by our supply chain compared to the base year 2019.

1st
BMW China sustainability supplier day.

100%
Electricity from renewable sources used by HVB cell, glass, and exterior bumper suppliers in their production processes.

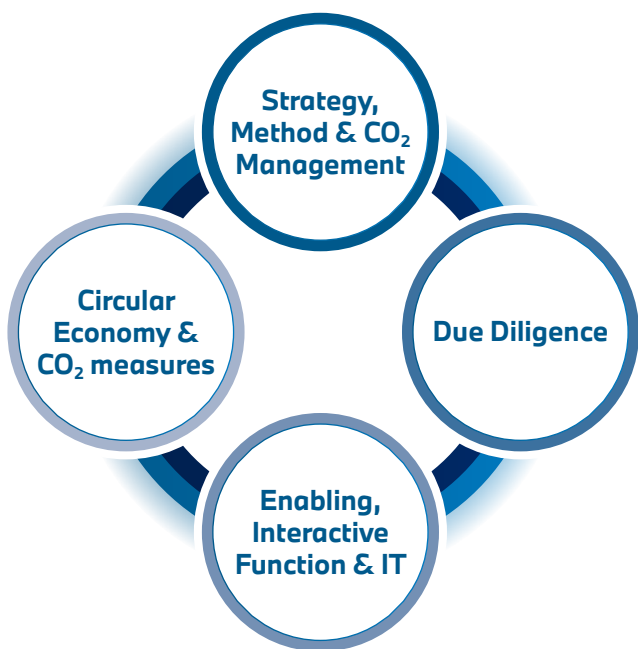
Five-Star Green Supply Chain Enterprise
BMW Brilliance recognised for the second consecutive year.

OVERVIEW SUSTAINABILITY SUPPLY CHAIN

BMW in China's commitment to sustainable supply chain management is built upon four fundamental pillars:

- Strategy, Method & CO₂ Management
- Due Diligence
- Enabling, Interactive Function & IT
- Circular Economy & CO₂ Measures

This comprehensive framework aims to enable our operations to meet rigorous environmental standards, promote social welfare and foster technological innovation throughout our supplier network.



We are continuously improving our supplier sustainability management framework, which aligns to global ESG standards and China's national priorities, including social, environmental, digital, and compliance requirements, as well as stakeholder engagement. These dimensions guide our aspiration to embed sustainability into every tier of the supply chain in three aspects:

ENHANCE SUPPLIER ENVIRONMENTAL RESPONSIBILITY

We have implemented measures to reduce carbon emissions and enhance resource efficiency, with scientific approaches to credit the use of electricity from renewable sources and the use of secondary raw materials. This has contributed to further reducing our supply chain's carbon emissions. In 2024, our supply chain achieved a total reduction of around 1 million tonnes of CO₂e emissions compared to the base year 2019, with the primary contributions coming from raw material aluminium and precious metals, aluminium rim, and battery cell initiatives. This represents a remarkable improvement from the 400,000 tonnes of CO₂e reduction in 2023.

PROMOTE SUPPLIER SOCIAL RESPONSIBILITY

BMW Brilliance has established a supplier social responsibility framework based on the BMW Supplier Code of Conduct. Our approach to achieving ESG targets includes due diligence processes, diverse projects to enhance supplier Environment, Health, and Safety (EHS) performance via our ESG Risk Management System (ERMS), and close cooperation to explore more efficient management methods. We are also increasing supply chain transparency in China through the development of data tools and digital platforms, and by strengthening communication through long-term partnerships.

In 2024, our supply chain achieved a total reduction of around

1 million tonnes of CO₂e emissions

compared to the base year 2019.

EMPOWER A SUSTAINABLE SUPPLY CHAIN

Equally important is our focus on supplier empowerment. We support suppliers through training, digital tools, and collaborative platforms, including New Vehicle Project Supplier Training, BMW China Sustainability Supplier Day and BMW Brilliance Supplier Tech Day. We equip partners with the knowledge and digital tools needed to navigate the transition to sustainability. We also use the Carbon Disclosure Project (CDP) Supply Chain program to assess the decarbonisation performance of our supply chain. In 2024, we enabled 109 BMW Brilliance's suppliers in the evaluation, boosting local suppliers' CDP engagement and advancing a more sustainable supply chain.

These efforts earned BMW Brilliance recognition as a Five-Star Green Supply Chain Enterprise by the Ministry of Industry and Information Technology (MIIT) for the second year in a row.



Green Supply Chain Management Enterprise Certificate

Issued by the Ministry of Industry and Information Technology (MIIT).

SUPPLIER ENVIRONMENTAL RESPONSIBILITY

Our approach to supplier environmental responsibility centres on two vital objectives: promoting electricity from renewable sources implementation throughout our supply chain and advancing circular economy principles. These efforts reflect our commitment to reducing carbon emissions while maximising resource efficiency across our entire value chain.

ELECTRICITY FROM RENEWABLE SOURCES IN THE SUPPLY CHAIN

The automotive supply chain's energy consumption and carbon emissions largely stem from raw material production and processing, particularly in steel, non-ferrous metals, and high-voltage batteries (HVBs).

To address these challenges in the Chinese market, BMW has established strategic partnerships across the value chain, focusing on transformative solutions in energy efficiency and the sustainable transition. Our approach emphasises collaborative innovation, bringing together key suppliers in a coordinated effort to implement comprehensive low-carbon initiatives.

We promote the use of electricity from renewable sources across the supply chain as the most impactful decarbonisation measure. Accordingly, BMW Group now mandates that new contracts with direct suppliers (Tier 1 suppliers) for components and materials, and energy-intensive processes in the upstream supply chain (N-tier suppliers) must require 100% electricity use from renewable sources. For existing suppliers, we are progressively updating contracts to meet this new standard. In 2024, around 80% of electricity consumed by local Tier 1 suppliers for existing derivatives was committed to renewable sources, and the number of contractual agreed suppliers was about 200. Aluminium ingot foundry and rim suppliers have already made their switch to use electricity from renewable sources, not only in their own

production, but also in their upstream electrolysis aluminium for producing BMW Brilliance's products. Suppliers of HVB cells, glass, and exterior bumpers have adopted 100% electricity from renewable sources in their own production processes.

To further empower our suppliers in the journey, we continuously enhance our digital platform to assist the low-carbon transition. Our digital Supplier Resource Dashboard enables regular monitoring of electricity consumption and provides targeted recommendations for energy efficiency improvements. Moreover, we also support suppliers with access to electricity from renewable sources based on local policies and regional conditions. In 2024, we started to review the implementation concepts of new suppliers with contracts that stipulate the use of electricity from renewable sources prior to series production.

CIRCULARITY IN THE SUPPLY CHAIN

Circularity is a strategic focus area of BMW. Our aim is to gradually bring the company closer to the ideal of the circular economy, which emphasises the efficient use of resources, minimises waste, and promotes sustainable production and consumption patterns.

In the supply chain, we cooperate with suppliers to manage the increasing demand for raw materials and components. To continue increasing our use of secondary materials in our vehicles, we work closely with key players, consultants and authorities to secure high quality scrap.

ALUMINUM INGOT

In 2024, we implemented aluminum ingot scrap closed-loop recycling and increased secondary aluminum ingot usage to 65% for BMW Brilliance foundry shop production.



ALUMINUM RIMS

For aluminum rims, based on the successful pilot project and collaboration with the supplier in 2023, in 2024 we expanded the scope to all production rim projects in the pilot supplier's production, achieving 75% secondary aluminum usage.



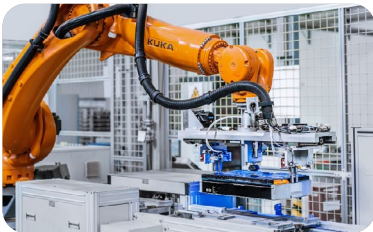
PLASTIC

We promoted and validated more secondary thermoplastic usage in vehicle interiors and exteriors, including underbody parts, centre consoles and seat components.



HVB

Besides 100% electricity from renewable sources used in battery cell self-production, we kept closed loop recycling for nickel, cobalt and lithium from retired batteries, as well as the use of secondary nickel in HVBs.



PRECIOUS METALS

Since 2022, we have continuously advanced the recycling of precious metals, achieving over 70% secondary raw material use of palladium and rhodium.



| SUPPLIER SOCIAL RESPONSIBILITY

BMW Brilliance's supplier social responsibility framework is built upon the BMW Supplier Code of Conduct, which is anchoring due diligence obligations from international and local regulations. We expect our suppliers to fulfil these requirements, from ESG risk management to responsible sourcing practices, throughout the entire value chain. In this way, we can establish a supplier network that shares common values in environmental and social standards.

MANAGEMENT APPROACH OF SUPPLIER SOCIAL RESPONSIBILITY

At BMW in China, we recognise that a responsible supply chain not only contributes to our sustainable growth, but also plays a key role in supporting the social and environmental well-being of our stakeholders and local communities. Over the years, we have integrated comprehensive ESG initiatives into our due diligence process by implementing various tools and methods, such as the industry standard online assessment and internationally recognised on-site assessments.

These tools and methods are in line with global standards, including, but not limited to, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, the International Labour Organisation (ILO) Core Labour Standards, and the Principles of the UN Global Compact. We work in close collaboration within our supply chain, following standards in health and safety, worker rights and working conditions, responsible sourcing, and supply chain management. We urge our suppliers to align with our values and strictly adhere to the relevant requirements.

SUPPLIER ESG RISK MANAGEMENT

We achieve our ESG targets through a range of due diligence processes, including the online Sustainability Assessment Questionnaire (SAQ), the Risk-based on-site assessment of Responsible Supply Chain initiative (RSCI) and local regulation-based compliance audits by third-party auditors utilising digital platforms and extensive industry collaboration.

The industry standard SAQ is an Original Equipment Manufacturer (OEM)-wide tool covering comprehensive sustainability dimensions for the automobile industry. Furthermore, we maintain close cooperation with suppliers to improve EHS performance and explore more efficient management approaches through our Supplier EHS Management Program.



In 2024, we conducted over 50 on-site risk assessments, including RSCI audits under the international standard framework, and local regulatory audits. Under the risk-based approach, the comprehensive audit programs minimise ESG risks in the supply chain.

Internationally recognised ESG risk assessment programs, such as the German Association of the Automotive Industry-Responsible Supply Chain Initiative (VDA-RSCI), focus on four areas:



RESPONSIBLE SOURCING STRATEGY AND PRACTICE

BMW Group maintains high environmental, social and ethical standards by integrating responsible sourcing strategy and due diligence requirements into the procurement process. Following the principles of supply chain transparency and accountability, we aim to foster long-term and mutually beneficial relationships with our suppliers to fulfil our corporate responsibilities.

BMW Group enables the supply chain traceability of raw materials using standardised tools from the Responsible Mineral Initiative (RMI). We also drive the development and implementation of such standards within the supplier network as a member of the Initiative for Responsible Mining Assurance (IRMA).

UPSTREAM SUPPLY CHAIN MANAGEMENT AND COLLABORATION

At BMW in China, we always maintain open and transparent communication with suppliers regarding not only ESG requirements, but also our expectations for Tier 1 suppliers to apply the environmental and social standards to the upstream supply chains. By outlining the requirements and expectations, the BMW Supplier Code of Conduct creates legal obligations for suppliers and enables a global supplier network that contributes to sustainability.

In order to support our suppliers to adopt our ESG initiatives, in 2024 we continued to encourage our Tier 1 suppliers to perform ESG assessments of their sub-suppliers and offered support to verify the assessment results. Under such close collaboration along the supply chain, we are working to enhance ESG performance as well as the suppliers' capabilities in supply chain risk management.

| SUPPLY CHAIN EMPOWERMENT

Our supply chain empowerment initiatives focus on creating platforms for knowledge sharing, innovation, and collaborative problem-solving. Through events like the BMW China Sustainability Supplier Day and BMW Brilliance Supplier Tech Day, we facilitate meaningful dialogue and partnership opportunities that drive sustainable practices across our supplier network. Using the CDP supply chain program, we are able to assess our supply chain's decarbonisation performance and expand the target group of local Chinese suppliers, promoting continuous improvement of our supply chain's environmental performance.

BMW CHINA SUSTAINABILITY SUPPLIER DAY

The first BMW China Sustainability Supplier Day was held on December 5, 2024, focusing on fostering a sustainable future through collaboration and innovation between BMW and our suppliers. This event brought together over 500 participants from nearly 300 suppliers, showcasing a shared commitment to innovation, collaboration, and sustainability.

Internal and external speakers, including BMW executives and an academic expert from Tsinghua University, emphasised sustainability's strategic role in driving long-term business success.

The event featured interactive sessions addressing three key pillars:

- ➞ Sustainable @ Production & Product
- ➞ Sustainable @ Supplier
- ➞ Sustainable @ Supply Chain

These sessions provided a platform for exchanging cutting-edge ideas and best practices, empowering attendees to integrate sustainability into their operations.

A highlight of the event was the launch of the "A Letter of Future Sustainability" platform, a one-day online initiative designed to gather feedback and innovative ideas from supplier partners. This initiative aimed to reinforce the bond between BMW and our suppliers and highlight a shared commitment to sustainability.

The event concluded with closing speeches by management, who reaffirmed the importance of integrating sustainability with quality,

cost-effectiveness, and strategic goals. They also emphasised BMW's commitment to the Neue Klasse model, a symbol of innovation and sustainability that will guide the company's future efforts.

Together with our suppliers, BMW is committed to driving a more sustainable, innovative, and resilient future.

HIGHLIGHT 1: EXCHANGE ON SUSTAINABILITY EXPERIENCE

Interactive sessions were set up to connect sustainability topic owners and experts within the BMW Group with suppliers, aligning efforts and inspiring innovative solutions to integrate sustainability into every aspect of business operations. By bringing together key stakeholders we shared best practices, addressed challenges, and explored opportunities to enhance environmental performance, resource efficiency, and carbon emissions reduction across the value chain. The sessions underscored our commitment to driving collective action and embedding sustainability as a core principle in our shared journey toward a more responsible and future-ready automotive industry.

HIGHLIGHT 2: VISION FOR A SUSTAINABLE FUTURE

During the event closing, six supplier representatives shared their key takeaways, expressing their commitment to practicing sustainability in their business and appreciation for the platform that allowed them to connect with the BMW Group and other suppliers. Their insights enriched the dialogue on sustainability, fostering a deeper understanding of shared goals and challenges. This exchange not only highlighted the collective dedication to sustainable practices, but also strengthened the collaborative bond between the BMW Group and our supplier partners, paving the way for continued progress and innovation.



BMW BRILLIANCE SUPPLIER TECH DAY

BMW Brilliance, in coordination with Lizhong Group, hosted the Supplier Tech Day from November 20 to 22, 2024. The theme was "Primary Metal is Limited, Regeneration Cycle is Unlimited". This event focused on the sustainable process of supply chain, injecting new vitality into the implementation of BMW Group's sustainable development strategy.

Participants explored the exhibition area to learn about the latest products, technologies, and innovative concepts for recycled aluminium alloy rims, which demonstrated important technological advancements that align with our sustainability goals.

The event underscored our commitment to the "Dual Carbon" strategy in supply chain management. The strategy advocates the simultaneous advancement of digitisation and sustainability initiatives and collaboration with suppliers to promote the modernisation of the automotive industry to build a sustainable future together.



CDP PROGRAM FOR SUPPLY CHAIN

We are using the CDP supply chain program to assess the decarbonisation performance of our supply chain. This initiative supports suppliers in defining their decarbonisation strategy, integrating the goals into their operational workflows, and documenting the reductions in emissions they have achieved. We expanded the target group to local suppliers in China, and 109 suppliers have now joined the CDP program. This expansion is a meaningful step in enhancing the engagement of our local suppliers with CDP, which contributes to the protection of our environment.

| FORECAST

Looking ahead to 2025, we will keep developing and optimising processes to promote decarbonisation and social responsibility progress. Interactive activities in supply chain will be further initiated to strengthen the collaboration with our partners in the sustainability journey.

