

SUSTAINABILITY REPORT 2025



ABOUT THIS REPORT

REPORTING PERIOD

At BMW Brilliance, we firmly believe that there is no accountability without transparency, and we release the annual sustainability report to disclose our economic, social and environmental impacts on the most critical aspects. This Report covers the calendar year from January 1st to December 31st, 2025, with some contents extended over to 2026. 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 our China entities, it will refer to “BMW Group” or others.

REPORTING SCOPE

Since 2013, BMW Brilliance has been disclosing sustainability information in China. In the reporting year of 2025, the report disclosure subject was BMW Brilliance Automotive Ltd. (BMW Brilliance) and its wholly-owned subsidiary LingYue Digital Information Technology Co., Ltd and BMW (Nanjing) 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 2025 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 assessment. 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

This cover design takes traditional Chinese ink wash landscapes as the backdrop, with the Grand Canal as the thread to link BMW Brilliance's 360° sustainable development practices in China. From advancing low-carbon intelligent manufacturing at the Shenyang production base, supporting biodiversity conservation at Red Beach in the Liaohekou National Nature Reserve, to leading sustainable mobility with NEUE KLASSE models, and safeguarding intangible cultural heritage through BMW China Culture Journey, it fully demonstrates BMW Brilliance's firm commitment to people, the environment and society. Integrating innovation with corporate sustainability, ecological protection, and cultural inheritance, we are committed to shaping the premium mobility towards a more sustainable future.



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

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CEO PREFACE

"The new era of mobility demands more than technological progress. It requires long-term thinking, responsible innovation and the courage to create lasting value for people, society and the environment. With the NEUE KLASSE, BMW Brilliance is entering a new era, shaping premium mobility towards a more sustainable future."

The automotive industry is undergoing profound transformation. Technology, customer expectations and sustainability are redefining what premium mobility stands for. For BMW Brilliance, sustainability is not a new topic, but a long-standing commitment to create lasting value for people, society, and the environment. Together with local partners, we are bringing the BMW Group's largest future-focused project, the NEUE KLASSE, onto the roads in China. More than just a new model generation, it brings our vision for future mobility into reality: more human-centric, more intelligent, and more responsible.

PRODUCT RESPONSIBILITY: ENABLING RESPONSIBLE INNOVATION

At BMW Brilliance, innovation is the driving force behind our vision. Through responsible innovation, we are advancing intelligent Sheer Driving Pleasure while embedding responsibility into every decision we take. By taking a human-centric approach, we offer a product portfolio with highly efficient drive technologies, ensuring the right option for every need.

Our systematic approach to sustainability applies across our entire product portfolio, from continuously improving the efficiency of internal combustion engine (ICE) vehicles through Efficient Dynamics technologies, to expanding our battery electric vehicle (BEV) portfolio with BMW sixth-generation eDrive technology. The BMW X3 Long Wheelbase, for example, has been awarded the C-GCAP Five-Star Energy Efficiency rating, demonstrating how meaningful efficiency

gains continue to be achieved in conventional powertrains.

Building on this approach, the NEUE KLASSE represents the next step in our evolution. As the first locally produced NEUE KLASSE model, the new BMW iX3 Long Wheelbase is a clear example of responsible innovation, where safety requirements, sustainable performance and technological breakthroughs converge. It features the revolutionary large cylindrical battery cell, delivering improvements in safety, energy density, and cycle life, contributing to greater efficiency. In addition, BMW's in-house developed "Heart of Joy" intelligently links drivetrain, braking, and energy recuperation, enabling more sustainable energy use. This model sets new benchmarks, delivering over 900 kilometres of range (CLTC condition) and more than 20% improvement in overall vehicle efficiency.

Guided by a "safety-first" mindset, we aim to deliver the highest safety standards alongside the best driving experience. This is exemplified by the 5-star C-NCAP safety ratings achieved by both the BMW 5 Series and the BMW X3 Long Wheelbase. For example, the BMW X3 Long Wheelbase underwent rigorous validation and testing worldwide, with around a hundred test vehicles deployed in China, accumulating a total test mileage of 500,000 kilometres.

In line with our commitment "in China, for China, and with China", we embrace open collaboration, combining German engineering excellence with China's digital solutions to deliver the high-quality products and services that the BMW brand stands for.

Ms. Birgit Boehm
President and CEO
BMW Brilliance Automotive Ltd.

ENVIRONMENTAL STEWARDSHIP: DRIVING SUSTAINABILITY ALONG THE VALUE CHAIN

For BMW Brilliance, sustainability is not an obligation to manage, but a clear responsibility to lead. As an integral part of BMW Group, BMW Brilliance supports the Group's climate targets by embedding decarbonisation and circularity into every stage of our value chain, from procurement and production to vehicle use and recycling. Our objective is clear: to reduce environmental impact while strengthening long-term resilience and competitive edge.

Driven by the BMW iFACTORY strategy, our production network combines flexibility, efficiency and digital solutions to reduce carbon emissions and resource use. Since 2019, all BMW Brilliance manufacturing sites use 100% electricity from renewable sources. In 2025, we reached another milestone as our Powertrain Plant and High-Voltage Battery Centre fully transitioned to fossil-free geothermal energy for heating. These innovative measures reduce the carbon footprint of NEUE KLASSE from the outset. Meanwhile, all our Shenyang plants have maintained zero waste to landfill for the second consecutive year, while the potable water withdrawal per vehicle produced has declined for the eighth consecutive year.

Our responsibility does not end when a vehicle leaves the plant; it extends into every kilometre driven. Electrification can only deliver its full sustainability potential when clean energy is part of the equation. That is why we have been actively promoting charging with electricity from renewable sources to unlock the full decarbonisation potential of the use phase. In 2025, BMW NEVs were charged using more than 1.25 million kWh of electricity from renewable sources via My BMW App in the State Grid public charging network, nearly twelvefold increase year on year. In addition, our public charging joint venture IONCHI operates

on 100% electricity from renewable sources, making low-carbon charging increasingly accessible to customers across China, regardless of vehicle brand.

Sustainability progress requires collaboration. By working with partners across the value chain, we amplify the impact through joint innovation. In 2025, we collected over 20,000 used parts for remanufacturing, recovered 279 tonnes of materials, including steel, aluminium, plastic, paper, and textiles, maximising resource reuse and minimising environmental impact. Within our dealer network, 362 dealers were awarded BMW NT Green Star Certification by the end of 2025. In our supply chain, our measures reduced CO₂e emissions by nearly one million tonnes in 2025, compared to the base year 2019. Together with our supplier partners, we have established a closed-loop recycling process for nickel, cobalt, and lithium from retired batteries. BMW Brilliance was also recognised as a Five-Star Green Supply Chain Enterprise by the Ministry of Industry and Information Technology (MIIT) for a third consecutive year.

SOCIAL CONTRIBUTION: ROOTED IN CHINA, CREATING SHARED VALUE FOR THE FUTURE

For us, sustainability is also about making a positive impact beyond our core business. Being "in China, for China and with China" means the mutual growth of people, cultures, and communities. Guided by long-term thinking, BMW Brilliance views social responsibility as an essential part of value creation.

Reflecting the NEUE KLASSE principle of being more responsible, we support initiatives that preserve cultural heritage and protect natural ecosystems. Through the BMW China Culture Journey, we

contribute to the revitalisation of intangible cultural heritage by linking tradition with contemporary creativity. At the same time, the BMW Beautiful Homeland Initiative continued its long-term commitment to the Liaohekou National Nature Reserve, supporting biodiversity conservation and environmental awareness.

Safety is fundamental to human-centric mobility. Through BMW Children's Traffic Safety Education programme, our long-standing support for children's traffic safety has received official recognition, as our message "Travel with Propriety" was adopted as the theme of China's 14th National Traffic Safety Day – extending its impact to a national level.

THE START OF A NEW ERA

2026 marks the beginning of a new era for BMW Brilliance, as the first locally produced NEUE KLASSE model will roll off our Shenyang production line. It represents the result of consistent, responsible decisions and the moment when our vision for future mobility becomes tangible.

Looking ahead, the NEUE KLASSE technologies will benefit all BMW models, regardless of drivetrains. They demonstrate how we combine cutting-edge technologies with sustainability and Sheer Driving Pleasure. With the launch of the NEUE KLASSE in China, we are not only preserving the BMW brand's pioneering spirit but shaping premium mobility towards a more sustainable future.

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 premium individual mobility across the entire value chain of China's automotive industry.

BMW Brilliance boasts a state-of-the-art production base in Shenyang, Liaoning Province, and has branch companies in Beijing,

Shanghai, Chengdu and Guangzhou. To drive digital innovation and intelligent manufacturing, the company has also established LingYue Digital Information Technology Co., Ltd and BMW (Nanjing) Information Technology Co., Ltd. BMW Brilliance has more than 22,000 employees and about 480 suppliers in China. Showcasing its economic contribution, BMW Brilliance has been the top taxpayer in Shenyang for 20 consecutive years, and the largest taxpayer in Liaoning Province for the past 10 years. BMW's national sales and service network enjoys a leading reputation for customer satisfaction among premium automotive brands in China. Staying true to the BMW brand core, BMW Brilliance is dedicated to delivering 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. Since 2010, the company has invested more than 120 billion RMB in its production base in Shenyang, which is now the largest one in the BMW Group's worldwide production network. The world-level production base encompasses Plant Dadong, Plant Tiexi (including Lydia Site) for the production of vehicles, Powertrain Plant for the production of engines and high-voltage batteries, as well as a comprehensive R&D Centre.

Guided by the BMW iFACTORY production strategy, the BMW Brilliance plants are at the forefront of manufacturing technology-leading and high-quality BMW products. It is achieved by integrating the latest manufacturing processes and digital innovations including especially artificial intelligence. Currently, BMW Brilliance produces the BMW 5 Series Long Wheelbase (LWB), the fully electric BMW i5, the BMW 3 Series LWB and standard wheelbase, the fully electric BMW i3, the BMW 2 Series Gran Coupé, the BMW X5 LWB, the BMW X3 LWB, the BMW X1 LWB and the fully electric BMW iX1.

With the locally produced NEUE KLASSE models starting from 2026, BMW Brilliance is accelerating the ramp up for the series production of the NEUE KLASSE. The first pre-series vehicles of NEUE KLASSE already rolled off the production line at the Lydia site of Plant Tiexi in Shenyang, and are now under rigorous testing and validation. Meanwhile, in late 2024, BMW Brilliance started the pre-series production of the BMW sixth-generation high-voltage batteries for NEUE KLASSE models in its 10-billion-RMB battery assembly site. In total, more than 14 billion RMB is invested for BMW's local high-voltage battery production and R&D facilities in Shenyang.

More than

22,000 employees.

About

480 suppliers in China.

20

Consecutive years as the top taxpayer in Shenyang.

More than

120 billion RMB
invested in Shenyang production base.





Building on two decades of successful partnership in China, BMW Brilliance has entered the 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 value 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 CO₂ emissions, energy consumption, and water consumption per vehicle produced over the years. Its production base is powered by 100% electricity from renewable sources and features closed-loop systems for steel and aluminium. 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. BMW Brilliance 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's production base is powered by

100% electricity from renewable sources since 2019.

BMW Corporate Social Responsibility focuses on three major issues in Chinese society



**Traditional Culture
Protection**



Biodiversity



**Social
Development**

HIGHLIGHTS IN 2025

January

- Allocated RMB 3 million through the BMW Warm Heart Fund to support emergency rescue operations and post-disaster school reconstruction after the 6.8-magnitude earthquake in Dingri, Xizang Autonomous Region.

February

- Unveiled BMW's sixth-generation eDrive technology, which delivers breakthrough improvements across driving range, charging speed, battery safety, and overall vehicle efficiency.



March

- Launched all-new BMW X3 Long Wheelbase, which uses innovative sustainable material for the steering wheel as standard version, achieving up to an 85% reduction in CO₂e emissions compared to conventional leather.



April

- Unveiled the "BMW intangible cultural heritage Longquan Celadon Portable Tea Set" on My BMW APP, marking the first to translate the achievements of BMW's Corporate Social Responsibility (CSR) programme, "BMW China Culture Journey", into a cultural and creative product, underscoring BMW's ongoing commitment to intangible cultural heritage protection.



June

- Participated in the 2025 China Cyberspace Civilisation Conference with the theme of "Gathering Positive Energy in Cyberspace to Lead the New Trend of the Era" in Hefei, contributing to creating a civilised cyberspace.
- All-new BMW X3 xDrive30L M Sport was awarded a 5-star rating under China-New Car Assessment Program (C-NCAP).



July

- All-new BMW X3 xDrive30L M Sport was awarded the 5-star ratings in low carbon, health, and energy efficiency under the China-Green Car Assessment Program (C-GCAP).



- Organised the 5th China Auto Quality and Technology Conference, making it the first time BMW Brilliance took a leading role in convening a government-hosted industry conference.



- Secured two major awards at the 2025 China Automotive Forum - "Responsibility Leadership" and "Harmony & Mutual Benefit" - for BMW's initiatives in "Social Contribution & Rural Revitalisation" and "Resource Use & Emissions Management", demonstrating our commitment to responsibility first.
- The second phase of the "BMW China Culture Journey - Grand Canal Cultural Protection Project" officially began with a visit to Luoyang, the ancient capital and western starting point of the Sui and Tang Grand Canal.
- Donated "One Foundation Children's Kits" following severe rainfall that caused flooding in Miyun and Huairou districts in Beijing's outskirts.

August

- Recognised for three consecutive years as a Five-Star Green Supply Chain Enterprise.
- BMW Brilliance Plant Dadong achieved a major milestone as its cumulative production volume surpassed 3.5 million vehicles.



September

- BMW China Training Academy, vocational institutions, and dealerships jointly organised the first-ever BMW Education of Sales & Service Talent (BEST) National Competition.



October

- The geothermal energy project started operation at BMW Brilliance Automotive Powertrain Plant, supplying 100% fossil-free heat in a transition towards low-carbon production.
- BMW China Sustainability Supply Chain Team engaged hundreds of students at Tsinghua University through Climate Week and Global Youth Summit on Net-zero Future.



November

- The New BMW iX3 Long Wheelbase has entered the next phase of testing, undergoing extensive trials on the Nürburgring Nordschleife and on roads around the world – from high-speed testing in Europe to everyday driving evaluations in major Chinese cities.
- Unveiled the debut of BMW China Culture Journey and Tsinghua University Academy of Arts & Design's Collaborative CSR Achievements, marking a new chapter of "Innovation + Responsibility" in BMW's CSR efforts in China.
- Held BMW China Sustainability Supplier Innovation Day, bringing together innovation, collaboration, and technology to accelerate sustainable transformation across the supply chain.

December

- BMW China Culture Journey, in partnership with the acclaimed CCTV culinary programme "A Bite of China," launched two episodes of the cross-boundary video series during 2025.



FEATURED TOPIC #1

“GREEN CHARGING”

INTRODUCTION

The Carbon Peaking and Carbon Neutrality Goals reflect China's great-power responsibility in honouring its pledge to the international community. To date, China has made substantial strides in decarbonisation: renewable energy accounted for over 38% of total electricity consumption by the end of 2025¹, and the National Carbon Emission Trading System (ETS) effectively drives the phasing out of high-polluting production capacities.

China is advancing in synergistic decarbonisation of the energy and transportation sectors. In the energy transition, China is actively building a “new electricity system” through policies covering generation, supply, trading, and consumption. To standardise certification of electricity from renewable sources, the National Energy Administration (NEA) issued the "Implementation Rules" in November 2025², along with guidelines on renewable consumption and regulation that set minimum consumption obligations for provincial authorities³. In transportation decarbonisation, China is leading in the adoption of new energy vehicles (NEVs). In 2025, both the production and sales of the country's NEVs were more than 16 million units⁴. The number of charging facilities for electric vehicles (EVs) in China has increased tenfold in five years⁵. Through such coordinated transitions in the energy and transportation sectors, China is creating a low-carbon mobility ecosystem that supports its climate goals.

1. National Energy Administration (NEA). (2026). National Energy Administration held a national video conference on renewable energy power development and construction (January) scheduling. Retrieved from <https://www.nea.gov.cn/20260212/7778cf9907bf4eabb0e73a939ff2ade2/c.html>

2. National Energy Administration (NEA). (2026). Renewable Energy Green Electricity Certificate Management Implementation Rules (Trial). Retrieved from <https://www.nea.gov.cn/20260107/9a905f263a8b4aa4a06e1a96855cc8eb/c.html>

3. National Development and Reform Commission (NDRC) & National Energy Administration (NEA). (2025). Guiding Opinions on Promoting New Energy Consumption and Regulation (Document No. 1360). Retrieved from https://www.gov.cn/zhengce/zhengceku/202511/content_7047707.htm

EXTERNAL ENVIRONMENT & CHALLENGES

Transportation is the fastest-growing greenhouse gas (GHG) source and is expected to exceed 30% of total emissions in the coming years⁶. It is also a major contributor to both short-lived climate pollutants and air pollution⁶. In 2025, 195 parties had proposed or updated their Nationally Determined Contributions (NDCs), with approximately 150 countries having put forward carbon neutrality goals, and 10 governments set out a collective effort at COP 30⁷ to align the transport sector with the 1.5°C target as called upon by the Paris Agreement.

The widespread adoption of NEVs is a crucial pathway for decarbonisation; however, their environmental benefits depend on the emissions reduction throughout their life cycle, particularly given that the carbon emissions from the supply chain of NEV power batteries are higher than those of conventional internal combustion engines (ICEs). On this basis, if the electricity charged during their use phase comes from fossil fuel sources, the emissions of NEVs throughout the life cycle could be comparable to those of ICE vehicles. Therefore, "green charging", using electricity from renewable sources, becomes important for unlocking the full emission reduction potential of NEVs.

However, it can be challenging for nations, governments, and companies to substantially build a market-oriented, sustainable and scalable charging ecosystem with electricity from renewable sources.

4. China Association of Automobile Manufacturers (CAAM). (2026). Brief Analysis of New Energy Vehicle Production and Sales in December 2025. Retrieved from http://www.caam.org.cn/chn/4/cate_32/con_5237008.html

5. The State Council Information Office of China. (2025). Carbon Peaking and Carbon Neutrality: China's Plans and Solutions (White Paper). Retrieved from https://english.www.gov.cn/archive/whitepaper/202511/08/content_WS690ee812c6d00ca5f9a076cd.html

6. UN Environment Programme (UNEP). (n.d.). Supporting the global shift to electric mobility. Retrieved from <https://www.unep.org/topics/transport/electric-mobility/supporting-global-shift-electric-mobility>



Limited adoption of electricity from renewable sources in EV charging. Charging systems are advancing in speed and network coverage, while the scalable integration of renewable energy into these systems has room for improvement.



A comprehensive "green charging" ecosystem has yet to be developed. Transition in transport relies on a comprehensive sustainable charging ecosystem, with limited stakeholders' coordination, absence of standardised carbon accounting, and traceability mechanisms.

As a leading country in NEV promoting and charging network buildup, China has great potential to build a comprehensive “green charging” ecosystem to drive systemic decarbonisation in the energy and transportation sectors to achieve the “dual carbon” goals in a timely manner.

7. UNFCCC. (2025). COP30 Action Agenda Outcomes Report. Retrieved from https://unfccc.int/sites/default/files/resource/COP30%20Action%20Agenda_Outcomes%20Report_December_2025.pdf

OUR ACTION

Electrified transportation must be supported by renewable, reliable, and efficiently managed energy to advance climate goals through the synergistic energy and transport decarbonisation.

China remains integral to BMW Group's global strategy. Aligned with China's 'dual carbon' goals, BMW Brilliance consistently upholds a holistic approach to sustainability, establishing a comprehensive "green power" strategy across the entire value chain. Our charging joint venture IONCHI provides charging services powered by 100% electricity from renewable sources, delivering around 54.1 million kWh in the reporting year to more than 920,000 customers across 37 cities nationwide. Meanwhile, together with our partner State Grid, we expanded both the scale and coverage of charging with renewable sources to our customers via My BMW App. In 2025, this collaboration provided more than 1.25 million kWh of electricity from renewable sources to our customers, covering 7,039 stations across 224 cities in 25 provinces, with a closed-loop tracing and assurance mechanism.

BMW Brilliance always stands ready to collaborate with stakeholders across the value chain. We are willing to share our expertise and actively support China's leadership in a synergistic low-carbon transition in the transport and energy sectors, contributing to the timely achievement of the national climate targets.

IONCHI provided around **54.1million** kWh of electricity
from renewable sources, to more than **920,000** customers
across **37** cities nationwide in 2025.

State Grid provided more than **1.25million** kWh of
electricity from renewable sources via My BMW App to our customers, covering
7,039 stations across **224** cities in **25** provinces.



ESTABLISH A COMPREHENSIVE
"GREEN CHARGING" ECOSYSTEM



We aim to collaborate with a broad range of stakeholders to advance the development of charging from renewable sources, jointly contributing to the decarbonisation of the energy and transportation sectors. We advocate a systematic strategy:

Promote electricity consumption with renewable sources, setting targets with corresponding policy support to achieve a synergistic transition of energy and transport industry. Consider giving priority to low-carbon charging services for public vehicle fleets, such as government vehicles, buses, and taxis, by integrating them into a more sustainable charging network with policy guidance.

Develop a unified methodology to quantify carbon reductions from charging with renewable sources and explore blockchain-based systems to enhance the traceability of electricity from renewable sources, highlighting the potential of "green charging" to reduce carbon emissions throughout the vehicle life cycle.

Establish benchmark projects of "green charging" and foster collaborations between key players across the value chain, including generators, distributors, manufacturers, charging operators, and other relevant stakeholders.

FEATURED TOPIC #2

ENVIRONMENTAL STEWARDSHIP

SUPPLY CHAIN

Supplier environmental management framework

Our approach is centred on two key objectives: promoting the use of electricity from renewable sources across our supply chain and advancing circularity principles in raw material sourcing.



Scope 3 CO₂e emission of purchased goods and services

In 2025, our supply chain achieved a total reduction of around **1 million tonnes of CO₂e** emissions, compared to the baseline year 2019.



Transitioning to electricity from renewable sources

Around **90%** electricity consumed by local direct suppliers (tier 1) from renewable sources.

Circularity in the supply chain

High-voltage battery

Established a **closed-loop recycling** process for nickel, cobalt, and lithium from retired batteries.

50% Secondary nickel usage in high-voltage batteries (HVBs)

Aluminium

65% Secondary aluminium ingot usage in the BMW Brilliance foundry shop production

70% Secondary aluminium usage for rims across new series production vehicle projects

40% Secondary aluminium sheet usage in defined vehicle projects of local suppliers

Precious metals

100% Secondary raw material use of palladium and rhodium

OWN PRODUCTION AND OPERATION

Sustainability focus area

Sustainability is systematically integrated into production and operations, with a clear focus on decarbonisation, circular economy, and energy efficiency.



CO₂e emission scope 1 + 2

110,998 t CO₂e ↓ **21.0%** compared to 2024



Transition to renewable energy

Heating

The middle-depth geothermal heating utilises **100% fossil-free energy** and is estimated to cut **18,000 tonnes of CO₂e** emissions annually.

Electricity

100% electricity from renewable sources for all manufacturing sites since 2019 and all non-manufacturing sites since 2021.

Fuel consumption from non-renewable resources

The proportion of fuel consumption from non-renewable resources ↓ **4.0%** compared to 2024



Continuous improvement in energy efficiency

In 2025, total energy consumption was **977,664 MWh** ↓ **14.5%** compared to 2024

Resource efficiency and environment

Water

Potable water withdrawals per vehicle produced **1.40 m³** ↓ **10.8%** compared to 2024

Reclaimed water usage across all plants **687,646 m³** ↑ **71.9%** compared to 2024

Waste

Second consecutive year for all plants in Shenyang to achieve zero landfill waste.

Biodiversity

The cattle egret has visited BMW Brilliance plants for **four** summers.



Low-carbon logistics

Rail freight accounted for **55%** of linehaul volume from the Grand-Shanghai Area (Shanghai, Jiangsu, Zhejiang, and Anhui) to Shenyang. ↑ **20.0%** compared to 2024

34 electric trucks (E-trucks) deployed in aftersales logistics. ↑ **3.0%** compared to 2024

E-trucks in local inbound and outbound logistics operate on **100% electricity from renewable sources** in 2025.

Low-carbon packaging

An estimated **1,655.6 tonnes of CO₂e** emission was reduced by integrating 4RE principles - RE:THINK, RE:DUCE, RE:USE, and RE:CYCLE - in parts packaging in 2025.



PRODUCTS AND SERVICES



Technology openness

Internal combustion engines (ICEs)

All-new BMW X3 Long Wheelbase 25L achieves a **5%** reduction in overall fuel consumption.

All-new BMW X3 Long Wheelbase uses innovative sustainable material for the steering wheel in its standard trim, achieving up to an **85%** reduction in CO₂e emissions compared to conventional leather.

Battery electric vehicles (BEVs)

New BMW iX3 Long Wheelbase

Over **900 km**

maximum range
(CLTC condition)

More than **20%**

improvement in overall
vehicle efficiency

30%

faster charging
speeds

compared with previous generations.



Low-carbon charging services

State Grid public charging network

More than **1.25 million** kWh

↑1183.1% compared to 2024

Charging with electricity from
renewable sources with My
BMW App via State Grid public
charging network

BMW Brilliance's joint venture IONCHI

About **54.1 million** kWh

Charging with electricity from
renewable sources in IONCHI
charging network



DEALER NETWORK

BMW dealer network low-carbon transformation

362

BMW dealerships awarded BMW NT Green Star Certification

Franchises emissions (from retail partner network): included in BMW
Brilliance's Scope 3 disclosure since the 2025 reporting year.



FEATURED TOPIC #3

SOCIAL & GOVERNANCE INFORMATION

SUPPLY CHAIN

Multi-stage due diligence process to uphold environmental and social standards



Respect for individual rights



Safeguard environmental and social standards



Responsible procurement of raw materials

42

Assessments under the internationally standardised programmes, such as RSCI, at production-related supplier sites.

Sustainable supply chain empowerment

Provides comprehensive training, tools, and platforms for both our associates and suppliers, designed for knowledge exchange, joint learning, and shared responsibility.



Catena-X data ecosystem

Leverages digital innovation to continuously improve data quality and operational efficiency.



DEALER NETWORK

Dealer environment, health, and safety (EHS)

Dealer EHS is built on three pillars: compliance, risk control, and sustainable development, supporting operational efficiency and employee well-being.



OWN OPERATION

Employee empowerment through continuous, future-oriented learning initiatives

28,475

Training days of training organised by the Academy of Human Resources Department (in day)

1.25

Average training days per employee.

Corporate citizenship

57,512,516

Beneficiaries of BMW CSR activities in 2025.

13,804,511

RMB expenditure on social commitment activities in 2025.

1,116

BMW Brilliance volunteers participated in volunteering activities in 2025.

6,244

Total hours of volunteer service by BMW Brilliance volunteers in 2025.



Comprehensive training and support programmes

At BMW Brilliance, we are committed to ensuring our dealers are equipped to meet these evolving expectations and deliver the premium, professional experience that our customers expect.

Our initiatives include:

- Customised Coaching
- Brand Academy
- BMW Business School
- BMW Premium Customer Experience Ambassador
- Bimmer 1 course

- GKL Elite Club
- BMW National Aftersales Service Competition of Excellence (NASCE)
- BMW Education of Sales & Service Talent (BEST) Programme

PRODUCTS AND SERVICES

Quality management

An established Quality Management System (QMS) to ensure adherence to strict quality standards across all departments.



Robust R&D system



The **Shenyang R&D Centre** provided testing capabilities for NEUE KLASSE models that align with or surpass industry benchmarks.



Established an industry-first integrated **intelligent connectivity and compound electromagnetic compatibility (EMC) laboratory** in China.



200 AI applications have been implemented at the Shenyang production base, driving intelligent manufacturing and reinforcing a zero-defect mindset.

Comprehensive product safety practices

Upholds the responsibility to protect drivers and passengers, delivering peace of mind on every journey.

C-NCAP **5 stars**

BMW 5 Series

All-new BMW X3 Long Wheelbase

C-IASI **excellent/excellent+ ratings in all safety tests**

BMW 5 Series

All-new BMW X3 Long Wheelbase comprehensive safety validation

-**Actual Road Testing:** **100** test vehicles were deployed in China, accumulating a total test mileage of **500,000** kilometres.

-**Suspension Parameter Measurement:** Brought extreme driving scenarios into the lab, enabling engineers to fine-tune design solutions through rigorous, high-standard protocols.