We will continue to engage a specialised external service provider for verification of decarbonisation-relevant measures in series production. We plan to further increase the use of secondary raw materials in high CO₂ potential materials, such as aluminium components and battery cells. In the future, we will expand the use of 70%-75% secondary aluminium in rim products to new launched vehicles in BMW Brilliance. Contracts and framework agreements have already been made with suppliers to increase the use of secondary cobalt, lithium, and nickel in new-generation battery cells. This will further reduce our carbon footprint from new battery cells in the supply chain compared to the previous generation.

Socially, we will focus on increasing supply chain transparency in China. We believe better visibility and traceability are key to meet regulations and build a sustainable supplier network. We will work with suppliers and industry stakeholders to develop data tools and digital platforms and strengthen communication through long-term partnerships.



05

EMPLOYEE AND
SOCIETY

" At BMW Brilliance, we see talent as the driving force of innovation. We are dedicated to creating an inclusive environment where diverse talents can flourish, driving progress through a unified vision for the future and harnessing collective effort towards meaningful progress."



Mr. David Shangguan
Senior Vice President of Human Resources
BMW Brilliance Automotive Ltd.

BMW Brilliance, as a people-oriented enterprise, promotes diversity and innovative thinking. With a robust training system, inclusive workplace and flexible benefits, we empower our employees to realise their career aspirations as well as our business aspirations. We believe truly responsible businesses must pursue higher goals beyond profit and employment and contribute to sustainability. With our "At Home in China" philosophy, we are committed to being part of the solution, driving social progress and creating shared value for all our stakeholders.

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5.1

FUTURE PROOF JOB

At BMW Brilliance, we are committed to long-term talent development. Our core values and culture form the foundation of our approach, guiding us to create a high-quality work experience for employees. We focus on comprehensive, future-oriented training to equip our workforce with the skills needed to drive the transformation of China's automotive industry. Our comprehensive employee empowerment programmes provide forward-looking development opportunities, equipping our workforce with the capabilities crucial for navigating industry transformation.

>8,100

Associates received Best YOU award for their outstanding demonstration of corporate core values.

99.2%

Training attendee satisfaction rate.

1.56

Average training days per employee.



OUR CORE VALUES

- RESPONSIBILITY
- APPRECIATION
- TRANSPARENCY
- TRUST
- OPENNESS

5,317

Associates received Best in My Team awards from departmental management teams, as individuals or members of a winning team.

4,114

Associates received Best in My Eyes award as appreciation from peer colleagues.

28

Individuals or teams have received Best of the Year awards for their great contribution to our business.

| CORE VALUES AND CULTURE

BMW Brilliance's culture is built on our core values – responsibility, appreciation, transparency, trust, and openness. These core values, introduced by the BMW Group in 2018 and fully implemented across BMW in China, have become the foundation of our organisational identity.

Our Core Value Space has served as an environment where teams can explore and develop their own values initiatives in a comfortable, collaborative setting. In 2024, we hosted 77 workshop sessions in the Core Value Space, with a total of 844 participants. Additionally, we conducted an Experiential Collaboration workshop, which incorporated elements of the BMW Leadership principles and the Core Values in a gamified format. There were five pilot sessions, involving 49 participants.

A significant advancement came with the transformation of our Core Value Space Ambassador Programme. This revitalised initiative enables ambassadors from different business departments to conduct cultural workshops independently for their respective teams. By expanding this programme across departments, we have created more opportunities for teams to engage with the core values in meaningful ways. Our Core Value Space Ambassadors facilitated 23 cultural workshops in 2024, involving 283 participants.

BEST YOU PROGRAMME

At BMW Brilliance, we nurture a culture of appreciation through our Best YOU programme, which celebrates employees who demonstrate our core values and recommended company behaviours. Throughout 2024, recognition was awarded at multiple levels: more than 8,100 associates received the Best YOU award for their outstanding demonstration of our corporate values, while 5,317 individuals and teams were recognised for their exceptional performance with Best in My Team awards from their departmental management teams. Peer recognition is also a cornerstone of our culture, with 4,114 colleagues receiving the Best in My Eyes award, highlighting widespread appreciation amongst teammates. For exceptional business contributions, 28 individuals and teams were honoured with our prestigious Best of the Year awards, acknowledging their significant impact on our organisation's success.

| TALENT ATTRACTION

In an era characterised by exponential information growth, employees are the critical resource that drives sustainable development and innovation. Recognising the transformative power of technology, BMW Brilliance leverages advanced digital tools to enhance our employer branding efforts and attract top-tier talent in the competitive market. Through authentic engagement and innovative recruitment campaigns, we craft a compelling narrative that goes beyond job descriptions. We not only enable talents to gain a comprehensive understanding of the company, we attract those who share our values and vision, collectively shaping a unique employer proposition.

EMPLOYER BRANDING

"Passion" is the enduring essence of BMW's employer brand. We are evolving this employer brand in China with a refreshed employee value proposition (EVP), "Passion i", which caters to today's talent needs. This EVP appeals to pioneering, passionate talents who seek continuous growth and opportunities to make a positive impact.

We are reimagining talent acquisition through advanced digital tools and AI-driven analytics to identify candidates whose values and aspirations align with our mission. Our authentic approach showcases real employee experiences across social media and recruitment channels, constructing a multi-dimensional and aspirational employer image. These concerted efforts enable us to attract and retain key talent, bringing fresh momentum to our long-term development.

At BMW Brilliance, we aim to provide an environment that fosters passion and innovation. We look forward to collaborating with energetic employees to create positive social impact and forge into the future together.





EMPLOYER AWARDS

Top Employer Institute
Top Employer 2024
Zhaopin
2024 China Best Employers Award (Auto Industry Top 1) 2024 China Best Employer for Female Employees
Liepin
Extraordinary Employer Award Top 50
51 job
Employer Excellence China Top 100
Maimai
Annual Outstanding Employer
Shixiseng
The Most Attractive Employer (Young Talent Group)
Ciwei
Most Influential Employer (Young Talent Group)



1. Employer awards
2. Content Co-creation with Media
3. Internal Social Media Studio

CANDIDATE-CENTRIC RECRUITING STRATEGY

Talent is a cornerstone of BMW Brilliance's sustainable development. We are committed to a candidate-centric recruitment approach, building an exceptional employer brand whilst offering future-oriented professionals a compelling career platform. Through innovative strategies and immersive touchpoints, we not only showcase our leadership in technology, product innovation and culture, we also focus on establishing meaningful emotional connections with candidates, clearly articulating our vision and commitment to future development.

We enhance the overall candidate experience journey through diversified approaches. By fully leveraging social media platforms as a two-way communication channel, we have published dozens of high-quality, self-made posts on platforms such as rednote and TikTok, immersing candidates in BMW Brilliance's desirable workplace, cutting-edge innovations, and sustainability achievements. These posts have gained over one million views online. Simultaneously, we are career development partners for candidates, providing guidance and empowerment on their career success. We have transformed our recruiting interview center, now known as the Talent Hub, into a candidate-centric sensory space. Decorated with our Employer Value Proposition (EVP) core values, it is designed to provide candidates with a strong first impression, reflecting our deep respect and care for talents. These measures have laid a solid foundation for attracting and retaining top talent at BMW Brilliance.



ATTRACTING AND ENGAGING TALENT

ATTRACTING YOUNG TALENT

Transformation has permeated every aspect of the automotive industry, and automakers urgently need highly skilled and broad-minded young talents. At BMW Brilliance, we are committed to attracting high-calibre young graduates and professionals with passion and innovation through our Campus-to-Career ecosystem. This initiative aims to cultivate future-proof talent, driving our sustainable development in cutting-edge technologies such as electrification and digital transformation.

In 2024, we launched the BMW JOY Career Carnival, an innovative event offering young talent an immersive career exploration and growth journey, which attracted over 400 participants. Featuring product experiences, gamified interactions, and expert mentoring, this event ignited young talents' passion for the automotive industry and personal growth and strengthened BMW Brilliance's next-generation talent pipeline.

We also deepened our campus partnerships through career talks at leading universities. The alumni engagement sessions showcase BMW Brilliance's passion-driven culture, dynamic workplace, and diverse young talent programs. These targeted efforts attracted emerging engineers specialising in automotive engineering, AI, and smart manufacturing, strategically expanding our talent reservoir for future sustainable development.

Through these initiatives, we remain at the forefront of talent attraction, ensuring a steady stream of innovative young minds to support our continued success and innovation.



ENGAGING NEV TALENT

As intelligent and electric vehicle technologies increasingly become core competitive advantages in the automotive industry, BMW Brilliance recognises the urgent need for new energy vehicle (NEV) talent to align with these trends. Through close cooperation of internal departments, we have identified the core competencies essential for future success and implemented multiple initiatives to maintain engagement with potential candidates.

BMW Brilliance has designed an elite summer camp programme that exemplifies our EVP in three key dimensions: product excellence, technological leadership and cultural dynamism, whilst highlighting the urban vitality of the community in Shenyang, our production base. This initiative has attracted exceptional technical talents from globally renowned institutions such as Tsinghua University and Peking University – individuals possessing strong academic foundations and practical experience. We have had in-depth interactions with them on future technological developments, further building a sustainable talent pipeline in key areas.

ENGAGING PROFESSIONAL DIGITAL TALENT

To accelerate the company's digital transformation journey, BMW Brilliance is targeting integrated professionals who combine digital expertise with innovative mindsets. We prioritise early engagement with campus talent to build meaningful influence amongst target universities and secure a robust pipeline of future talent to ensure sustainable growth across our operations in China. In Nanjing, we replaced conventional interview approaches with a sophisticated dual-mode system of "scenario assessment+immersive experience". This innovative model integrates real-business simulations with cultural integration elements to attract and select like-minded digital talents. The initiative drew 70 participants and brought 15 specialised digital professionals to our Nanjing operations. Additionally, the Tech Open Day gathered more than 50 industry professionals, establishing a collaborative platform for digital talent engagement.



1. BMW JOY Career Carnival
2. Tech Open Day

| EMPOWERING EMPLOYEES

Technological innovation, market transformation, and other factors are reshaping the entire automotive industry landscape. A broader skill set is more crucial than ever. BMW Brilliance is committed to cultivating a dynamic and innovative work environment, delivering targeted training and incentives that enable our employees to develop crucial capabilities in this rapidly evolving ecosystem.

CONTINUOUS INNOVATIVE TRAINING

The digital age demands that we accelerate the cultivation of digital talent, prioritising skills in AI, big data, and analytical thinking to upgrade our workforce. We empower our employees through continuous training to develop future-oriented talent, adapting to rapid changes in our ways of learning, working, and interacting with the external environment. We have introduced innovative training programmes and launched a new learning platform, aiming to enhance learning effectiveness and revolutionise the employee learning experience. By pushing the boundaries in models, technologies, resources, and engagement, we strive to keep our employees at the forefront of industry knowledge.

NEW LEARNING PLATFORM

In 2024, BMW Brilliance unveiled a comprehensive learning platform that provides a unified solution addressing employees' diverse learning requirements. This sophisticated system seamlessly integrates various learning resources – including online materials, offline resources and bespoke departmental training – into a single cohesive platform. With relevant digital content published regularly, dynamic self-nomination classes and user-oriented features, the platform significantly enhances employees' learning experience. This initiative establishes a robust foundation to support our associates' professional growth and fulfil their personalised learning needs, giving them access anywhere, anytime.

INNOVATIVE TECHNOLOGY

We leverage advanced 3D metaverse technology to deliver virtual, interactive and innovative digital events, including our Language Training Camp and New Associate Orientation programme. This technology-driven approach creates immersive learning environments that engage participants more effectively than conventional training methods.

INNOVATIVE RESOURCE

We maximise the potential of our E-learning platform to foster a self-directed learning culture, enabling employees to remain current with rapidly evolving industry developments. Beyond offering extensive online courses in partnership with leading business schools, we refreshed various engagement activities, such as mini-camps, to encourage participants to share insights and understanding of course materials. By the end of 2024, more than 10,000 employees had participated in online learnings, demonstrating a continuous learning mindset across the organisation.



DIGITAL BOOST PROGRAMME

The Digital Boost programme stands as BMW Brilliance's most extensive digital online learning initiative to date, designed to cultivate our employees' digital mindset and establish a solid foundation for accelerating our digital transformation journey. This pioneering initiative features an innovative online learning model enriched with interactive elements that encourage active participation and engagement.

In 2024, the programme achieved remarkable participation rates, with 98% of management and 74% of non-production employees actively engaging with the content. Leadership commitment proved instrumental to this success, as managers not only completed their own learning journeys but also proactively championed learning across their teams, fostering a vibrant culture of continuous development.

Digital Boost learning expanded the team's knowledge and closely integrated theoretical knowledge with practical operations in various ways. These included holding digital workshops to support on-site investigations, using digital tools to improve production efficiency, and inspiring a series of business-specific digital solution ideas through team learning.

ALL-ROUND TRAINING

In a rapidly evolving market, BMW Brilliance recognises the importance of skills development and career advancement for our employees. To this end, we offer comprehensive training programmes tailored to all levels and positions, fostering personal growth and development within our organisation. These initiatives support a culture of continuous learning that keeps our workforce engaged and adaptable in a dynamic environment. Our holistic approach encompasses leadership training, technical skills development and internal trainer cultivation, supported by personalised learning pathways and performance evaluations.

LEADERSHIP TRAINING

In 2024, our leadership training equipped managers with skills to tackle business challenges and instilled a deep understanding of sustainability as a core strategy. This equips them to drive long-term success in a dynamic business landscape. In partnership with leading business schools, we offered Mini EMBA programmes to senior managers, complemented by company visits and exchange sessions on themes such as smart production and adaptive leadership. These elements provided participants with actionable tools and insights to navigate dynamic business environments. Working closely with BMW Group, we offered a simulation-based Leading On-Site programme for plant production managers. Participants engaged in real-world tasks and benefited from personalised coaching to enhance their ability to tackle complex production challenges

effectively. We also provided a team-based leadership workshop package with continuously evolving topics. These workshops addressed the challenges faced by leadership teams and aimed to enhance their overall leadership adaptability and resilience.

TECHNICAL TRAINING

Centred on our three strategic pillars of electrification, digitalisation, and sustainability, BMW Brilliance has developed an extensive portfolio of technical training programmes. In 2024, we introduced the latest electrical standards, Group Standard Controls (GSC), to support new production lines. Approximately 300 employees participated in GSC qualification training, ensuring timely and efficient construction of new production facilities. In the field of electric vehicles, we have added many basic electrical theory courses and practical exercises to empower students with electric vehicle skills.

To prepare for BMW Neue Klasse and Gen6 Battery production, we continue to empower employees through upgraded High Voltage Qualification Training. These new courses update associates on newly released standards and comprehensive safety protocols. More than 900 employees participated in the new training programme, with an additional 5,000 completing refresher training, advancing workforce readiness for the new electrical era. For digitalisation competencies, we expanded the Digital Talent programme, empowering and certifying 200 digital specialists

with enhanced skills in data analysis, data science, and AI. We have also localised training resources to improve learning engagement and effectiveness.

In the sustainability domain, we designed the Sustainability Learnshop, a training programme for all purchasing departments and relevant associates to accelerate sustainability supply chain knowledge transfer and support business transformation.