-**Pedestrian Protection Simulation Testing:** more than **11,000** measurement points on the body underwent over **500** rounds of simulation tests.



01

ROBUST GOVERNANCE

1.1 FROM STRATEGY TO ACTION	15
1.2 COMPLIANCE GOVERNANCE	22



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

“ Guided by the highest standards of compliance and transparency, our path forward is shaped by a firm commitment to balancing long-term economic performance with ecological and social responsibility. ”

1.1

FROM STRATEGY TO ACTION

INNOVATING WITH RESPONSIBILITY TOWARDS A SUSTAINABLE FUTURE

Sustainability has become an integral pillar of the automotive industry's corporate agenda, reshaping supply chains, driving innovation, and redefining competitiveness. In alignment with China's "comprehensive green transformation", BMW Brilliance upholds its "In China, for China, with China" commitment by embedding sustainability into every core business decision. Through robust governance, cross-departmental collaboration, and continuous dialogue with stakeholders, we turn challenges into opportunities in decarbonisation and circularity, and enable responsible innovation to create long-term value for people, the planet and society.

Green and Low-Carbon Public Education Base

Awarded to BMW Brilliance Shenyang Production Base by the Chinese Ministry of Ecology and Environment since 2023.

SUSTAINABILITY MEGA TRENDS

In recent years, global response to climate change is fundamentally transforming the business landscape and competitive dynamics, while the automotive industry is shaped by deep integration of electrification, digitalisation, and sustainability. In this context, automotive manufacturers today face both opportunities and challenges from decarbonisation and technological upgrades. Sustainability is shaping supply chains, investment decisions, and competitive positioning – turning new expectations into long-term resilience and strength.

In 2025, decarbonisation has become a core engine driving profound transformation across the automotive industry. In China, the 15th Five-Year Plan signals a clear direction toward achieving a “comprehensive green transformation” across the nation's economy and society. For the automotive industry, policies now span “green manufacturing”, circular economy, and carbon accounting, promoting automakers to decarbonise across the entire value chain, from zero-carbon factory development and remanufacturing to product carbon footprints and battery recycling. In response, BMW Brilliance leverages its technological and industrial expertise to work closely with partners to scale up energy from renewable sources and reduce life cycle resource use and environmental impact. The NEUE KLASSE models will set a benchmark for product sustainability across their life cycle, especially in decarbonisation and resource conservation.

The industry transformation is further accelerated by technological innovation in the reporting period – particularly the rapid advancement of artificial intelligence (AI). The “AI+” initiative has been elevated to a national strategy, while binding regulations on safety standards, over-the-air (OTA) updates, and liability have established the guardrails for scaled deployment. At BMW Brilliance, our 360° AI strategy is integrated across our operations, from R&D and manufacturing to advanced driver assistance systems and intelligent mobility solutions, enhancing both operational efficiency and user experience. Our AI governance is grounded in robust ethical principles and rigorous internal standards, embedding responsibility into every innovation.



BMW Brilliance believes transformation demands more than strategy and technology. It requires a workforce equipped with new skills, and a partner network aligned with shared values. We invest in our employees, empowering them through upskilling and development to become active contributors to our sustainability journey. At the same time, through continuous engagement and targeted training, we embed our environmental and social standards across suppliers, dealers, and partners, strengthening the entire ecosystem with shared knowledge and a shared commitment to responsible progress.

The automotive industry today is facing profound changes. At BMW Brilliance, we believe that a sustainability approach covering environmental, social, and corporate governance is the key to navigating this transformation. As we look ahead, with a clear strategy, a responsible mindset, and a shared sense of purpose, we are shaping a future where premium mobility and sustainability are mutually reinforcing – for our customers, for society, and for generations to come.

DIALOGUE WITH STAKEHOLDERS

In the rapidly evolving global sustainability landscape, stakeholders, including governments, customers, employees, and civil society, are placing increasing emphasis on corporate performance in environmental stewardship, social responsibility, and corporate governance. To proactively address these expectations and integrate sustainability into our core strategy, BMW in China is systematically expanding the scope of our sustainability initiatives, enhancing transparency, and enriching multi-channel engagement efforts.

As an integral part of the BMW Group, BMW in China follows the Group's Stakeholder Engagement Policy - a framework that guides how we identify, prioritise, and engage with stakeholders, from risk management to everyday dialogue. Guided by our "In China, for China, with China" philosophy, we foster strategic, trust-based partnerships with local governments, customers, employees, dealers, and suppliers. Through continuous dialogue and collaborative action, we aim to create long-term value for all stakeholders, advance shared sustainability objectives, and contribute to the positive transformation of the automotive industry and the broader societal ecosystem.

BMW in China is committed to fostering open collaboration, driving innovation to develop forward-looking solutions for the complex challenges facing the automotive industry. Through partnerships, we combine global expertise with local insights to advance cutting-edge technological innovation and sustainable development. In 2025, key engagement initiatives included the 2025 BMW China Sustainability Supplier Innovation Day, which brought together management, suppliers, and employees to drive low-carbon supply chain practices through technical dialogue and immersive exhibitions. The 5th China Auto Quality and Technology Conference, organised by BMW Brilliance, marked the first time we took a leading role in convening a government-hosted industry conference. This milestone underscores BMW Brilliance's recognised leadership in automotive quality management and its commitment to advancing industry-wide collaboration on digital transformation and intelligent manufacturing. Additionally, BMW China Culture Journey, in partnership with Tsinghua's Academy of Arts & Design, demonstrated how intangible cultural heritage can be revitalised through contemporary design, earning formal recognition as a benchmark for corporate cultural engagement.

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, company intranet, Executive Dialogue, etc.	- Occupational health and safety - Employee development and retention - Wide range of perspectives and talents, equality and inclusion - Compliance - 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, industry conference etc.	- Compliance - Product responsibility - Sustainability governance and corporate disclosure - Air pollution control - Public policy
 Civil Society	Roundtables, lectures and discussions with experts, and scholars, specialised local programmes, traineeships, vocational opportunities, mass media, etc.	- Product responsibility - Decarbonisation across the value chain - Circularity and efficient resource management - Environment and ecology - Compliance - Corporate citizenship and community engagement
 Suppliers	Regular interaction, trainings, risk assessments, forums, Supplier Day event, supplier media visits, etc.	- Responsible sourcing - Decarbonisation across the value chain - Circularity and efficient resource management - Compliance - Technological innovation and cooperation
 Dealers	BMW NT Green Star Project, carbon accounting, regular interaction, conferences, online forums, dealer environment, health and safety (EHS) self-assessments, training, etc.	- Product responsibility - Compliance - Occupational health and safety - Information security and privacy protection - Stakeholder engagement
 Local Residents	One-on-one meetings, plant visits, press events, traineeships, corporate social responsibility programmes, volunteering, social donations, etc.	- Advanced manufacturing - Product responsibility - Environment and ecology - Air pollution control - Charging infrastructure
 Media	Surveys, social media, trade fairs, auto shows, test-drive experiences, interviews, press releases, media roundtables, etc.	- Technological innovation - Product responsibility - Sustainability governance and corporate disclosure - Information security and privacy protection

MATERIALITY ASSESSMENT

A materiality assessment is the foundation of any credible sustainability report - helping to identify and prioritise the issues that matter most to our business and our stakeholders. Between late 2024 and early 2025, BMW in China conducted a materiality assessment to determine the sustainability topics most relevant to our operations and key stakeholder groups. The resulting prioritised list continues to guide our sustainability agenda, enabling us to focus our efforts where they can make the greatest difference - advancing sustainability whilst contributing to the harmonious coexistence of economy, society, and environment.

OUR MATERIALITY ASSESSMENT PROCESS

Based on the recent materiality assessment ([details of assessment process as in page 13 of our Sustainability Report 2024](#)), the prioritised list of material topics continues to guide our sustainability agenda.



MATERIAL SUSTAINABILITY TOPICS OF BMW IN CHINA

● ● ● Very important ● ● Important ● Moderate

E (Environmental)

Decarbonisation across the value chain	● ● ●
Environment and ecology	● ● ●
Air pollution control	● ●
Circularity and efficient resource management	● ●
Climate change adaption	● ●
Charging infrastructure	● ●

S (Social)

Product responsibility	● ● ●
Stakeholder engagement	● ● ●
Responsible sourcing	● ●
Occupational health and safety	● ●
Corporate citizenship and community engagement	●
Employee development and talent retention	●
Wide range of perspectives and talents, equality and inclusion	●

G (Governance)

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

OUR 2025 ACTIONS ON MATERIAL ISSUES

Material Issues	Actions and Initiatives
E Decarbonisation across the value chain	100% use of electricity from renewable sources¹ at all manufacturing sites and non-manufacturing sites. - First middle-depth geothermal heating system put into operation in the automotive sector in China. - Around 1 million tonnes of CO₂e emissions reduced in our supply chain through targeted measures in 2025. 362 BMW Brilliance 's dealerships awarded BMW NT Green Star Certification by the end of 2025.
E Environment and ecology	- Water recycling system in all plants achieved a wastewater recycling volume of 687,646 m³ in 2025, a growth of 71.9% compared to 2024. - Plant Dadong Extension Project achieved zero potable water withdrawal for production process in 2025. - Achieved zero landfill waste per vehicle produced for the second consecutive year.
E Air pollution control	- Waste solvent recycled through self-utilisation facilities and external treatment partners for reuse and further reduced volatile organic compounds (VOCs) emissions. - Implemented VOCs abatement systems to comply with local regulatory emission limits (<30 mg/Nm³) at Plant Tiexi, Site Lydia, and Plant Dadong.Conduct in-depth checks for VOCs, chemical substances and odours inside the vehicle, ensuring we meet the requirements of China's Guideline for Air Quality Assessment of Passenger Car (GB/T 27630).
E Circularity and efficient resource management	- Maximised the use of secondary materials, such as aluminium, plastics, critical battery raw materials, and precious metals, in our products through partnerships with suppliers. - Achieved 100% recycling of retired HVBs from customer cars, dealer-sourced batteries, and production test batteries from BMW Brilliance Shenyang plants. - Collected over 20,000 parts for remanufacturing and recycled 279 tonnes of materials, including iron, steel, aluminium, plastics, paper, and fabric. - Applied the 4RE principles – RE:THINK, RE:DUCE, RE:USE, RE:CYCLE – to drive process optimisation and embed lean concepts across the entire container life cycle.
E 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.
E Charging infrastructure	- BMW customers were able to access more than 1,400,000 public charging points in China, a 90% increase from 2024. - BMW NEV customers in China charged with 1,255,849 kWh of electricity from renewable sources via My BMW App through State Grid public network in 2025, a 1,183.1% increase compared to 2024. - All charging infrastructure deployed under BMW Brilliance's joint venture, IONCHI operated on 100% electricity from renewable sources by the end of 2025.
S Product responsibility	- All-new BMW X3 Long Wheelbase was awarded the "C-GCAP Five-Star Low Carbon" rating. - The BMW 5 Series achieved top safety ratings in China. - Provided low-carbon services and shared mobility to cultivate sustainability awareness among customers. - Conducted rigorous testing and validation to embed battery safety into our products, exceeding industry standards.
S Stakeholder engagement	- BMW Brilliance partnered with its dealer network to drive sustainable operations through the BMW NT Green Star project. - Invested continuously in dealer capability, talent, and empowerment.
S Responsible sourcing	- Carry out on-site supplier Corporate Social Responsibility (CSR) audits. - Traceability assessment of the origin of 3TG metals (Tin, Tantalum, Tungsten and Gold) as well as other critical materials and requested N-tier suppliers to follow suit. - Setup of Catena-X data ecosystem to gradually connect partner companies along the supply chain, enhancing operational efficiency.

Material Issues	Actions and Initiatives
S Occupational health and safety	- Zero Accident Frequency Rate per one million hours worked was recorded in BMW Brilliance plants in 2025. - Robust Occupational Health and Safety Management System - Optimised security management using the E-Safety platform and AI-powered safety assistant - 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.
S Corporate citizenship and community engagement	- Cultivated concept of Associate Social Responsibility with Social Drive activities. - New initiatives in Flagship CSR programmes, such as "A Bite of China", intangible cultural heritage, etc. - BMW Corporate Volunteer Association. - Free factory tour services are provided for broad public. - Social donations to provide assistance in the event of natural disasters or other emergencies
S 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. - Provided holistic training sessions including leadership training, GEN6 qualification, technical training, quality and digital capability building, and internal trainer programme.
S Wide range of perspectives and talents, equality and inclusion	- Embraced the hiring of people with disabilities, fostering an inclusive culture through tailored career pathways, barrier-free infrastructure, and cross-departmental awareness initiatives. - Hosted second annual Workplace Experience Day and delivered an AI Skills Training Series in partnership with a disability support organisation to boost employability and digital skills. - A series of online events and offline experiential activities about the wide range of perspectives and talents within our organisation.
G Sustainability governance and corporate disclosure	- Have been issuing comprehensive data through voluntary sustainability reporting since 2013, underscoring our dedication to corporate transparency. - Strengthened the compliance culture through ongoing internal communication and training initiatives. - Further enhanced emissions disclosure. Emissions from franchises (retail partner network) and company vehicles used for testing are included in our CO₂e accounting from 2025 report onwards.
G 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.
G 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. - Adopted the principle of "secure and responsible AI", extending our existing IT security governance to cover the full AI life cycle.
G Public policy	- Strengthened communication with government departments and a broader range of stakeholders. - Hosted philanthropic events to promote environmental protection and public welfare.

1. Both externally sourced and internally generated electricity is renewable, including solar PV, power purchase agreements (PPAs) and Green Electricity Certificates (GECs).

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.

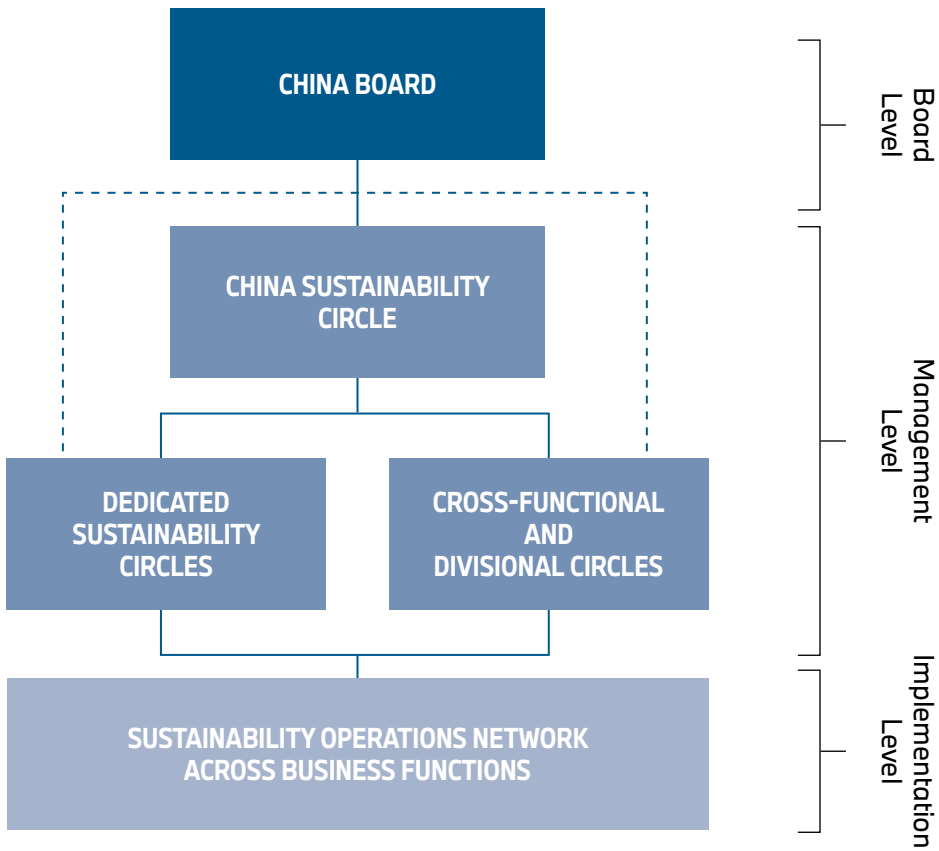
Within our target management mechanism, sustainability is embedded as a key consideration in the annual target management process for all business units. Each department is required to formulate specific implementation targets and establish an accountability system to ensure the effective realisation 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 and 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

Climate change has remained one of the most severe global challenges. Yet the response is stepping up: At the global level, the Paris Agreement governance framework entered a new phase of implementation in 2025, with COP30 focusing on global cooperation in low-carbon technology innovation and promoting a just transition. Concurrently, building on its 2060 carbon neutrality pledge, China has laid out new Nationally Determined Contributions (NDCs) targets for 2035, including reducing national greenhouse gas emissions by 7 to 10 percent from their peak and scaling up the installed capacity of wind and solar power to more than six times the 2020 level. To deliver on these ambitions, China is accelerating a new climate governance framework – underpinned by dual controls on total carbon emissions and intensity, a national carbon market, and a pilot version of Corporate Sustainability Disclosure Standards and Corporate Sustainability Disclosure Standards No. 1 - Climate - setting high requirements and a clearer development pathway for the manufacturing sectors.

This pathway, combined with growing awareness of climate risks, is pushing manufacturers to view their operations and supply chains through a new lens, spurring innovation that turns environmental challenges into drivers of sustainable growth. In this context, BMW in China has aligned with national priorities by embedding sustainability across the value chain through robust climate

governance. These concrete actions reflect our commitment to supporting both global and Chinese climate objectives and to contributing to the development of a sustainable society.

Since 2021, BMW in China has enterprise-level risk assessments on climate change according to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). From 2022 to 2023, we systematically deepened our climate risk assessment, moving from physical risk quantification at Shenyang to medium and long-term transition risk analysis, and embedding findings into corporate reporting and subsequent action planning. This cumulative foundation enabled us to shift from risk identification to action planning in 2024, developing tailored solutions for physical risk exposures and mapping opportunities across the business. For business areas exposed to physical risks, we developed tailored project plans and solutions, supported by continuous refinement of our climate risk response measures. In 2025, we have continued to implement action plans, translating risk insights into tangible resilience-building initiatives. Our approach embeds climate resilience into the core of our business, aligning governance and strategic oversight across the value chain. With all those efforts, we are proactively building climate adaptability and strengthening our value chain for a resilient future.

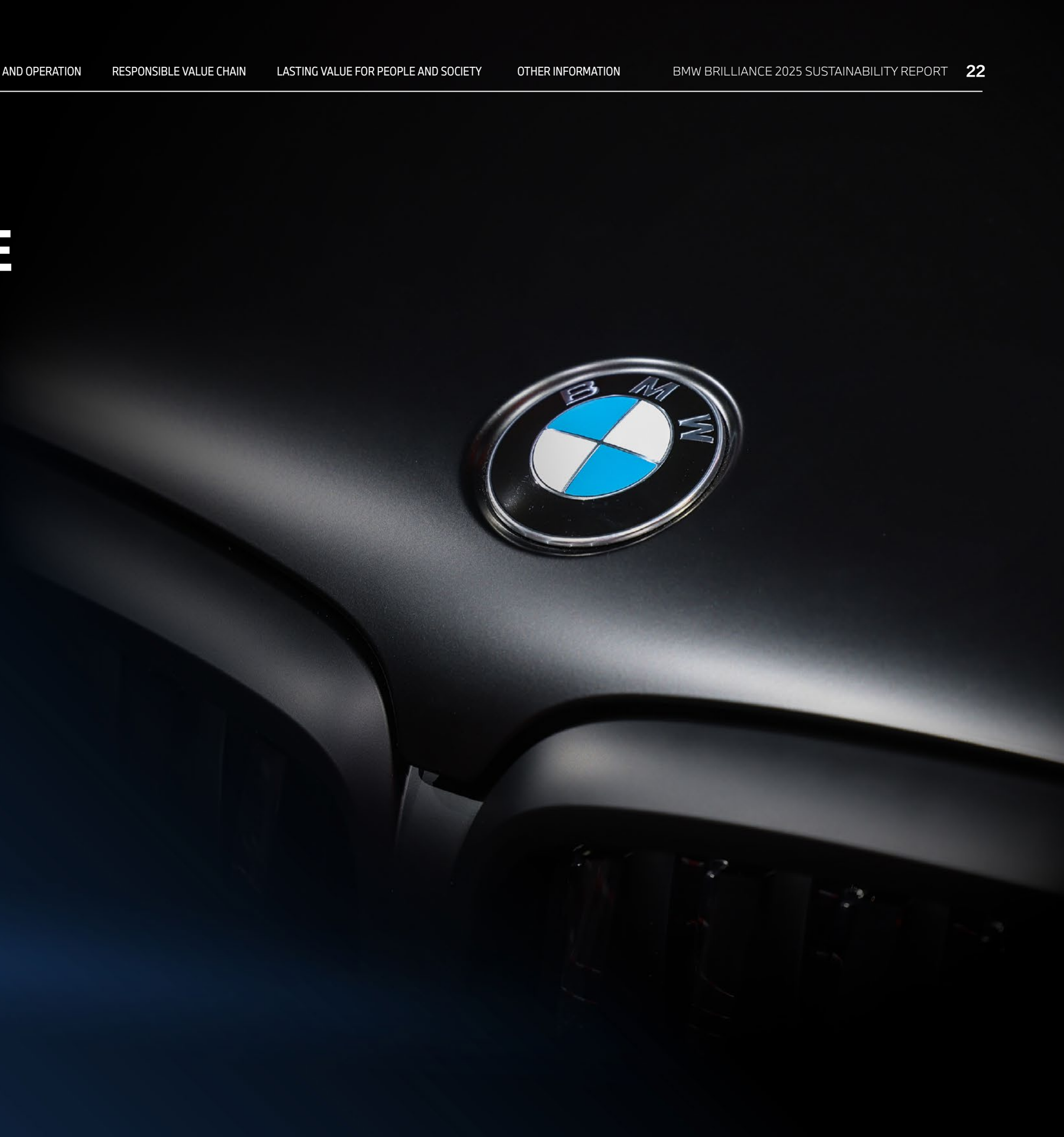


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COMPLIANCE GOVERNANCE

BMW in China places great value on compliance governance, embedding it into every aspect of our operations. We prioritise transparency, ethical conduct, and adherence to both local and global regulations, ensuring that compliance is a core driver of business resilience and long-term growth. Our robust governance framework integrates compliance across all functions and addresses key areas of concern, including antitrust compliance, corruption and fraud prevention, data governance, information security, export control, and anti-money laundering. Our commitment to compliance not only ensures meeting regulatory requirements but also strengthens trust and long-term value creation for our stakeholders.

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



COMPLIANCE MANAGEMENT

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COMPLIANCE GOVERNANCE STRUCTURE



ROBUST GOVERNANCE STRUCTURE

COMPLIANCE MANAGEMENT SYSTEM (CMS)

At BMW in China, our governance framework is built upon a network of compliance management boards, functions and roles, ensuring the effective implementation of our Compliance Management System (CMS). Central to this approach is the “three-lines model”, which provides a structured methodology for integrating CMS into the risk management framework of each entity.

– **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 fulfil their compliance responsibilities. A multi-layer comprehensive compliance organisation is in place, consisting of compliance functions and interfaces.

– **Corporate audit** serves as 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 maintains a robust governance framework that embeds accountability at every level, from the Shareholders' Meeting and Board of Directors (BoD) to business departments and compliance interfaces. Shareholders hold ultimate oversight and decision-making authority on key matters at the Shareholders' Meeting. At the corporate level, compliance accountability rests with the BoD, its subcommittee, the Audit and Compliance Committee (AC), and the Board of Management (BoM). At the functional level, the Corporate Governance & Compliance Committee (BCC) provides primary oversight.

Legal and ethical conduct is promoted through close collaboration between the central compliance functions, designated compliance oversight roles, and business departments. The Corporate Governance & Compliance Department oversees compliance programmes. Other departments, such as Legal Affairs, Data Governance, IT, Information

Security, Controlling, Tax, Customs and Export Control, and Corporate Quality, also broadly serve as compliance steering functions. They provide guidance on compliance-related matters within their areas of expertise.

Business departments are responsible for identifying compliance risks in their daily operations, assessing these risks in alignment with corporate objectives, and implementing risk controls and mitigation measures. In addition, each business department appoints a Compliance Interface role to ensure effective communication between the business units and the central compliance function. Together, these functions create a cohesive governance ecosystem that fosters accountability, transparency, and resilient business practices.

INTERNAL CONTROL SYSTEM (ICS)

The Internal Control System (ICS) is an integral part of BMW in China's internal governance framework, consisting of a set of measures and control activities embedded within processes and organisational structures. Its primary objective is to ensure the accuracy of external reporting. As part of the second line, the ICS serves as the intermediary between the Business departments (first line) and Corporate Audit (third line).

The design of the ICS is based on internationally recognised standards, such as the Committee of Sponsoring Organisations of the Treadway Commission (COSO) model. The principal features of the ICS include a role-based approach that is integrated across the organisation, a clearly defined control environment, and a robust framework encompassing risk assessment, control activities, information and communication, and monitoring processes.

Standardised methods are employed to safeguard the integrity of our reporting processes. Through detailed end-to-end process analysis, potential risks related to data completeness, accuracy, availability, and partially automated processes are identified. Once risks are identified, they are classified, and appropriate control measures are developed and prioritised for mitigation. These controls are designed to serve either preventive or detective purposes, as required.

However, even with appropriate control measures in place, systems of internal control are subject to inherent limitations and therefore cannot provide absolute assurance regarding the prevention or immediate detection of all potential misstatements.

THREE-STAGE COMPLIANCE APPROACH: PREVENT, DETECT, RESPOND

BMW in China's Compliance Management System (CMS) follows the 'Prevent, Detect, and Respond' model, establishing clear measures for prevention, monitoring, control, and response. The CMS is tailored to the specific risk landscape of BMW in China and encompasses all relevant compliance areas, including antitrust compliance, data governance, cybersecurity, technical compliance, customer rights protection, and fraud prevention, among others.

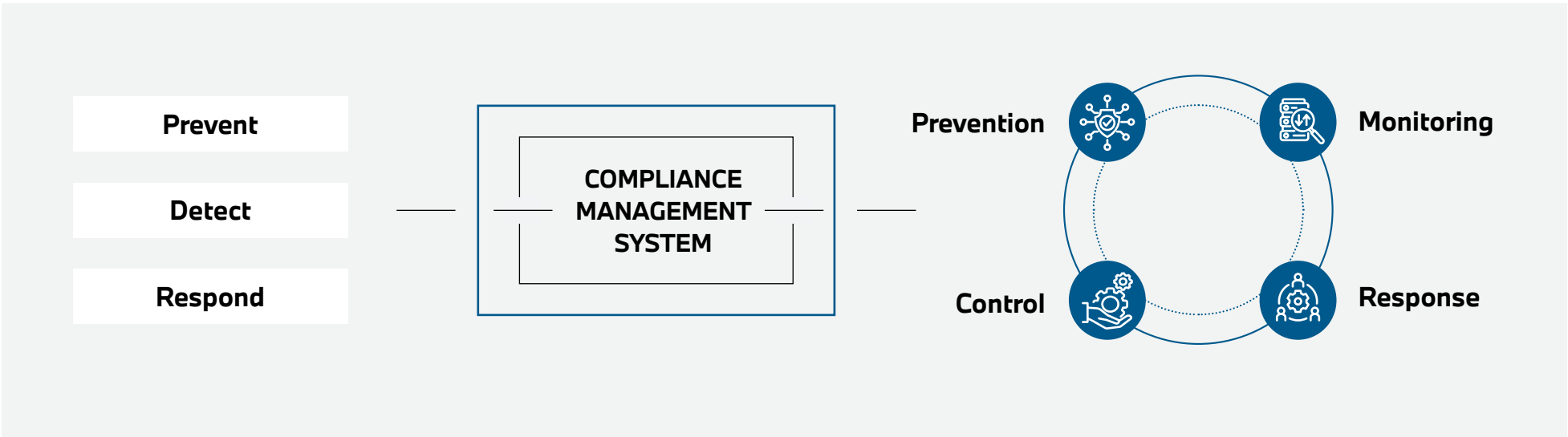
Designed to be both holistic and adaptable, the CMS is anchored in the Legal Compliance Code, which reflects corporate principles and provides transparency to employees and the public on key compliance priorities. Building upon this Code, internal policies and processes have been established to align with legal requirements, ensuring effective governance across all operations. Through regular compliance risk assessments, we identify business-specific risks and develop appropriate mitigation measures. As part of our commitment to an integrity-driven culture, we deliver comprehensive training and awareness initiatives that empower every employee to uphold our ethical standards in the course of their daily work.