Internal intelligence is vital for organisational agility and responsiveness to internal needs, enhancing knowledge transfer and operational efficiency. BMW Brilliance is continuously expanding our

internal trainer team and empowering them to share expertise and best practices. We offer incentives and recognition for trainers who make significant contributions. We encourage and invite interested colleagues to join the internal trainer team, providing them with the opportunity to share their experiences in soft skills, leadership skills, and technical skills topics, while simultaneously expanding their personal skill sets. In 2024, 204 internal trainers conducted over 5,388 person-days of training. These comprehensive training efforts substantially boost employee development and support BMW Brilliance's long-term growth.





GROW YOUR OWN WAY @ BMW BRILLIANCE

BMW Brilliance fosters the professional development of our associates through the innovative Grow Your Own Way programme. This initiative was successfully piloted at the Lydia Forum on September 9, 2024. The main objectives were to launch a comprehensive Career Platform and offer diverse tools to cultivate a culture of life-long learning and a growth mindset across the organisation.

99.2%

Training attendee satisfaction rate.

1.56

Average training days per employee.

Five stations were set up on site to showcase the paths of a career development journey:

- My Motivators
- My Brand Statement
- Career Directions
- Career Conversations
- Build My Network

To enhance engagement, we created a vivid persona named Jacky, representing a quality management department engineer within the company. By presenting potential career challenges and difficulties that Jacky might encounter, the event encouraged participating colleagues to follow Jacky's perspective and fully immerse themselves in exploring Jacky's career development paths and corresponding solutions. Spanning nine days with 29 sessions, including Plant Lydia, Tiexi and Powertrain, and highlight part of incorporation of a brief Career Development & Experience sharing session by experienced leaders, the event attracted approximately 1,500 participants, reflecting a strong interest and active involvement from BMW Brilliance associates.

NURTURING YOUNG TALENT

BMW Brilliance is committed to cultivating promising young talent through various initiatives. Our Future Talent Programmes, which had been running over 10 years by 2024, have been recognised as a "Graduate Joint Training Demonstration Base" by the Education Department of Liaoning Province. In 2024, we welcomed 30 master's and bachelor's degree students, with 13 supporting BMW's sixth-generation high-voltage battery project in Shenyang, reinforcing our position in E-mobility.

BMW Brilliance was also nominated as a representative of the advanced manufacturing industry for Northeastern University National Excellent Engineering College to explore new approaches in Engineering Discipline Construction, Excellent Engineer Development and Engineer Education & Training System Construction. In addition to fostering students' development, we also value the cultivation of young associates at BMW Brilliance. Through the Beyond programme, we empower young talents with professional and soft skills. We offer them BMW driving experiences, enabling them to gain first-hand knowledge and develop a deeper understanding of our products and brand loyalty.

The dual education system in Germany, which combines workplace training with school education, has laid a solid foundation for the success of the BMW Group in Germany. Drawing on this success, we have made adaptive adjustments to suit the conditions in China, aiming to cultivate students who possess both cross-cultural understanding and professional skills. In 2024, Liaoning Equipment Manufacture College of Vocational Technology became the third partner school in our dual system education programme, further expanding our local partner school network with high-quality students. We value the global exchange and network of our apprentices. In 2024, four German students successfully completed a two-month internship at our Shenyang plant. Subsequently, our students also traveled to Germany for workshop internships in September. This swap marked our enhanced learning exchange within dual system education, strengthening cross-cultural communication and fostering the development of high-quality talent.

5.2

DIVERSITY, EQUITY AND INCLUSION

BMW Brilliance is committed to cultivating a dynamic, inclusive workplace that celebrates the rich diversity of our global talent. We recognise that our strength lies in embracing our differences – spanning cultural backgrounds, generations, gender identities, abilities, and individual perspectives. In 2024, our Diversity, Equity, and Inclusion (DEI) initiatives transcended traditional corporate programmes, engaging thousands of employees through innovative, multi-channel approaches. We aim to co-create an environment where every individual can thrive, unlocking their potential. By dismantling barriers and fostering a culture of inclusion, we empower our team to transform individual differences into our powerful source of innovation and excellence.

25,077

Total workforce at year-end.

12.5%

Female employees in total workforce.

33.3%

Female employees in management positions.

OUR COMMITMENTS

In the ever-evolving global business landscape, Diversity, Equity, and Inclusion (DEI) is more than just a concept. It includes structural innovation, improved mechanisms, stakeholder collaboration, and shared value creation. DEI plays an important role in attracting top talent, improving employee satisfaction, and increasing innovation and competitiveness. Organisations embracing these principles cultivate superior market reputations, attracting investors and exceptional talent while ensuring sustainable long-term growth.

BMW Brilliance recognises this imperative. Following the BMW Group's principles, we champion inclusivity across all dimensions, embracing employees representing varied cultural backgrounds, ages, gender identities, physical and cognitive abilities, sexual orientations, and personal identities. We regard our diversity as an organisational strength. Our institutional framework

12.5%

Female employees in total workforce.

33.3%

Female employees in management positions.

rests upon equitable and inclusive foundations, dedicated to nurturing a corporate environment that values each individual's unique attributes. Through this approach, BMW Brilliance has attracted and retained outstanding talent, and improved teamwork and decision-making quality, enabling us to better meet the expectations of global customers. We advance multifaceted diversity initiatives, endeavour to dismantle prejudicial barriers, and weave these fundamental principles into BMW's corporate culture in China.

CREATING AN INCLUSIVE WORK ENVIRONMENT

BMW Brilliance embraces diversity, aiming to provide equal career opportunities and an inclusive, open work environment for diverse talent, to promote and expand employees' and society's understanding of diverse cultures. We emphasise equality and inclusion in recruitment and embed this philosophy in our brand. BMW Brilliance offers not just jobs, but a platform for employees' lifelong growth and value realisation. We are committed to eliminating unconscious bias, promoting gender equality, providing a safe and convenient working environment for people with disabilities, and creating a transparent and inclusive workplace where everyone can use their talents at BMW Brilliance – different yet harmonious.

We believe that hiring talented individuals with disabilities is not an act of sympathy or compensation, but a commitment to equity and respect. Every employee is a unique individual who deserves equal treatment and opportunities. To this end, we provide a wide range of job opportunities with tailored support to ensure that all individuals with diverse abilities can thrive at BMW Brilliance.



We have been working for years to eliminate unconscious bias and promote gender equality. We are dedicated to cultivating an inclusive and transparent workplace where diverse groups are afforded equitable access to development opportunities. To promote the hiring of persons with disabilities, we have fostered an inclusive culture through indirect support and financial assistance. We have created an accessible workspace and address bias to promote acceptance. Our ultimate goal is to integrate persons with disabilities into BMW Brilliance as part of a broader cultural shift.

On the WeChat recruitment platform, we have set up a dedicated application channel in line with DEI, enabling candidates who align with these values to apply. We encourage and welcome talented individuals from all backgrounds to join

BMW, working with us to foster a diverse corporate culture.

In May 2024, in partnership with the Liaoning Disabled Persons' Federation, we hosted a Workplace Experience Day for People with Disabilities. This event supported 17 participants with disabilities from across the country, including university students and young professionals, to enhance their workplace skills. Through one-on-one career planning consultations and professional guidance from our recruitment team, we helped address uncertainties in their career choices. This initiative not only reflects our respect and support for individuals with disabilities but also underscores our commitment to fostering diversity, equity, and inclusion.

BMW Brilliance employees according to age group in 2024 (in %)

<30 years old	21.4%
30-50 years old	77.1%
>50 years old	1.5%

1. Workplace Experience Day for People with Disabilities

2024 DEI JOURNEY

March

International Women's Day



May

World Day for Cultural Diversity

DEI Onboard





August

Diverse Summer Carnival



September

DEI at Dadong Joy Run Carnival



December

International Day for People with Disabilities



PROMOTING DIVERSITY, EQUITY AND INCLUSION

To further engage our employees in DEI initiatives, we marked a refreshed range of Diversity Days in 2024, featuring both interactive online sessions and immersive offline activities designed to foster awareness and inclusion.

DIVERSITY DAYS

In 2024, we organised a series of events aimed at increasing awareness about diversity within the company, focusing on different perspectives, such as gender, cultural background, and mental and physical abilities. Our Diversity Days encouraged employee engagement in DEI initiatives through a variety of activities, themed events, roadshows, and digital platforms such as newsletters and JoyChat, enabling us to reach a broad employee audience and boost interaction.

INTERNATIONAL WOMEN'S DAY

Our DEI promotion in 2024 started in March with International Women's Day. Across BMW Brilliance's plants, we organised the "Tear Up Labels, Reject Subconscious Presumptions" activity, aimed at raising awareness about labelling – a form of stereotyping – and its potential long-term impact on individuals, particularly on women in Chinese society. The week-long event engaged a balanced mix of men and women, presenting background stories on six labels related to gender bias, appearance anxiety, and household work division, among others. Alongside these stories, objective data and research were exhibited to highlight that these labels often lack empirical evidence supporting their claims. The narrative emphasised that such labels, devoid of credibility, commonly lead to the marginalisation of those labelled.

With a total of 3,782 registered participants, the roadshow aimed to address unconscious bias and foster a more inclusive and diverse work environment. Through this activity, we sought to debunk common stereotypes and encourage a culture of openness and acceptance.

WORLD DAY FOR CULTURAL DIVERSITY

From May 20 to 27, the Unveiling the Wonders of Diversity: A Journey to Various Cultures event took place across five plants, with 5,021 employees participating in a time-travel adventure celebrating global cultures. The week-long celebration aimed to foster understanding and respect for multiculturalism. Highlights included festivals such as China's Dragon Boat Festival, Germany's Chinese Carnival Dietfurt, and the UK's Guy Fawkes Night. A photo-sharing session showcased cultural attire from Chinese minority ethnic groups and other countries, while story-sharing sessions featured colleagues sharing unique experiences of festivals like the Flower Festival, International Dog Day, Gurban Festival and Naadam Festival. Additionally, international colleagues presented festivals from their home countries. With our diverse talent pool from 30 countries, we plan to continue offering more cultural exchange avenues to enrich our corporate culture.

DIVERSITY SUMMER CARNIVAL AND DEI AT DADONG JOY RUN CARNIVAL

Our 2024 Diversity Summer Carnival, held on August 24 and 25, attracted 9,641 associates and their families. A highlight of the carnival was the DEI Wonderful Space, with a theme about "differently-abled" individuals and intercultural exchange. Exhibits from 17 countries showcased their unique holidays and customs, providing a vivid and educational experience for attendees. To further promote understanding and respect, the carnival featured activities to help people experience different impairments (such as visual, hearing, and physical challenges) which allowed them to better understand the challenges faced by people with disabilities. These activities attracted 2,402 employees and their families, who not only empathised with the inconveniences faced by the disabled but also learned about strategies to integrate them into society. Cross-cultural band performances rounded off the event, bringing together BMW Brilliance musicians from various backgrounds to celebrate the universal power of music, transcending national boundaries and languages.

We integrated DEI culture into recreational and sports activities at the Dadong Joy Run Carnival. This innovative event saw 220 participants

achieve both physical fitness and knowledge gains, reinforcing our commitment to promoting DEI in various aspects of our corporate life.

DEI ONBOARD

Starting in 2024, we integrated our DEI philosophy into our new hire orientation, empowering 89 new colleagues with insights into our inclusive corporate culture. This shows that diversity and mutual respect are foundational to our organisational identity.

INTERNATIONAL DAY FOR PEOPLE WITH DISABILITIES

As part of our ongoing effort to create an inclusive environment for all associates, we crafted a video series on the topic of people with disabilities. This video series featured special appearances by Dr. Franz Decker, President & CEO of BMW Brilliance Automotive Ltd., Mr. David Shangguan, Senior Vice President of Human Resources, and department heads from Human Resources. Some of our associates with disabilities shared their perspectives on life at BMW Brilliance.

DEI MAZE & UNCONSCIOUS BIAS

The DEI Maze was thoughtfully designed with the theme of unconscious bias. It addressed a wide range of common biases, including affinity bias, beauty bias, self-serving bias, conformity bias, nonverbal bias, and attribution bias, as well as introducing the concept of ableism. Participants were challenged to navigate the maze and learn about these biases and ways to avoid them. Impressively, 1,475 employees and their families successfully "escaped" the maze, achieving full scores in the associated test.



1,475

Employees and their families successfully "escaped" the DEI Maze.

5.3

BENEFITS AND WELL-BEING

At BMW Brilliance, we recognise that our greatest strength is our people. With a workforce of over 25,000 dedicated associates across China, we maintain stringent safety standards and cultivate a workplace environment where safety and well-being are paramount. Our competitive benefits create an ecosystem where employees feel valued, supported, and empowered to thrive. Through meaningful engagement opportunities and innovative development programs, we not only enhance individual growth but also foster collective resilience, enabling our teams to navigate challenges and drive sustainable success.

0.04

Accident frequency rate (per one million hours worked).

2,506

Associates living in our public rental housing project in Shenyang.

| EMPLOYEE HEALTH AND SAFETY

Providing a safe workplace for employees is a fundamental corporate responsibility. We are committed to ensuring employees' safety and healthy working conditions, and we are continually addressing risks to safeguard our people. Building on our targets to achieve "zero fatalities, zero severe injuries, and zero major fire accidents", we have implemented production responsibility systems across all levels of our operations.

In 2024, we conducted a series of safety-related initiatives, including targeted training sessions, emergency drills, and regular risk assessments, to enhance employees' awareness and capabilities in identifying and mitigating workplace hazards. These initiatives are underpinned by our robust safety culture, which empowers employees to prioritise safety in their daily tasks. By embedding safety into every aspect of our operations, we ensure employees can perform at their best in an environment where their physical and mental health is a priority.

0.04

Accident frequency rate (per one million hours worked) in 2024.

ROBUST OHS MANAGEMENT

A robust Occupational Health and Safety (OHS) management system is critical to safeguarding employee welfare. BMW Brilliance maintains strict compliance with all applicable Chinese laws and regulations, as well as the BMW Group's global health and safety policy. Our OHS management system aligns with international and domestic standards, including the United Nations Global Compact, ISO 45001:2018, and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. In 2024, all BMW Brilliance manufacturing sites retained ISO 45001:2018 certification for OHS management systems, and we maintained the Work Safety Standardisation Class II Certification issued by the Liaoning Province Emergency Management Department. These certifications affirm our commitment to operational excellence, evidenced by an accident frequency rate of 0.04 per million hours worked – a 33% reduction over 2023.

Our OHS management system goes beyond legal requirements to protect our employees' safety and well-being. BMW Brilliance senior management has established OHS policies and objectives to prevent workplace accidents and ensure safe, healthy environments across all our manufacturing sites. These policies and objectives align with our strategic goals, ensuring continuous improvement and effective implementation.

Our safety production responsibility system extends to all organisational levels, enhanced by our innovative E-Safety platform, a digital solution for optimising safety protocols. Beyond modules that facilitate safety inspections, special equipment oversight, and electronic OHS liability documentation, we expanded the platform's capabilities to include high-risk activity work permit approval and management systems, further strengthening our digital approach to workplace safety.

Beyond our comprehensive OHS management system, we conduct company-wide safety activities and organised training programmes to improve associates' safety awareness and capabilities. We developed online training sessions and provided safety training on key topics such as Lockout-Tagout (LOTO) for the prevention of unexpected release of hazardous energy, chemical handling, confined space operations, personal protective equipment (PPE), and hot work procedures, in addition to mandatory training courses.

OHS HAZARDS AND RISK MANAGEMENT

Effective management of OHS hazards and risks is vital for safeguarding employee welfare. BMW Brilliance is making solid progress by implementing a dual-prevention mechanism for the classification, investigation, and governance of hidden safety hazards that affect OHS management. The mechanism supports classifying and categorising the identified risks, managing risks of different categories, and controlling risks in plants, from organisational, institutional, technical, and emergency perspectives.