By leveraging IT-driven compliance systems, BMW in China ensures the transparent and efficient documentation, assessment, and approval of compliance-related matters. The SpeakUP Line serves as

a critical platform for employees to raise concerns and seek guidance, fostering a culture of openness and accountability. Additionally, multi-tiered monitoring mechanisms are in place to conduct periodic reviews of regulatory compliance and process effectiveness, promoting continuous improvement.

In addressing fraud, BMW in China takes a proactive approach, implementing measures such as job rotations for high-risk positions and enhanced subcontracting management to mitigate potential risks. We also investigate potential fraud leads and address underlying causes, reinforcing our commitment to integrity and operational excellence.

BMW in China advises all employees to avoid situations that may result in conflicts of interest. Any potential conflict of interest should be disclosed and documented in a transparent manner. Local company-level instruction on conflicts of interest provides a clear framework for decision-making and offers immediate guidance on the matter. The disclosure of conflicts of interest is standardised and controlled through our IT system. When an employee joins the company or changes roles, the system automatically prompts them to submit a declaration via JoyChat, BMW in China's mobile office platform.



PROMOTING A STRONG COMPLIANCE CULTURE

Leadership is central to BMW in China's compliance culture. Our top management continued to drive compliance initiatives through regular "Tone from the Top" videos, all-staff communication, Compliance Day, and the Compliance Interface Workshop, reinforcing the importance of ethical standards and responsible business practices.

Alongside strong leadership direction, BMW in China strengthens its compliance culture through ongoing communication and training. Employees are empowered to take accountability for ethical and lawful conduct within their respective areas of responsibility, with tailored online training and classroom sessions ensuring alignment with regulatory standards. In 2025, 43 training sessions were delivered to 2,843 associates, and 19 one-on-one sessions were conducted for newly onboarded Compliance Responsibles. The Compliance Interface Workshop brought together business teams to discuss challenges, share best practices, and reinforce compliance standards.

We continue to innovate in compliance communication through digital platforms. The "WeCompliance" account and the "Compliance Q&A" community provide employees with real-time updates and resources. Since 2024, we have launched a series of compliance micro-films on JoyChat and the company intranet for Anti-Corruption Day, focusing on corruption risk scenarios employees may encounter.

To keep employees informed of evolving compliance requirements, we regularly issue communication letters and publish periodicals such as Legislation Express, Case Study, News Clippings, Quiz & Interaction. In 2025, we produced 38 periodicals, generating 573,718 clicks on the "WeCompliance" account, fostering a culture of continuous learning and vigilance.

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573,718 clicks on the "WeCompliance" account.

DATA COMPLIANCE AND INFORMATION SECURITY

BMW in China integrates rigorous data protection standards across its entire product and service development life cycle. By prioritising transparency, operational openness, and robust security, we maintain a comprehensive governance structure supported by dedicated oversight teams and standardised internal protocols. This approach ensures strict adherence to both Chinese domestic legislation and international regulatory requirements. Furthermore, through continuous assessment and proactive mitigation of emerging cyber threats, BMW in China remains committed to fostering a secure and resilient digital ecosystem for all 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. Data compliance policies are subject to review and approval by the Board of Management.

The Data Governance Department supports the company in meeting its data compliance commitments throughout the development and deployment of 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.

The Data Governance Department further enhances the automation of its data compliance management. Key data protection and compliance processes were increasingly supported by digital and automated solutions, which have been fully integrated into the Company's Data Governance Platform (DGP). This further strengthened the efficiency, consistency, and transparency of data compliance governance.



1.The 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.

INFORMATION AND DATA SECURITY GOVERNANCE

BMW in China prioritises information and data security as the foundation of customer trust. We are committed to continuously enhancing our information and data security management, spanning cybersecurity, IT security, and production network security.

At BMW in China, we leverage artificial intelligence (AI) as a key enabler of digital transformation and future mobility. We are committed to the responsible use of AI, applying these technologies to enhance operational efficiency, product quality, and the customer experience. In 2025, as AI became more integrated into our business functions, we have extended our existing IT security governance to cover the entire AI life cycle. This ensures every AI application operates ethically and securely within a controlled framework.



DATA LOSS PREVENTION (DLP) TOOLS

BMW in China deploys Data Loss Prevention (DLP) tools to mitigate high-risk data leakage scenarios. The DLP system now covers a broader range of scenarios and has increased endpoint coverage. In 2025, through optimising data leak prevention strategies and implementing advanced security measures, we have raised awareness across the organisation and effectively reduced the risk of data breaches, reflecting our commitment to legal compliance.



CLOUD SECURITY

With the acceleration of digital transformation in 2025, BMW in China adopted the philosophy of "security as an enabler of business" to upgrade our cloud security governance. We have implemented a life-cycle-based automated compliance detection system to ensure every cloud resource configuration aligns with global governance standards and best security practices. We focus on critical risks through an intelligent vulnerability management system. This system continuously assesses assets, threats, and business impact, and dynamically prioritises risks, enabling targeted responses to the most critical threats. This approach has improved efficiency, reinforcing a proactive, resource-efficient security model. We go beyond technical protection by empowering business units with standardised cloud security expertise. This allows business teams to manage risks independently while fully leveraging the agility of cloud-native environments. Rooted in our governance-driven philosophy, this approach drives both digital growth and long-term value for stakeholders.



CYBERSECURITY DRILLS

As part of its digital transformation strategy, BMW in China has prioritised data security and operational integrity as key enablers of long-term business growth. We have implemented a high-standard cybersecurity governance framework to safeguard business continuity and uphold customer trust.

To enhance our resilience and response efficiency against evolving threats, we conduct regular, multi-tiered cybersecurity drills. These exercises serve as the solid security foundation to enable digital transformation.

BMW in China strictly complies with national regulations and participates in government-led cybersecurity data security inspections for Intelligent Connected Vehicles (ICVs). Leveraging its robust, high-quality cybersecurity measures to safeguard operations and data integrity, BMW in China achieved outstanding results in several national inspections, such as the "ZHU DUN Cyber Drill" and the "Auto Security" National Data Security Initiative in 2025.



AI SECURITY

In 2025, BMW in China adopted the principle of "secure and responsible AI", extending our existing IT security governance to cover the full AI life cycle, from design to deployment. This ensures all AI applications operate within clearly defined and controlled boundaries.



AI GOVERNANCE AT BMW IN CHINA

BMW in China has established a company-wide AI governance instruction, under which all AI use cases are centrally registered, governed across their full life cycle, and continuously monitored. The framework defines clear roles and organisational responsibilities, and is supported by standardised rules, processes, and controls that integrate ethical principles, legal compliance, risk management, and accountability. Together, these measures ensure the responsible, secure, and sustainable deployment of AI across the organisation.

To ensure high standards and a premium experience in AI applications, BMW in China applies the BMW Group's AI ethical principles. These principles are aligned with internationally recognised frameworks, including those established by the EU High-Level Expert Group, and promote transparency, accountability, and ethical conduct across all AI-related activities.

We continue to mitigate generative AI risks by embedding compliance, ethics, and security into technical controls for model-generated content, while strengthening adversarial testing, especially in high-risk areas. This transforms AI security from a regulatory necessity into a long-term enabler of trust and innovation.



SECURITY AT SOURCE

At BMW Brilliance and our subsidiary LingYue, we apply the "Security @ Source" approach to integrate security early in the software development life cycle, which successfully reduces risks and costs associated with vulnerability management. In 2025, the proportion of high vulnerabilities identified before product launch declined from 33% to 15%, leading to faster product iterations and fewer security incidents. This strategy mitigates potential business risks and supports agile and secure business operations.

BMW Brilliance certifications for information and data security management:

Certified Entities	Certification Scheme	First issuance	2025 Certified
BMW Brilliance and its subsidiary 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
BMW Brilliance	Data Security Capability Maturity Model Level II - according to GB/T 37988-2019 - data processing activities related to automotive aftersales repair and maintenance on Spark system	2022	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 Capability Maturity Model Level II - according to GB/T 37988-2019 - For DMO, E-Commerce and User Centre.	2024	Recertification Audit

STRENGTHENING SECURITY AWARENESS AND TRAINING

BMW in China fosters a people-centric cybersecurity culture, guided by the principle that "the security of the individual is the security of the whole". In 2025, we have advanced the shift from compliance-driven to behaviour-driven security and optimised our security training system to reduce business disruption while significantly improving resource efficiency. Beyond maintaining 100% coverage of cybersecurity awareness training, we introduced innovative engagement activities, including security communities, phishing simulation emails, and recognition-based training. These initiatives empower employees to move from passive acceptance to active defence, embedding security awareness into everyday behaviours.



50%

Reduction in the average phishing click rate across business units.

FORECAST

To respond to evolving regulatory requirements, we will continue to strengthen the Compliance Management System (CMS) and Data Governance Platform to mitigate both internal and external risks. In particular, in light of new data-related laws and regulations in China, we aim to take timely action to support all business departments in meeting their compliance obligations. Besides, we will leverage security technology innovation to support digital development and manage associated risks, contributing to sustainable growth and long-term value creation for our stakeholders.

BMW in China recognises that AI security will serve not only as a foundational safeguard for digital transformation but also as a critical indicator of long-term sustainability and social responsibility. As regulatory landscapes continue to mature, with increasing emphasis on algorithm transparency, data protection, and content security, we seek to integrating AI security into our broader sustainability framework through end-to-end governance mechanisms, ensuring a balance between risk management and value creation. We are also advancing our approach from reactive compliance to proactive governance. From a technological perspective, we will continue to enhance AI security capabilities toward greater automation and intelligence, with adaptive risk-based protection and continuous evaluation emerging as key enablers of organisational resilience.





02

PREMIUM
PRODUCTS AND
SERVICES

No premium without responsibility. At BMW Brilliance, responsible innovation is the foundation of everything we create. Guided by a long-term perspective and a “safety-first” philosophy, we have designed and built vehicles with responsibility at the core. We combine continuous innovation with rigorous standards of quality and safety, drive low-carbon transformation across products and services, and deliver intelligent “Sheer Driving Pleasure” to our customers.



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

“Driven by responsible innovation, intelligent ‘Sheer Driving Pleasure’ is engineered into every BMW, without compromise in quality and safety.”

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2.1

PREMIUM QUALITY AND SAFETY

At BMW Brilliance, premium quality and safety are not just buzzwords – they are commitments we make to every customer. Customer satisfaction is our top priority, and customer needs guide our decisions. Our products and services are designed and delivered to meet rigorous standards of quality and safety.

Our quality strategy is built on four pillars: Position, Direction, Strategic Approach, and Cooperation. Building on this foundation, we define targeted fields of action supported by dedicated projects. Leveraging our strong innovation capabilities, we continuously refine business processes, ensure product excellence, and enhance operational efficiency as well as customer experience.



Organised the 5th China Auto Quality and Technology Conference, for the first time BMW Brilliance took a leading role in convening a government-hosted industry conference.

BMW 5 Series achieved top safety ratings in China.

Approximately **200 AI applications** have been implemented at the Shenyang production base.

BMW Brilliance's state-of-the-art chassis dynamics simulation tests brought extreme driving scenarios into the lab.

QUALITY-FIRST CULTURE

Responsibility is deeply embedded in BMW Brilliance's corporate culture, driving us to set industry benchmarks in product quality and safety through proactive accountability and technological innovation. Our quality-first culture serves as the cornerstone of sustainable excellence, which is deeply rooted in the BMW Group's global strategic framework and adapted to China's dynamic market demands. Guided by the principle of "Zero Defects, Zero Delays, Zero Waste", we have established a holistic quality ecosystem that spans research and development (R&D), supply chain, production, and customer service. Since 2024, a strengthened cross-divisional audit network has further enhanced governance and built long-term sustainability into our quality management system.

In today's premium automotive market, quality is shaped by customer expectations and remains a key driver of customer satisfaction. Quality is not only the cornerstone of our sustainable growth but also a reflection of our unwavering commitment to customers. By prioritising customer experience, we incorporate customer feedback, which enables us to meticulously refine our product offerings and invest in technologies that enhance the overall experience.

To advance our vision of shared excellence across the automotive landscape, BMW Brilliance demonstrated its industry initiatives by engaging with industry peers and partners to share and exchange quality management practices. In 2025, BMW Brilliance organised the 5th China Auto Quality and Technology Conference, which was hosted by the government authority, and participated in the 6th China Quality Conference. Through these events, BMW Brilliance facilitated knowledge exchange on technological advancements and operational standards within the automotive sector. Additionally, our partnership with the authority continues to deepen, exemplified by the visit of representatives from Beijing's Administration for Market Regulation (AMR) to the BMW Group Headquarters in Munich.



BMW BRILLIANCE ORGANISED THE 5TH CHINA AUTO QUALITY AND TECHNOLOGY CONFERENCE

Hosted by the China Association for Consumer Products Quality and Safety Promotion (CACPQSP) and organised by BMW Brilliance, the conference marked the first time BMW Brilliance took a leading role in convening a government-hosted industry conference. Its theme, "Digital Intelligence Transformation, Global Automotive Quality Management in the New Era", brought together over 600 representatives from across the value chain, including government authorities, OEMs, testing institutions, suppliers, technology partners, and academic institutions, to discuss emerging topics, challenges, and opportunities in automotive quality and safety management. During the conference, delegates visited the BMW Brilliance Shenyang production base, where they witnessed how AI integration is setting a new benchmark in quality control for NEUE KLASSE models. The event received full recognition and strong endorsement from both industry experts and government authorities, highlighting BMW Brilliance's leadership in advancing intelligent and high-quality manufacturing.



TOTAL QUALITY MANAGEMENT

BMW Brilliance adheres to strict quality standards and implements a comprehensive quality management system. Our Quality Management System (QMS) is built on a robust framework and implemented through the Quality Management Representative of BMW Brilliance (QMB), which ensures a consistent application of the "Corporate Quality" philosophy across all departments. We regularly evaluate the effectiveness of our management system through a range of methods, including customer feedback, target performance, internal and external audits, key performance indicators, and lessons learned, to continuously refine and enhance product quality.

Dedicated to providing superior products and services, BMW Brilliance continuously improves its management system to meet dynamic demands. We have enhanced our service organisation with the Quality Circle-Quality Management System (QC-QMS), enforcing stricter internal controls and cross-functional collaboration. In response to the rapid advancement of new energy vehicles (NEVs), we have established a comprehensive NEV safety management system and conducted inspections to ensure compliance and the pursuit of excellence. In 2025, all manufacturing sites in China underwent external audits and maintained their ISO 9001 certification.

ENSURING PREMIUM QUALITY THROUGH INNOVATION

At BMW in China, we seamlessly integrate innovation into every facet of our operations. BMW Brilliance's robust R&D system forms the foundation for exploring cutting-edge technologies, ensuring premium product quality and contributing to the BMW Group's largest R&D network outside Germany. With four innovation bases in Beijing, Shanghai, Shenyang, and Nanjing, this R&D network covers the full spectrum of innovation – from vehicle development and intelligent connectivity to digital services and automated driving.

To support the development of the future-focused NEUE KLASSE vehicles in China, our Shenyang R&D Centre laid a solid foundation during the reporting year for NEUE KLASSE models to undergo testing that exceeds industry standards. The centre leverages nearly thirty dedicated test benches for the development and validation of the Gen6 powertrain, alongside our industry-first integrated intelligent connectivity and compound electromagnetic compatibility (EMC) laboratory.

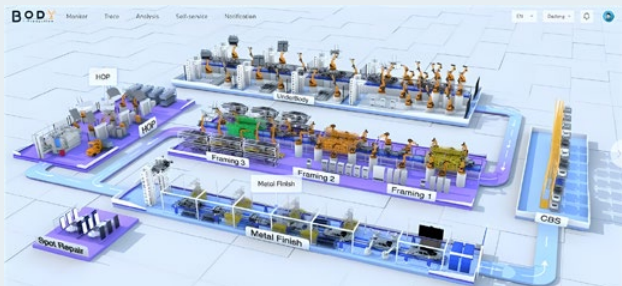
To further boost quality and efficiency from development to delivery, BMW Brilliance has integrated digital solutions and AI into routine quality management processes. In 2025, approximately 200 AI applications have been implemented at the Shenyang production base. These applications cover predictive maintenance, real-time quality control, and process optimisation, driving intelligent manufacturing and reinforcing a zero-defect mindset.



FUTURE-PROOF DIGITAL QUALITY PRODUCTION SYSTEM

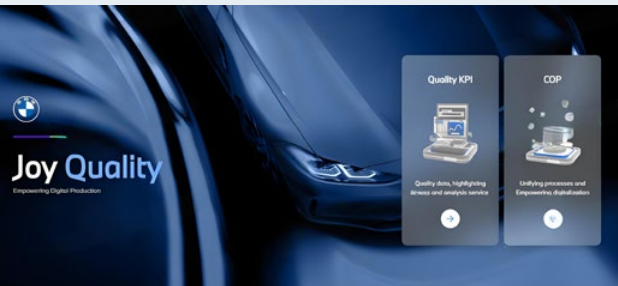
Q- TRACE

The Q-Trace system enables the quick risk identification of vehicles, ensuring the timely interception and resolution of potential issues. It also prepares traceability data and provides end-to-end quality assurance.



JOY QUALITY

Joy Quality, featuring "Quality @ your fingertips", is an internal mobile application that enables instant access to quality data across the production process. It supports 100% real-time quality monitoring, reporting, and improvements.



ARTIFICIAL INTELLIGENCE QUALITY NEXT

"Artificial Intelligence Quality Next" is developed in line with the BMW Group's global standards. Empowered by AI, it enables comprehensive quality control through capabilities including presence, variance, tolerance, and anomaly detection, ensuring precision and consistency across the production process.

AUTOMATIC OPTICAL SURFACE INSPECTION

This inspection system features high-resolution AI cameras for 100% surface inspection, enabling dynamic defect detection and real-time feedback in the paint shop to ensure flawless paint quality and enhance customer satisfaction.



PRESS PART INLINE INSPECTION

The "Press Part Inline Inspection" features advanced AI algorithms to detect defects in pressed parts with real-time analysis and 100% inspection coverage.



COMPREHENSIVE PRODUCT SAFETY PRACTICES

DRIVING SAFETY

With "Safety First, Quality Foremost" as a guiding principle, BMW Brilliance aims to offer the highest standards of safety while delivering a premium driving experience for customers. Through continuous investment in safety technologies and rigorous testing and validation, we uphold the responsibility to protect drivers and passengers, delivering peace of mind on every journey.

THE BMW 5 SERIES AWARDS:



5 STARS



ACHIEVED EXCELLENT/
EXCELLENT+ RATINGS IN ALL
SAFETY TESTS



MET "ZERO-DEFECT"
STANDARDS IN STRUCTURAL
CRASHWORTHINESS TEST

ALL-NEW BMW X3 LONG WHEELBASE AWARD:



5 STARS



ALL-NEW BMW X3 LONG WHEELBASE COMPREHENSIVE SAFETY VALIDATION

ACTUAL ROAD TESTING

- 100 test vehicles were deployed in China, accumulating a total test mileage of 500,000 kilometres.
- Routes spanned vast regions from 22°N to 50°N (Zhuhai to Yakeshi) and from 89°E to 123°E (Turpan to Shenyang).
 - The testing temperature ranged from - 40°C to 46°C.
 - The maximum altitude reached was 4,800 metres.



All-new BMW X3 Long Wheelbase underwent rigorous extreme validation tests worldwide.

SUSPENSION PARAMETER MEASUREMENT

BMW Brilliance's state-of-the-art chassis dynamics simulation tests brought extreme driving scenarios into the lab, enabling engineers to fine-tune design solutions through rigorous, high-standard protocols. The optimised final chassis matches the standard-wheelbase model across key metrics, including lateral dynamics, handling stability, and cornering performance.



The chassis simulation kinematics and compliance lab.

PEDESTRIAN PROTECTION SIMULATION TESTING

The front-end design of the vehicle was optimised using virtual simulation technology. During the local testing phase, more than 11,000 measurement points on the body underwent over 500 rounds of simulation tests.



The pedestrian protection lab.

As part of our holistic approach to product responsibility and customer well-being, we actively engage with our customers to jointly promote the concept of safe driving through comprehensive driver education and training programmes. The BMW Driving Experience, launched in 1977, marked a pioneering milestone as the world's first professional driver training programme introduced by an automobile manufacturer. Through this programme, comprehensive training was provided to cultivate safe driving habits and enhance drivers' skills in navigating complex road conditions. In 2025, the programme attracted 17,778 participants who joined forces with the BMW brand to create a safer driving environment in China.

In 2025, the programme attracted

17,778 participants.

BATTERY SAFETY

As an e-mobility pioneer for over a decade, BMW Brilliance was the leading premium manufacturer to establish a High-Voltage Battery (HVB) centre in China in 2017 with complete battery production capability, representing BMW Group's first one outside Germany. From 2017 to the reporting year, over RMB 14 billion has been invested in BMW Brilliance's local HVB production and R&D facilities in China. Battery safety is engineered into the core of our products through rigorous testing and validation that go far beyond industry standards, delivering a safe and reliable electric driving experience to customers. For example, BMW's fifth-generation batteries underwent 151 safety tests, 10 times the mandated standard tests for the industry in China. This commitment is consistently reflected in BMW electric vehicles' lead in independent safety and performance assessments.



To be introduced with the NEUE KLASSE, BMW Brilliance's sixth-generation HVB adopts revolutionary large cylindrical battery cells and an all-new design, featuring a 20% increase in energy density, a 30% boost in range, and 30% faster charging. Selected through a rigorous evaluation process in the early stages of development by the BMW R&D team, the large cylindrical cell solution demonstrated clear advantages across key metrics - including safety, energy density, charging speed, and cycle life - meeting BMW Brilliance's stringent requirements in safety and performance and making it the ideal choice for NEUE KLASSE models.



ADVANCED DRIVER-ASSISTANCE SYSTEM SAFETY



At BMW in China, we believe innovation should be responsible: technology, including AI, must always benefit the customer, with the aim of value creation and customer satisfaction. The BMW Group has been driving the continuous development of driver assistance systems for more than 20 years - a testament to its engineering excellence and competency in this field. With engineering excellence and passion, we bring together exceptional driving dynamics with unique driver assistance systems. In combination, this enables a driving experience that customers will only find in a BMW vehicle.

With our new vehicle generation, for the first time, BMW in China is launching a fully customised Advanced Driver-Assistance System (ADAS) experience perfectly fitted to the needs of

our Chinese customers. AI-based perception and prediction guarantee detailed scenario understanding. We combine our decades of BMW ADAS development and functional integration, competence in safety-in-use, mode awareness and user interface design with the strengths of local intelligence. To adapt our world-class ADAS to China-specific traffic scenarios, we integrate our partner's latest end-to-end AI technology. With this combination, we create a unique Level 2 Address-to-Address Navigation-Guided-Assistance System that can only be experienced in a BMW vehicle. The new system will make its debut on the locally produced New BMW iX3 Long Wheelbase, scheduled for production and market launch in 2026, before being extended to future new BMW models.

CARING FOR CUSTOMER HEALTH

INTERIOR AIR QUALITY MANAGEMENT

At BMW Brilliance, interior air quality represents not merely a sensory experience, but a long-term commitment to customers' health. We prioritise our customers' health with a 360° 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, chemical substances, and odours.



BMW BRILLIANCE SETS HIGHER QUALITY BENCHMARKS IN CHINA WITH STRINGENT CMR AND VOLATILE ORGANIC COMPOUNDS CONTROLS ACROSS VEHICLE LIFE CYCLE

BMW Brilliance adopts more stringent quality standards in China than national regulations require, specifically controlling substances listed in the international inventory of CMR (carcinogenic, mutagenic, and reprotoxic) substances. For new products, our approach includes continuously monitoring and controlling odours and volatile organic compound emissions from key components and complete vehicles throughout their 7 to 8 years life cycle.

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. In-car odour reduction provides a positive impact on our customers' health, addressing a well-known concern reflected in Initial Quality Study (IQS) and J.D. Power surveys.

HAZARDOUS MATERIALS CONTROL

BMW Brilliance enforces stringent hazardous material management standards across all operations. Every substance is handled in accordance with the BMW Group's Global Hazardous Material Approval Process, ensuring full compliance with both European Union and Chinese regulatory frameworks. In the European Union, our approach aligns with Directive 2000/53/EC for proper end-of-life vehicle disposal and recycling, as well as Regulation EC 1907/2006 (REACH) for chemical substance management. In China, we adhere strictly to GB/T 30512 Requirements for Prohibited Substances in

Automobiles and the Ministry of Industry and Information Technology's (MIIT) Management Requirements for Hazardous Material and Recyclability of Automobiles.

Our approach includes careful control of hazardous substances in parts, defining clear requirements for these substances. To ensure supply chain transparency, we submit material composition data to the China Quality Certification Centre Material Database System (CQC MDS) and the China Automotive Material Data System (CAMDS).



ACOUSTIC COMFORT SOLUTIONS

BMW Brilliance considers an exceptional acoustic environment integral to premium comfort and superior customer care. To elevate driving comfort, we drive continuous innovation by integrating refined conventional solutions with advanced digital acoustic technologies. By replacing traditional hardware measures with digitalised solutions, acoustic performance can be fine-tuned across the vehicle life cycle - delivering optimised noise reduction without requiring additional physical hardware. In 2025, guided by the “less is more” philosophy, the conceptual approach of acoustic development for the New BMW iX3 Long Wheelbase was shaped by compact, lightweight and sustainable designs.

THE NEW BMW iX3 LONG WHEELBASE: A FLAGSHIP IN ACOUSTIC INNOVATION



PACK-TO-OPEN-BODY

The **Pack-to-Open-Body** significantly enhances body rigidity, reducing the need for traditional sound-deadening materials such as anti-drone pads and heavy damping layers, while ensuring performance neutral for acoustic comfort.



SPEAKER

The placement of the **speaker** under the front of the vehicle not only maximises its effectiveness in alerting pedestrians and surrounding vehicles but also minimises acoustic intrusion into the cabin, preserving interior quietness.



ENGINE ORDER CANCELLATION

The digitalised solution **engine order cancellation** has been implemented to reduce the noise level from the air conditioning compressor.

CUSTOMER PRIVACY PROTECTION

BMW Brilliance is committed to establishing and sustaining the trust that underpins our relationships with customers and prospects. Customer privacy is a critical component of our data governance framework. Our approach integrates privacy considerations into product and service development from the earliest stages, emphasising transparency, openness, and security.

Our comprehensive policies, standards, and procedures are designed to protect the accuracy and security of customer data, while ensuring compliance with regulatory requirements across China and beyond.

All data processing activities are subject to thorough compliance reviews by our Data Governance Department, overseen by our Data Compliance Officer (DCO). When potential security incidents are identified, a well-defined response process enables swift assessment and coordinated action, maintaining full transparency and accountability throughout.

Responding to the tightening of domestic policies, we continue to enhance our Intelligent Connected Vehicle (ICV) data protection measures, strictly complying with key Chinese regulations, including GB 44495 Technical Requirements for Vehicle Cybersecurity and GB/T 44464 General Requirements for 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 (PIA). This proactive strategy incorporates information security considerations from the initial design phase, ensuring that customer privacy is not merely an added feature, but a fundamental pillar of the driving experience.

FORECAST

2026 marks the start of a new era for BMW Brilliance, with the launch of our first locally produced NEUE KLASSE model - the New BMW iX3 Long Wheelbase. The NEUE KLASSE is more than a new car: it represents a completely new model generation and a massive leap that will shape the BMW brand for years to come. Every NEUE KLASSE model is forged through constant innovations, pioneering design, uncompromising standards, and rigorous testing and validation, ensuring our promise of safety and quality extends seamlessly into the next generation of products.



The New BMW iX3 Long Wheelbase



The New BMW i3 Long Wheelbase

2.2

SUSTAINABLE PRODUCTS AND SERVICES

At BMW in China, we are committed to technology openness: a high-quality mix of state-of-the-art, efficient drivetrain technologies that make an effective contribution to reducing carbon emissions. We also take a long-term approach that integrates sustainability across the entire vehicle life cycle, from raw material selection and development through to production and recycling. Through R&D investment and deep collaboration with Chinese innovative partners, we aim to deliver products that embody both high-quality performance and environmental stewardship, ensuring that every customer experience intelligent "Sheer Driving Pleasure", today and into the future.



All-new BMW X3 Long Wheelbase was awarded the "C-GCAP Five-Star Low Carbon" rating and the "C-GCAP Five-Star Energy Efficiency" rating.