Building on our commitment to enhancing workplace safety, we continued to prioritise ergonomic improvements and behavioural safety strategies in 2024. Based on insights from our Safety and Ergonomics Risk Assessment (SERA) and on-site observations, we developed workplace exercises designed to alleviate physical stress. These exercises can be seamlessly integrated into employees' daily routines. Additionally, we conducted training sessions on proper work postures to promote healthier work practices and ensure the well-being of our employees.

HEALTH INITIATIVES

BMW Brilliance supports the well-being of our associates through comprehensive health initiatives. In 2024, the global economy and society faced numerous complex challenges, and our workforce was not immune. To support employees facing different degrees of physical and mental pressure, the Health Management Department organised a series of health promotion activities designed to alleviate stress while strengthening employees' health literacy and self-care capabilities.

Based on the findings from our 2023 annual health checks, we updated and upgraded our Health Management Plan to serve our employees' evolving needs. This enhanced programme now encompasses multiple streams, including health awareness, mental care, healthy heart initiatives, smoking cessation support, boxing workouts, sleep improvement guidance, oral health management, hearing protection measures, annual health assessments, and influenza vaccination campaigns.

To foster greater health consciousness among our workforce, we shared over 20 health videos and articles aligned with the rhythm of China's lunar and solar terms. These resources garnered over 70,000 views, effectively disseminating health knowledge and encouraging its application in daily life.



MENTAL CARE

In 2024, BMW Brilliance intensified our focus on mental well-being with a series of events centred around the theme "Care for Your Mental Health, Enjoy a Healthy Life!" We conducted nearly 30 roadshow events and offline training sessions in six cities across the China mainland, with over 1,000 colleagues participating. Additionally, more than 100 colleagues received assistance through the mental consultation services.



HEALTHY HEART

In 2024, we published five article series, complemented by engaging videos: Healthy Heart User Manual; Healthy Heart – Stop Smoking; Healthy Weight; Good Night to Your Heart; and Heart Employee Assistance Programme (EAP) "Massage". Additionally, we conducted six rounds of roadshows across all Shenyang plants, as well as roadshows in Beijing, Shanghai, and Nanjing. We launched a dedicated BMW Brilliance intranet page featuring bilingual self-learning resources and official links from the World Health Organisation (WHO) and other authoritative sources, providing employees with heart health knowledge.



AUTOMATED EXTERNAL DEFIBRILLATOR (AED) TRAINING

In 2024, we launched a series of AED training sessions in Beijing. Feedback from our colleagues indicated that their AED usage and Cardiopulmonary Resuscitation (CPR) skills have significantly improved, enhancing their ability to respond effectively in emergency situations.



QUIT SMOKING

In 2024, we maintained our commitment to assist employees in quitting smoking and achieving their health objectives. We established the "Quit Brings Joy" smoking cessation groups, spanning two phases and supported by over 300 volunteers. This initiative extended to collaborations with our Mental Care and Healthy Heart Programme, conducting several on-site events. Our goal is to empower more smokers to adopt a healthier lifestyle and provide them with ongoing support.



WEIGHT MANAGEMENT AND BOXING

In 2024, we held a series of online and offline weight-management activities to guide thousands of employees to adopt healthier exercise and diet methods to lose weight. Building on our previous initiatives, we added winter indoor boxing and inter-exercise initiative, which received positive feedback from employees. These efforts promote healthy exercise patterns and eating habits among our workforce.



HEALTHY SLEEP

In 2024, we held six sessions of sleep wellness workshops in Beijing and regional areas, and two bilingual online workshops for Shenyang and regional areas. These sessions aimed to improve the sleep quality of our employees.



ORAL HEALTH

In 2024, we launched a series of activities to care for our employees' oral health, including online live lectures on oral health and on-site dental consultations. These activities received unanimous praise from our employees. Over 1,000 colleagues joined the live lecture sessions and watched the replay content afterward. More than 100 colleagues actively participated in on-site dental check-ups.



HEARING PROTECTION

Comprehensive hearing-protection training continued in 2024 for all employees exposed to significant noise levels. Over 1,000 participants completed online training and examinations via our JoyChat mobile app. While complying with occupational health regulations, we have also enhanced employees' awareness of hearing protection, fully demonstrating our commitment to employee health.



HEALTH CHECK

In 2024, we organised annual health checks as in previous years, and were delighted to see the enthusiastic participation of our employees, which reflects their attention and commitment to their health.



FLU VACCINATION

In 2024, we again provided free flu vaccination for employees in Shenyang and Beijing.

| WELL-ROUNDED EMPLOYEE WELFARE

At BMW Brilliance, we recognise that fostering a thriving, inclusive workplace is essential for both individual and organisational success. Beyond professional achievements, we prioritise the well-being of every employee – encompassing physical and mental health, personal development, and family needs – ensuring they feel valued and empowered throughout their career journey. Guided by our "people-oriented and sustainable development" principle, we take a comprehensive approach that creates an environment where associates can innovate and advance alongside our long-term vision.

COMPETITIVE BENEFITS

Prioritising the health, safety, and well-being of every employee, BMW Brilliance delivers comprehensive care through competitive benefit policies that support our associates at every stage of their career journey. The foundation of our approach is our flexible benefits policy, which undergoes annual reviews to ensure it addresses the needs of our diverse workforce.

Building on this foundation, we support adaptable working arrangements through our remote working policy. This initiative provides team members with enhanced flexibility in managing their professional responsibilities, empowering them to achieve greater autonomy in both their work scheduling and location preferences, and helping employees balance their professional and personal commitments effectively.

To complement these flexible work arrangements, we remain dedicated to supporting employees' personal lives through our Paid Leave Benefits. These benefits include generous provisions for family care, reflecting our understanding for maintaining a healthy work-life balance.

Our commitment to employee well-being extends beyond active service years. For retired employees,

we also provide supportive benefits demonstrating our care for the BMW Brilliance family throughout their life journey.

Together, these initiatives form a holistic benefits framework that not only attracts top talent but also nurtures long-term engagement and loyalty, ultimately contributing to our sustainable business model.

Commercial Insurance Participants
(total of all entities under flexibility benefits programme)

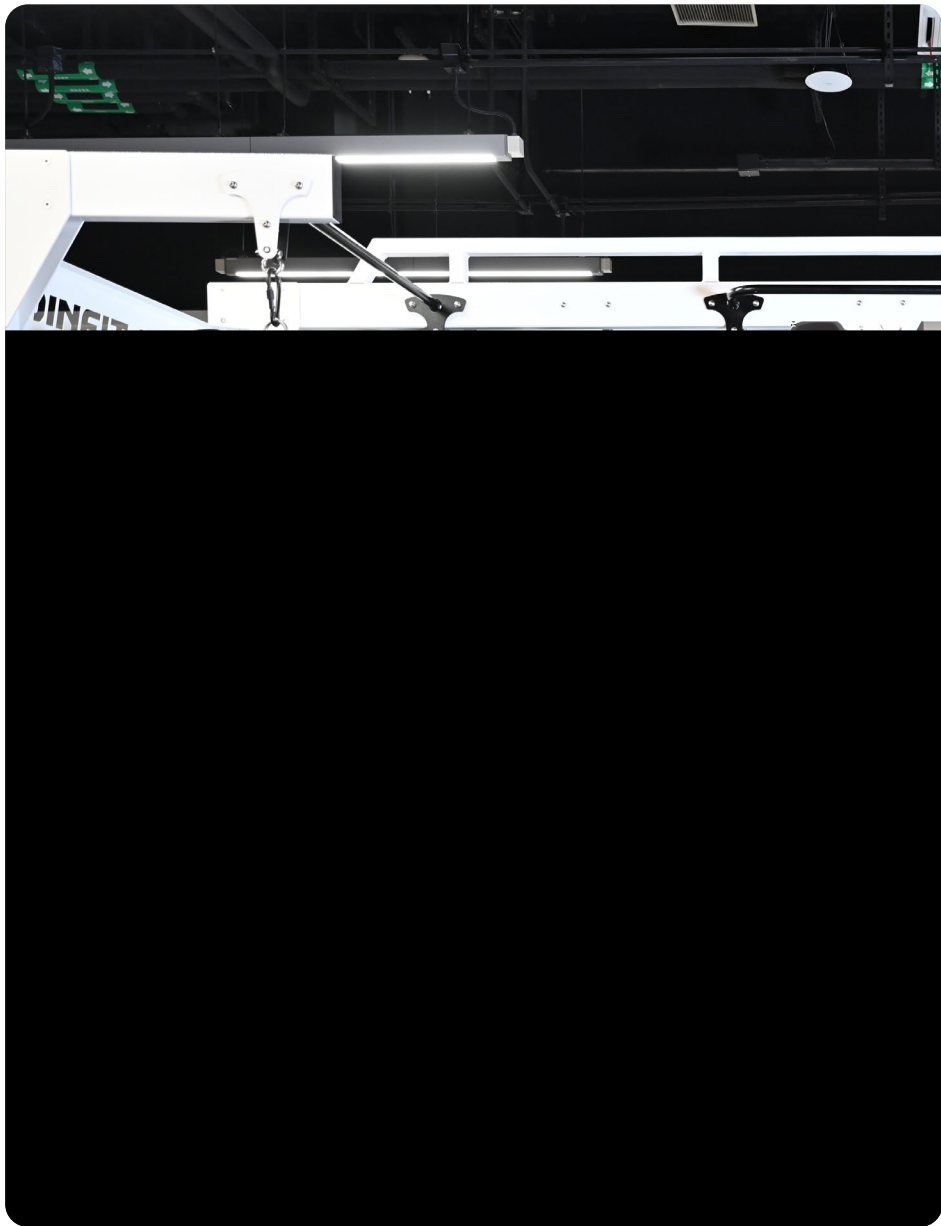
>25,000 employees.

>26,000 family members
(including spouses, children and parents).

3,726 Employees who enjoyed childcare or parent care leave.

WELL-ROUNDED WELFARE

Employees are invaluable assets of our company and the driving force behind the sustainable development of BMW Brilliance. At BMW Brilliance, we not only care about our employees' work performance but their physical and mental well-being and personal growth. We adhere to the principle of "people-oriented and sustainable development," striving to create a more equitable, healthy, harmonious, and friendly working environment for all employees.



BMW Brilliance relies on the union as a bridge to connect with employees, focusing on protecting their rights and continually optimising welfare benefits. In 2024, we conducted a series of collective consultations and Associates' Congresses, where specific proposals regarding compensation, working environment, insurance benefits, and employees' well-being were put forward and thoroughly discussed. Thanks to the collective consultation mechanism, employees' voices are directly communicated to management, leading to the implementation of various welfare policies and gradual improvements in benefits and working conditions. We approved and signed the latest Collective Contract Supplementary Agreement and Special Collective Contract on Protection of Female Associates' Rights and Interests, further strengthening the safeguarding of our associates' rights. We consistently listen to our employees' voices, cooperate for mutual benefit, and continuously improve employee welfare. In March 2024, the BMW Brilliance Union Hotline was officially launched as an effective supplement to existing communication channels, making it more convenient and efficient to collect and listen to employees' opinions and suggestions.

At BMW Brilliance, we create a family-like atmosphere for every employee through care and motivation. We offer benefits such as movie tickets, public rental housing, and kindergarten discounts to bring convenience to employees' daily lives. On traditional festivals, birthdays, weddings, and other special occasions, employees receive gifts from the company. In 2024, BMW Brilliance organised 60 care projects for Beijing and regional employees, attracting enthusiastic participation from approximately 53,000 person-times. The BMW Brilliance Associate Charity Funds benefited 1,398 employees, covering hospitalisation visits, condolences for the deaths of family members, greetings for marriages and newborn babies, assistance for serious illnesses, and support for those in need. We coordinated public rental housing resources, helping 2,506 employees secure accommodation by the end of 2024. We also actively promoted the establishment of work break stations and Associate Homes, providing associates with a place to relax and socialise near their workplaces. The Associate Home Lydia and the Associate Home Powertrain were officially put into use, encouraging employees to actively participate in activities, exercise, and relax after work.

BMW Brilliance prioritises employees' physical and mental wellbeing. We organise diverse cultural and sports activities that enrich our employees' lives while promoting healthy lifestyle habits. Our initiatives include providing long-term sports venues and hosting events such as Joy Run Carnivals, Multi-events Sport Games, and mountain hiking expeditions. To foster cross-cultural understanding, we regularly hold Sino-German cultural exchange activities such as Oktoberfest celebrations and symphony concerts. Family-oriented events – including parent-child carnivals, spring planting activities, and family days – allow employees and their families to share quality time together, strengthening bonds and introducing family members to our corporate culture. In 2024, we organised more than 180 cultural and sports events across BMW in China, engaging around 88,000 person-times across all locations.

BMW Brilliance is committed to creating broad career development opportunities for employees, actively encouraging them to enhance their skills and create greater value. Our established Model Worker Innovation Studios demonstrate the exemplary leadership of outstanding talent and drive solutions to technical challenges. Currently, 14 innovation studios operate within BMW Brilliance factories. At the same time, we encourage employees to pursue independent innovation, apply for national patents, and broaden their horizons through Innovation Studio Alliances, forming partnerships with upstream enterprises to optimise raw materials and production processes. BMW Brilliance also organises skills competitions and similar activities, providing platforms for employees to demonstrate their technical abilities and enabling skilled employees to gain more recognition and opportunities. In 2024, we held the Skills Competition for associates in the BMW Brilliance Automotive Industry Chain, with more than 1,300 frontline workers from 17 enterprises in the industry chain participating. Additionally, BMW Brilliance established collaborations with innovation studios from other enterprises and research laboratories, forming new alliances, such as the BMW Brilliance & Shougang Group & Shenyang University of Technology Innovation Studios Alliance, fully leveraging employees' initiative and creativity.

| EMPLOYEE ENGAGEMENT

BMW Brilliance has established a comprehensive system to boost employee engagement, encouraging participation in various initiatives that benefit the community and the environment. In 2018, the BMW Group established the BMW Corporate Volunteer Association in China and introduced supportive HR policies such as paid volunteer leave and travel support. Since then, we have been committed to inspiring employees to contribute more to society.

CREATING DIVERSE COMMUNICATION CHANNELS

To ensure effective communication and engagement, we have created diverse channels for employee feedback, including our WeChat official account, internal webpage, JoyChat Digital Union platform, and the bi-monthly newsletter, U-journal. These platforms facilitate the sharing of best practices, festival greetings, union activity notices, and information on employee rights protection and care. In 2024, we upgraded our Digital Union platform, enabling employees to easily complete multiple welfare applications and redemptions via mobile devices, while integrating functions such as welfare surveys and activity calendars to enhance communication efficiency.

| FORECAST

In 2025, we will enhance our focus on holistic employee care, aligning our benefits programmes with evolving employee needs. We will formulate an internal retirement policy compliant with new government regulations and launch our 2025 Employee Social Sustainability Initiative. These advancements reflect our commitment to caring for our employees as our most valuable assets while ensuring our employee benefits remain competitive and responsive to evolving needs.



5.4

CORPORATE CITIZENSHIP

BMW in China is much more than a car maker. we are an integral part of China society and a true corporate citizen. As such, we bring the same sincerity and innovative spirit to our activities outside of our offices and factories as to those within. For BMW, sustainability is not only about decarbonisation, it's also about the harmonious coexistence and mutual prosperity among individuals, communities, and the planet.

At BMW in China, we believe there is "No Premium Without Responsibility". Beyond providing financial support to charities and social initiatives, our goal is to be part of the solution, as a driver of the change and an advocate for raising public awareness. We always think long term and focus on demanding but worthwhile actions that create long-term value for our customers, society, and the environment as a whole.

218 million

Total number of people influenced by the BMW China Cultural Tour.

357

Number of BMW in China dealers implementing corporate citizenship actions.

1,016

Total participants of CSR activities in 2024.

5,979

Total hours of volunteer service in 2024.

OUR CORPORATE CITIZENSHIP APPROACH AND FLAGSHIP PROGRAMMES

The corporate citizenship strategy of BMW in China is informed by a vision of "harmonious coexistence between people and nature". The strategy rests on three foundational pillars: long-term commitment, efficacy first, and all-round stakeholder engagement. We deeply understand societal needs, focusing our efforts on addressing critical societal challenges by leveraging our corporate resources and capabilities to solve social issues while creating business value. Additionally, we collaborate with stakeholders to amplify social impact and promote social responsibility concepts through diverse approaches.

BMW in China's corporate citizenship initiatives are innovative, engaging stakeholders across the community. BMW in China launched the BMW Warm Heart Fund – the automotive industry's first corporate charity fund. Supported by the BMW Warm Heart Fund, BMW in China focuses on two core social agendas: cultural protection and biodiversity conservation. In 2024, we continued to innovate in our CSR projects and engaged stakeholders widely to contribute to societal development.

BMW China Culture Journey has been dedicated to the protection of intangible cultural heritage in China for

19 years.

It has explored

24 provinces and municipalities,

6 national-level ecological protection experimental zones.

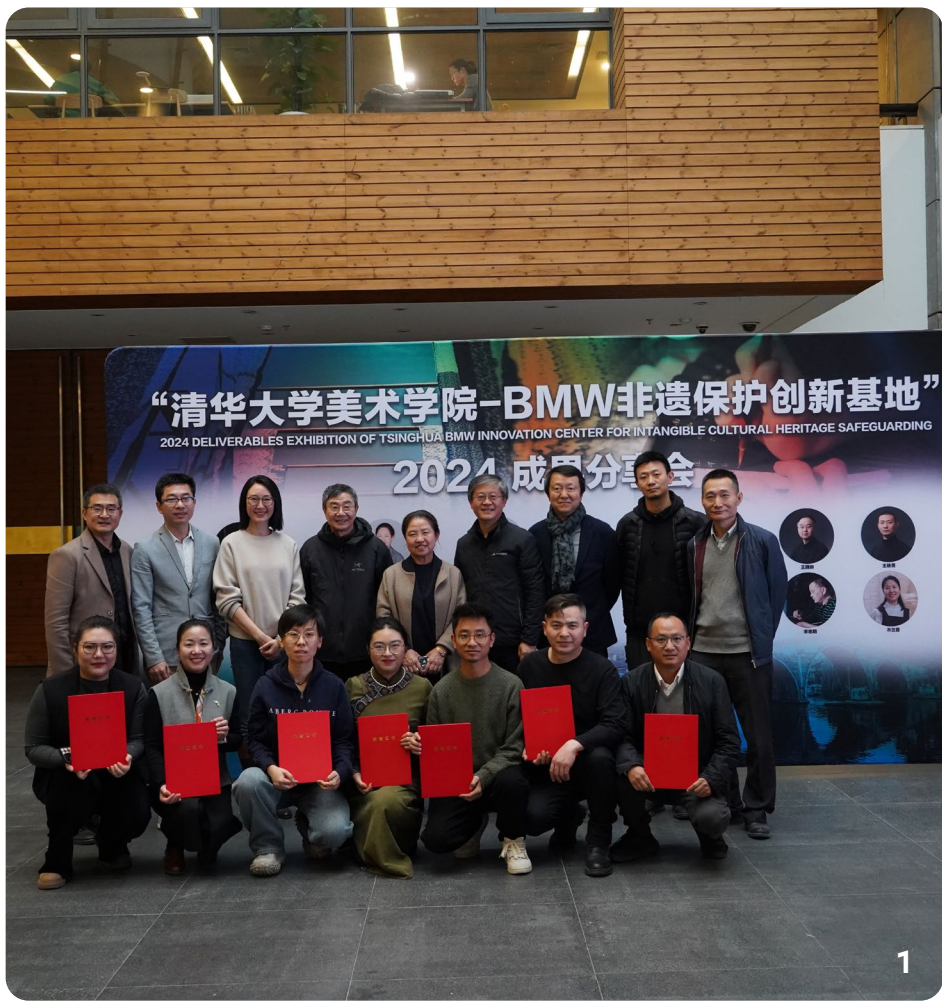
Enabled nearly

1,000 Intangible Cultural Heritage inheritors with funding and training.

BMW CHINA CULTURE JOURNEY

BMW in China believes that culture connects people and the world together. Since 2007, when the BMW China Culture Journey project was launched, we have been leading the automotive industry to join public welfare actions aimed at cultural protection. With the support of the BMW Warm Heart Fund, the BMW China Culture Journey has been dedicated to the protection of intangible culture heritage (ICH) in China for 19 years. It has explored 24 provinces and municipalities, six national-level ecological protection experimental zones, and enabled nearly 1,000 ICH inheritors with funding and training. In addition, it established the Tsinghua Arts & Design Academy – BMW Intangible Culture Heritage Innovation & Safeguarding Centre in collaboration with Tsinghua University Academy of Arts and Design.

The BMW China Culture Journey represents BMW in China's humanistic perspective on sustainable development and embodies the corporate values of BMW in China. BMW respects tradition and heritage. We appreciate cultural diversity and desire to achieve "shared beauty: collaborating with partners across various fields". We want to support the inheritors of intangible cultural heritage, unlock their innovation potential, and help them adapt to market demands and meet the needs of contemporary consumers. BMW in China bridges legacy and future, driving innovation while honouring tradition.



THE GRAND CANAL CULTURAL PROTECTION

Water sustains life, fuels prosperity, and enables mobility. The 2,500-year-old Grand Canal embodies connectivity, bridging cultures, driving economic growth, and linking past and future. It stands as a testament to humanity's respect for nature, wise resource use, and environmental harmony. BMW in China's long-term vision for sustainable development is to achieve harmonious progress, commercial success, social responsibility, and environmental stewardship. Supporting the protection of the Grand Canal is an act of ecological conservation as well as a driver of cultural exchange.

In 2024, the BMW China Cultural Journey was upgraded to support the protection and promotion of both the tangible and intangible cultural heritage along the Grand Canal, the longest artificial waterway in the world. The Grand Canal stands as a symbol of connection, linking diverse groups of people and cultures. BMW in China is deeply honoured as the first global OEM to contribute to the preservation of the Grand Canal, a UNESCO World Heritage Site, reflecting our appreciation for cultural diversity and commitment to connecting people and cultures.

BMW in China collaborated with China's National Ministry of Culture and Tourism, the Network of International Cultural ink Entities and the Chinese Education Development Foundation to launch the BMW China Culture Journey – Grand Canal Cultural Protection Project. The project leveraged 19 years of experience in ICH to explore the contemporary value of the Grand Canal's tangible and ICH protection. The 2024 BMW China Culture Journey consisted of three main components: empowering the inheritors of ICH along the Grand Canal; a cultural exploration tour; and the release of a tour guidebook. The tour promoted the protection of the Grand Canal's tangible and ICH in various ways, such as a city cultural salon, field studies, interactive experiences, and a tour guidebook.

Ten Grand Canal ICH inheritors were selected from Jiangsu and Zhejiang provinces to visit the Tsinghua Arts & Design Academy –



BMW Intangible Culture Heritage Innovation & Safeguarding Centre. The inheritors engaged in one-on-one design co-creation with professors from Tsinghua University and created new Grand Canal cultural products infused with intangible cultural heritage elements, bringing this heritage into modern life. The deliverables exhibition was launched in December 2024 at Tsinghua University to showcase these products, which included Hangzhou Wangxingji fans craftsmanship, a royal tribute from the Song Dynasty, and the blue calico, originating from traditional Chinese indigo dyeing. These are not only "living" cultural heritages products, but also excellent examples of the rich inheritance of the enduring Grand Canal culture.

At the same time, BMW in China released the BMW China Culture Journey – Grand Canal Heritage Self-Driving Guide, aiming to engage stakeholders and foster cultural tourism around the Grand Canal. BMW in China dealers organised Grand Canal-themed test drive events, complemented by online interactive campaigns and offline activities to



educate customers about the Grand Canal's culture. These initiatives encouraged the broader public to use the guide, immerse themselves in the Grand Canal's heritage, and actively participate in its cultural preservation. By the end of 2024, the guide had reached a readership of 450,000.

Mr. Shan Jixiang, former director of the Palace Museum who also initiated the Grand Canal's nomination for the UNESCO World Heritage List, serves as our Grand Canal Cultural Exchange Ambassador. In a public lecture, Mr. Shan said, 'The purpose of nominating the Grand Canal as a UNESCO World Heritage Site is to protect and inherit it. The Grand Canal is a living heritage and a continuously flowing cultural treasure. In the presence of such a profound and ancient 'cultural river', we are all curious learners who must study and inherit the wisdom embedded within the Grand Canal, enabling this heritage to shape our future'.

1. Scenic Beauty of the Grand Canal
2. China's Grand Canal Cultural Journey – Jiangsu-Zhejiang Section Exploration Tour

BMW BEAUTIFUL HOMELAND INITIATIVE

Nature and biodiversity hold great importance for BMW in China from both a social and economic perspective. Intact ecosystems and their services are the foundation of life and are essential for the long-term success of BMW in China. We acknowledge our responsibility to the environment and society and pursue the overarching goal of harmonising ecological, social, and economic considerations.



1. Natural Wonder of River-Sea Convergence: China's Shandong Yellow River Delta National Nature Reserve

2. Oriental white stork feeding leisurely

In the context of global climate action and the need for ecological preservation, BMW in China has established biodiversity conservation as a core pillar of its corporate social responsibility strategy. The Ministry of Ecology and Environment released the China Biodiversity Conservation Strategy and Action Plan (2023-2030), aiming to establish a long-term biodiversity conservation mechanism, with active participation from enterprises and the public to promote society-wide efforts in safeguarding natural ecological treasures. Based on the government's modern development philosophy of "harmonious coexistence between humans and nature", the BMW Beautiful Homeland Initiative aims to contribute ecological resilience by focusing on the protection and enhancement of wetland ecosystems. The initiative integrates natural conservation and public education. By establishing multi-stakeholder partnerships, the initiative enhances conservation awareness and stakeholder capacity to act, creating value for both society and business.

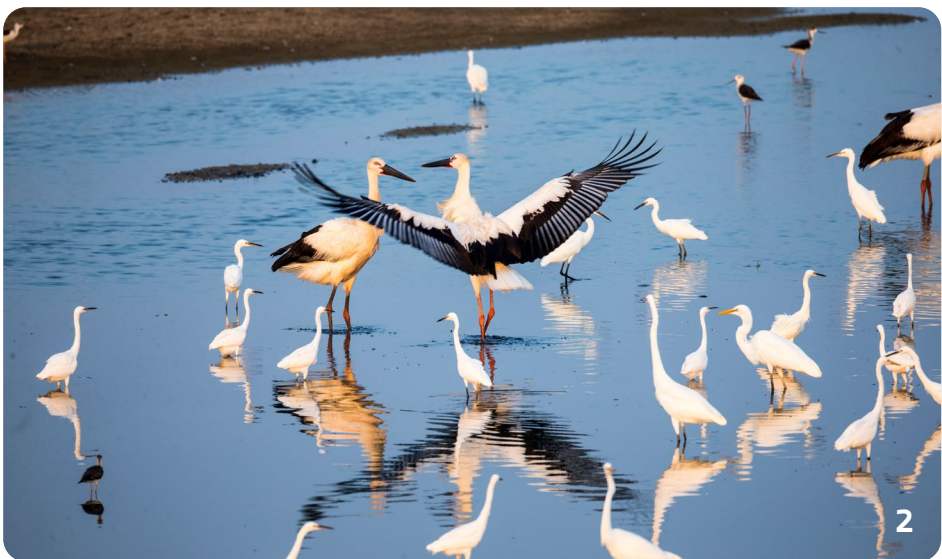
In 2024, BMW in China deepened its commitment and prioritised support for natural reserves such as the Liaohekou National Nature Reserve, and Shandong Yellow River Delta National Nature Reserve. We contributed electric patrol vehicles to support conservation efforts and in collaborations with research institutions, we advanced the

CONTINUING SUPPORT OF THE CONSTRUCTION OF NATIONAL PARKS

In 2024, BMW in China continued its partnership with the China Green Foundation for the third consecutive year, focusing on water conservation in wetland-type national parks and supporting research on the reintroduction of red-crowned cranes to their natural habitats. In October, the Second China Panjin Red-Crowned Crane Reintroduction and Release Technology Symposium was held in Panjin, Liaoning Province. For the first time, red-crowned cranes released from the Liao River Delta Nature Reserve were equipped with GPS satellite trackers. This approach provides valuable insights into the migration routes and adaptation of these birds in the wild, offering scientific support for other conservation efforts.

satellite tracking study of red-crowned crane rehabilitation while simultaneously building a public education system on biodiversity. By empowered dealers, employees, and media to engage in diverse environmental practices, the company explored innovative paths for multi-stakeholder collaboration, reinforcing corporate social responsibility and contributing to the construction of an ecological civilisation.

The International Union for Conservation of Nature's (IUCN) Overall Evaluation Report on the BMW Beautiful Homeland Project (2022-2024) highlights that over three years, the project accumulated valuable experience, laying a solid foundation for future biodiversity conservation efforts. It clarified key areas and pathways for corporate involvement, established systematic methods for resource allocation, governance frameworks, and collaboration models, and gained deep insights into stakeholder needs and preferences, ensuring that future project designs align better with diverse priorities. These experiences and methodologies provide strong guidance for BMW in China's long-term strategic planning for biodiversity and how it can deepen its fulfilment of social responsibilities. They also significantly advance China's ecological civilisation and contribute to realising the modern vision of harmonious coexistence between humanity and nature.



PROMOTE PUBLIC EDUCATION

BMW in China produced a public educational documentary, Seeing the Reddest Wetlands in China, and organised activities such as green summer camps, eco-education exhibitions, and interactive mini-programs for nature observation. By focusing on public education, BMW in China aims to engage a broader audience in biodiversity conservation efforts.

In 2024, BMW in China cooperated with China Science & Technology Museum and successfully kicked off an exhibition titled "Enriching Wetlands for Harmonious Coexistence and Circularity," focusing on wetland conservation and the circular economy.

The exhibition combined principles of biodiversity and circular economy. It featured diverse exhibits and interactive experiences to convey conservation ideas and included sections explaining the importance of wetland ecosystems. The exhibition showcased BMW in China's achievements in biodiversity conservation and circular economy practices. It also included the screening of a documentary produced in collaboration with the Earth Institute, drawing more public attention to biodiversity conservation and raising awareness of sustainable development.

The exhibition not only shared knowledge but also served as a spiritual journey, inspiring people's love of nature, thereby supporting the government's vision of "Beautiful China". By integrating

interaction with art, the exhibition made conservation concepts tangible, taught the concepts of carbon reduction and carbon capture, and promoted harmonious coexistence between humans and nature. This exhibition attracted numerous visitors, including employees, media representatives, and car owners, as well as a large number of the general public, demonstrating the broad appeal of the event. In 2025, it will tour exhibitions in Chongqing, Shenzhen and Shenyang.

DEALER ENGAGEMENT

We have integrated a biodiversity education program and partnered with dealers to organise a variety of customer activities. In 2024, 91 dealerships hosted 213 biodiversity-themed events, effectively engaging the public in green action.

In 2024,

91 dealerships hosted 213 biodiversity-themed events, effectively

engaging the public in green action.