BMW's sixth-generation eDrive system upgrades the Externally Excited Synchronous Motor (EESM) technology awarded the "GNEV Cutting-Edge and Innovative Technologies".

SUSTAINABLE PRODUCT PORTFOLIO

BMW in China is dedicated to offering customers a portfolio of highly efficient drive technologies – including internal combustion engines (ICEs) and battery electric vehicles (BEVs) – providing the right options for diverse customer needs. We take a systematic approach to sustainability. This spans from advancing highly efficient engines through innovative Efficient Dynamics technologies, expanding our BEV portfolio, and promoting charging with electricity from renewable sources.

BMW in China is continuously expanding its product portfolio by leveraging its strong brand influence and product strength to enhance the sustainability performance of its existing line-up. Energy efficiency is a core consideration in our complete vehicle development, achieved through the deployment of innovative technologies for product upgrades. For example, all-new BMW X3 Long Wheelbase 25L achieves a 5% reduction in overall fuel consumption, exemplifying our commitment to continuously improving fuel efficiency and reducing CO₂e emissions. Through a diverse range of models and ongoing technological innovation, BMW in China empowers customers to choose their preferred sustainable mobility solution, reinforcing the brand's core values of responsibility and driving pleasure.

2025 represented the start of BMW Group's new generation of sustainable products. With the global debut of the New BMW iX3 in Munich, the arrival of the first NEUE KLASSE model sets new benchmarks in digitalisation, electrification, and circularity. Developed “in China, for China, and with China”, the New BMW iX3 Long Wheelbase will be rolled off the BMW Brilliance Shenyang production base in 2026. It brings driving pleasure, digital intelligence, and sustainability together for the Chinese customers, delivering a maximum range of more than 900 km (CLTC), a 20% improvement in overall vehicle efficiency, 30% faster charging speeds, compared with previous generations. The BMW brand redefines sustainable innovation and elevates the premium electric driving experience to a new level.

THE NEW BMW iX3 LONG WHEELBASE

Delivers a maximum range of more than

900 km (CLTC).

More than **20%**
Improvement in overall vehicle efficiency,
Compared with previous generations.

30%
Faster charging speeds,



CARBON FOOTPRINT REDUCTION AND PRODUCT LIFE CYCLE ASSESSMENT

At BMW in China, we integrate sustainability into our overall product strategy. In line with our value of “No premium without sustainability”, we define premium not only by design and performance, but by responsible stewardship across the entire product life cycle.

Our approach is built upon Life Cycle Assessment (LCA) – a comprehensive methodology that evaluates a vehicle's carbon footprint from the extraction and production of raw materials, through the parts and vehicle manufacturing process – examining emissions across all these stages to identify reduction opportunities and drive continuous improvement. We actively conduct LCA across our portfolio in China, covering raw material extraction, supply chain activities, production, vehicle usage, and end-of-life recycling. In 2025, we performed a detailed carbon footprint analysis for all-new BMW X3 Long Wheelbase.



ALL-NEW BMW X3 LONG WHEELBASE WAS AWARDED THE "C-GCAP FIVE-STAR LOW CARBON" RATING

In 2025, all-new BMW X3 xDrive30L M Sport demonstrated outstanding performance in low-carbon emissions under the China Green Car Assessment Program (C-GCAP). With a carbon emissions score of 92.2, this model was awarded the “C-GCAP Five-Star Low Carbon” rating. This recognition not only underscores BMW in China's leadership in sustainable automotive engineering but also reflects the brand's deep-rooted commitment to environmental responsibility.



INNOVATIVE SUSTAINABLE SOLUTIONS

The BMW brand value "Sheer Driving Pleasure" has been elevated to a new level. Driven by consistent innovation, BMW in China continues to advance its decarbonisation strategy, integrating sustainable development with cutting-edge technologies. These efforts have been successfully validated across multiple models and powertrain technologies. In 2025, BMW in China entered a new chapter in this journey, introducing breakthrough innovations that redefined intelligence, efficiency, and driving dynamics while delivering on our promise for the future of mobility.

EFFICIENT DYNAMICS

BMW Efficient Dynamics is an approach that centres on consistently reducing fuel consumption - and thereby CO₂e emissions - while steadily increasing driving pleasure. BMW in China is committed to enhancing vehicle energy efficiency through innovative technologies that extend electric range and reduce energy consumption. This commitment is realised through the continuous refinement of our electric drive systems, rigorously validated under real-world conditions, delivering sustainable performance without compromise. Our electrical drive system delivers outstanding range performance and maintains stable cabin temperatures.



220LRTUS ELECTRIC DRIVE UNIT: CONTINUOUS IMPROVEMENTS IN DRIVE EFFICIENCY

In 2025, BMW in China introduced silicon carbide (SiC) switching elements in the power inverter. The updated SiC-based electric drive unit has been equipped in the BMW i3, delivering a 33-kilometre increase in electric range and a 0.7 kWh/100km reduction in energy consumption, demonstrating how we are continuously optimising overall system efficiency.



At BMW in China, we also recognise the potential of further improving the efficiency of combustion engines. As part of our technology openness strategy, we remain committed to delivering drive technologies that balance driving performance with energy efficiency.



ALL-NEW BMW X3 LONG WHEELBASE WAS AWARDED THE "C-GCAP FIVE-STAR ENERGY EFFICIENCY" RATING

All-new BMW X3 xDrive30L features an optimised powertrain strategy, delivering a 14% increase in maximum torque and a 5% reduction in fuel consumption for lower-powered models. It achieves a combined fuel consumption as low as 8.1 L/100km under normal temperature conditions. In the 2025 C-GCAP assessment, all-new BMW X3 xDrive30L M Sport achieved outstanding energy efficiency with a score of 93.7, outperforming the industry average.



START OF A NEW ERA

In 2025, BMW in China introduced key breakthrough innovations of NEUE KLASSE, such as the BMW Heart of Joy and the sixth-generation eDrive technology, that bring a new level of intelligent "Sheer Driving Pleasure" for the next generation of vehicles, while significantly improving sustainability performance. Each integrates energy efficiency and life cycle environmental impact as one of its core design principles.



BMW HEART OF JOY: RECUPERATION BOOSTS ENERGY EFFICIENCY

The BMW Heart of Joy is the new central computer combining drivetrain and driving dynamics functions in a single powerful unit. By intelligently linking drivetrain, braking, and energy recuperation, it enables more sustainable energy use and boosts energy efficiency compared to conventional friction brakes, which in turn increases range.



The sixth-generation eDrive technology features large cylindrical battery cells and an 800V high-voltage platform capable of ultra-fast charging. This technology contributes to longer range, faster charging speed, and improved overall efficiency, and ushers in a new era of electric driving pleasure.



SIXTH-GENERATION EDRIVE SYSTEM: MORE DRIVING PLEASURE, LESS ENERGY CONSUMPTION

BMW's sixth-generation eDrive system upgrades the Externally Excited Synchronous Motor (EESM) technology awarded the "GNEV Cutting-Edge and Innovative Technologies", and additionally incorporates an Asynchronous Motor (ASM), enhancing performance and efficiency for an exceptional electric driving experience. The EESM significantly improves system efficiency and power density, especially with a complete redesign for the 800V high-voltage platform, and features a silicon carbide (SiC) semiconductor inverter. The combination of the new EESM and ASM reduces energy loss by 40% and weight by 10%.



BMW sixth-generation eDrive system's externally excited synchronous motor



BMW sixth-generation eDrive system's asynchronous motor



LARGE CYLINDRICAL BATTERY: SLIMMER, FASTER, FURTHER

BMW's sixth-generation high-voltage battery introduces large cylindrical battery cells and the all-new design using "Cell-to-Pack" and "Pack-to-Open-Body" technology. This breakthrough in battery technology positions the NEUE KLASSE models as an industry benchmark for safety and overall efficiency. Our innovation enables a slimmer battery pack, faster charging, and longer range, while offering customers increased interior space and reduced environmental impact per vehicle. In addition, we have developed a highly intelligent central control unit – the BMW "Energy Master" – ensuring safer and more intelligent operation of the high-voltage battery system.



PIONEERING CIRCULAR SOLUTIONS

The circular economy is integral to BMW in China's 360° approach to sustainability, serving as a core pillar in realising its commitment to environmental stewardship and responsible growth. It enables us to reshape the value of resources by keeping materials in the loop at high quality over the long term. Guided by the principles of RE:THINK, RE:DUCE, RE:USE, and RE:CYCLE, BMW in China is establishing a closed-loop system that not only protects natural resources and reduces carbon emissions but also fosters innovation in material recovery and component remanufacturing.

MATERIAL INNOVATION

BMW in China's supply chain practice and material standards, aligned with BMW Group's global guidelines, focus on developing high-performance, lightweight, and recyclable materials. By integrating recyclability into design and product development and expanding the use of secondary materials, we continue to drive progress in resource efficiency, emissions reduction, and sustainable technology innovation.

EXPLORING NEW MATERIALS

At BMW in China, responsible foresight guides our actions as we continuously advance materials research towards greater sustainability. Through deepened collaboration with Chinese innovation partners, BMW in China is translating insights on future material demands into tangible solutions. By bringing environmentally friendly, high-performance alternatives into our luxury interiors, we protect occupant health and deliver exceptional driving experience through reduced cabin odours and enhanced material comfort and contribute directly to BMW Group's decarbonisation targets. BMW in China has validated and successfully applied a range of innovative materials across multiple models, such as VEGANZA and bio-composite nylon materials, reflecting our ongoing efforts to integrate innovative materials into premium vehicles. For example, all-new BMW X3 Long Wheelbase uses innovative sustainable material for the steering wheel in its standard trim, achieving up to an 85% reduction in CO₂e emissions compared to conventional leather.

 VEGANZA

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.

 BIO-COMPOSITE NYLON MATERIAL

This bio-composite nylon material delivers exceptional performance, including high strength, rigidity, and excellent environmental adaptability. It also delivers significant decarbonisation benefits. Its third-party verified carbon emissions are over 40% lower than emissions from petroleum-based nylon.



EXPANDING RECYCLED RAW MATERIAL USAGE

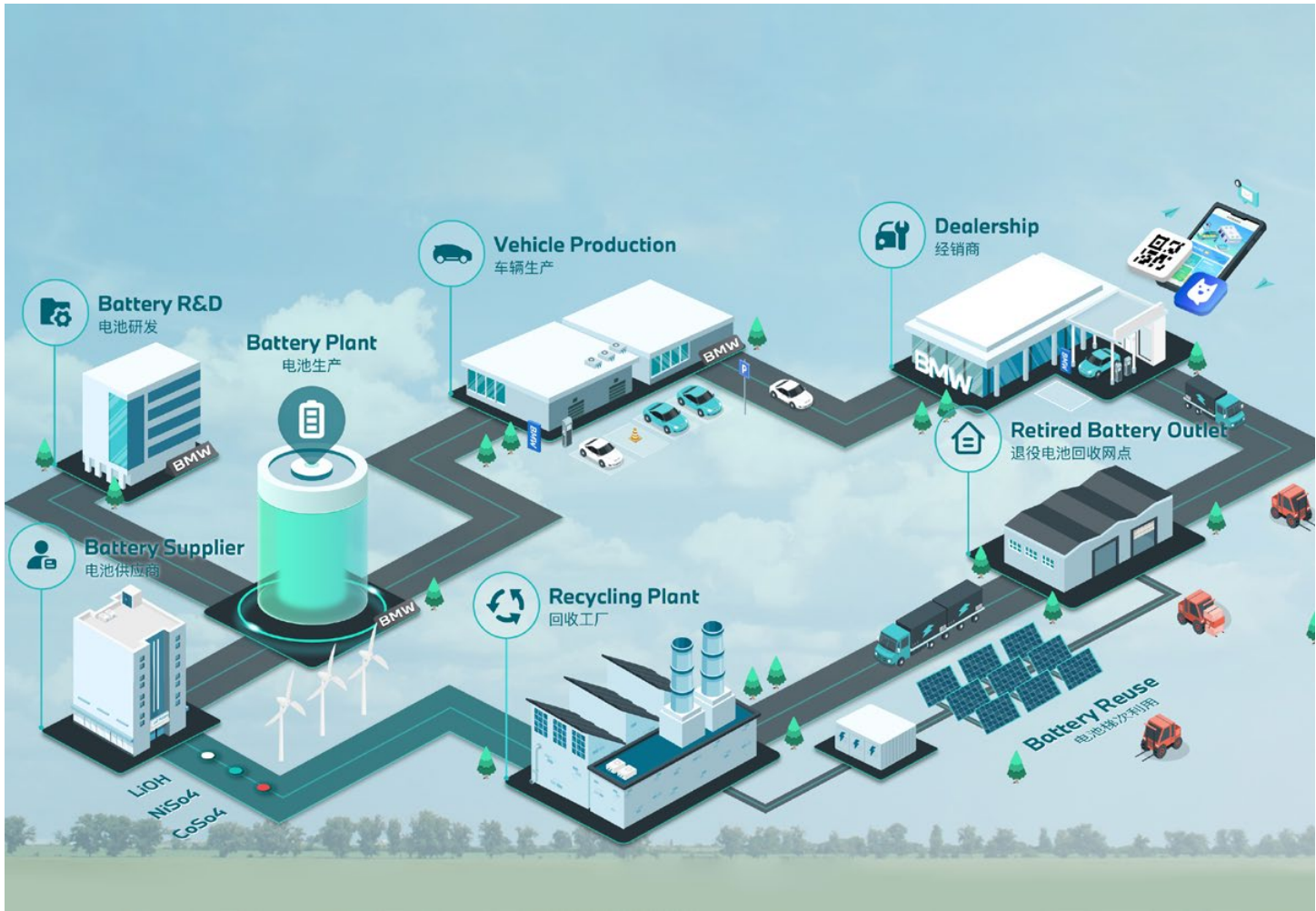
BMW in China defines clear requirements for the use and proportion of recycled raw materials in new models, while increasing the application of components made with secondary materials in existing mass-produced vehicles. All-new BMW X3 Long Wheelbase exemplifies this commitment, with a high proportion of secondary materials integrated across multiple components:

WHEELS  70% Secondary aluminium	ENGINE MOUNTING BRACKETS  50% Secondary aluminium	REAR AXLE DRIVE 205 HOUSING/COVER  100% Secondary aluminium
FRONT AXLE DIFFERENTIAL CASE AND COVER  95% Secondary aluminium	DESIGN ENGINE COVER  100% Recycled material in plastic components	



SUSTAINABLE HIGH-VOLTAGE BATTERIES

As one of the first automakers to implement closed-loop battery recycling, BMW in China is shaping a sustainable, circular, and high-quality ecosystem for the full life cycle management of China's high-voltage batteries (HVBs). By fostering close partnerships with industry leaders, we ensure 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 closed-loop HVB recycling model

BATTERY SECONDARY USE

HVBs can be effectively reused to extend their life cycle, minimise environmental impact after disposal, and improve resource efficiency. BMW in China continues to explore and expand diverse scenarios for HVBs to fully maximise their value before final dismantling.

One key scenario is their use as stationary batteries in energy storage systems. In 2025, BMW in China further advanced innovative business models by expanding this application to its dealer network. Energy storage systems powered by batteries are now deployed at dealerships in cities including Shanghai, Chongqing, and Shenzhen, offering reduced electricity costs and enhanced energy utilisation efficiency. By the end of 2025, seven battery systems have been in operation across China, reflecting our commitment to circular economy.

HVBs also demonstrate potential in powering forklifts. At BMW's manufacturing base in China, lead-acid batteries in forklifts have been replaced with second-life lithium batteries to improve operational performance and reduce maintenance requirements. By the end of 2025, 59 forklifts were equipped with HVBs.



BATTERY RECYCLING

BMW in China has collaborated with specialised battery transportation and recycling partners to establish a comprehensive HVB life cycle management system. As a pioneer in China's electric vehicle market, we established one of the earliest closed-loop recycling models for HVB raw materials in 2022, ensuring critical materials such as nickel, lithium, and cobalt are recovered and returned to battery manufacturers. Through our authorised dealer network, BMW in China has achieved 100% recycling of retired HVBs from customer cars, dealer-sourced batteries, and production test batteries from BMW Brilliance Shenyang plants. This initiative demonstrates that BMW in China's responsible battery stewardship is not merely a compliance

practice but a long-standing commitment to sustainable mobility and to fostering a circular economy.

To address growing volumes of retired batteries, BMW in China has upgraded its end-of-life battery infrastructure. Through new builds and retrofits, standardised storage facilities for retired batteries were implemented across all 4S dealerships nationwide. Moreover, six regional warehouses were established to optimise the collection network and improve management efficiency. This infrastructure ensures that retired batteries are handled responsibly at every stage, showcasing our leadership in battery circularity.

BATTERY-INTEGRATED IT SYSTEM TO IMPROVE TRACEABILITY AND RECYCLING EFFICIENCY

BMW in China employs battery-integrated IT systems to track and assign identification code to each HVB, ensuring full compliance with national traceability regulations. This platform connects all stakeholders across the value chain, including dealers, logistics providers, and raw material recyclers, enabling seamless closed-loop traceability from production through to end-of-life. By integrating our digital solution into existing tracking platforms, we streamline the logistics of retired battery recovery and enhance operational efficiency across the network.

We precisely track battery types and life cycle data to determine the optimal end-of-life pathway, whether recycling or reuse, based on each battery's condition and usage history. Currently, all retired HVBs from customer vehicles and from testing activities at Shenyang production base are fully coded and traceable, ensuring end-to-end transparency across the entire battery life cycle.



Battery life cycle monitoring system

AMPLIFYING PARTS REMANUFACTURING

BMW in China is committed to advancing the circular economy by continuously advancing remanufacturing and recycling initiatives and enhancing the management system. Through this approach, we ensure reductions in carbon emissions, wastewater, and raw material consumption across production.

2025 marked a transformative year for BMW Group's remanufacturing strategy. Globally, the BMW Group redefined its remanufacturing business model across key markets, including Europe, the United States, and China. Set to be fully implemented by 2027, the new framework strengthens collaboration between BMW Group, Chinese markets, and remanufacturing suppliers, aiming to significantly improve collaboration efficiency, accelerate product development cycle, and drive consumer adoption of sustainable mobility solutions.

At BMW in China, we deliver sustainability without compromising on quality. Through advanced remanufacturing technologies and stringent quality standards, we deliver remanufactured parts that match the quality of original ones. All remanufactured parts offered in China undergo assembly processes and testing procedures and are supported by BMW Brilliance's standard two-year, unlimited-mileage warranty as new parts.

With this effort, in 2025, we collected over 20,000 used parts for remanufacturing, recovered 279 tonnes of materials, including steel, aluminium, plastic, paper, and textiles, maximising resource reuse and minimising environmental impact.

FORECAST

Looking forward, BMW Brilliance will continue to expand its sustainable product portfolio tailored to the Chinese market through cutting-edge innovations. The NEUE KLASSE, a new model generation starting in China from 2026, was developed with a strong emphasis on efficiency and sustainability across the entire value chain.

This product-led ambition is underpinned by our core brand value of intelligent "Sheer Driving

Pleasure". By leveraging local R&D ecosystems, our innovative technologies will enable the rapid iteration of digital intelligence and battery solutions, ensuring that sustainable mobility is tailored to the specific demands of Chinese consumers, without compromising performance.

Equally integral to this approach are the principles of the circular economy. BMW Brilliance remains committed to advancing

circularity across the entire product life cycle, with a focus on expanding the use of recycled materials, promoting parts remanufacturing, and strengthening HVBs closed-loop recycling. In 2026, our remanufacturing strategy will undergo further optimisation, with a newly redefined remanufacturing business model scheduled for full implementation in 2027.



2.3

CUSTOMER-CENTRIC SERVICES

At BMW Brilliance, sustainability is a 360° commitment woven into every touchpoint of the customer journey, from a seamless ecosystem of charging solutions and digital services to personalised aftersales care. We put the customer and partners at the heart of everything we do through our Voice of Customer (VoC) mechanism, continuously turning every voice into measurable and meaningful customer fulfilment. Through these efforts, we ensure that we meet and consistently exceed customer expectations across every facet of our operations.

BMW new energy vehicles (NEVs) in China charged more than **1.25 million kWh** of electricity from renewable sources in the State Grid public charging network.

IONCHI supplied **54.1 million kWh** of electricity from renewable sources to new energy vehicles (NEVs) in China by the end of 2025.



SUSTAINABLE CHARGING SERVICES

At BMW Brilliance, sustainability is not just about what we build; it is also about how we connect. Through every interaction with our customers, from service experiences to charging solutions, we share the vision of sustainable mobility with a growing circle of our consumers.

CHARGING INFRASTRUCTURE

BMW Brilliance prioritises building a sustainable charging ecosystem. Through a highly efficient and interconnected network integrating electricity from renewable sources, we deliver convenient charging that elevates the user experience while reducing carbon emissions across the vehicle life cycle. In 2025, we significantly expanded the charging volume from renewable sources through our partnerships with State Grid Smart Internet of Vehicles (IoV), advancing BMW Brilliance's vision of a sustainable charging ecosystem.

EXPANSION OF THE CHARGING NETWORK

BMW Brilliance is accelerating the development of its charging ecosystem in response to China's rapidly growing NEVs market. By expanding public networks, private solutions, and dealership chargers in partnership with key collaborators, we deliver a seamless, premium charging experience tailored to the evolving needs of Chinese customers.



PUBLIC CHARGING

BMW in China continues to strengthen its public charging network by partnering with additional Charging Point Operators (CPOs), expanding both the reach and usability of its Easy Charge technology. By the end of 2025, our customers were able to access more than 1.4 million public charging points in China, a 90% increase from 2024. We have advanced our high-power charging capabilities through our joint venture, IONCHI, which has deployed 461 stations nationwide. Each station supports charging capacities of up to 600 kW and is open to electric vehicles of all brands, demonstrating our commitment to open and flexible charging.

In addition, BMW Destination Charging Stations were newly introduced, which provide 20 kW charging power and offer a relaxed, long-stay charging solution that complements the high-power network. Aiming to elevate ownership experiences, BMW Destination Charging is designed for scenic locations, hotels, and other lifestyle destinations. With streamlined charging processes, these stations deliver a premium, seamless, and digitally integrated charging experience, setting new standards for convenience and efficiency.



PRIVATE CHARGING

BMW in China always puts customers at the centre, delivering an exceptional BMW Smart Charging Wallbox and one-stop installation service. As an innovative practice of BMW's direct sales model in China, the BMW Smart Charging Wallbox and Installation Service leverages e-commerce platforms and our authorised dealer network to offer customers a seamless, end-to-end experience, from product selection and purchase to installation and daily use. The BMW Smart Charging Wallbox designed with the core principles of "safety, smart functionality, and convenience", integrating multiple active safety protections and smart connectivity features, ensuring every charging session is safe, reliable, and worry-free. The installation service provides personalised, one-on-one support, with real-time progress tracking available through the My BMW App, giving customers full transparency, peace of mind and convenience.

As a key charging solution for BMW's customers, the BMW-branded Smart Wallbox deeply integrates with My BMW App, serving as a digital bridge that strengthens emotional connections between the brand and its customers, fostering long-term engagement and loyalty.



CHARGING AT DEALERSHIPS

BMW in China expanded its dealership charging network to over 500 stations by the end of 2025, delivering enhanced efficiency and convenience.

LOW-CARBON CHARGING SERVICES

SCALING UP CHARGING WITH RENEWABLE SOURCES IN PARTNERSHIP WITH STATE GRID

BMW in China positions low-carbon charging not merely as a service, but as a core responsibility in creating a seamless, sustainable ecosystem for its customers. Our goal is to achieve 100% electricity from renewable sources via My BMW App in the State Grid's public charging network for all BMW battery electric vehicles (BEVs) by 2027.

In 2025, we deepened our collaboration with the IoV to advance low-carbon charging services for further decarbonisation across the vehicle usage phase. Building on the existing partnership framework, we expanded both the coverage and volume of charging from renewable sources. By increasing the number of low-carbon charging stations and by improving charging management, BMW in China and the State Grid Smart IoV are jointly shaping a future-oriented, low-carbon charging ecosystem. In 2025, State Grid provided electricity from renewable resources to BMW customers with 7,039 charging stations covering 224 cities. In the reporting period, BMW NEVs in China charged a total of 1,255,849

kWh of electricity from renewable sources via My BMW App in the State Grid public charging network, a 1,183.1% increase compared to 2024.

1,255,849 kWh

Electricity charged from renewable sources.

25,369 7,609

Customer orders.

Customers served.

25 provinces, 224 cities, 7,039 stations

Low-carbon charging service coverage.

MEASURES TO IMPROVE CHARGING MANAGEMENT



ADVANCING PRECISION IN RENEWABLE ELECTRICITY MATCHING

State Grid Smart IoV has fully implemented a precise, real-time matching system between Green Electricity Certificates (GECs) and BMW's customers' charging behaviour across its public charging network in China. This innovation enables temporal and geographical matching between renewable energy supply and charging demand, reinforcing BMW in China's commitment to sustainable mobility.



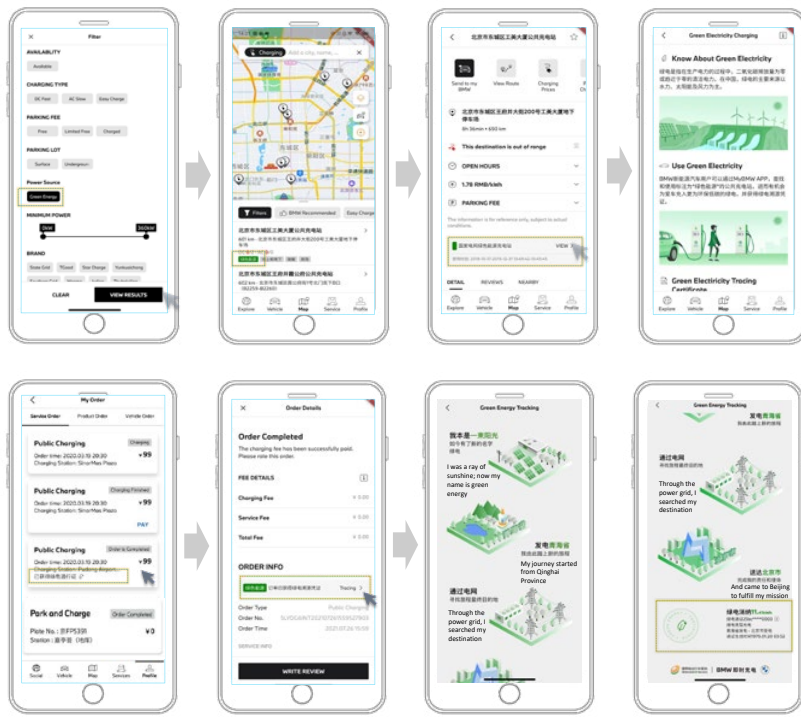
CLOSED-LOOP TRACEABILITY FOR ELECTRICITY FROM RENEWABLE SOURCES

In response to national guidance on enhancing transparency for charging with electricity from renewable sources, a closed-loop traceability mechanism has been integrated into the existing electricity from renewable sources services under the partnership with State Grid Smart IoV. The new system ensures full-chain traceability of electricity from renewable sources, from generation and trading through to consumption and GECs retirement, enhancing both transparency and regulatory compliance in electricity from renewable sources usage.



ENGAGING CUSTOMERS IN LOW-CARBON CHARGING

Through My BMW App touchpoint, BMW in China deepens customer awareness and participation in low-carbon mobility. Through a dedicated low-carbon charging interface, customers gain real-time transparency into electricity sources and can track the accumulation of usage of electricity from renewable sources, empowering customers to make environmentally responsible choices.



IONCHI NETWORK ENABLES 100% CHARGING WITH ELECTRICITY FROM RENEWABLE SOURCES

All charging infrastructure deployed under BMW Brilliance's joint venture, IONCHI, operates exclusively on 100% electricity from renewable sources. By the end of 2025, 54,099,441 kWh of electricity from renewable sources had been charged, representing an increase of 53,081,424 kWh.



54,099,441 kWh

Electricity charged from renewable sources.

1,938,791

Customer orders.

924,601

Customers served.

22 provinces, 37 cities, 461 stations

Low-carbon charging coverage.

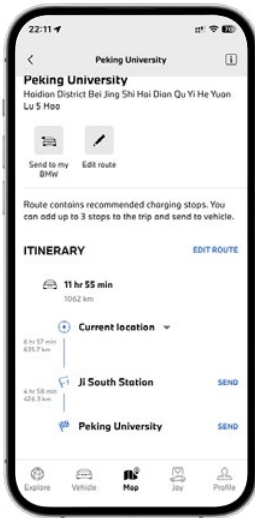
PREMIUM DIGITAL SERVICES

My BMW App serves as BMW Brilliance's comprehensive digital one-stop solution for the entire vehicle ownership journey. Through years of continuous evolution, our digital service ecosystem has become the core platform connecting BMW Brilliance with customers, products, services, and the brand.

IMPROVING CUSTOMER ENGAGEMENT AND DRIVING EXPERIENCE

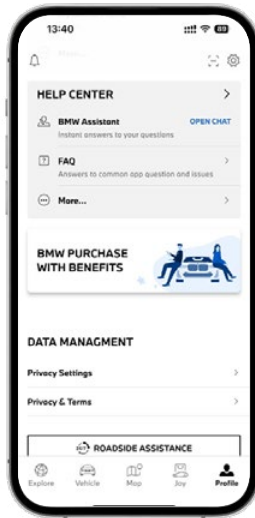
BMW Brilliance is committed to customer-centric innovation, focusing on high-frequency scenarios and continuously advancing digital capabilities to deliver a smarter and more comprehensive experience. In 2025, we further upgraded the App with ConnectedDrive services, enabling convenient remote vehicle control through features such as Siri Shortcuts for voice-activated commands, transparent display and activation of Remote Software Update (RSU), and trunk opening and closing via the Remote Keyless Entry (RKE). To optimise the driving experience, we enhanced the Easy Trip Planning function, providing route suggestions that integrate charging needs, traffic conditions, and multiple preferred stops, ensuring seamless and efficient journeys. To elevate the end-to-end digital experience across all customer touchpoints, we leveraged an AI model to improve the quality and efficiency of customer support, enabling smarter, faster, and more personalised responses in Frequently Asked Questions (FAQs) and online customer service interactions.

Enhanced customer-focused digital service:



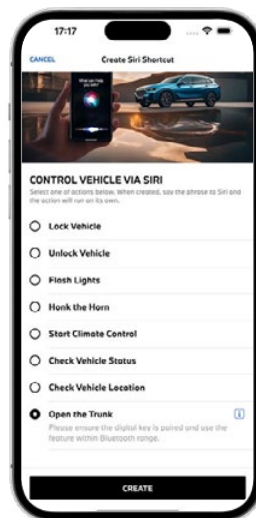
MULTI-STOP ROUTE PLANNING

Users can plan a route that includes multiple stops and send them to their vehicle, enabling more flexible trip planning.



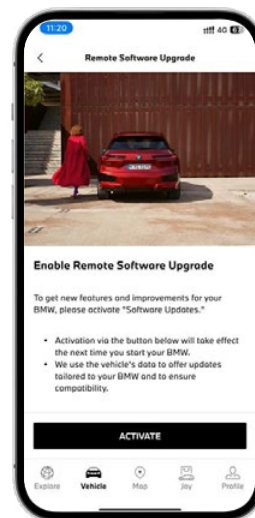
HELP CENTRE

Users can resolve issues encountered through FAQs and online customer service in all-new Help Centre.



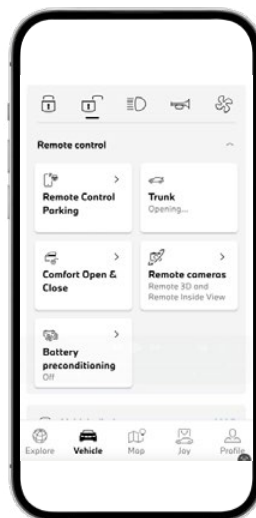
SHORTCUT CENTRE

Users can create a Siri shortcut "Open the trunk" via Shortcut Centre.



DATA PRIVACY DISPLAY

Users can see the RSU data privacy activation page and toggle on RSU function.



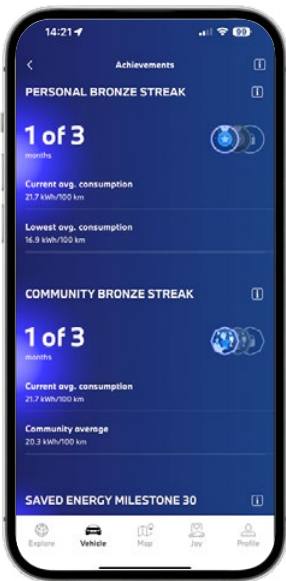
REMOTE KEYLESS ENTRY

Users can open or close the trunk by tapping the RKE trunk widget in My BMW App.

PROMOTING SUSTAINABLE LIFESTYLES

BMW Brilliance is advancing sustainable mobility by integrating environmental awareness into the customer experience through My BMW App. By visualising trip-related CO₂e emissions and introducing recognition badges for improved driving efficiency, we encourage transparency and resource-conscious driving habits.

Aligning with our decarbonisation strategy, we actively engage customers in sustainable energy use during the vehicle use phase by promoting low-carbon charging through My BMW App. For example, BMW Brilliance introduced two key initiatives in 2025: an exclusive discount at BMW-branded charging stations and the BMW Charging Card. These mechanisms are designed to encourage the adoption of electric driving and the use of electricity from renewable sources, reinforcing our commitment to advancing customer-centric e-mobility. By the end of 2025, 431,152 NEV users were connected via the My BMW App, reflecting growing engagement in sustainable mobility.



Users can gain driving achievements by improving driving efficiency.



Users can track the average fleet CO₂ emissions and energy consumption for each journey.

AFTERSALES SERVICE QUALITY

At the core of BMW Brilliance's operations is a lasting commitment to a customer-centric approach. Our service philosophy goes beyond transactional support, evolving into anticipatory care. By using intelligent diagnostics and comprehensive feedback systems, we gain a deeper understanding of customer expectations and can respond with greater precision. In our continuous efforts to optimise

the end-to-end aftersales process, we remain guided by three core principles: safety as the bottom line, customer-centricity as the core, and data-driven insights as the engine for improvement. This approach enables us to systematically enhance both the quality of service delivered by our dealers and their operational efficiency.



PROCESS OPTIMISATION AND SAFETY UPGRADES

In 2025, BMW Brilliance further enhanced the process requirements for key aftersales service stages, refining and streamlining core procedures. New inspection points were introduced with a focus on service efficiency and repair quality, alongside multiple evaluation items directly related to operational safety. These include updated standards for high-voltage battery maintenance in BEVs, the completeness of NEVs accident vehicle assessment forms, and the archiving of routine maintenance

contracts for workshop equipment. Through standardised checklists and closed-loop rectification mechanisms, we ensure that all dealers nationwide strictly comply with BMW Brilliance's process requirements and safety protocols at every customer touchpoint, supporting our dealers in delivering higher quality and more efficient service, with safety as the foundation.

DATA-DRIVEN SERVICE IMPROVEMENT

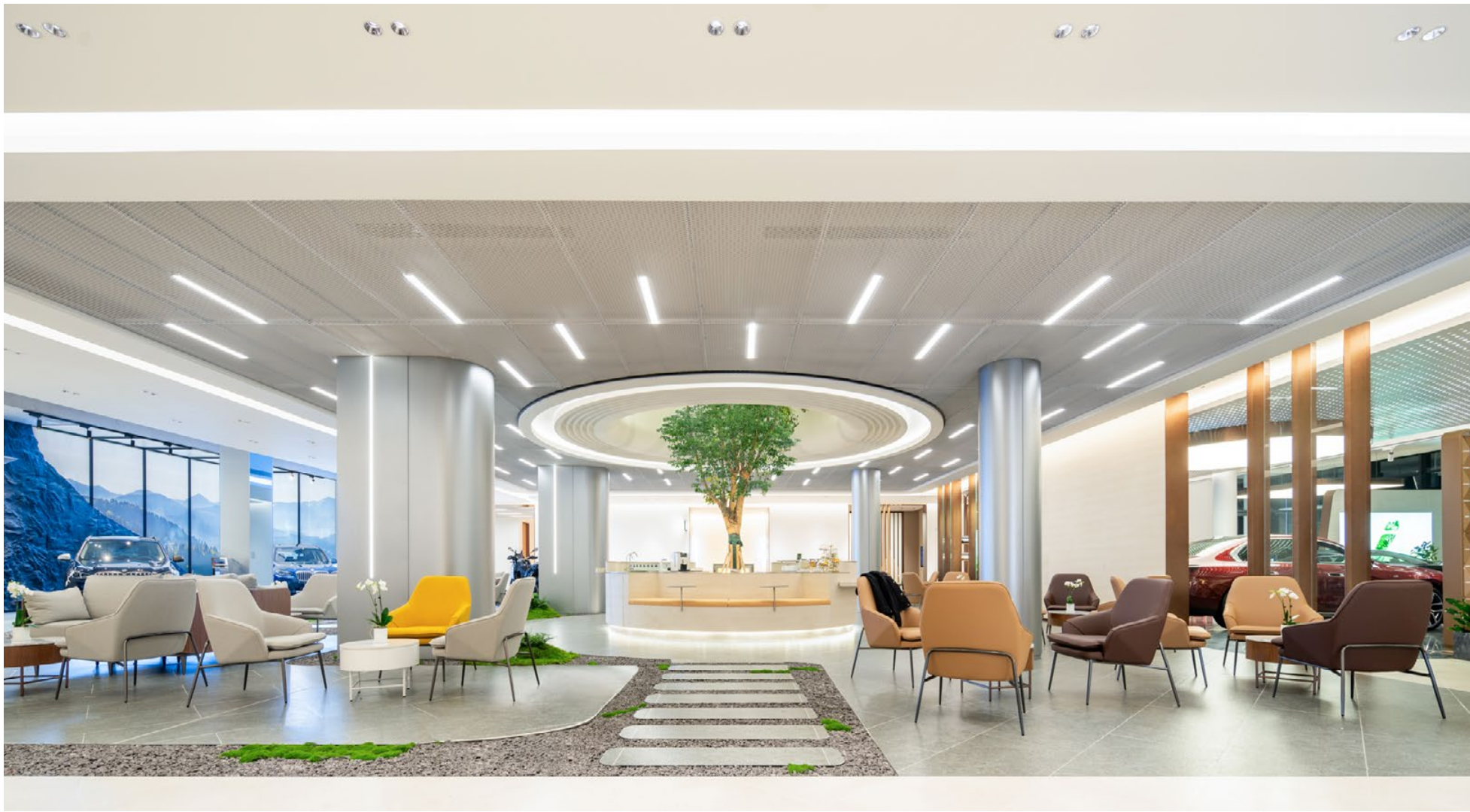
The "Customer Board" platform was upgraded by introducing a new dashboard function that provides an integrated overview of customer experience project data. This enables dealers to monitor key performance indicators holistically and identify areas for improvement, supporting the continuous refinement of service delivery.

MULTI-DIMENSIONAL REPORT FOR DEALER ENABLING

A multi-level reporting framework has been developed for the "Aftersales Service Inspection" and "Mystery Shopping" programmes, tailored specifically to national, regional, group, and dealer audiences. These structured reports provide stakeholders at each level with timely performance insights and early visibility into potential operational risks, accelerating the full-cycle closure of improvement actions, from issue identification through to resolution.

STRUCTURED ROOT-CAUSE ANALYSIS

The "Dealer Customer Board" mechanism has been further deepened through the systematic aggregation of insights from multiple customer experience initiatives, enabling precise identification of root causes behind service process challenges. Close collaboration with Regional Managers ensures that structured root-cause analyses integrate corrective actions as integral components of standard operating procedures, thereby fostering continuous and sustainable service evolution.



VOICE OF CUSTOMER

Committed to creating customer value as its core mission, BMW Brilliance has consistently positioned the Voice of Customer (VoC) as its strategic pillar. In 2025, building upon a well-established VoC management framework, BMW Brilliance further enhanced the application of large language models (LLMs) and launched a "VoC-Driven Knowledge Management and Optimisation Mechanism". This mechanism has powered the creation of a refined and dedicated Customer Inquiry Knowledge Base developed through cross-divisional content collaboration, enriched with thousands of newly generated Frequently Asked Questions (FAQs) drawn from top vehicle usage questions. The FAQs have been disseminated across multiple customer touchpoints and are continuously refined based on customer feedback. The complete VoC ecosystem has been designed to empower, capture, analyse, and act on customer insights at scale, turning every voice into measurable and meaningful customer fulfilment.

ENHANCE CUSTOMER EXPERIENCE WITH VOC-DRIVEN KNOWLEDGE EMPOWERMENT MECHANISM

BMW Brilliance has established a standardised and closed-loop customer feedback mechanism to systematically capture and address key customer requirements through cross-functional collaboration, with verified resolution and actionable insights. This process ensures the VoC is not only heard but actively drives continuous product and service evolution and strategic planning. In 2025, to comprehensively elevate the user experience, we upgraded our customer self-service knowledge base into a VoC-driven customer experience ecosystem. Through cross-functional collaboration with departments including customer support, sales, training, product, and charging services,

etc., we co-developed high-quality knowledge assets that apply to omni-channels and continuously refined them by incorporating direct customer feedback. Focusing on high-frequency customer concerns across the entire vehicle life cycle, BMW FAQs knowledge base published:

High-quality articles have been published, with a cumulative count of over

900,000 clicks.

By harnessing data insights to drive content creation, cross-functional collaboration, and continuous optimisation, BMW Brilliance transforms customer feedback into actionable, measurable, scalable, and sustainable customer value creation.



Driving Guide
in My BMW App



The First Article of Vehicle
Knowledge Persona

Over 1,700
Original customer-facing FAQs.

Over 750
In-depth long-form visual guides for key models.

BMW FAQs knowledge base received over
2 million views in 2025.

Within the My BMW App, a dedicated Vehicle Knowledge Persona has been established to deliver professional, accessible, and scenario-based practical driving insights.



Example of Vehicle Knowledge in My BMW App



**EMPOWERING VOC WITH AI TO
DRIVE EXCELLENCE**

Since 2021, BMW Brilliance has established VoC frameworks, positioning itself as one of the first automakers to achieve end-to-end digital management of customer feedback. By continuously advancing the integration of its VoC mechanism with AI technologies, we have built an intelligent VoC management system that spans communication channels and covers every stage of the customer journey. The VoC system fully integrates customer interaction data across all touchpoints within BMW Brilliance’s private ecosystem, delivering end-to-end and holistic insights.

By leveraging continuously evolving large language models (LLMs), the analytical granularity has been significantly enhanced over the years, enabling precise identification and tracking of customer feedback on specific product features and service experiences. This advancement supports more proactive, forward-looking, and data-driven decision-making across product development and service optimisation. In 2025, BMW Brilliance deployed an upgraded LLM with enhanced vertical-domain comprehension and semantic parsing capabilities, enabling high-precision capture of implicit needs, emotional tendencies, and contextual intentions within customer feedback. This upgrade has substantially improved the efficiency of automated analysis, providing a robust and actionable data engine to support product iteration, vehicle owner experience optimisation, and long-term strategic planning.

FORECAST

Looking ahead to 2026, BMW in China, guided by its customer-centric principle, will continue to establish a lasting bond and enrich engagement with our customers. Powered by the My BMW App, our ecosystem will connect users with the brand, products, and services in increasingly smarter ways.

We will continue to expand our charging infrastructure, providing multiple charging options. Guided by the target of achieving 100% charging with renewable electricity via the My BMW App across State Grid Smart IoV's public charging network in China by 2027, we will further expand the reach of our sustainable charging ecosystem to enable broader customer access to low-carbon charging.

By listening closely to the voice of our customers, we refine our products and services to build lasting relationships with customers and bring joy to every journey. To further enhance customer access to information and expand feedback channels, BMW Brilliance has embraced AI technology to deepen interactive engagement across its digital platforms. By integrating the knowledge base directly into the intelligence service platform, real-time identification and context-aware responses to customer inquiries will be realised, transforming automated support into more proactive and personalised experiences. In our pursuit of excellence, we will continue to implement a holistic management approach aimed to deliver seamless customer experience and create lasting value for our customers.





03

SUSTAINABLE PRODUCTION AND OPERATION

China has set its goal in the 15th Five-Year Plan (2026-2030) to advance the “comprehensive green transformation”, focused on carbon reduction, pollution control, and ecological and environmental protection. This is consistent with BMW Group's long-standing environmental stewardship. The BMW Group is committed to the Paris Agreement targets and has integrated sustainability across the entire value chain, including the circular economy. At BMW Brilliance, we fully support BMW Group's actions for a holistic CO₂e reduction and environmental protection. By taking a 360° approach to sustainability – from raw material sourcing, production, facility management, distribution logistics, to the vehicle use by customers and recycling – we aim to minimise negative environmental impacts, supporting China's new blueprint.



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

“ The well-established BMW iFACTORY in Shenyang is shaping efficient, sustainable, and digital production and operations to support the NEUE KLASSE – combining responsible manufacturing with highest safety standards, premium quality and proven reliability. ”

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3.1

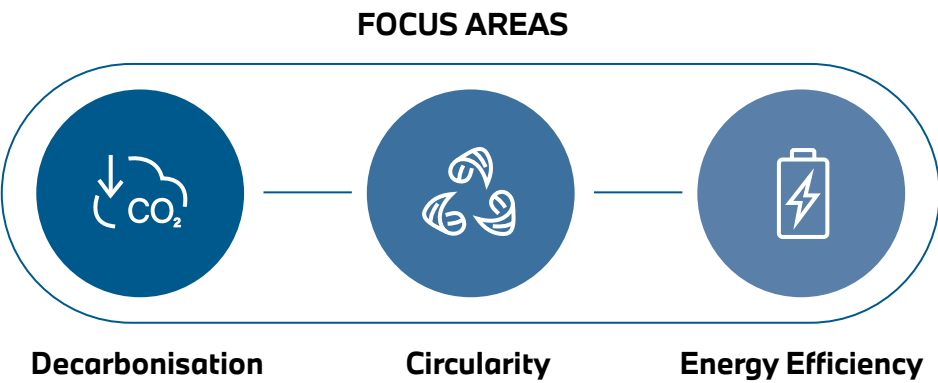
ENVIRONMENTAL MANAGEMENT

Building on a holistic approach, BMW Brilliance embeds environmental stewardship into the core production and operational strategy, driving sustainable manufacturing through a robust governance framework of defined policies and standards.

ISO 14001:2015 Environmental Management Systems certification and ISO 50001:2018 Energy Management Systems certification were acquired by all manufacturing sites.

EMBEDDING SUSTAINABILITY IN PRODUCTION

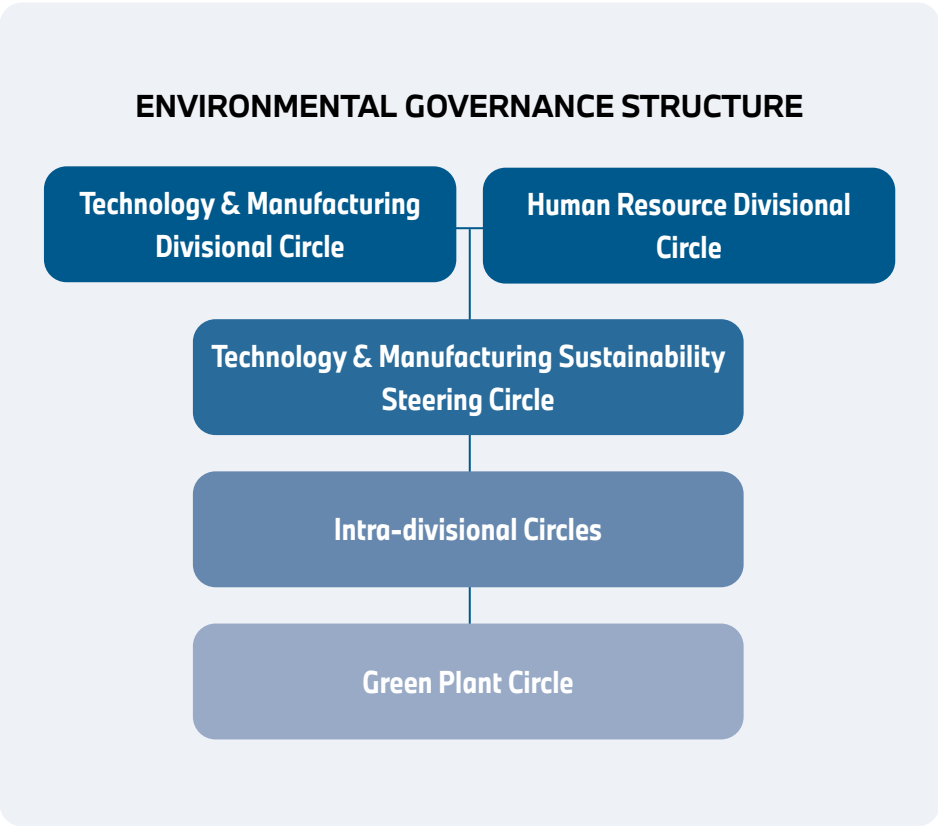
At BMW Brilliance, sustainability is systematically integrated into production and operations, with a clear focus on decarbonisation, circularity, and energy efficiency. We continuously advance innovation to enhance environmental performance while maintaining high standards of production quality and agility. By integrating local innovation and strengths, we industrialise products more effectively and ensure alignment with local production requirements and customer needs, while upholding our commitment to environmental responsibility.



ENVIRONMENTAL GOVERNANCE SYSTEM

Following the BMW Group's environmental policy, BMW Brilliance systematically manages its impacts, risks, and opportunities across water stewardship, energy efficiency, and climate action. Our environmental governance is more than just maintaining compliance with legislation, regulations, and industry standards; we continuously advance sustainable manufacturing practices and actively contribute to China's strategic vision to accelerate the "green transformation" of the automotive industry.

From strategic decision-making to daily operations, sustainability is integrated throughout BMW Brilliance's environmental governance framework. The Technology & Manufacturing Sustainability Steering Circle within BMW Brilliance is a senior management group that meets regularly 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 Circle at every plant continuously optimise key environmental performance indicators (KPIs) through innovative projects and production efficiency improvements. By sharing best practices and exchanging ideas with the BMW Group's plants globally, we strengthen environmental performance and drive continuous progress in sustainable manufacturing.



All BMW Brilliance production sites have maintained ISO 14001 Environmental Management Systems certification since 2006 and ISO 50001 Energy Management Systems certification since 2018. In 2025, we expanded the environmental management process to include non-manufacturing sites. Our Environmental Management Teams work closely with the Compliance Department to ensure full alignment with all applicable environmental regulations and corporate sustainability standards.

BMW Brilliance has established a clear environmental roadmap to guide long-term development across all our plants. Using systematic and scientific approaches, we set environmental goals aligned with the BMW Group and regularly monitor key performance indicators. These include CO₂e emissions, energy consumption per unit, water withdrawal per unit, and waste disposal per unit. Through regular tracking and in-depth performance analysis, we monitor progress against targets and identify opportunities for continuous operational improvement.

We recognise that achieving sustainability goals requires a systematic transformation approach that includes a comprehensive assessment of operational performance impact. To translate our roadmap into action, BMW Brilliance is accelerating digitalisation across our operations. A comprehensive digital management framework has been established to systematically capture and track environmental metrics. In 2025, BMW Brilliance's Sustainable Energy Platform was officially launched to consolidate data from energy, water, CO₂e emissions, and VOCs across our plants into one platform. The platform enables more accurate data collection and performance analysis, which supports ongoing monitoring of environmental performance in line with defined targets.

3.2

PRODUCTION AND OPERATION CARBON STEWARDSHIP

Fully committed to the Paris Agreement, the BMW Group has set clear decarbonisation targets across the entire value chain, aiming to achieve net zero CO₂e emissions by 2050 at the latest, and reduce its CO₂e emissions by at least 40 million tonnes by 2030 compared to the base year of 2019. In the reporting year, the BMW Group further strengthened its climate targets by setting an additional milestone to reduce emissions by at least a further 20 million tonnes of CO₂e by 2035 compared to 2030. Aligned with China's "dual carbon" goals and the Group's ambitious decarbonisation targets, BMW Brilliance contributes to these targets by advancing low-carbon production through innovative technologies and systematic energy management.

Production plays a key role in contributing to direct (Scope 1) and indirect (Scope 2) emissions reduction. Within BMW Brilliance, the production network serves as a key enabler for sustainable manufacturing - from geothermal heating at our Powertrain Plant and digital energy management platform to the use of 100% electricity from renewable sources across all sites. By prioritising energy efficiency and renewable energy, we pursue operational excellence while reducing CO₂e emissions.

First middle-depth geothermal heating system put into operation in the automotive sector in China.

14.5% year-on-year reduction in total energy consumption¹ in 2025.

100% electricity from renewable sources for all manufacturing sites since 2019 and expanded to non-manufacturing sites since 2021.

¹Total energy consumption from fuel from non-renewable resources, and heating and electricity from both renewable and non-renewable resources.

CARBON EMISSION MANAGEMENT

As an integral part of the BMW Group, BMW Brilliance is fully committed to supporting the Group's ambitious decarbonisation target. Our production processes constitute the primary source of our Scope 1 and Scope 2 greenhouse gas emissions¹, predominantly emissions from natural gas, purchased electricity, and heating. To decarbonise our own operations, we are pursuing a set of focused measures: increasing energy from renewable sources, implementing energy efficiency measures, and exploring alternative technology and energy options together with local governments and partners.

To provide a more holistic picture of emissions across the value chain, BMW Brilliance has expanded the boundary of its Scope 1 and 2 emissions accounting². In 2025, emission factors and biogenic emissions have been recalculated at the BMW Group level, and the boundary of company vehicle emissions have extended to include vehicles used for testing.

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

	2024	2025	Change %
Total	140,422	110,998	-21.0%
Scope 1 Greenhouse gas emissions	52,783	38,778	-26.5%
BMW Brilliance locations ³	49,374	35,003	-29.1%
Company vehicles	3,409	3,775	10.7%
Scope 2 Greenhouse gas emissions	87,639	72,220	-17.6%
Electricity / heat purchased by BMW Brilliance locations ⁴	86,262	70,728	-18.0%
Company vehicles	1,377	1,492	8.4%

1. See page 156 for the Basis of Reporting of Greenhouse Gas emissions.

2. BMW Brilliance's emissions boundary has changed from 2024 onwards. See page 156 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.

3. For Scope 1 Greenhouse Gas emissions, destroyed VOCs and 3rd party, construction emissions are included in the BMW Brilliance locations.

4. For Scope 2 Greenhouse Gas emissions, 3rd party, construction emissions are included in the Electricity / heat purchased by BMW Brilliance locations.



In 2025, BMW Brilliance achieved a combined reduction of over 20% in Scope 1 and Scope 2 emissions compared to 2024, driven by:

Implementation of energy efficiency measures.

Installation of a middle-depth geothermal heating system.

Process upgrade for production lines.

Production volume fluctuation.

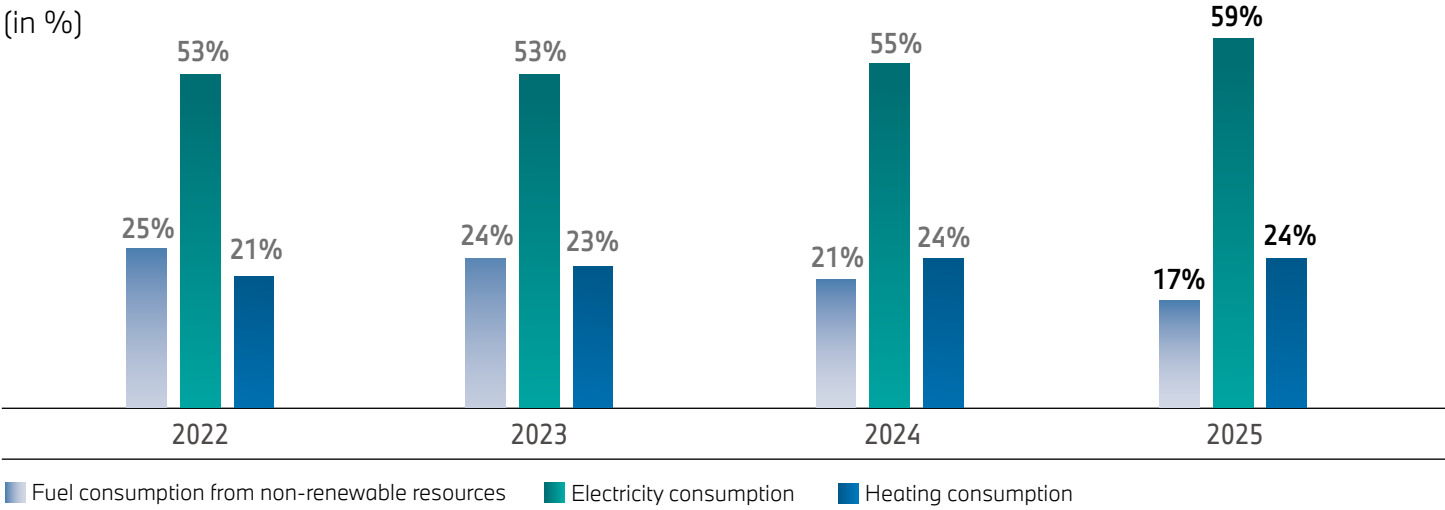
LOW-CARBON ENERGY TRANSITION

BMW Brilliance is driving the energy transition across its production by systematically replacing fossil fuels with renewable energy and reshaping its energy portfolio according to local conditions. This shift is marked by an accelerated electrification process in production, the use of 100% electricity from renewable sources, and innovations in geothermal heating systems, which together have steadily reduced our reliance on fossil fuels.