BIODIVERSITY AND CIRCULAR EXHIBITION



1. Biodiversity and Circular Exhibition
2. Volunteer interpreters for popular science exhibition

BMW CHILDREN'S TRAFFIC SAFETY EDUCATION

BMW Children's Traffic Safety Education (CTSE) focuses on enhancing children's traffic safety awareness through innovative educational methods. We collaborated with the China Education Development Foundation and the China Children and Teenagers' Publishing Group on a package of educational materials called "Travel with Propriety". The package features scenarios that present three core concepts: safe behaviour as a pedestrian, as a passenger and as a driver. CTSE allows children to learn the importance of traffic safety in an interactive way by simulating real-life scenarios.

In 2023, supported by the BMW Warm Heart Fund under the China Education Development Foundation, the "Traffic Safety Experience Class for the Era of Electric Vehicles," officially went online on the Future Network platform. It was launched by the China Children and Teenagers' Publishing Group. In 2024, this course received 20,000 views; total views exceeded 7.4 million.

We are aware of the influence dealerships have within their communities. Therefore, we encourage them to spread BMW in China's core values through corporate social responsibility activities. Participation in public welfare initiatives, including children's traffic safety education, has become a key criterion for the BMW in China Dealer Excellence Award. To support these efforts, BMW in China provides professional training and customised educational resources, enabling dealerships to organise and host community activities. In 2024, 357 dealerships organised 643 CSR activities, 49% of which were related to children's traffic safety education.

By 2024, the course had been viewed over

20,000 times.

In 2024,

357 dealerships organised 643 CSR activities.

49%

Of which were related to children's traffic safety education.

BMW JOY HOME

The "BMW Joy Home" project focuses on the welfare and educational equity of children in China. Through systematic and sustainable charitable actions, this project supports rural revitalisation and educational development.

Between 2023 and 2025, BMW in China plans to donate RMB 2 million to educational projects in two counties of Yunnan province. This includes student scholarships so that 125 outstanding high school graduates will each receive an annual stipend of RMB 8,000 to ease their families' financial burdens, enabling them to complete their studies, and strengthening the foundation for local talent development. For educational infrastructure improvement, BMW in China will donate RMB 1 million to address the digital transformation needs of Malipo County in southeast Yunnan province by constructing 40 interactive teaching systems across five local primary and secondary schools. This initiative seeks to create a more intelligent and interactive learning environment, ultimately enhancing the quality of education. In 2024, BMW in China continued to advance donations in support of ongoing initiatives.

OUR CSR AWARDS AND HONOURS IN 2024



The BMW Beautiful Homeland Initiative was selected as an excellent case of corporate green and low-carbon development by Global.com for 2024 Earth Day.



BMW in China was named "Most Respected Enterprise" for 2023-2024 by the Economic Observer.



BMW in China won the "Corporate Responsibility Practitioner Award" at the 2024 Sustainable Impact Conference of Sina News.



The 2024 BMW China Cultural Tour won the Gold Award for Corporate Social Responsibility at the 2024 Golden Flag Awards.



BMW in China was named "Responsible Enterprise of 2024" by China News Weekly.



The 2024 BMW China Cultural Tour won the Gold Award for Annual Public Welfare at the 11th Golden Xuan Awards of 2025 by Automotive Business Review.

| EMPLOYEE VOLUNTEERING

For over a decade, BMW in China has actively embraced the principle of sustainable growth while fostering balanced progress between commercial operations and societal welfare. The organisation demonstrates consistent dedication to community empowerment through pioneering corporate social responsibility initiatives that address regional needs.

Central to BMW in China's philosophy is the conviction that volunteer engagement transcends individual efforts. It thrives through the collective participation of many people. The company specifically focuses on cultivating environmental and social consciousness among its associate volunteers. Through structured programming and motivational campaigns, we mobilise employees to engage in sustainability-focused public service initiatives. This strategic approach aims to establish systematic pathways for staff members to participate in meaningful community efforts.

In 2024, we organised

9 volunteer activities.

Which involved

1,016 participants.

Contributed

5,979 volunteer hours.

¹The number of volunteers and the number of volunteer hours include the BMW Brilliance employees, their children, and other public.

BMW in China established the BMW Corporate Volunteer Association in 2018 and introduced related human resources policies, such as paid volunteer leave and travel support to encourage employees to contribute more to society. In 2024, we organised 9 volunteer activities, which involved 1,016 participants who contributed 5,979 volunteer hours¹. Our engagement extends beyond the workplace to community initiatives.

We organised 132 employees to visit the BMW JOY Home school in Beizhen, Liaoning, to conduct interest classes and bring donations, as well as essential living and learning supplies, to students in need. In Beijing, through multiple trade union volunteer activities, we also supported Beijing employees and their families in accumulating more than 5,500 volunteer service hours. We established a second BMW forest through a tree-planting activity in Huairou District, Beijing. Employees and their families visited BMW Brilliance plants and Liaohekou National Reserve Park to learn about our sustainability efforts. Online sustainability-themed activities engaged employees in learning about sustainability and adopting low-carbon habits, attracting 3,900 participants. Additionally, we led sand control and tree-planting activities in Fuxin and organised a plogging event in Shenyang, which saw participation from nearly 40 employees, collecting 349.95 kg of trash. The Associate Cultural Journey invited 220 employees to visit intangible cultural heritage craftsmen, further enriching our engagement with local communities.

1. Volunteering for Spring Tree Planting Event

2. Volunteering for Sand Control and Tree Planting

3. Volunteering for BMW JOY Home

VOLUNTEERING FOR SPRING TREE PLANTING EVENT

Associates planted trees, maintained vegetable greenhouses, and joined science-based visits and other activities.

393

participants

1,572

Volunteer service hours

VOLUNTEERING FOR SAND CONTROL AND TREE PLANTING

Associates visited an afforestation site to plant trees to prevent sand erosion.

40

participants

280

Volunteer service hours

VOLUNTEERING FOR BMW JOY HOME

Associates visited schools in mountainous areas to carry out fun sports and themed events, which enriched school life, helped the families of students with difficulties, and warmed the children's hearts.

132

participants

2,028

Volunteer service hours





At BMW in China, our commitment to social responsibility extends beyond corporate-led initiatives, as we actively empower employees to translate their personal passions into impactful community engagement.

OUR EMPLOYEE STORY



Li Weijun

Physical Logistics Dadong Body Shop

“ The personal journey embodies this synergy: After battling lung cancer in 2021 and receiving critical assistance from BMW in China's welfare programs, the Shenyang Municipal Federation of Trade Unions, and the BMW Brilliance Labor Union, Li resolved to pay forward this solidarity. Drawing from his rare blood type (Panda Blood) donations that saved three lives, Li founded Liaoning's civilian rare-blood network in 2024 – the 480-member "Liaoning Rare Blood Type Community". As chief coordinator, Li institutionalised emergency protocols, personally funded RMB 5,000 in donor transportation subsidies, and built a 20-volunteer taskforce managing urban blood drives. His team bridges hospitals with donors through real-time coordination, hosts haematologists-led public education sessions, and leverages social media to expand the life-saving network.

”

VOLUNTEER ACTION FOR ELK CONSERVATION

Associates visited an elk museum and wetland reserve, participated in elk feeding, got close to elk and cleaned their enclosures, and tried Bai Lu Bai Fu block printing to experience the local intangible cultural heritage.

371

participants

1,855

Volunteer service hours

VOLUNTEERING FOR GRAND CANAL PROTECTION

The event was organised around the theme of canal culture and environmental protection. Associates learned the historical background of the canal, then organised groups to provide environmental volunteer services in the park.

76

participants

228

Volunteer service hours

VOLUNTEER INTERPRETERS FOR POPULAR SCIENCE EXHIBITION

Associates shared their knowledge of sustainable development and ecological protection with the public.

4

participants

16

Volunteer service hours

1. Volunteer Action for Elk Conservation
2. Volunteering for Grand Canal Protection
3. Volunteer interpreters for Popular Science Exhibition

| LOCAL COMMUNITY ENGAGEMENT

Committed to the "At Home in China" philosophy, we emphasise local community development and deep stakeholder engagement to achieve growth with the local region. In Shenyang, where BMW in China first took root in China, we have launched multiple initiatives designed to encourage community co-prosperity.

STRENGTHENING COMMUNITY INTERACTION AND INCLUSIVE GROWTH

BMW in China views community engagement as a vital link in sustainable development, fostering social prosperity through resource sharing and cross-sector collaboration. In 2017, Plant Tiexi became the first automobile manufacturing plant to be officially designated as a National AAAA-level Tourist Attraction in China. In the summer of 2024, we partnered with the Shenyang Municipal Bureau of Culture, Tourism, Radio and Television to offer free factory tours for middle and high school graduate students, aiming to spark their interest in advanced manufacturing and promote the sharing of educational resources. Additionally, we have designed accessible tour routes for groups such as model workers, skilled craftsmen, teachers, police officers, and people with disabilities, fostering a deeper understanding of industrial innovation through equal dialogue and fulfilling our commitment to "diversity and inclusion" in community building. We have also launched the "Family Day" brand activity, inviting employees' families to experience the frontlines of smart manufacturing. This not only allows families to directly witness the company's innovative achievements but also strengthens employee loyalty through family interactions, creating a warm and supportive ecosystem where the company and families grow together. In 2024, we welcomed a total

of 22,557 visitors. With the completion of Shenyang's "No. 3 Metro line" the Lydia Site and the Plant Dadong will also be gradually opened to the public in the future, further embodying the community-building philosophy of "openness and inclusiveness". We remain committed to using our corporate resources as a catalyst to build emotional connections with the public and special groups, continuously injecting positive energy into community development.



In 2024, a total of

22,557 visitors visited Plant Tiexi.

| FORECAST

In April 2024, the “BMW China Culture Journey – Grand Canal Cultural Protection and Education Public Welfare Project” was officially launched, focusing on the protection and promotion of tangible and intangible cultural heritage along the Grand Canal. The project visited and selected 10 intangible cultural heritage inheritors from the Jiangsu-Zhejiang section of the Grand Canal to enter the “Tsinghua – BMW Innovation Centre”, collaborating one-on-one with Tsinghua professors to create cultural and creative products with intangible cultural heritage elements, promoting the integration of traditional craftsmanship with modern design.

By the end of 2024, the cultural and creative products created by these 10 inheritors were exhibited at the Academy of Arts & Design, Tsinghua University. Lingyue selected the "BMW ICH Longquan Celadon Portable Tea Set" from all the innovative deliverables, planning to launch the creative products as BMW Lifestyle products in the My BMW App in 2025.

The "BMW ICH Longquan Celadon Portable Tea Set" is the first product of the intangible cultural heritage protection project supported by BMW and the Academy of Arts & Design, Tsinghua University to be marketed. It truly represents a significant milestone in the BMW China Cultural Journey's 19-years of work. The tea set is a masterpiece jointly created by Shi De, Zhejiang Provincial Intangible Cultural Heritage Inheritor of Yue Kiln Celadon Firing Techniques, and Professor Zhang Lei from the Department of Industrial Design, Academy of Arts & Design at Tsinghua University. It perfectly integrates BMW's design aesthetics with traditional Chinese celadon craftsmanship, becoming a model of how intangible cultural heritage can enter modern lifestyle.

1. BMW ICH Longquan Celadon Portable Tea Set

BMW ICH LONGQUAN CELADON PORTABLE TEA SET

The launch of the product will not only benefit the intangible cultural heritage inheritors, but also will bring added value to BMW fans and the public. It illustrates BMW vision “To be part of the solution” and creates shared value both for BMW and society.

BMW in China remains committed to aligning our strategic operations with societal contributions through professional expertise, persistently tackling critical societal challenges while generating mutual benefits for stakeholders and communities. Within dynamic market conditions, we will strengthen collaborative partnerships with dealers, clients, employees, and communities, while amplifying our dedication to cultural inclusiveness and ecological preservation.



06 OTHER INFORMATION

CHAPTER 6

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| SUSTAINABILITY DATA SUMMARY

BUSINESS ACTIVITIES

BMW BRILLIANCE						
	2020	2021	2022	2023	2024	% Change
Tax (in RMB billion)	38	43	49	49	37	-25.3%
Vehicles produced (in unit)	602,936	700,787	674,663	728,562	628,018	-13.8%
Automobiles retailed deliveries (in unit)	-	-	651,236	705,163	610,153	-13.5%
Authorised dealer outlets nationwide (number)	666	683	707	744	698	-6.2%

PRODUCTS AND MOBILITY SOLUTIONS

BMW BRILLIANCE						
	2020	2021	2022	2023	2024	% Change
Average fleet CO ₂ emissions (domestic) (in g/km)	142.1	152.8	144.1	142.9	140.1	-2.0%
Corporate average fuel consumption (domestic) (in l/100 km)	5.97	6.42	6.08	6.03	5.91 ¹	-2.0%
Retail New Energy Vehicles deliveres (in unit)	-	47,322	-	93,556	94,173	0.7%
High-voltage batteries recycled (in pieces)	4,347	6,173	10,153	41,759	107,467	157.4%
High-voltage batteries recycled (in kg)	98,261	123,111	579,231	1,020,470	2,387,650	134.0%
Parts collected for qualified for remanufacture (in number)	-	-	42,237	49,696	56,517	13.7%
Weight of parts collected for qualified for remanufacture (in t)	-	-	274	246	283	15.0%
Public charging pillar connected in China (in unit)	306,891	365,713	470,534	588,550	766,263	30.2%
Charging with renewable sources (in kWh)	-	-	26,948	89,708	97,877	9.1%

Note:

1. This figure is publiscised on the Notice on Passenger Car Corporate Average Fuel Consumption and New Energy Vehicle Credits in 2024 by MIIT on April 7th, 2025.

PRODUCTION AND OPERATION

BMW BRILLIANCE						
	2020	2021	2022	2023	2024	% Change
CO ₂ e emissions per vehicle produced ¹ (in t CO ₂ e/vehicle)	0.19	0.17	0.19	0.18	0.21	16.7%
Scope 1 Greenhouse gas emissions ² (in t CO ₂ e)	43,614	50,937	54,306	57,309	52,783	-7.9%
BMW Brilliance locations	43,614	50,937	54,306	53,044	43,159	-18.6%
Company vehicles	-	-	-	4,265	3,409	-20.1%
3rd party, construction ³	-	-	-	-	1,364	-
Destroyed VOCs ⁴	-	-	-	-	4,851	-
Scope 2 Greenhouse gas emissions ² (in t CO ₂ e)	71,275	71,604	76,121	80,662	87,639	8.6%
Electricity / heat purchased	71,275	71,604	76,121	80,662	74,120	-8.1%
Company vehicles ⁵	-	-	-	-	1,377	-
3rd party, construction ⁶	-	-	-	-	12,141	-
Scope 3 Greenhouse gas emissions (in t CO ₂ e)	23,998,281	29,079,393	32,430,178	34,642,342	35,731,546	3.1%
Purchased goods and services ⁷	10,711,299	12,881,245	12,973,070	13,774,060	10,446,256	-24.2%
Logistics	175,113	310,772	519,304	619,572	575,665	-7.1%
Utilisation phase ⁸	12,799,547	15,521,957	18,562,014	19,818,887	24,260,962	22.4%
Disposal ⁷	300,866	352,059	361,245	411,124	412,414	0.3%
Business trips	2,105	2,606	2,560	6,438	6,939	7.8%
Employees commuting ⁹	9,351	10,754	11,985	12,261	29,311	139.1%
Share of renewable electricity (in %)	100	100	100	100	100	0.0%
Total energy consumption (in MWh)	1,026,890	1,106,295	1,169,425	1,245,906	1,144,072	-8.2%
Total fuel consumption from non-renewable resources (natural gas) (in MWh)	238,834	295,209	297,727	298,231	239,606	-19.7%
Total electricity consumption (in MWh)	590,214	590,662	625,039	664,759	633,218	-4.7%
Total heating consumption (in MWh)	197,842	220,424	246,659	282,916	271,247	-4.1%
Energy consumption per vehicle produced (in MWh/vehicle)	1.51	1.40	1.60	1.58	1.63	3.2%
Total water consumption (in m ³)	1,188,228	1,275,998	1,191,954	1,255,579	988,743	-21.3%
Potable water consumption per vehicle produced (in m ³ /vehicle)	1.97	1.82	1.77	1.72	1.57	-8.7%

Note:

1. Include the emissions from energy consumption of construction and on-site third-party suppliers of BMW Brilliance plants and by other BMW Brilliance locations not directly related to production (non-manufacturing sites) since the reporting year 2024.