ACCELERATING THE ELECTRIFICATION ACROSS ITS MANUFACTURING PROCESSES

BMW Brilliance recognises electrification as an essential pathway to drive the low-carbon energy transition. By advancing equipment electrification and replacing fossil fuels with electricity from renewable sources, we are progressively reducing our dependence on fossil fuels across our operations. In 2025, the proportion of fuel consumption from non-renewable resources dropped to 17%, while the proportion of electricity consumption increased to 59%, exemplified by an electric oven in the body shop and an electrified heating system in the paint shop's Repair On Wheel spray and drying booth, which together delivered measurable carbon reductions.

Energy consumption structure¹



1. The basis for comparison in this report is megawatt-hours (MWh).





BODY SHOP LOW-CARBON TRANSFORMATION

In 2025, we implemented an electric oven in the body shop at Plant Tiexi, replacing a traditional natural gas oven. This system upgrade is estimated to result in approximately 970 tonnes of CO₂e reduction annually.



ELECTRIC "REPAIR ON WHEEL" AT PLANT DADONG EXTENSION PROJECT PAINT SHOP

At the Plant Dadong Extension Project, the paint shop's Repair On Wheel, the paint repair process, underwent a low-carbon transformation in 2025. The relocated facility adopted an electrified design for the heating unit of the spray and drying booth, using electric heating to eliminate the need for natural gas.



PROMOTING USE OF 100% ELECTRICITY FROM RENEWABLE SOURCES

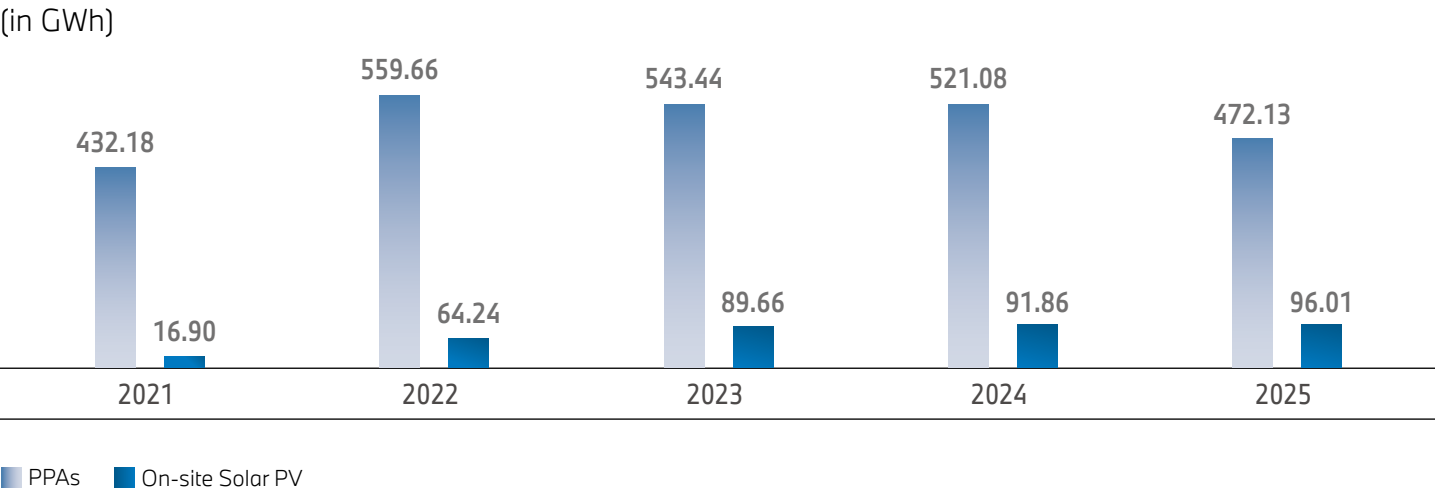
Electrification is accelerating across our own operations, and we are matching this growth with 100% electricity from renewable sources to further cut CO₂e emissions. All BMW Brilliance manufacturing sites in Shenyang have been powered by 100% electricity from renewable sources since 2019, with the commitment expanded to all non-manufacturing sites since 2021. This comprehensive transition is driven by a set of initiatives: on-site solar PV installations, power purchase agreements (PPAs), and Green Electricity Certificates (GECs), with green PPAs serving as the primary contributor since 2019. In 2025, 79% of BMW in China's use of electricity from renewable sources was from PPAs (2024: 80%), 16% from on-site solar PV (2024: 14%), and 5% from GECs (2024: 6%). By renewing our PPAs, we secure a stable, long-term, and traceable supply of electricity from renewable sources for our production and operations per year.



MORE STRINGENT POWER PURCHASE REQUIREMENTS

The renewed PPAs establish rigorous standards covering energy type, power plant location, capacity, and commissioning year, guaranteeing a reliable supply of electricity from renewable sources for the BMW Brilliance manufacturing sites.

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



GEOTHERMAL ENERGY FOR NEXT-GEN MANUFACTURING

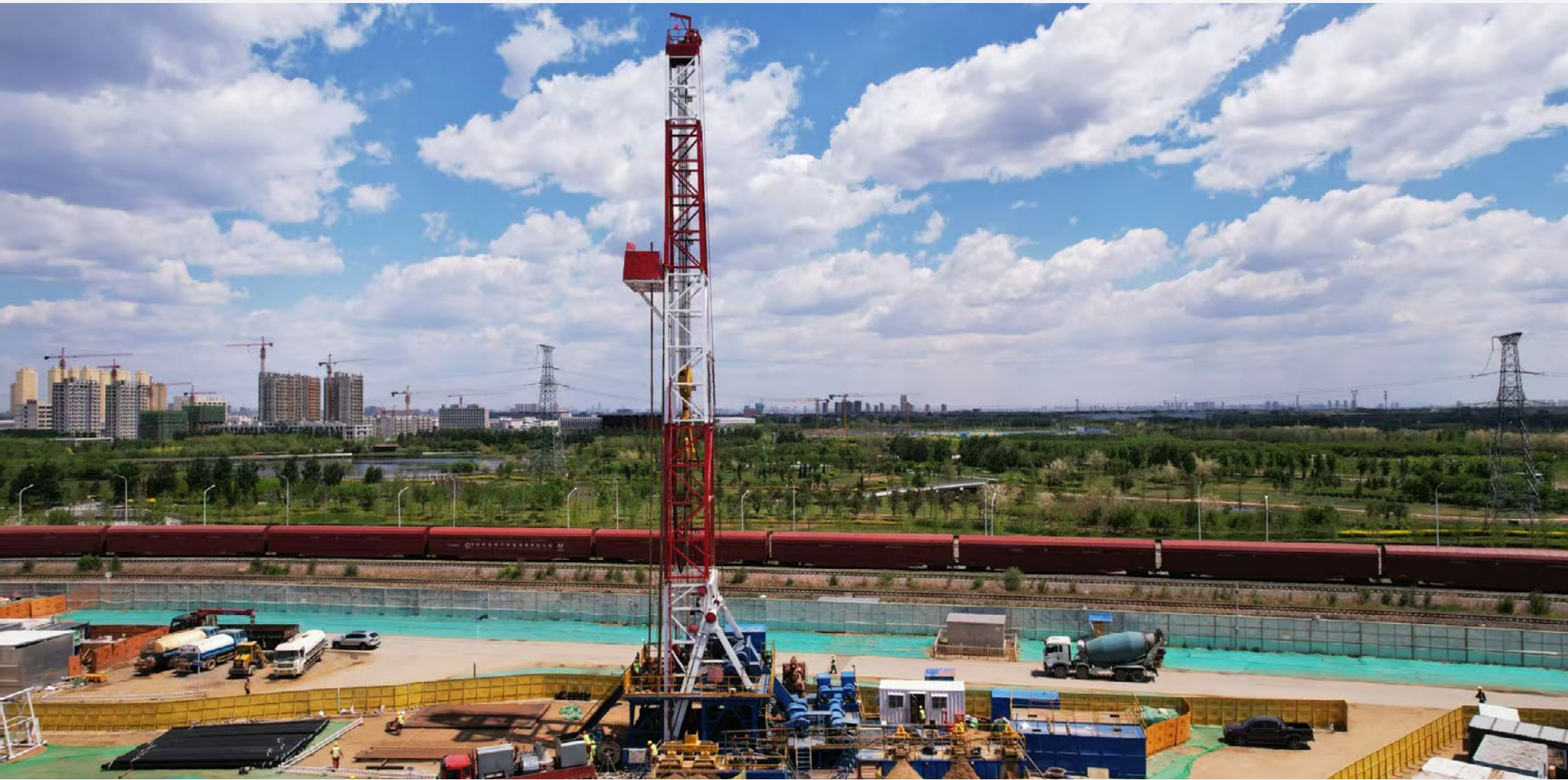
Shenyang, located in northern China as an industrial city, endures a long and energy-intensive heating season in winter. Driven by technological innovation and with strong support from the Shenyang municipal government, BMW Brilliance has introduced middle-depth geothermal heating supply for our Powertrain Plant and High-Voltage Battery (HVB) Centre, marking a significant milestone as the first in the automotive industry in China. In November 2025, the geothermal heating system commenced operation. Utilising 100% fossil-free energy for heating, we not only advance low-carbon transformation in production but also set a replicable and scalable model for low-carbon heating in northern industrial regions.

In 2025, the China-Germany Equipment Manufacturing Industrial Park was selected for the "List of National-Level Zero-Carbon Parks Construction (First Batch)" – a flagship initiative by the Chinese government to accelerate industrial decarbonisation by establishing model parks that aim to achieve carbon neutrality ahead of the national 2060 target. As one of the major resident enterprises, we are committed to scaling geothermal heating to more facilities in support of this vision. The commitment demonstrates how BMW Brilliance leverages local innovation to reduce the carbon footprint of the NEUE KLASSE from the source and contribute to the transition towards low-carbon heating.



"WARM LAND" INITIATIVE: BMW BRILLIANCE HAS OFFICIALLY LAUNCHED ITS GEOTHERMAL HEATING SYSTEM AT THE SHENYANG POWERTRAIN PLANT

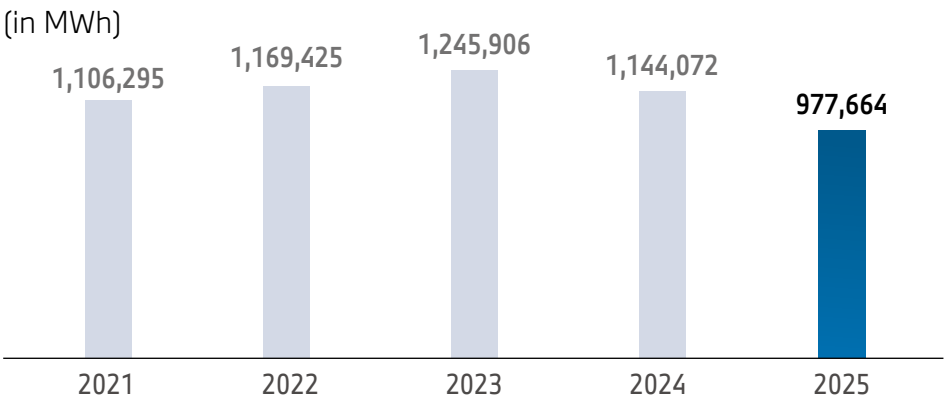
The geothermal heating system in Powertrain Plant involved 28 middle-depth drilling wells and heat pumps, providing green heating for a total area of approximately 580,000 square metres. It is projected to reduce 18,000 tonnes of CO₂e emissions annually. The project highlights the innovative "closed-loop" and "heat extraction without water extraction" technology, exemplifying our holistic approach that combines responsibility and innovation. Compared to traditional shallow-ground source heat pumps, this system offers significant advantages, occupying less land, operating more stably, and delivering higher energy efficiency. The heat pumps are powered by electricity from renewable sources, making a long-term contribution towards decarbonisation goals.



ENERGY EFFICIENCY IMPROVEMENT

Energy efficiency is part of our holistic approach to decarbonisation. At BMW Brilliance, we continuously optimise performance in line with ISO 50001 Energy Management Systems, driving down energy consumption, preserving resources, and reducing CO₂e emissions. In 2025, total energy consumption¹ reduced by 14.5% year-on-year to 977,664 MWh. In terms of energy intensity, energy consumption per vehicle produced also decreased by 1.8% compared to 2024. This energy consumption reduction was achieved through BMW Brilliance's continued innovative management approaches and the implementation of energy-saving initiatives, reflecting our dedication to continuous improvement in sustainable manufacturing.

Total energy consumption



To reduce energy consumption, we continuously optimise our production processes. By precisely calibrating energy requirements and avoiding overconsumption, energy is used precisely according to actual needs. We maintain regular infrastructure upgrades in alignment with the national energy efficiency initiative. This includes phasing out outdated equipment and adopting newer, more efficient technologies through planned evaluations and renewals. Complementing these efforts, we are advancing intelligent manufacturing to achieve more precise control over key operational parameters and conditions to enhance energy efficiency across operations.

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

Highlighting measures:



Optimise air handling unit systems during heating season

through reduced operating frequency, optimised runtime, and adjusted fresh air, to improve ventilation energy efficiency.

In 2025, this initiative is estimated to have contributed approximately 22,000 MWh in energy savings across Plant Tiexi and its site Lydia, and Plant Dadong, accounting for over 10% of our total annual energy reduction.



Reduce furnace operating temperatures during non-production hours, minimising unnecessary energy consumption.



Switch off lighting during peak summer daylight hours by introducing a refined lighting energy-saving mode.



Optimise cooling supply systems by eliminating the reliance on a dedicated chiller yard in the Internal Combustion Engine Performance Test Centre.



Implement a heat recovery system, reducing thermal energy demand while maintaining process requirements.



BMW Brilliance's Sustainable Energy Platform

At BMW Brilliance, we deploy flexible and efficient digital solutions to monitor energy consumption while identifying opportunities for further efficiency. The Sustainable Energy Platform enables us to simulate, forecast, and optimise energy consumption, enhancing energy efficiency and supporting more efficient energy management across our operations.



FORECAST

In 2026, BMW Brilliance will continue to advance its commitment to sustainable manufacturing through continuous innovations and targeted initiatives. Digital innovation continues to underpin our sustainability ambitions. Looking forward, we will step up our adoption of advanced digital technologies - including the active exploration of AI and robotics in the production system at our Shenyang production base - aiming to enhance both environmental performance and operational efficiency across the organisation. In addition, we plan to leverage AI to further enhance the Sustainable Energy Platform, strengthening the monitoring and analysis of environmental performance.

The use of renewable energy and energy efficiency measures will remain key contributors to driving decarbonisation during the production and operation phase. Building on the successful implementation of geothermal heating and continuous electrification, we will progressively shift additional processes to renewable energy sources, further diversifying our energy portfolio and reinforcing our commitment to reducing CO₂e emissions.

3.3

RESOURCE EFFICIENCY AND ENVIRONMENT

Aligned with China's "comprehensive green transformation" goals and the BMW Group's environmental commitments, BMW Brilliance is driving the efficient use of resources and recyclability across operations. We place great emphasis on water and waste stewardship, emissions control, and biodiversity conservation. For us, sustainable manufacturing means protecting not only the climate, but also the water resources we share, the land we inhabit, and the ecosystems we are part of.



687,646 m³ reclaimed water¹ use across all plants, a growth of 71.9% compared to 2024.

Second consecutive year for all plants in Shenyang achieved zero landfill waste.

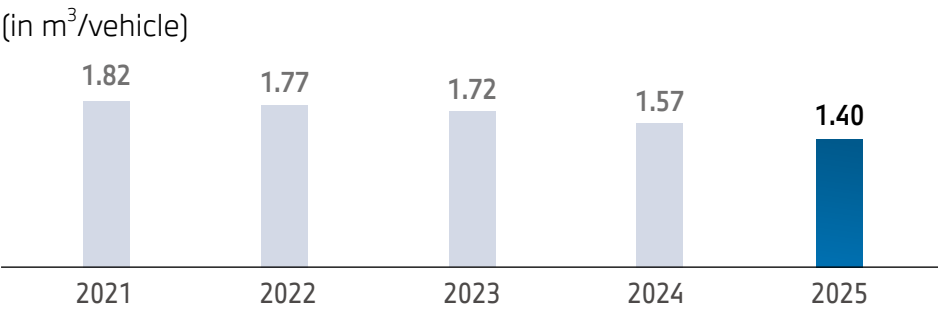
1. Reclaimed water refers to treated wastewater that meets required quality standards and greywater for reuse.

WATER STEWARDSHIP

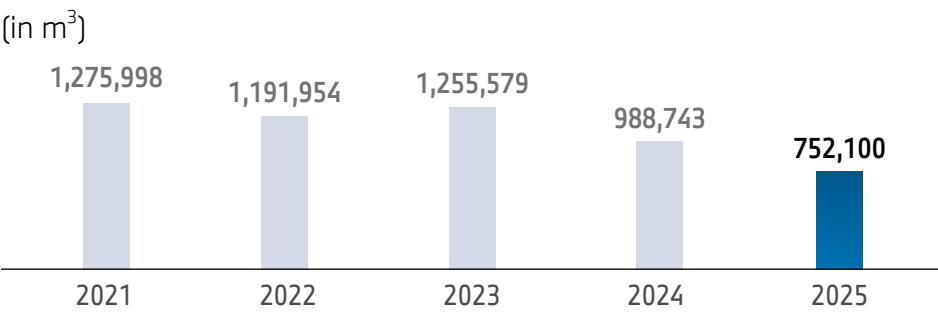
Shenyang, with per capita water resources only one sixth of the national average, plays a key role in the implementation of China's "dual control" strategy for wateruse intensity and total consumption, driving manufacturers to shift toward more efficient wateruse practices.

BMW Brilliance is committed to reducing potable water withdrawal across both production processes and daily operations. We follow comprehensive water management policies and advance water-saving and treatment technologies to reduce water demand. In 2025, a further reduction was recorded in both its total potable water withdrawal and potable water withdrawal per vehicle produced. Total potable water withdrawals amounted to 752,100 m³, representing a reduction of 24% compared to 2024. Under the updated calculation methodology, total water consumption¹, defined as total water withdrawals minus water discharge, amounted to 439,481 m³. Potable water withdrawal per vehicle produced stood at 1.40 m³, falling for eight consecutive years and achieving a decline of 10.8% compared to 2024.

Potable water withdrawals per vehicle produced



Total potable water withdrawals²



Water recycling and reuse are actions that can play a vital role in the sustainable reduction of water withdrawal. We continuously optimise our processes and upgrade equipment within our closed-loop water systems to promote wastewater treatment and reuse. In 2025, BMW Brilliance Plant Dadong Extension Project reached a key milestone in water stewardship by fully utilising reclaimed water and achieving zero potable water withdrawal across all production processes.

Starting from 2016, the scope of our reclaimed water usage scenarios has expanded significantly, including both municipal and internal reclaimed water. For internal reclaimed water: in 2024, BMW Brilliance utilised higher-quality internal reclaimed water for manufacturing and cooling towers. Based on this foundation, in 2025, we further extended internal reclaimed water application to car washing and vehicle leakage testing in the Assembly Shop at Plant Tiexi. For external municipal reclaimed water: in 2024, we used 100% municipal reclaimed water for the irrigation of plant greenery. In 2025, its application was further expanded, with municipal reclaimed water being used in the paint shops at Plant Tiexi and its site Lydia for cooling tower operations.



Interior view of the reclaimed water station

EXPANSION OF USE CASES FOR RECLAIMED WATER

PLANT DADONG EXTENSION PROJECT

The process water achieved zero potable water withdrawal.

PLANT TIEXI

Reclaimed water applications expanded at Plant Tiexi:

- Energy centre
- Paint shop production
- Assembly shop production
- Press shop, body shop, and paint shop cooling towers

SITE LYDIA

Reclaimed water applications expanded at Site Lydia:

- Paint shop production
- Press shop, body shop and paint shop cooling towers

With all these efforts, in 2025, reclaimed water use³ across all BMW Brilliance's plants reached a total volume of 687,646 m³, a growth of 71.9% compared to 2024. This achievement underscores BMW Brilliance's continued progress towards more efficient resource utilisation and represents a new benchmark in our water management efforts.

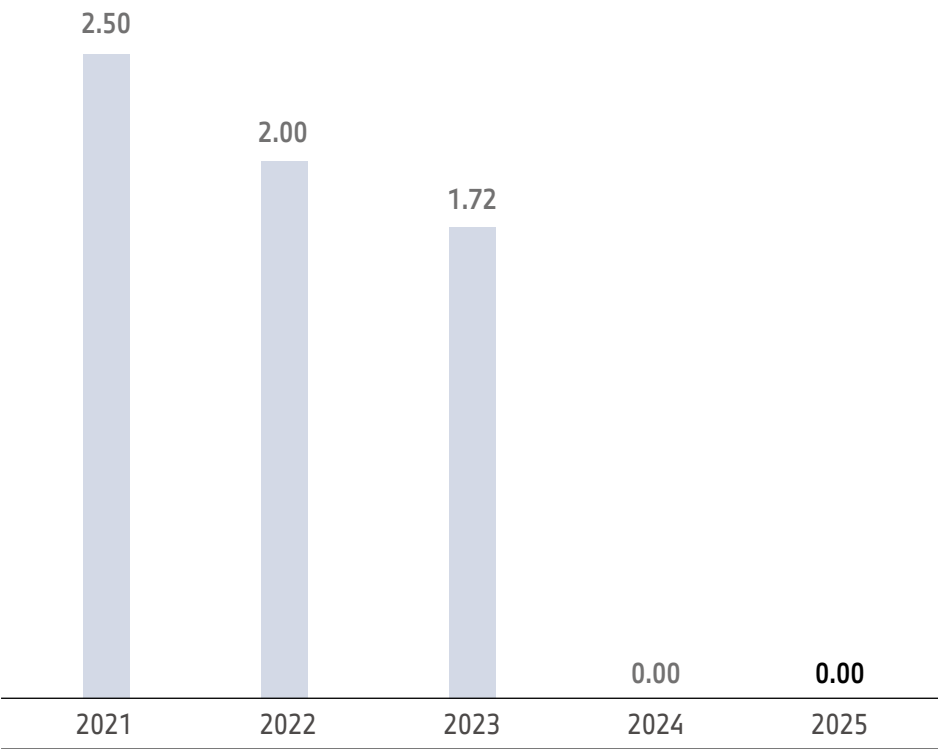
1. Since the reporting year 2025, the calculation method for total water consumption has been revised: water withdrawals - water discharge. See page 156 for the Basis of Reporting of the definition.
2. Production-relevant potable water withdrawals of the year in BMW Brilliance plants.
3. Reclaimed water refers to treated wastewater that meets required quality standards and greywater for reuse.

DRIVING TOWARDS ZERO LANDFILL WASTE

Effective waste management is part of our holistic approach to the circular economy at our production sites. To minimise waste across our production network, our measures range from reducing waste disposal to expanding waste recycling and reuse. In 2025, all BMW Brilliance plants in Shenyang achieved zero landfill waste for the second consecutive year. By eliminating waste sent to landfills, we are actively protecting the region's soil and water resources, reducing the need for new landfill sites, and helping to conserve land and preserve natural vegetation.

Waste for disposal per vehicle produced

(in kg/vehicle)



REDUCING WASTE DISPOSAL

We are committed to driving waste reduction across all manufacturing sites, with a focus on achieving zero waste to landfill and waste for disposal per vehicle. For example, the Powertrain Plant continues to promote hazardous waste reduction initiatives. In 2025, second-life lithium-ion batteries have replaced leadacid batteries, which generate more hazardous waste at the end of life compared to lithium-ion batteries, in pallet trucks at the casting workshop. This initiative effectively reduces hazardous waste generation by extending the service life of lithium-ion batteries and reducing the use of lead-acid batteries.



EXPANDING WASTE RECYCLING AND REUSE

Through innovative practices, BMW Brilliance continuously explores ways to transform waste from landfill treatment to recyclable use, minimising the environmental impact of waste generated from our operations. We promote waste reuse and recycling through both internal and external channels. In 2025, the total waste for recycling achieved a total of 186,333 tonnes, demonstrating our commitment to treating waste as a resource.



PLANT TIEXI AND DADONG: WASTE SOLVENT REUSE

Since 2024, waste base coat solvent self-utilisation facilities have been put into operation at Plant Dadong. In 2025, through external collaboration, we expanded the recycling and reuse of waste solvent by implementing the clear coat cleaning solvent recycling in the Plant Tiexi and Dadong, achieving approximately 130 tonnes of annual recycling volume. This initiative not only reduces hazardous waste volumes but also supports lowering the product life cycle carbon footprint.



ADOPTING HIGH STANDARDS IN HAZARDOUS WASTE DISPOSAL

BMW Brilliance consistently maintains standards that exceed regulatory requirements in our waste management. We operate a full life cycle hazardous waste management system covering sources, processes, and treatments. This approach not only prevents environmental risks but also enhances disposal transparency and traceability. To ensure compliance throughout the disposal process,

we implement a high-standard admission mechanism for third-party vendors. This includes rigorous screening and qualification reviews before engagement. In addition, we enforce annual audits to verify that their treatment capacity, technical specifications, and environmental compliance consistently meet our internal standards.

VOCS EMISSIONS REDUCTION

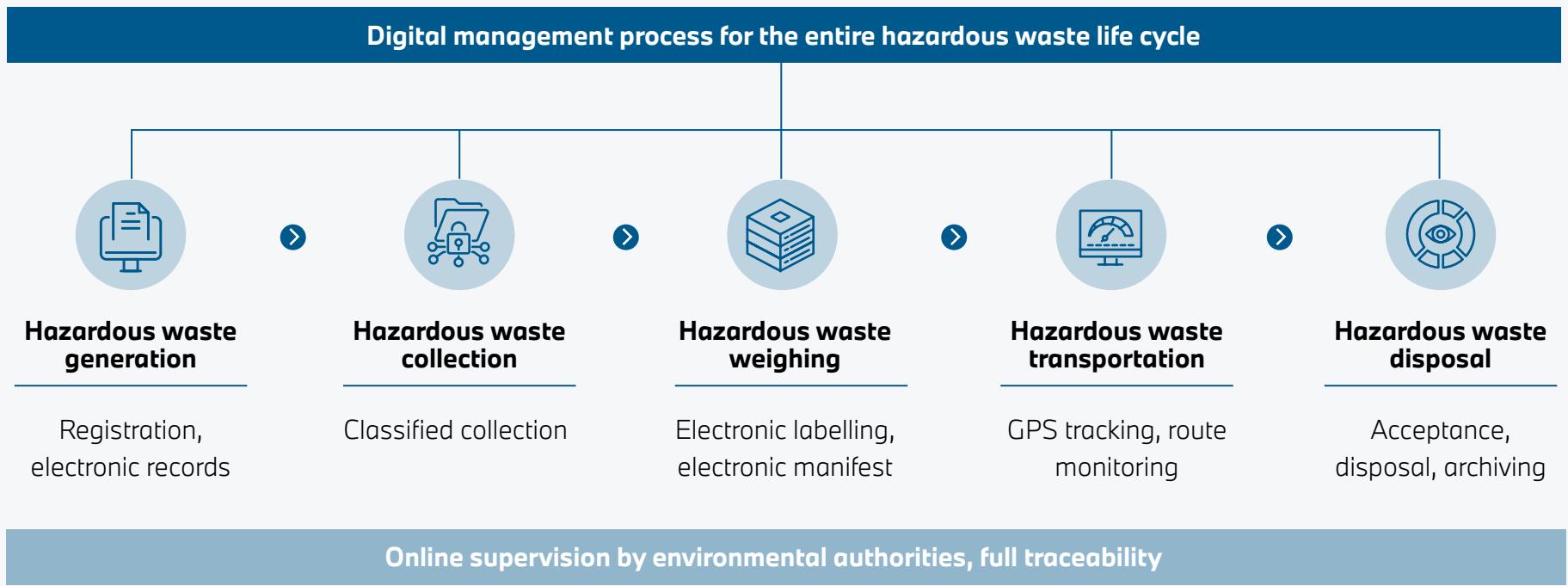
In vehicle production, volatile organic compounds (VOCs) refer to organic solvents that are primarily emitted from paint shops. These substances can easily vaporise and pose a risk to human health. At BMW Brilliance, we maintain strict compliance with local emission standards while implementing advanced technological solutions. VOCs abatement systems were implemented to comply with local regulatory emission limits (<30 mg/Nm³) at Plant Tiexi and its site Lydia, and Plant Dadong. 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 operate a comprehensive VOCs management system that spans the entire operational life cycle. This enables us to do more than just monitor VOCs levels; we actively and continuously reduce emissions, protecting the health of production line employees and customers and enhancing our environmental performance.



END-TO-END DIGITAL HAZARDOUS WASTE MANAGEMENT

As one of the first enterprises in Liaoning Province to implement fully digitalised hazardous waste management, BMW Brilliance has newly introduced the "Hazardous Waste Digital Dashboard". This system provides real-time data on waste generation location, volume, and transfer status, ensuring dynamic visibility and full traceability throughout the process.



DESIGN PHASE



VOCs emissions are reduced at the source by adopting innovative low-VOC materials. In 2025, the all-new BMW X3 Long Wheelbase used an innovative foam material that cuts VOCs emissions during production by 75% and reduces odours by 50%.

PRODUCTION PHASE



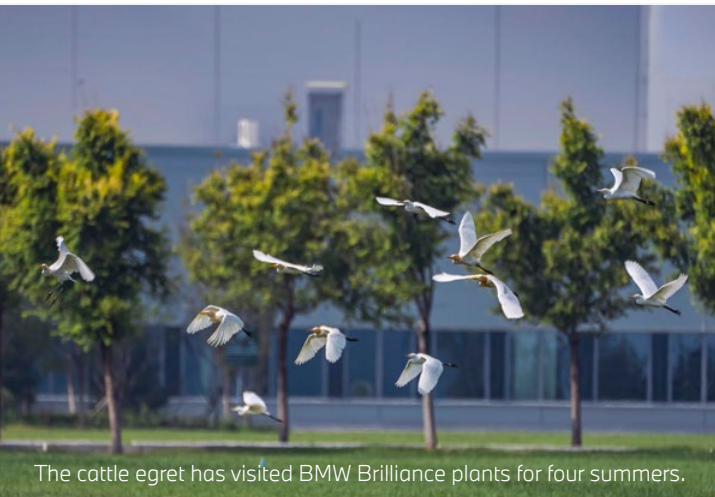
We continuously refine our production processes to minimise VOCs. For example, at the Plant Tiexi and Dadong Extension Project paint shop, we optimised robot spraying in the integrated paint process, saving 1 to 2% of clear coat material per unit. This simultaneously reduces material waste and associated VOCs emissions.

BIODIVERSITY PROTECTION AND RESPONSIBLE LAND-USE

At BMW Brilliance, our ambition is to create an eco-friendly industrial environment that demonstrates a harmonious coexistence between modern manufacturing and natural ecosystem. Priority is given to avoiding negative impacts on biodiversity and ecosystems wherever possible. Thus, we systematically integrate nature-based solutions into all new building projects and existing assets, while adhering to environmental and social standards across our operations. These measures enable us to contribute to biodiversity conservation, minimise land degradation, and enhance the ecological health of the surrounding environment.

At our Plant Tiexi and its site Lydia, we have established a science-based and quantifiable ecological protection mechanism. In 2025, through close collaboration with local wildlife and bird experts, as well as government authorities, we completed comprehensive biodiversity monitoring surveys across both plant sites. These surveys clearly documented multiple locally protected plant and animal species, providing a solid data foundation to better understand the biodiversity within our facilities and to tailor targeted protection measures.

Biodiversity Highlights



The cattle egret has visited BMW Brilliance plants for four summers.

26 bird species have been recorded at Plant Tiexi and its site Lydia, including 22 types of nationally protected animals.



Green coverage rate reaches 40%, with 16,774 trees and shrubs, as well as 35,868 m² of hedges and flowers.



The ecological zone at Site Lydia.

An 11,930 m² biodiversity garden was established, offering a favourable habitat for local wildlife.

We have embedded biodiversity protection into our daily environmental management by establishing a routine monitoring mechanism across our plants. If a protected species is identified within a facility, the local ecological or forestry authorities are notified in accordance with applicable procedures, and appropriate conservation measures are implemented based on site-specific circumstances, thereby contributing to the maintenance of the regional ecosystem and biodiversity.



PROTECTING NESTING BIRDS AT PLANT TIEXI

In April 2025, employees at Plant Tiexi discovered a protected turtledove nest with eggs in the vehicle parking area during routine monitoring. Following established procedures, the employees promptly documented the nest and consulted the Shenyang Wildlife Rescue Station. Following expert advice, we maintained the nesting and incubation undisturbed, and subsequent site management actions were only carried out after the fledglings had naturally departed. This case demonstrates the effective application of biodiversity protection mechanisms and our commitment to nature conservation.

SUSTAINABLE WORKING ENVIRONMENT

Creating a sustainable working environment has become an essential part of our daily operations. At BMW Brilliance, sustainable practices go beyond our production to non-manufacturing facilities, including offices, Research and Development Centres, Spare Parts Distribution Centres, Brand Experience Centres, and Training Centres. Our approach to sustainable facilities is guided by the BMW Sustainable Building Standard. Launched in 2023, this standard covers the entire real estate management life cycle. It leverages globally recognised criteria, such as LEED and WELL, to create a work environment that is both more eco-friendly and healthier, ensuring measurable sustainability goals are met at every stage of construction.

Energy-saving measures are implemented across meeting rooms and collaboration areas. For example, at the Beijing Office, televisions are automatically switched off when not in use, reducing unnecessary energy consumption.

At Gateway and R&D Beijing, Lumina Shanghai and Chengdu Regional Office, we have deployed an on-site air quality monitoring system and smart metering system to track air quality, electricity usage, and water consumption in real time. In addition, infrastructure upgrades such as LED lighting and high-efficiency bathroom fixtures deliver measurable resource savings.

Beyond infrastructure, we actively engage employees in sustainability initiatives, embedding collective action into our organisational culture. We have posted reminder notices to encourage employees to contribute to maintaining a resource-efficient office environment, including switching off electrical devices such as computers, monitors, and lights when not in use, and using water and paper responsibly. By empowering employees to drive meaningful change, we amplify our positive impact in environmental management.



FORECAST

For BMW Brilliance, the responsible use of resources is an important part of our daily activities. BMW Brilliance will continue to improve resource efficiency and reduce waste. In water management, we will advance water-saving and treatment technologies to lower potable water withdrawal per vehicle and help alleviate water stress. For efficient waste management, building on the achievement of zero landfill waste across all Shenyang sites since 2024, we will further advance circular economy practices in 2026 by transforming waste streams into value while simultaneously lowering associated CO₂e emissions.

Prioritising the prevention of negative impacts on ecosystems, BMW Brilliance will continue to maintain and promote biological diversity in the future. In 2026, we will work to preserve and increase biodiversity on the plant grounds at Plant Dadong. Planned measures include creating an ecological drought creek, landscape terrain and garden trails, planting perennial flowers and silver grass, placing landscape stones, as well as careful management of green spaces across our sites.

3.4

LOW-CARBON LOGISTICS

At BMW Brilliance, we are transforming logistics to reduce our climate impact and Scope 3 emissions. We continue to rethink our network with the flexibility to adjust technology as we evolve. Our approach focuses on expanding innovation and infrastructure management processes for logistics actions. Through a shift to low-emissions transport, expanded clean energy use, efficient warehouse management, and packaging optimisation, we are proactively building a low-carbon and efficient supply chain together with our partners.



Rail freight accounted for **55%** of linehaul volume from the Grand-Shanghai Area (Shanghai, Jiangsu, Zhejiang, and Anhui) to Shenyang. **↑20%** from 2024.

E-trucks in local inbound and outbound logistics now operate on **100% electricity from renewable** sources in 2025.

Deployed **34** electric trucks (E-trucks). **↑3%** from 2024.

1,655.6 t CO₂e reduced by integrating 4RE principles in parts packaging in 2025.

LOW-CARBON TRANSPORTATION MODE

To support BMW Group’s target of reducing CO₂e emissions across a vehicle’s entire value chain, decarbonising logistics operations plays a crucial role. At BMW Brilliance, we are making substantial progress through close collaboration with our service providers, continuously expanding the use of low-carbon intermodal transport solutions, such as rail and sea freight, and optimising route planning to build an efficient, multimodal logistics network that minimises environmental impacts. In 2025, BMW Brilliance reduced logistics emissions by 176,040 tonnes year-on-year to 399,625 tonnes, representing a reduction of more than 30% compared with 2024.



BMW Brilliance reduced logistics emissions by

176,040 tonnes year-on-year.

To

399,625 tonnes.

Representing a reduction of more than

30% compared with 2024.



RAIL FREIGHT

EXPANDED TO 55% ON THE SHANGHAI–SHENYANG ROUTE

In 2025, we expanded the share of rail freight in inbound line-haul logistics from the Greater Shanghai Area (Shanghai, Jiangsu, Zhejiang and Anhui) to Shenyang from 35% to 55%, reducing emissions while enhancing operational efficiency.



SEA FREIGHT

PRIORITISED FOR INBOUND LOGISTICS

In 2025, we prioritised sea freight as the optional inbound logistics mode in Shandong Province, especially enhancing the Yantai to Dalian shipping route. Through collaboration with our logistics partners, we optimised marine logistics network to improve both transport efficiency and sustainability performance.



AIR FREIGHT

DROPPED TO 1.5% THROUGH SMARTER LOGISTICS

In 2025, the proportion of air freight logistics decreased from 1.8% in 2024 to 1.5%, driven by initiatives across the regional distribution network. The Regional Distribution Centre (RDC) in Shanghai successfully redistributed slow-moving stock to other RDCs through enhanced inventory balancing strategies, significantly minimising the need for air freight. In parallel, our RDC in Chengdu curbed unnecessary air dispatches by improving ordering behaviours.

ALTERNATIVE-POWERED VEHICLE EXPLORATION

EXPANDING NEW-ENERGY TRUCKS

For short-distance transport within plants or between nearby facilities, BMW Brilliance is gradually replacing conventional diesel trucks with new-energy trucks, including E-trucks, liquefied natural gas (LNG) trucks¹, and hydrogen trucks, to further reduce carbon emissions from our logistics network.

OUTBOUND LOGISTICS



New-energy trucks were increased to 62 units.



AFTERSALES LOGISTICS



34 E-trucks were also deployed for Dealer Metropolitan Distribution Concept (DMDC) deliveries, as well as overnight, less than truckload (LTL) and line-haul deliveries, serving 116 dealers across 24 cities in China. The proportion of cargo transported by E-trucks increased from 4.9% in 2024 to 8.6% in 2025.



PROMOTING RENEWABLE SOURCES OF ENERGY

BMW Brilliance now requires logistics providers operating E-trucks to use 100% electricity from renewable sources. This ensures our growing electric fleet is powered by electricity from renewable sources, contributing to our decarbonisation efforts.

1.New liquefied natural gas (LNG) heavy-duty trucks significantly reduce CO₂e emissions compared to traditional diesel trucks, further advancing the low-carbon transition in transportation.

SUSTAINABLE WAREHOUSE AND LOGISTICS MANAGEMENT

Effective warehouse and logistics management is an essential part of BMW Brilliance's sustainability strategy, encompassing physical infrastructure upgrades, the use of electricity from renewable sources, and the application of digitalisation and AI tools to optimise operations and enhance efficiency.

BMW Brilliance continuously improves sustainable building management standards, embedding resource efficiency and environmental criteria into every phase of warehouse design, construction, and operation. The solar panels were installed during the facility's design phase, to be extended into the future built-to-suit concept. Meanwhile, BMW

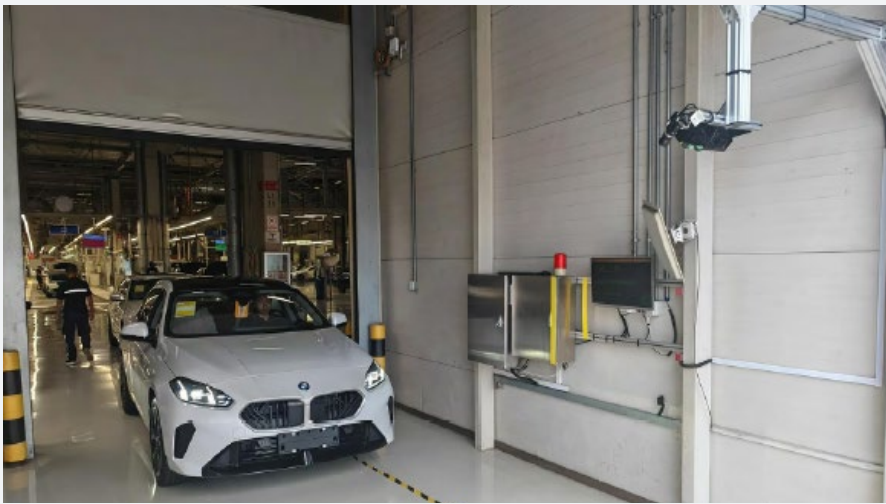
Brilliance uses electricity from renewable sources across all China RDCs, with 100% consumption covered by the Green Electricity Certificates (GECs).

We made significant progress in paperless management by upgrading our digital system in 2025. For example, BMW Brilliance has deployed an innovative AI camera across Plant Tiexi and its site Lydia, and Plant Dadong, achieving further reductions in paper usage. By advancing paperless management, BMW Brilliance has significantly cut its consumption of paper printing supplies, and related resources, thereby reducing CO₂e emissions.



AI CAMERA ENABLES A PAPERLESS OUTBOUND PROCESS

In 2025, we introduced an AI camera that reads vehicle identification numbers (VINs) directly on the front windshields, replacing Radio Frequency Identification (RFID) label scanning. This eliminates manual printing and application of RFID labels, delivering a fully paperless outbound process for all vehicles.



LOW-CARBON PACKAGING

BMW Brilliance is committed to responsible and efficient use of resources of all types. Packaging is essential for keeping automotive parts safe and improving supply chain efficiency. Our packaging planning systematically applies the principles of RE:THINK, RE:DUCE, RE:USE, and RE:CYCLE to drive process optimisation and integrate lean methodologies throughout the entire container life cycle. In 2025, these efforts led to an estimated reduction of 1,655.6 t CO₂e.



RE:THINK

Our sustainable packaging initiative begins with the RE:THINK principle. We continuously assess our operations to identify key opportunities for integrating sustainable packaging solutions, such as modular designs, lightweight structures, and lean material usage.

At BMW Brilliance, we have adopted universal packaging in the form of reusable containers to support multiple part types, reflecting our commitment to resource efficiency and the reduction of environmental impact across our logistics operations. In 2025, we optimised load configurations for universal packaging through comprehensive testing and validation, enhancing utilisation efficiency and loading density. This initiative reduced emissions by 120.6 t CO₂e.

Moreover, BMW Brilliance launched a pilot programme to replace metal pallets to plastic alternatives in order to cut CO₂e emissions in raw material processing and packaging production. During the pilot phase, 1,112 plastic pallets were deployed, resulting in an estimated emissions reduction of 37.2 t CO₂e¹.



New lightweight and modular-designed Side Frame package

During the pilot phase,

1,112 plastic pallets were deployed.

Resulting in an estimated emissions reduction of

37.2 t CO₂e¹.

1. The calculation boundary of the CO₂e emissions include not only transport but also raw material processing, packaging production.



RE:DUCE

RE:DUCE exemplifies BMW Brilliance’s commitment to resource efficiency through systematic in-house packaging optimisation. In 2025, reusing in-house packaging and implementing the C-module structure (a modular metallic framework for in-house containers) resulted in an estimated emissions reduction of 31 t CO₂e. A “slimming” optimisation initiative for one-way protective materials was also launched in 2025. Disposable protective consumables inside the packaging were optimised, with no compromise on packaging reliability.

Through design innovation, we are continuously expanding the adoption of standardised expanded polypropylene (EPP) design in packaging. In 2025, the standardisation of lightweight structural solutions using EPP materials was completed, resulting in a 6.25 t CO₂e¹ reduction during its pilot phase.



RE:CYCLE

RE:CYCLE underscores BMW Brilliance's commitment to increasing material reuse and recycling across its operations. In collaboration with our packaging manufacturers, we have established material recovery processes to maximise resource utilisation. In 2025, BMW Brilliance further advanced its circular economy initiatives by successfully implementing recycled plastics in its plastic pallet systems, including thermoplastic, EPP, and Con-Pearl. The optimisation of recycled content blending ratios enabled the achievement of 100% recycled material usage in thermoplastic and Kleine Lasten Transporter (KLT), 60% in Con-Pearl, and 30% in EPP, marking a significant step toward enhanced material circularity.



Plastics container made of 60% recycled material



RE:USE

RE:USE emphasises the repeated use of existing resources to maximise their life cycle value. In the context of sustainable packaging, BMW Brilliance prioritises the reuse of containers.

In 2025, BMW Brilliance systematically evaluated opportunities to reuse end-of-production packaging and established a roadmap, integrating new project milestones with proven packaging solutions. A key example is the reuse of plastic KLT containers and pallets-with-lids. In 2025, through comparative assessments of current and next-generation vehicle packaging concepts and targeted technical adaptation, we refurbished and redeployed 76,368 KLTs and 3,182 pallets-with-lids previously used in powertrain production. This initiative results in an estimated emissions reduction of 177 t CO₂e.

The reuse of 213 body packaging units saved an estimation of

288.4 t CO₂e.

This “waste-to-resource” pilot project demonstrated both technical feasibility and environmental benefit, and reduced emissions by an estimated

0.98 t CO₂e.

Another highlight was the “RE: USE” 2.0 assessment we conducted for body packaging, which expanded reuse from the package chassis frame structure to the entire frame structure. This successfully enabled the packaging of the existing BMW X5 to be applied to the new generation BMW X5. The reuse of 213 body packaging units saved an estimation of 288.4 t CO₂e, while 3,260 general-purpose packaging units were repurposed, contributing to an estimated reduction of 1,030.9 t CO₂e.

Additionally, we explored innovative ways to recover more materials by transforming one-way import packaging into reusable systems. Through cross-functional collaboration, single-use cardboard and dunnage materials from imported parts were reprocessed and upgraded into returnable packaging solutions. This “waste-to-resource” pilot project demonstrated both technical feasibility and environmental benefit, and reduced emissions by an estimated 0.98 t CO₂e.



1. The calculation boundary of the CO₂e emissions primarily covers raw material processing and packaging production, excluding transport.

ADVANCING ENVIRONMENTAL STEWARDSHIP ACROSS THE PACKAGING SUPPLIER NETWORK

In 2025, BMW Brilliance strengthened its collaboration with packaging suppliers to continue improving sustainable practices.



ENVIRONMENTAL MANAGEMENT SYSTEM

The Environmental Management System of **24** suppliers received ISO 14001 certification.



RENEWABLE ENERGY

EPP container suppliers have committed to using **100% electricity from renewable sources** in their production from 2025 to 2027.

16 suppliers installed solar photovoltaic systems, increasing the use of renewable energy within their operations. Meanwhile, excess electricity was shared with companies lacking in-house renewable capacity, fostering wider sustainability adoption, and creating measurable environmental impact.



WATER MANAGEMENT

13 suppliers installed advanced wastewater recycling systems, enabling the recovery and reuse of process water and contributing to improved water stewardship.

Beyond energy and water stewardship, we have been encouraging our suppliers to embrace sustainability through the adoption of low-carbon materials, cleaner production technologies, and resource-efficient processes. Collectively, these efforts reflect a growing momentum in the supplier network and underscore how BMW Brilliance is driving environmental progress through partnership, innovation, and shared responsibility.

FORECAST

BMW Brilliance will deepen collaboration with service providers to advance sustainable logistics across our value chain. Our initiatives include expanding low-carbon intermodal transport (rail and sea), optimising route planning, deploying more new energy trucks, as well as enhancing warehouse management through infrastructure upgrades, renewable energy, and digitalisation. These efforts systematically reduce our footprint. Looking ahead, we plan to achieve paperless operations across all internal warehouses in our seven Regional Distribution Centres (RDCs), further reinforcing our commitment to a sustainable supply chain.

BMW Brilliance will continue driving sustainable packaging usage with a strong focus on energy conservation and emission reduction. Our approach focuses on scaling low-carbon packaging from pilot to series production and reusing existing packaging in new projects wherever feasible. For non-steel packaging, we will maximise recycled content based on technical and commercial feasibility. For steel packaging, we are exploring the integration of low-carbon steel and promoting higher utilisation rates of standardised, reusable packaging across the supply chain. In 2026, lightweight, standardised EPP packaging will be introduced for the new generation of models, including the NEUE KLASSE models. Following the launch of first locally produced NEUE KLASSE model, we are developing scalable implementation plans to embed circular economy principles into the production of next-generation vehicles.





04

RESPONSIBLE VALUE CHAIN

For many years, BMW in China has adopted a holistic, 360° approach to sustainability across the entire value chain. This approach extends beyond our own production and operation activities, and vehicle use by customers to encompass our dealer network and our supply chain.

Through long-standing and trustworthy collaboration with external partners, BMW in China seeks to maximise positive environmental and social impact, promoting technology innovation, decarbonisation and circular economy practices, and strengthening capabilities across the value chain. In doing so, we actively contribute to the BMW Group's CO₂e emission reduction targets for 2030 and 2035, supporting sustainable value creation and a pathway toward shared prosperity.



Ms. Birgit Boehm
President and CEO
BMW Brilliance Automotive Ltd.

“ For us, sustainability is not an obligation to manage, but a responsibility to lead. It goes far beyond our own operations and footprint, extending across the entire value chain. By setting a clear direction and working closely with our partners, we are advancing sustainability in a consistent and meaningful way. ”

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4.1

DEALER MANAGEMENT AND EMPOWERMENT

Dealer networks play a vital role in BMW Brilliance's sustainability journey. Through the BMW NT Green Star Project, and a comprehensive programme of EHS enablement and talent development, BMW Brilliance works together with its dealer network to drive low-carbon transformation, build future-ready capabilities, and align with BMW Group standards of environmental and operational excellence.

From empowering front-line staff with the skills and tools they need, to embedding sustainability across dealership design and daily operations, our ambition remains constant: to cultivate a dealer ecosystem built on long-term partnership, responsible stewardship, and the delivery of exceptional customer experiences that reflect BMW Brilliance's values and global sustainability commitments.

362 Certificated BMW NT Green Star dealers by the end of 2025.

154,966¹ t CO₂e franchise emissions included for the first time into our Scope 3 disclosure.

1. For details, please refer to Chapter 6, page 139 Note 7.

BMW NETWORK TRANSFORMATION GREEN STAR

GREEN STAR'S 4 CRITERIA INTRODUCTION

BMW Brilliance collaborates with its dealer network to build a sustainable service ecosystem, responding to customers' growing demand for environmentally responsible lifestyles. Initiated in 2022, the BMW NT Green Star Project supports dealers to deliver planet-conscious, customer-focused services. As an evolving initiative that grows with our sustainability ambitions, the BMW NT Green Star Project helps strengthen dealers' sustainable operations whilst delivering tangible benefits to local communities and stakeholders through progressive eco-efficient practices. By the end of 2025, 362 dealers had been awarded the BMW NT Green Star certification.

To facilitate low-carbon transformation across the dealer network, BMW Brilliance issued a series of guidebooks to encourage dealers to adopt energy-efficient operations aligned with BMW NT Green Star practices, supporting them from planning through implementation.

We regularly update and expand BMW NT Green Star practices, equipping dealers with updated guidance and tools to make continuous improvement in environmental performance.

The BMW NT Green Star Lighthouse represents the advanced tier of the BMW NT Green Star Project, encompassing high energy-efficient technology, procurement of 100% electricity from renewable sources, a requirement of sourcing at least 10% of energy supply from on-site distributed renewable energy systems, and local cultural initiatives. Our BMW NT Green Star Lighthouse sets a benchmark for sustainable dealer design and operation, demonstrating how enhanced environmental performance can be implemented while maintaining a premium customer service.



5

Dealer locations achieved the BMW NT Green Star Lighthouse Certification.



GREEN STAR'S 4 CRITERIA

SUSTAINABLE ENVIRONMENT

BMW Brilliance adopts a customer-centric approach to dealer showroom development, creating spaces that blend premium comfort with sustainable innovation. Through eco-friendly design of buildings and equipment, dealers build showrooms that are not only efficient, safe, and comfortable but also environmentally responsible. High-efficiency structures and equipment significantly reduce dealers' operational energy consumption. By incorporating green landscaping alongside natural lighting and ventilation systems, dealers offer comfortable and inviting environments for customers. We encourage the use of low-carbon building materials certified to national standards throughout construction, supporting environmental protection and minimising the carbon footprint of dealer operations.

RENEWABLE ENERGY

The BMW Dealership Renewable Energy Application (REA) Guidebook provides technical guidance to help dealers procure and implement renewable energy solutions for low-carbon operations. Aligned with China's National Energy Administration policy issuing Green Electricity Certificates (GECs) for trade as verification of renewable energy production and consumption, our REA guidebook includes GECs as part of our expanded renewable energy solutions portfolio. This enables Green Star dealers to achieve low-carbon energy transition through a range of policy-compliant renewable energy options.

Green Electricity Certificates (GECs)

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

LOW-CARBON OPERATION

We encourage dealers to integrate sustainable practices across their operations, including using digital services to reduce paper consumption and switching to materials with lower carbon footprints. Responding to growing adoption of new energy vehicles (NEVs) and aligning with national initiatives, dedicated high-voltage battery (HVB) recycling facilities have been established across fully-fledged dealerships, achieving comprehensive coverage for temporary battery storage.

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Dealerships set up HVBs recycle rooms, achieving full coverage within the 4S dealerships.

SUSTAINABLE ENGAGEMENT

BMW Sustainable Engagement Activity Guidebook helps dealers undertake sustainability-themed activities, engage customers in sustainability action and extend the impact of the BMW NT Green Star Project across local communities.

Sustainable Engagement Activity Guidebook

Developed for dealers' empowerment.



CARBON ACCOUNTING OF DEALER NETWORK

To support BMW Group's decarbonisation efforts, BMW Brilliance launched a structured initiative to establish a baseline understanding of carbon emissions across the dealer network. Following a systematic, end-to-end process, the project completed a foundational carbon footprint mapping. Our initiative establishes the baseline from which future decarbonisation measures can be developed and tracked, with the BMW NT Green Star Project continuing to serve as the primary driver of dealer-level carbon reduction.

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

STRATEGIC APPROACH TO EHS MANAGEMENT

The dealer network's Environment, Health, and Safety (EHS) sits at the core of our compliance agenda under the BBA Sustainability Project, built on three pillars: compliance, risk control, and sustainable development. Ensuring safe battery electric vehicle (BEV) repair operations remains a priority, making strong EHS awareness across the dealer network more important than ever.

EHS is not simply a compliance exercise. It also supports operational efficiency and employee well-being, while reflecting BMW Brilliance's broader commitment to social responsibility. A robust policy framework, aligned with national and local EHS regulations, sets the operational standards that every dealer in the network is expected to uphold.

COMPREHENSIVE TRAINING AND SUPPORT PROGRAMMES

Our approach combines structured policy, adaptive training, and practical tools to embed EHS standards into daily dealer operations. In total, onsite workshops reached 45 dealerships and 82 participants across the network.

A notable addition to this year's onsite workshops was the introduction of Risk Cards and Inspection Checklists for workshop equipment. Risk Cards alert dealer staff to potential equipment hazards before they escalate; the Inspection Checklists guide daily checks and maintenance to keep key components in top condition. Simple, practical, and effective - these tools are already strengthening both safety culture and operational efficiency on the workshop floor.