2. From the 2024 reporting year onwards, Scope 1 and Scope 2 emissions are measured in tonnes of carbon dioxide equivalent (t CO₂e). For 2023 and prior years, the unit of measurement was tonnes of carbon dioxide (t CO₂).

3. Include the emissions of natural gas from construction and on-site third-party suppliers since the reporting year 2024.

4. Include the emissions of destroyed VOCs since the reporting year 2024.

5. Include the emissions of electricity used by company vehicles since the reporting year 2024.

6. Include the emissions of electricity/heat purchased for construction and on-site third-party suppliers since the reporting year 2024.

7. Emissions of the vehicle-related purchased goods and services and disposal are calculated based on life cycle assessment as per ISO 14040/44 of representative vehicles from the product lines using the "LCA for Experts" tool provided by Sphera.

8. In addition to the emissions generated during the use of the vehicles (tank-to-wheel), the emissions generated during provision of the required drive energy (well-to-tank) are also taken into account since the reporting year 2024.

9. Include trips by private car between Shenyang downtown and BMW Brilliance plants since the reporting year 2024. Only direct emissions generated during commuting are included.

PRODUCTION AND OPERATION

BMW BRILLIANCE						
	2020	2021	2022	2023	2024	% Change
Total waste (in t)	181,791	210,691	208,564	231,484	197,649	-14.6%
Total waste for recycling (in t)	179,987	208,940	207,214	230,235	197,649	-14.2%
Total waste for disposal ¹ (in t)	1,804	1,751	1,350	1,249	0	-100.0%
Waste for disposal per vehicle produced ¹ (in kg/vehicle)	2.99	2.50	2.00	1.72	0	-100.0%
Total non-hazardous waste (in t)	172,349	200,283	198,662	221,245	189,822	-14.2%
Total non-hazardous waste for recycling (in t)	172,007	200,068	198,474	221,245	189,822	-14.2%
Total non-hazardous waste for disposal ¹ (in t)	342	215	188	0	0	0.0%
Total hazardous waste (in t)	9,442	10,408	9,902	10,239	7,827	-23.6%
Total hazardous waste for recycling (in t)	7,980	8,872	8,740	8,990	7,827	-12.9%
Total hazardous waste for disposal ¹ (in t)	1,462	1,536	1,162	1,249	0	-100.0%

RETAIL PARTNER AND SUPPLY CHAIN

BMW BRILLIANCE						
	2020	2021	2022	2023	2024	% Change
Local content suppliers in China (number)	400	436	429	455	462	1.5%
Purchasing volume in China (in RMB billion)	54.89	71.39	73.47	86.53	85.09	-1.7%
Certificated BMW NT Green Star dealers ² (number)	-	-	-	251	364	45.0%

Note:

1. In 2024, all plants in Shenyang achieved zero landfill waste.

2. The increase in this figure is mainly due to BMW Brilliance scaling up its commitments to the BMW NT Green Star Initiative.

EMPLOYEE AND SOCIETY

BMW BRILLIANCE

	2020	2021	2022	2023	2024	% Change
Total workforce at year-end (number)	20,739	22,829	25,802	25,856	25,077	-3.0%
Female employees in total workforce (number)	2,465	2,725	2,931	3,119	3,147	0.9%
Female employees in total workforce (in %)	11.9	11.9	11.4	12.1	12.5	4.0%
Male employees in total workforce (number)	18,274	20,104	22,871	22,737	21,930	-3.5%
Male employees in total workforce (in %)	88.1	88.1	88.6	87.9	87	-0.5%
Employees, age<30 (number)	6,893	7,099	7,881	6,811	5,367	-21.2%
Employees, age<30 (in %)	33.2	31.1	30.5	26.3	21.4	-18.6%
Employees, age 30-50 (number)	13,675	15,515	17,670	18,741	19,332	3.2%
Employees, age 30-50 (in %)	65.9	68.0	68.5	72.5	77.1	6.3%
Employees, age>50 (number)	171	215	251	304	378	24.3%
Employees, age>50 (in %)	0.8	0.9	1.0	1.2	1.5	28.2%
Employees in Shenyang (number)	19,963	21,563	24,174	24,027	23,190	-3.5%
Employees in Shenyang (in %)	96.3	94.5	93.7	92.9	92.5	-0.5%
Employees in Beijing (number)	776	1,266	990	1,073	1,068	-0.5%
Employees in Beijing (in %)	3.7	5.5	3.8	4.1	4.3	3.9%
Employees in Shanghai (number)	-	-	103	96	97	1.0%
Employees in Shanghai (in %)	-	-	0.4	0.4	0.4	0.0%
Employees in other cities (number)	-	-	535	660	722	9.4%
Employees in other cities (in %)	-	-	2.1	2.6	2.9	10.7%

EMPLOYEE AND SOCIETY

BMW BRILLIANCE

	2020	2021	2022	2023	2024	% Change
Female employees in management positions ¹ (in %)	30.2	31.4	31.8	33.2	33.3	0.3%
Local employees in management positions ¹ (in %)	87.2	90.0	91.7	91.7	91.3	-0.5%
Share of employees with fixed-term contract (in %)	41.0	41.4	48.8	46.7	37.3	-20.2%
Total local new employee hires (in %)	8.2	15.4	18.3	4.2	1.9	-55.5%
Local voluntary attrition rate (in %)	2.9	6.5	6.0	2.9	1.8	-40.3%
Accident frequency rate (per one million hours worked)	0.09	0.13	0.08	0.06	0.04	-33.3%
Training days of training organised by the Academy of Human Resources Department (in day)	15,491	19,524	25,844	36,730	39,012	6.2%
Average training days per employee (in day/person)	0.75	0.86	1.00	1.42	1.56	9.9%
Training attendee satisfaction rate (in %)	98.4	99.0	99.8	99.0	99.2	0.2%
Beneficiaries of BMW CSR activities (number)	11,568,364	11,459,458	31,885,474	35,542,888	21,997,919	-38.1%
Accumulated beneficiaries of BMW CSR activities ² (number)	14,434,966	25,894,424	57,779,898	93,322,786	115,320,705	23.6%
Expenditure on social commitment activities (in RMB)	36,619,722	23,439,759	24,210,755	15,963,774	10,199,572	-36.1%
Total participants of CSR activities ³ (number)	85	300	616	711	1,016	42.9%
Total hours of volunteer service ³ (in hour)	923	1,914	1,916	5,085	5,979	17.6%

Note:

1. Management positions refer to employees with function levels from I to V.

2. Accumulated figure which highly depends on the data in the reporting year and the previous years.

3. Started from reporting year 2024, the voluntary activities held by BMW Brilliance Beijing Trade Union in Chinese mainland are included into the scope. Volunteers include employees, their children, and other public.

| GRI CONTENT INDEX

The BMW Brilliance has reported the information cited in this GRI content index for the period from January 1st, 2024 to December 31st, 2024 with reference to the GRI Standards.

GRI 1: FOUNDATION

GRI 1 USED	GRI 1: FOUNDATION 2021
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GRI 2: GENERAL DISCLOSURES 2021

GRI Standard	Page index	Further information	UNGC
GRI 2-1: Organisation details	06	--	--
GRI 2-2: Entities included in the organisation's sustainability reporting	02	--	--
GRI 2-3: Reporting period, frequency and contact point	02	--	--
GRI 2-4: Restatements of information	--	Where necessary and possible, restatements are explained in footnotes to the respective groups.	--
GRI 2-5: External assurance	119-120	--	--
GRI 2-6: Activities, value chain and other business relationships	58-73	--	--
GRI 2-7: Employees	75-91, 106-108	--	--

GRI Standard	Page index	Further information	UNGC
GRI 2-8: Workers who are not employees	--	This information is not reported because it is not applicable.	--
GRI 2-9: Governance structure and composition	15	--	--
GRI 2-10: Nomination and selection of the highest governance body	15	--	--
GRI 2-11: Chair of the highest governance body	04-05	--	--
GRI 2-12: Role of the highest governance body in overseeing the management of impacts	15	Where necessary and possible, restatements are explained in footnotes to the respective groups.	--
GRI 2-13: Delegation of responsibility for managing impacts	15	--	--
GRI 2-14: Role of the highest governance body in sustainability reporting	15	--	--
GRI 2-15: Conflicts of interest	15	This information is not reported because it is not applicable.	--
GRI 2-16: Communication of critical concerns	12-14	--	--
GRI 2-17: Collective knowledge of the highest governance body	15	--	--
GRI 2-18: Evaluation of the performance of the highest governance body	--	This information is subject to internal confidentiality regulations and is not reported.	--
GRI 2-19: Remuneration policies	--	This information is subject to internal confidentiality regulations and is not reported.	--
GRI 2-20: Process to determine remuneration	--	This information is subject to internal confidentiality regulations and is not reported.	--
GRI 2-21: Annual total compensation ratio	--	This information is subject to internal confidentiality regulations and is not reported.	--
GRI 2-22: Statement on sustainable development strategy	04-05	--	--
GRI 2-23: Policy commitments	--	This information is not reported because it is not applicable.	--
GRI 2-24: Embedding policy commitments	--	This information is not reported because it is not applicable.	--
GRI 2-25: Processes to remediate negative impacts	17-19	--	--
GRI 2-26: Mechanisms for seeking advice and raising concerns	17-19	--	--
GRI 2-27: Compliance with laws and regulations	17-19	--	--

GRI Standard	Page index	Further information	UNGC
GRI 2-28: Membership associations	--	• CAAM (China Association of Automobile Manufacturers) • CAEFI (China Association of Enterprises with Foreign Investment) • IAC (The Investment Association of China) • LNAEFI (Liaoning Association of Enterprises with Foreign Investment) • SYAEFI (Shenyang Association of Enterprises with Foreign Investment) • BAEFI (Beijing Association of Enterprises with Foreign Investment) • ABNEA (Association of Beijing New Energy Automotive) • AHK (German Chamber of Commerce in China) • EFQM (European Foundation for Quality Management) • Road Vehicle Committee of China Intelligent Transportation Systems Association (ITS China) • CBCSD (China Business Council for Sustainable Development) • Global Compact Network China	--
GRI 2-29: Approach to stakeholder engagement	12-14	--	--
GRI 2-30: Collective bargaining agreements	82-85	100% of local employees are members of the BMW Brilliance Trade Union, and all Union members are covered by the Collective Contract on Labour Remuneration. This excludes expatriates, who are not eligible for the Trade Union.	--

SPECIFIC DISCLOSURES FOR MATERIAL TOPICS

We report all relevant information on our material topics in accordance with our management approaches. For reasons of confidentiality, we do not disclose on the personnel and financial resources that are used for the management of these topics.

GRI Standard	Page index	Further information	UNGC
GRI 3-1: Process to determine material topics	13	--	--
GRI 3-2: List of material topics	13	--	--

Product Responsibility

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	13-14	--	7, 8, 9
GRI 302-5: Reductions in energy requirements of products and services	07-08, 45-47	--	--
GRI 416-1: Assessment of the health and safety impacts of product and service categories	23-26	--	--
GRI 416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	--	BMW Brilliance did not have significant non-compliance with laws / regulations in 2024 that resulted in a financially material impact.	--

Decarbonisation across the Value Chain

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	13-14	--	7, 8, 9
GRI 302-1: Energy consumption within the organisation	104	--	--
GRI 302-2: Energy consumption outside of the organisation	--	This information is not reported because it is not applicable.	--
GRI 302-3: Energy intensity	104	--	--
GRI 302-4: Reduction of energy consumption	45-47	--	--

Environment and Ecology

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	13-14	--	7, 8, 9
GRI 101-2: Management of biodiversity impacts	51	--	--
GRI 304-2: Significant impacts of activities, products and services on biodiversity	51	--	--
GRI 304-3: Habitats protected or restored	95	--	--

Circularity and Efficient Resource Management

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	13-14	--	7, 8, 9
GRI 301-1: Materials used by weight or volume	36-37	--	--
GRI 301-2 Recycled input materials used	36-37	--	--
GRI 301-3 Reclaimed products and their packaging materials	36-37	--	--
GRI 306-1: Waste generation and significant waste-related impacts	43-47	--	--
GRI 306-2: Management of significant waste-related impacts	43-47	--	--
GRI 306-3: Waste generated	105	--	--
GRI 306-4: Waste diverted from disposal	50	--	--
GRI 306-5: Waste directed to disposal	43-47, 105	--	--
GRI 303-1: Interactions with water as a shared resource	43-47	--	--
GRI 303-2: Management of water discharge-related impacts	43-47	--	--
GRI 303-3: Water withdrawal	--	This information is not reported because it is not applicable.	--
GRI 303-4: Water discharge	43-47	--	--
GRI 303-5: Water consumption	43-47, 104	--	--

Air Pollution

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	13-14	--	7, 8, 9
GRI 305-1: Direct (Scope 1) GHG emissions	104	--	--
GRI 305-2: Energy indirect (Scope 2) GHG emissions	104	--	--
GRI 305-3: Other indirect (Scope 3) GHG emissions	104	--	--
GRI 305-4: GHG emissions intensity	104	--	--
GRI 305-5: Reduction of GHG emissions	45-47	--	--

Climate Change Adaption

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	13-14	--	7, 8, 9
GRI 201-2: Financial implications and other risks and opportunities due to climate change	15	--	--

Responsible Sourcing

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	13-14	--	1-10
GRI 308-1: New suppliers that were screened using environmental criteria	70	--	--
GRI 308-2: Negative environmental impacts in the supply chain and actions taken	68-73	--	--
GRI 414-1: New suppliers that were screened using social criteria	71	--	--
GRI 414-2: Negative social impacts in the supply chain and actions taken	68-73	--	--
GRI 204-1: Proportion of spending on local suppliers	105	--	--

Employee Development and Talent Retention

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	13-14	--	1-10
GRI 201-3: Defined benefit plan obligations and other retirement plans	89-90	--	--
GRI 404-1: Average hours of training per year per employee	79-81	--	--
GRI 404-2: Programmes for upgrading employee skills and transition assistance programmes	79-81	--	--
GRI 404-3: Percentage of employees receiving regular performance and career development reviews	--	Some of BMW Brilliance's entity carries out a company-wide portfolio process on an annual basis to assess associates' performance and career development. The percentage information is not currently available due to the complexity of the portfolio process and variations among different job functions.	--

Occupational Health and Safety

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	13-14	--	--
GRI 403-1: Occupational health and safety management system	87	--	--
GRI 403-2: Hazard identification, risk assessment, and incident investigation	87-89	--	--
GRI 403-3: Occupational health services	87-90	--	--
GRI 403-4: Worker participation, consultation, and communication on occupational health and safety	91	--	--
GRI 403-5: Worker training on occupational health and safety	88-89	--	--
GRI 403-6: Promotion of worker health	87-90	--	--
GRI 403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	87-90	--	--
GRI 403-8: Workers covered by an occupational health and safety management system	87-90	--	--
GRI 403-9: Work-related injuries	87-90	--	--
GRI 403-10: Work-related ill health	87-89	--	--

Diversity, Equality and Inclusion

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	13-14	--	4, 5, 6
GRI 405-1: Diversity of governance bodies and employees	82-85	--	--
GRI 405-2: Ratio of basic salary and remuneration of women to men	--	This information is subject to internal confidentiality regulations and is not reported.	--
GRI 406-1: Incidents of discrimination and corrective actions taken	--	This information is subject to internal confidentiality regulations and is not reported.	--

Compliance

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	13-14	--	1, 2, 3, 4, 5, 6, 10
GRI 205-2: Communication and training about anti-corruption policies and procedures	17-19	We define governance bodies as those committees which receive active regular reports by the compliance function. All committee members are informed about each entities' anti-corruption policies and procedures. All committee members who are BMW Brilliance employees have also received training on anti-corruption. Committee members representing our shareholders are covered by the compliance programmes of BMW Group respectively. Our compliance training includes mandatory online training for all non-production employees, additional classroom training for new employees and managers, and special workshops and training for specific target groups (e.g. Sales, Purchasing, and Finance). Information unavailable: The number of business partners that policies and procedures have been communicated to is not reported.	--
GRI 206-1: Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	--	In 2024, there were no legal actions regarding anti-competitive behaviour or violations of anti-trust and monopoly legislation.	--

Information Security and Privacy Protection

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	13-14	--	--
GRI 418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	--	BMW Brilliance did not encounter substantiated complaints in 2024 concerning breaches of customer privacy and losses of customer data.	--

Sustainable Governance and Corporate Disclosure

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	13-14	--	--

Public Policy

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	13-14	--	--

Charging Infrastructure

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	13-14	--	--
GRI 203-1: Infrastructure investments and services supported	37-39	--	--

LIMITED ASSURANCE
REPORT



普华永道

Independent practitioner’s limited assurance report on BMW
Brilliance Automotive Ltd.’s Sustainability Information

2025/SH-0174
(Page 1 of 4)

To the Board of Management of BMW Brilliance Automotive Ltd.

Limited assurance conclusion

We have conducted a limited assurance engagement on the selected sustainability information (the “Sustainability Information”) of Brilliance Automotive Ltd. (the “Company”) listed below and included in the Company’s 2024 Sustainability Report as at 31 December 2024 and for the year then ended.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Information is not prepared, in all material respects, in accordance with the criteria applied as explained in the “Basis of Reporting” in the 2024 Sustainability Report (the “applicable criteria”).

Sustainability Information

The Sustainability Information as at 31 December 2024 and for the year then ended is summarized below:

- Vehicles produced (in unit)
- Authorised dealer outlets nationwide (number)
- Average fleet CO₂ emissions (domestic) (in g/km)
- Corporate average fuel consumption (domestic) (in l/100km)
- Scope 1 Greenhouse gas emissions (in t CO₂e)
- Scope 2 Greenhouse gas emissions (in t CO₂e)
- Scope 3 Greenhouse gas emissions (in t CO₂e)
- Share of renewable electricity (in %)
- CO₂e emissions per vehicle produced (in t CO₂e /vehicle)
- Total energy consumption (in MWh)
- Energy consumption per vehicle produced (in MWh/vehicle)
- Total water consumption (in m³)
- Potable water consumption per vehicle produced (in m³/vehicle)
- Total waste (in t)
- Waste for disposal per vehicle produced (in kg/vehicle)
- Total non-hazardous waste (in t)
- Total hazardous waste (in t)
- Local content suppliers in China (number)
- Purchasing volume in China (in RMB billion)
- Certificated BMW NT Green Star dealers (number)
- Total workforce at year-end (number)

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Sustainability Information (continued)

- Female employees in total workforce (in %)
- Female employees in management positions (in %)
- Local employees in management positions (in %)
- Total local new employee hires (in %)
- Local voluntary attrition rate (in %)
- Training days of training organized by The Academy of Human Resources Department (in day)
- Average training days per employee (in day/person)
- Training attendee satisfaction rate (in %)
- Accident frequency rate (per one million hours worked)
- Beneficiaries of BMW CSR activities (number)
- Expenditure on social commitment activities (in RMB)
- Total participants of CSR activities (number)
- Total hours of volunteer service (in hour)

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance engagements other than audits or reviews of historical financial information* (“ISAE 3000 (Revised)”), and, in respect of the greenhouse gas emissions, International Standard on Assurance Engagements 3410, *Assurance engagements on greenhouse gas statements* (“ISAE 3410”), issued by the International Auditing and Assurance Standards Board (the “IAASB”).

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under these standards are further described in the Practitioner’s responsibilities section of our report.

Our independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1 issued by the IAASB, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



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Responsibilities for the Sustainability Information

Management of the Company is responsible for:

- The preparation of the Sustainability Information in accordance with the applicable criteria;
- Designing, implementing and maintaining such internal control as management determines is necessary to enable the preparation of the Sustainability Information of the 2024 Sustainability Report, in accordance with the applicable criteria, that is free from material misstatement, whether due to fraud or error; and
- The selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

The Board of Management are responsible for overseeing the Company's sustainability reporting process.

Inherent limitations in preparing the Sustainability Information

The absence of a significant body of established practice upon which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques and can affect comparability between entities, and over time.

In addition, greenhouse gas quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Practitioner's responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Information.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) and ISAE 3410, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Determine the suitability in the circumstances of the Company's use of the applicable criteria as the basis for the preparation of the Sustainability Information.
- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Company's internal control.
- Design and perform procedures responsive to where material misstatements are likely to arise in the Sustainability Information. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



普华永道

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Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Information. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of where material misstatements are likely to arise in the Sustainability Information, whether due to fraud or error.

In conducting our limited assurance engagement, we:

- Obtained an understanding of the Company's reporting processes relevant to the preparation of its Sustainability Information by inquiring with the persons responsible from relevant departments of the Company;
- Performed site visits to the Beijing Office, Tiexi Plant, Dadong Plant, Powertrain Plant and Lydia Plant of the Company to understand the process in collecting and reporting the Sustainable Information;
- Performed analytical procedures on selected information in the Sustainability Information;
- Performed limited substantive procedures on a sample basis of the Sustainability Information; and
- Evaluated the methods, assumptions and data for developing estimates.

Other matter

The comparative sustainability information of the Company as at 31 December 2023 and for the year then ended was not subject to an assurance engagement. Our conclusion is not modified in respect of this matter.

Restriction on use

Our report has been prepared solely for the Board of Management of the Company. This report therefore may not be suitable for any other purpose. We do not assume responsibility towards or accept liability to any other parties for the content of this report.


PricewaterhouseCoopers Zhong Tian LLP
Shanghai, the People's Republic of China
26 June 2025

| BASIS OF REPORTING

Vehicles produced (in unit)	BMW vehicles produced by BMW Brilliance of the year.
Authorised dealership outlets nationwide (number)	Number of authorised dealer outlets in Chinese mainland at year-end. The figure does not include BMW Motorrad dealerships.
Average fleet CO ₂ emissions (domestic) (in g/km)	Average CO ₂ emissions of automobiles produced by BMW Brilliance for sales in Chinese mainland market of the year.
Corporate average fuel consumption(domestic) (in l/100 km)	Average fuel consumption of automobiles produced by BMW Brilliance in Chinese mainland market of the year. The calculation is based on the GB 27999-2019 Fuel Consumption Evaluation Methods and Targets for Passenger Cars of the People’s Republic of China.
Scope 1 Greenhouse gas emissions (in t CO ₂ e)	Direct CO ₂ e emissions generated by fossil fuel consumption of vehicle production (BMW Brilliance plants) and of other BMW Brilliance locations not directly related to production (non-manufacturing sites, e.g. Research and Development Centres, Training Centres, Office Buildings), the direct CO ₂ e emissions of company vehicles of BMW Brilliance, as well as the resulting CO ₂ e from destroyed volatile organic compounds (VOCs). The coefficients used for calculation are from Emission Factors for Electricity, District Heating and Fuels issued by Application of German Association of the Automotive Industry (VDA). The emissions of company vehicles refer to the direct emissions generated from company vehicles that are controlled by BMW Brilliance, and the emissions are calculated based on kilometres driven, fuel consumption factors and emissions factors for fuel types. The emissions of the destroyed VOCs are the CO ₂ e emissions from the combustion of production relevant VOC generated during the painting process.
Scope 2 Greenhouse gas emissions (in t CO ₂ e)	Indirect CO ₂ e emissions generated by the consumption of purchased electricity and purchased heating of vehicle production (BMW Brilliance plants) and of other BMW Brilliance locations not directly related to production (non-manufacturing sites, e.g. Research and Development Centres, Training Centres, Office Buildings), as well as the indirect CO ₂ e emissions of company vehicles of BMW Brilliance.Scope 2 GHG emissions calculated using the market-based method in accordance with the GHG Protocol Scope 2 Guidance issued by the World Resources Institute. The emissions of company vehicles refer to the indirect emissions generated from company vehicles that are controlled by BMW Brilliance, and the emissions is calculated based on kilometres driven,energy consumption factors, and the emissions factors for electricity. The coefficients used for calculation are from Emission Factors for Electricity, District Heating and Fuels issued by Application of German Association of the Automotive Industry (VDA).

Scope 3 Greenhouse gas emissions (in t CO ₂ e)	Indirect CO ₂ e emissions generated in the upstream and downstream stages of the value chain of BMW Brilliance of the year. Emissions of the vehicle-related purchased goods and services and disposal are calculated based on life cycle assessment as per ISO 14040/44 of representative vehicles from the product lines using the “LCA for Experts” tool provided by Sphera. Transport logistics emissions are based on the mode of transport, weight transported, and the distance travelled in kilometres. Emissions factors are derived from contemporary standards such as the GLEC Framework V3.1 and CleanCargo. Emissions from use phase is calculated based on the average CO ₂ e emissions by the new vehicle fleet and an assumed average mileage of 200,000 km (as per VDA 900-100). In addition to the emissions generated during the use of the vehicles (tank-to-wheel), the emissions generated during provision of the required drive energy (well-to-tank) are also taken into account. Employee commuting emissions include trips by shuttle bus and private car between Shenyang downtown and BMW Brilliance plants. Only direct emissions generated during commuting are included. Business trips emissions include employees' air travel of BMW Brilliance for business purposes.
CO ₂ e emissions per vehicle produced (in t CO ₂ e/vehicle)	Direct and indirect CO ₂ e emissions per vehicle produced by vehicle production (BMW Brilliance plants) and by other BMW Brilliance locations not directly related to production (non-manufacturing sites, e.g. R&D centres, training centres, office buildings). Electricity from on-site renewable generation,Power Purchase Agreements for electricity from renewable sources and Energy Attribute Certificates (e.g. green electricity certificate) are all taken into account. Solvent emissions (VOCs) are not considered in the calculation.
Share of renewable electricity (in %)	The ratio of renewable electricity consumed to the total electricity consumption of vehicle production (BMW Brilliance plants) and of other locations not directly related to production (non-manufacturing sites, e.g. Research and Development Centres, Training Centres, Office Buildings). Renewable electricity includes the on-site renewable generation, Power Purchase Agreements (PPAs) from renewable sources, and the Green Electricity Certificate (GEC).
Total energy consumption (in MWh)	Total energy consumption generated by BMW Brilliance plants of the year, including electricity, purchased heating, and natural gas.
Energy consumption per vehicle produced (in MWh/vehicle)	Production-relevant energy consumption per vehicle produced in BMW Brilliance plants, excluding the energy consumption of R&D, VDC, construction, on-site third-party suppliers, and other nonproduction relevant energy consumption of the plants.
Total water consumption (in m ³)	Production-relevant potable water consumption of the year in BMW Brilliance plants.

Potable water consumption per vehicle produced (in m³ /vehicle)	Production-relevant potable water consumption per vehicle produced in BMW Brilliance plants, excluding the water consumption of R&D, VDC, construction, on-site third-party suppliers and other nonproduction relevant water consumption of the plants.
Total waste (in t)	Production-relevant non-hazardous and hazardous waste for recycling and disposal of the year in BMW Brilliance plants. Recycling includes both recycling and thermal recovery.
Waste for disposal per vehicle produced (in kg/vehicle)	Production-relevant waste for disposal per vehicle produced in BMW Brilliance plants.
Total non-hazardous waste (in t)	Production-relevant non-hazardous waste for recycling and for disposal of the year in BMW Brilliance plants. Recycling includes both recycling and thermal recovery.
Total hazardous waste (in t)	Production-relevant hazardous waste for recycling and for disposal of the year in BMW Brilliance plants. Recycling includes both recycling and thermal recovery.
Local content suppliers in China (number)	Total number of parts suppliers and raw material suppliers of BMW Brilliance of the year including the run-out suppliers of the year.
Purchasing volume in China (in RMB billion)	The amount of purchasing volume, including tax, paid by BMW Brilliance to parts suppliers and raw material suppliers in Chinese mainland of the year.
Total workforce at year-end (number)	The number of employees of BMW Brilliance and its wholly-owned subsidiary LingYue Digital Information Technology Co., Ltd. (LingYue) at year-end. The figure does not include interns, while it includes dispatched employees.
Female employees in total workforce (in %)	The ratio of female employees at year-end to the total workforce at year-end.
Female employees in management positions (in %)	The ratio of female employees in management positions at year-end to total employees in management positions at year-end.Management positions refer to employees with function levels from I to V.
Local employees in management positions (in %)	The ratio of local employees in management positions at year-end to total employees in management positions at year-end."Local" refers to managers with local contracts. People deployed to work at the location who do not have a local employment contract are not included. Management positions refer to employees with function levels from I to V.
Total local new employee hires (in %)	The ratio of newly hired local employees of the year to the total workforce at year-end. The figure does not include expatriate associates.

STRATEGIC DIRECTION	FUNDAMENTAL	PRODUCTS AND SERVICES	PRODUCTION AND OPERATION	DEALER AND SUPPLY CHAIN	EMPLOYEE AND SOCIETY	OTHER INFORMATION
Basis of Reporting						
Local voluntary attrition rate (in %)			Voluntary departures of local employees divided by the number of monthly average local employees of the year.			
Accident frequency rate (per one million hours worked)			The scope only covers directly contracted employees in BMW Brilliance plants. It is calculated by the number of accidents with one day lost time or more divided by the total working hours (in million) of the year.			
Training days of training organised by the Academy of Human Resources Department (in day)			Total training days of LRG (Learning Resources Guide) training and department training organised by the Academy of Human Resources Department of the year. The data also include e-learning courses.			
Average training days per employee (in day/person)			Average training days for employees participating in the training organised by the Academy of Human Resources Department.The data also include e-learning courses.			
Training attendee satisfaction rate (in %)			Average training satisfaction evaluated by employees who have attended training organised by the Academy of Human Resources Department. The data include offline training only.			
Beneficiaries of BMW CSR activities (number)			Number of times people benefited from CSR activities organised by the BMW CSR team. Beneficiaries of online video and live stream activities is counted by visiting times.			
Expenditure on social commitment activities (in RMB)			Expenditure on the social commitment by BMW Brilliance and China Education Development Foundation-BMW Warm Heart Fund.			
Total participants of CSR activities (number)			Total number of times volunteers attended voluntary activities held by BMW Corporate Volunteer Association, BMW Brilliance Labor Union, and BMW Brilliance Beijing Trade Union in Chinese mainland. Volunteers include employees, their children, and other public.			
Total hours of volunteer service (in hour)			Total hours that volunteers spend on voluntary activities held by BMW Corporate Volunteer Association, BMW Brilliance Labor Union, and BMW Brilliance Beijing Trade Union in Chinese mainland, including direct service hours and indirect service hours. Volunteers include employees, their children, and other public. Direct service hours refer to activity hours, and indirect service hours refer to the hours that volunteers spend on transportation, on-site preparation, and lunch hours during the activities.			
Certificated BMW NT Green Star dealers (number)			Number of Certificated BMW NT Green star dealers in operation in Chinese mainland of the year.			



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