In 2025, we delivered a broad, multi-channel programme of engagement

ONSITE COACHING VISITS 7 visits across cities including Wuxi, Ningbo, Qingdao, Yunnan, Wuhan, and Tianjin	MONTHLY EHS NEWSLETTER 12 issues covering regulatory updates, case studies, news digests, tips, and dealer spotlights
WECHAT MICRO CLASSROOMS 7 sessions via WeChat service account	SHORT INSTRUCTIONAL VIDEOS 5 instructional videos, distributed via BMW Joy Learning and WeChat public account

Onsite workshops reached

45

dealerships

and

82

participants across the network

ENHANCED SAFETY ACCOUNTABILITY

To reinforce accountability across the network, dealers are required to conduct regular internal audits using the EHS self-inspection checklist to ensure that safety standards are upheld in daily operations, not just at annual review. We implemented a full review of dealers' self-management performance by evaluating their EHS self-inspections, a process that helps set the baseline for network-wide safety standards.

SUSTAINABLE DEALER EMPOWERMENT

SUPPORTING DEALERS TO RESHAPE TALENT CAPABILITIES AMID TRANSFORMATION

The automotive industry's rapid transformation has raised the bar for dealers across the board, from market insight and sales proficiency to service excellence. At BMW Brilliance, we are committed to ensuring our dealers are equipped to meet these evolving expectations and deliver the premium, professional experience that our customers expect.

Our dealer capability-building and talent transformation strategy is grounded in real industry trends and market intelligence. It is designed to empower dealership front-line staff and management, deepening their connection to the BMW brand while sharpening the skills that drive sustainable growth and operational excellence.

NEW EMPLOYEE ONBOARDING ASSESSMENT AND CERTIFICATION

In a fast-moving market, having the right people in place and equipped with the right skills from day one is fundamental to delivering the BMW customer experience. BMW Brilliance continuously refines its dealer training and certification system to provide standardised, high-quality capability-building across all roles and empower a professional talent pool to drive business growth and elevate the customer experience. This encompasses two core areas: a staged development pathway for sales consultants, from onboarding through to first-level certification; and targeted technical and aftersales training to ensure consistent, high-quality service delivery across the network.

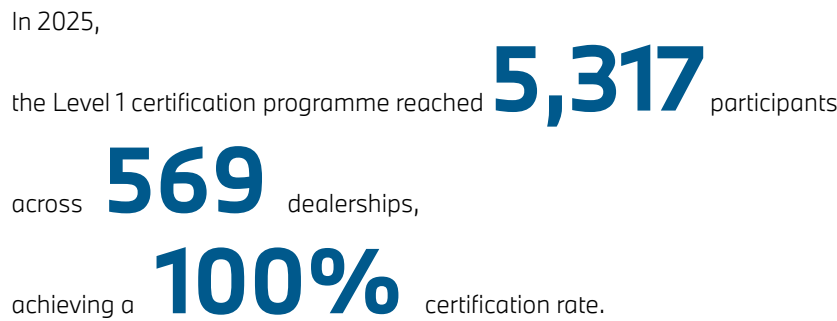
Sales consultant development: building professional brand ambassadors

Staff turnover and inconsistent capability levels are a reality across any large dealer network. To address this, BMW Brilliance has built a clear, staged development pathway for sales consultants across dealerships, starting from newcomer onboarding to Level 1 certification.

Newcomer Onboarding Test (within the first 3 months) is focusing on "fast, high-quality onboarding". To resolve inconsistencies in dealer training and quickly align brand awareness, we utilise a two-way validation approach combining online learning and in-store self-assessment tools, supported by lightweight, one-to-one online certification with a trainer. New consultants get up to speed quickly, building core product knowledge and the confidence to handle customer objections, whilst keeping the training burden on dealers to a minimum.



Within nine months of joining, sales consultants move on to Level 1 certification, shifting the focus from getting up to speed to going deeper. Through a blend of online certification and in-person product experience sessions, consultants sharpen their ability to communicate BMW brand's value proposition with confidence and conviction, growing into brand ambassadors who can genuinely inspire customers.



Technical and aftersales capability building

Consistent, high-quality service starts with well-trained people. BMW Brilliance invests continuously in technical and aftersales training, with a growing emphasis on online learning to make training more accessible and scalable. Among a total of 108,271 technical training man-days in 2025, of which 94,445 were conducted online and 13,826 training man-days via face-to-face sessions, 3,392 professional technical certifications were achieved. On the aftersales non-technical side, 168 face-to-face training sessions were held nationwide, resulting in 2,337 new certifications across dealership aftersales roles.

RESHAPING FRONT-LINE COMPETENCIES

BMW Brilliance is dedicated to enhancing the premium customer experience by strengthening dealership front-line staff knowledge and brand understanding, continuously evolving its training and certification system to keep pace with an increasingly competitive market.



CUSTOMISED COACHING FOR NEW PRODUCT LINES

In 2025, BMW Brilliance introduced a structured launch enablement programme ahead of two major new models, the all-new BMW X3 Long Wheelbase and new BMW 2 Series Gran Coupé, launched at the beginning of the year. Designed to bring sales consultants up to speed quickly and consistently, the programme combined online learning, in-person certification, and follow-up spot-checks - creating a seamless learning journey that connects training directly to day-to-day sales practice. The programme reached 2,516 participants across key front-line roles in the dealer network and BMW Brilliance internal teams, with participants reporting that the content was immediately applicable in real customer interactions. To address market-specific needs, more than 10 in-store specialist training sessions were also conducted across regions-achieving a high training satisfaction score of 4.98 out of 5 and ensuring that front-line teams at every level were well-prepared for the new launches.



BIMMER 1 COURSE

The Bimmer 1 course is designed to deepen the connection between dealer front-line staff and the BMW brand - covering five dimensions: intelligent driving, electrification, design, driving dynamics, and brand identity. Rather than generic product training, it builds a genuine brand experience that shapes how consultants think, communicate, and engage with customers.

In 2025, the course was redeveloped into highly brand-customised offline sessions to address a more competitive market environment. The updated programme helps sales consultants rebuild brand confidence and clearly define our products' competitive advantages. By utilising diversified training tools, it works through the brand's philosophy and underlying principles in a practical way. This approach helps consultants better understand competitive positioning and articulate BMW brand's strengths with clarity and conviction. Ultimately, this elevates their product experience capabilities, helps win sales opportunities, and ensures overall sales quality.

Without any policy incentives attached, the programme reached nearly 2,000 dealer participants and close to 500 BMW Brilliance's internal employees. Participants who completed the programme went on to achieve a 100% pass rate in the 2025 sales capability assessment, demonstrating the direct and measurable impact of the training on dealer front-line performance.





BRAND ACADEMY: BMW BRAND INSTITUTE

To deepen the living spirit of the BMW brand and strengthen the connection between the brand and both internal employees and dealer partners, BMW Brilliance launched the BMW Brand Institute, a dedicated training initiative developed by the Network Development and Retail Training team.

The programme is built around three aims:

- Deepening the understanding of BMW Group's strategic vision and core values to strengthen brand identity;
- Exploring the century-long spirit and innovation behind the brand to inspire thinking on sustainable development and future strategy;
- Unlocking the professional potential of employees and dealer partners, empowering them to engage with the brand with genuine passion and purpose.

The BMW Brand Institute serves as a platform for industry insight, innovative thinking, and the continuous development of both the brand and its people. In 2025, the programme was delivered in close collaboration with Human Resources department and elite talent initiatives in China, bringing hundreds of internal employees and dealer partners through an immersive brand experience.



GKL ELITE CLUB

The BMW GKL+ Elite Sales Camp sets a benchmark for elite talent development within the dealer network, bringing together the top sales professionals of large luxury vehicle from across the country to deepen their expertise, strengthen their brand connection, and build a community of influence that sustains long-term excellence.

In 2025, the third edition of the event was held in Beijing, welcoming 79 sales elites from across the nation. Through a full day of immersive experiences, from the spirit of craftsmanship embodied by the Palace Museum's artisans to cross-industry exchanges with leading spatial aesthetics designers, to an exclusive exploration of the NEUE KLASSE. Participants deepened their understanding of luxury heritage and what it truly means to represent the BMW brand. The event reinforced participants' confidence as BMW brand ambassadors, strengthening their commitment to the brand and their motivation to deliver sustained excellence in the large luxury vehicle segment.



BMW NATIONAL AFTERSALES SERVICE COMPETITION OF EXCELLENCE (NASCE)

BMW National Aftersales Service Competition of Excellence (NASCE) brings together aftersales professionals from across the dealer network to put their skills to the test. In 2025, the competition drew nearly 10,000 participants from our dealerships nationwide, with all scenarios grounded in real service situations to ensure that insights gained translate directly to the daily service practice.

For the first time, participation was organised at the whole-dealership level, with every team member taking part in regional selection rounds. Supported by regional manager coaching, live-streamed competitions, and knowledge sharing via BMW Joy Learning, the event served as a practical development platform for the entire service network, helping teams build the technical capabilities needed for the NEUE KLASSE era. By the end of 2025, BMW China Training Academy had trained and certified nearly 4,000 NEV service advisors and nearly 3,000 high-voltage certified technicians across the network.

The 2025 competition also marked the first deep integration with the BMW Education of Sales & Service Talent (BEST) programme. By combining classroom learning with hands-on dealership practice across key service and sales roles, BEST programme ensures a steady pipeline of well-rounded professionals ready to support the customers and their next-generation BMW vehicles.



ENHANCING MOTIVATION AND RETENTION OF ELITE TALENT



Elite talent is the driving force behind premium customer experiences across the dealer network. BMW Brilliance takes a structured approach to identifying, developing, and retaining these individuals, combining clear career pathways with targeted incentives that strengthen their connection to the BMW brand.

By the end of 2025, the dealer network comprised 2,556 elite talents, covers 25 key front-line sales and aftersales positions, a stable and strengthened dealer elite talent pool that underpins consistent, high-quality customer interactions and standards. Meanwhile, BMW Brilliance introduced new programmes to further strengthen elite talent motivation and retention, providing meaningful career advancement opportunities and reinforcing the brand confidence that sustains long-term network performance.

By the end of 2025,
the dealer network comprised

2,556 elite talents.

BMW BUSINESS SCHOOL

Since its launch in 2021, the BMW Business School, developed in partnership with China's leading business schools, has established itself as the premier management development platform for the dealer network's most talented and high-potential leaders. To date, the programme has cultivated 289 dealer elite managers and executives across the network.

The programme provides participants with immersive, high-calibre learning experiences that sharpen strategic thinking, broaden business perspectives, and inspire new approaches to leadership. Through collaboration with top-tier academic institutions and exposure to cutting-edge business thinking, participants are equipped to navigate the complexities of a rapidly evolving industry, and to lead their organisations with greater confidence and capability.



BMW PREMIUM CUSTOMER EXPERIENCE AMBASSADOR

Since 2019, the BMW Premium Customer Experience Ambassador programme has recognised and celebrated dealer front-line staff who embody our customer-centric culture, honouring those who demonstrate long-term commitment, professional excellence, and genuine brand loyalty.

In 2025, the programme focused on the aftersales business. Forty award-winning ambassadors were invited to attend the BMW National Aftersales Service Competition grand final awards ceremony and an exclusive Journey of Honour experience. A further 70 candidates were recognised with the title of BMW Service Star, acknowledging outstanding service that deepens customer trust and strengthens brand affinity across the network.



EXPANDING DEALER TALENT

| BMW Education of Sales & Service Talent (BEST) Programme

A well-prepared dealer workforce is central to BMW Brilliance's market competitiveness. Through the BEST programme, we have systematically built a high-quality dealer talent pool over the years. By the end of 2025, the programme had established strategic partnerships with 17 vocational institutions across China and cumulatively trained over 12,000 practice-ready professionals for 490 dealerships. This sustained investment reflects BMW Brilliance's broader commitment to corporate social responsibility and its role as a benchmark for industry practice.

In 2025, the BMW China Training Academy, vocational institutions, and dealerships jointly organised the first-ever BEST National Competition, built around full participation and real-world application. The competition delivered two lasting outcomes: competition content was converted into standardised teaching videos, made freely available to all partner institutions; and dealer-designed case studies were incorporated into the certification question bank - keeping teaching standards in step with the latest industry developments.



BUILDING AN EFFICIENT AND AGILE ORGANISATION THAT STIMULATES INDIVIDUAL CREATIVITY

As digital transformation continues to reshape retail operations, BMW Brilliance focuses on strengthening digital capabilities across dealer teams. We focus on leveraging digital tools to enhance training efficiency and effectiveness, which fosters individual creativity and innovation across the network.

Since 2017, the BMW China Training Academy has been at the forefront of this shift, deploying innovative tools such as "The Answerer" and Extended Reality (XR) technologies to deliver flexible, impactful talent development for dealers.



AI-DRIVEN KNOWLEDGE SHARING: "THE ANSWERER"

"The Answerer", hosted on the BMW Joy Learning App, serves as a knowledge-sharing and peer empowerment platform for the entire dealer network, enabling front-line staff to resolve issues, consolidate knowledge, and learn from one another in real time.

By the end of 2025, "The Answerer" platform had achieved:

2,143
Daily active users

100%
Response rate within 24 hours

100%
Reply rate

RESTRUCTURING OF DIGITAL LEARNING FOR EFFICIENCY AND SUSTAINIBILITY

In 2025, BMW Brilliance overhauled its online learning platform around a four-step framework, streamline, consolidate, convert, and iterate - making training lighter, faster, and more accessible whilst lowering energy consumption and operational costs.

Instructors were supported in moving from offline delivery to digital content creation, producing short videos and livestreams via tools such as AI Chatbot, giving dealer front-line staff access to business-relevant learning anytime. On the learning platform, course volume and resource files were cut by over 50%, resulting in faster response times, easier navigation, and lower server energy consumption - contributing to BMW Brilliance's carbon reduction targets.

A real-time feedback loop combining "The Answerer" forums and instant digital feedback ensures that dealer front-line challenges are captured and converted into new training content keeping the learning system grounded in daily business.



AI CHATBOT: KNOWLEDGE ASSISTANT FOR DEALER FRONT LINE STAFF

AI Chatbot is a 24/7 AI-powered knowledge and tools assistant designed for dealer front-line staff. Through an intuitive conversational interface, it enables instant access to relevant information, solving the "last mile" problem of knowing where to look, whom to ask, and how to get an answer on the spot.

The assistant focuses on three core areas: business tools and process guidance, training and certification recommendations, and access to community knowledge, covering sales, aftersales service, aftersales technical, and academy functions. Since launch, the platform has seen a significant increase in monthly user queries and a marked improvement in knowledge base match rate, reflecting strong and growing adoption across the dealer network and the increasing reliability of the AI Chatbot as a daily resource for dealer front-line staff.

FORECAST

Looking ahead, BMW Brilliance will continue to advance its sustainability, compliance, and talent development agenda across the dealer network, balancing long-term commitments with the demands of an evolving market.

On EHS, BMW Brilliance remains committed to reinforcing safety compliance as a long-term priority across the dealer network. In 2026, targeted support will be extended across the network, with particular attention to newly established and developing dealerships, ensuring that EHS standards are consistently upheld as the network evolves.

On sustainability, the BMW NT Green Star Project will continue to be rolled out in our dealer network on a voluntary basis, with standards reviewed and updated in line with the latest national policy requirements. Building on the mechanisms established in 2025, BMW Brilliance will also advance the dealership carbon accounting initiative into its next phase, continuing to collaborate with BMW Group to further develop carbon accounting of the dealer network in China, further strengthening the foundation for decarbonisation of the value chain.

On the dealer talent and empowerment, BMW Brilliance will advance four priorities in 2026. The new intensive Boot Camp programme will be expanded nationwide and established as mandatory pre-role training for all front-line dealer managers. Furthermore, a comprehensive training matrix will be built around the launch of the NEUE KLASSE and the next-generation 7 Series to ensure dealer front-line teams are fully prepared for outstanding launch performance. BMW Brilliance will also deepen its dual digital engine strategy, "The Answerer" and AI Chatbot, to provide round-the-clock support across the dealer network. Finally, the Elite Talents 2026 programme will broaden its coverage to more front-line roles, while streamlining the nomination process to enhance overall effectiveness.

4.2

Responsible purchasing and supplier network

In recent years, China has accelerated the development of “green and low-carbon supply chains”, aiming to steadily achieve its “dual carbon” goals. This closely aligns with BMW Group’s comprehensive decarbonisation approach to reduce CO₂e across the entire life cycle of its vehicles. In the reporting year, the BMW Group sets itself an even more stringent target for 2035, planning to cut emissions by at least a further 20 million tonnes CO₂e, in addition to the existing target of reducing Scope 1, 2, and 3 emissions by at least 40 million tonnes by 2030.

For BMW Group, the supply chain is an integral part of the overall value chain, making it essential to collaborate with a wide range of stakeholders to effectively manage its sustainability impact. BMW in China is committed to building a responsible, sustainable, and resilient supply chain. We systematically integrate environmental and social standards throughout the entire supplier management process. Together with our partners, we reduce carbon emissions across the value chain, ensure the responsible sourcing of raw materials, and advance circular resource management.

481 Local content suppliers in China, an increase of 4.1% from 2024.

Recognised for three consecutive years as a Five-Star Green Supply Chain Enterprise.

RMB **62.25** billion in purchasing volume paid by BMW Brilliance to supplier partners in China in 2025.

Held **BMW China Sustainability Supplier Innovation Day**, bringing together innovation, collaboration, and technology to accelerate sustainable transformation across the supply chain.

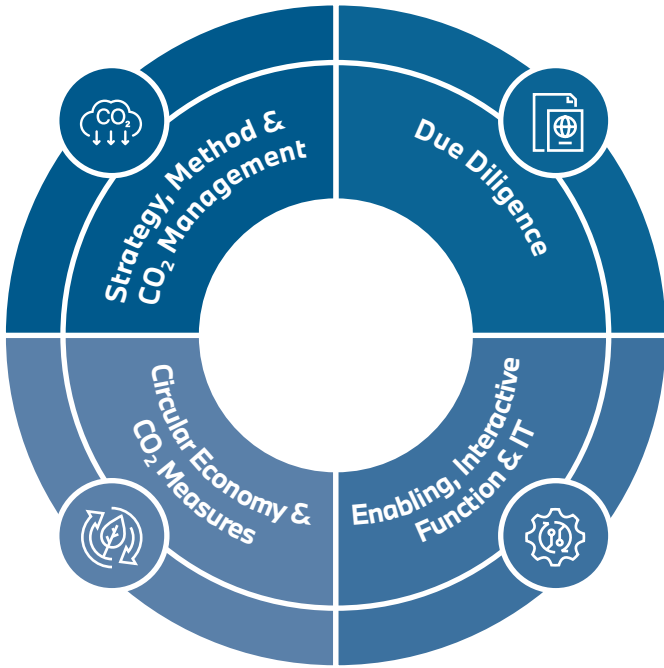


OVERVIEW OF SUPPLY CHAIN SUSTAINABILITY

Within the purchasing and supplier network, BMW in China adheres to rigorous environmental and social standards, aiming to decarbonise its supply chain, promote social welfare, and foster technological innovation. To achieve this, the BMW China sustainable supply chain management framework is built upon four fundamental pillars:

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

Sustainable Supply Chain Management Structure



The management framework aligns with China's national priorities and global ESG standards, including social, environmental, and compliance requirements, as well as stakeholder engagement. These dimensions reflect our commitment to integrating sustainability across every level of the supply chain, focusing on three aspects:

Driving supply chain decarbonisation and circular economy

The BMW Group is fully committed to the Paris Agreement and pursues ambitious decarbonisation across its entire value chain, including the supply chain. When setting and monitoring emission targets, the BMW Group only takes into account the actual reduction measures, excluding CO₂e credits (certificates).

BMW in China supports the Group's decarbonisation goal across its supply chain by driving the adoption of electricity from renewable sources and scaling the use of secondary raw materials. Compared to 2019 (our baseline year), the total CO₂e emissions reduction in our supply chain in China reached around 1 million tonnes in 2025, driven by an increased proportion of electricity from renewable sources used by local suppliers, alongside the ongoing expansion of recycled material usage.

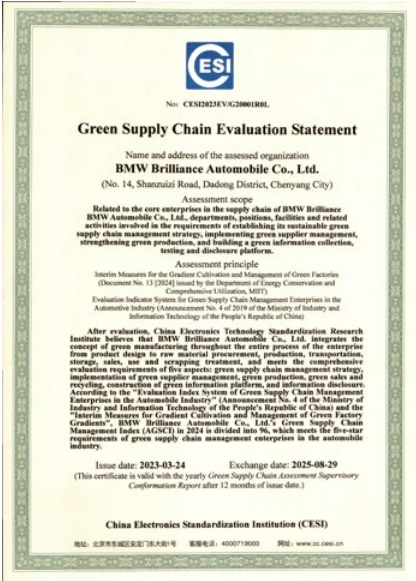
Ensuring environmental and social standards in the supply chain

BMW in China applies a multi-stage, risk-based due diligence approach to embed environmental and social standards within the supplier network, which is contractually anchored through the BMW Group Supplier Code of Conduct. The implementation is through industry-wide initiatives to verify and ensure our requirements. Additionally, BMW in China also promotes responsible procurement of raw materials by cooperating with suppliers to increase supply chain transparency and resilience.

Boosting empowerment in the sustainable supply network

Committed to building a sustainable and resilient supply chain network through openness and collaboration, we empower suppliers with training, digital tools, and collaborative platforms. In 2025, BMW in China reinforced its commitment to sustainable supply chain development by organising the BMW China Sustainability Supplier Innovation Day and providing comprehensive trainings for both our associates and suppliers. Moreover, BMW in China elevated its digitalisation efforts in supplier collaboration to the next level by piloting Catena-X, the automotive industry's first global digital ecosystem, enabling seamless traceability from raw materials to recycling.

With all these efforts, BMW in China further strengthened its position in advancing green supply chain practices in 2025 and was awarded as a Five-Star Green Supply Chain Enterprise by the Ministry of Industry and Information Technology (MIIT) for a third consecutive year.



Recognised for three consecutive years as a

Five-Star Green Supply Chain Enterprise

SUPPLY CHAIN DECARBONISATION AND CIRCULAR ECONOMY IN ACTION

In response to China's "comprehensive green transformation", BMW in China actively supports the national initiatives to promote sustainable consumption by prioritising the procurement and use of energy-efficient, low-carbon products. Our approach is centred on two key objectives: promoting the use of electricity from renewable sources across our supply chain and advancing circularity principles in raw material sourcing. These initiatives underscore our commitment to decarbonise the entire value chain and minimise reliance on primary raw materials and their associated extraction impacts. Starting from 2024, new suppliers have been evaluated prior to series production in regard to their concept for implementing CO₂e-reducing measures, including electricity from renewable sources and secondary materials. In 2025, the total CO₂e emissions reduction reached around 1 million tonnes compared to the base year 2019, with the effectiveness of these reductions reviewed and verified annually by an authorised third party.



TRANSITIONING TO ELECTRICITY FROM RENEWABLE SOURCES

BMW in China has established strategic partnerships across the value chain to accelerate CO₂e reduction, emphasising collaborative innovation and bringing together key suppliers in a coordinated effort to implement comprehensive low-carbon initiatives.

In line with BMW Group's global practice, we have established the reduction of CO₂e emissions in the supply chain as a key criterion when awarding contracts to suppliers since 2021. This applies to both our direct (tier-1) suppliers and to energy-intensive pre-production (n-tier) processes involved in the production of CO₂e-intensive components and materials (including steel, aluminium, and raw materials for batteries). This requirement is formalised through Supplier Commitment Letter, while the effectiveness of CO₂e reduction measures in series production is reviewed and verified annually by an authorised third party.

BMW in China prepares tailored guidance and provides local policy-aligned support to accelerate supplier transition to electricity

from renewable sources. For all suppliers with Commitment of Renewable Energy, we conduct thorough reviews of their electricity from renewable sources implementation plans prior to production. At the same time, we leverage local policies and regional conditions to enable practical solutions that, support suppliers' access to renewable energy. To ensure full traceability of electricity from renewable sources usage across the supply chain, BMW in China launched the Supplier Resource Dashboard in China. This digital platform enables ongoing monitoring of energy consumption and delivers actionable, data-driven insights to support suppliers in improving energy efficiency.

In 2025, we supported battery cell supplier in using 100% electricity from renewable sources for self-production. By the end of 2025, the number of contracted direct suppliers committed to electricity from renewable sources had increased to over 300, with approximately 90% of the electricity consumed by local direct suppliers for existing derivatives committed to renewable sources. As a result, the main CO₂e reductions were achieved in aluminium sheet and ingot (about 436,000 tonnes CO₂e), platinum group metals (about 116,000 tonnes CO₂e), and wheels (about 246,000 tonnes CO₂e).

In 2025,

80+ suppliers and

100+ measures underwent annual third-party audits.

300+

direct suppliers committed to the use of electricity from renewable sources.

CIRCULARITY IN SUPPLY CHAIN

The circular economy is a core element of the BMW Group's corporate strategy. In 2025, BMW in China engaged more suppliers to cooperate with us on secondary materials. By integrating more recycled materials, such as aluminium, plastics, battery raw materials and precious metals, into production processes, we directly contributed to a substantial reduction in CO₂e emissions, minimising the environmental footprint associated with primary material extraction and processing.

ALUMINIUM INGOT

- Achieved 65% secondary aluminium ingot usage in the BMW Brilliance foundry shop production.



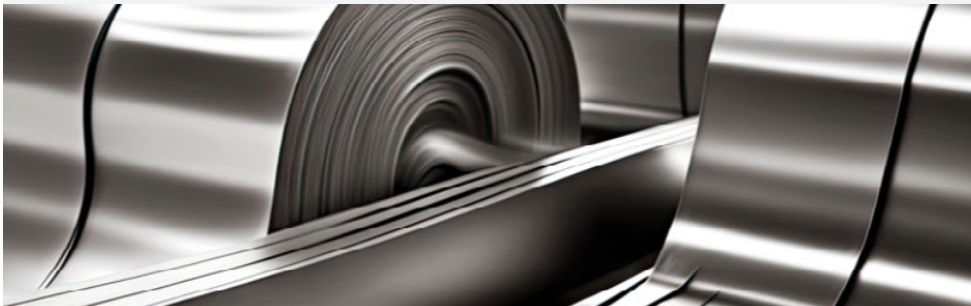
ALUMINIUM RIMS

- Achieved 70% secondary aluminium usage for rims across new series production vehicle projects.



ALUMINIUM SHEET

- Achieved 40% secondary aluminium usage in defined vehicle projects of local suppliers.



PLASTIC

- Partnered with suppliers to develop new circular solutions, achieving significant progress in biomaterials.



HVB

- Established closed-loop recycling process for nickel, cobalt, and lithium from retired batteries.
- Increased the use of secondary nickel to 50% in HVBs.



PRECIOUS METALS

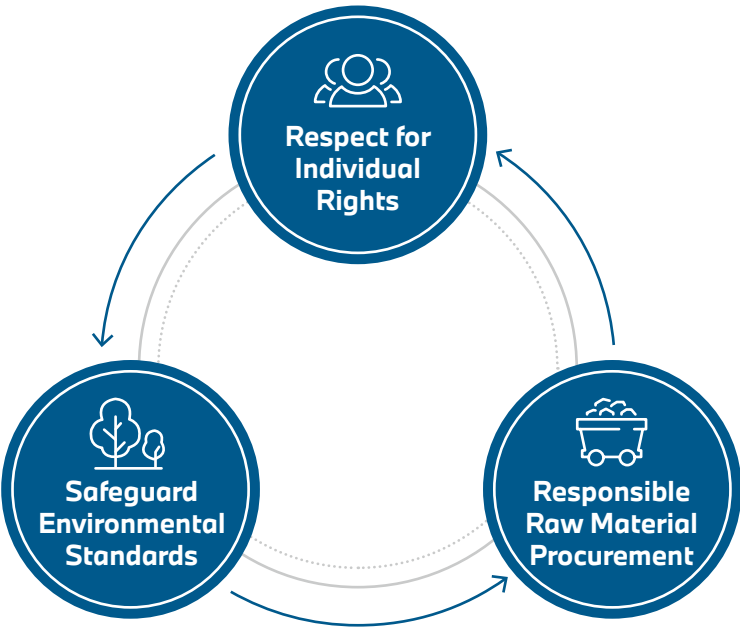
- Increased secondary raw material use of palladium and rhodium to 100%.



BMW in China aligns circular economy initiatives and secondary material strategies with both China's regulatory landscape and market dynamics. By strengthening communication with authorities, engaging in constructive dialogue on policy development and industry standards, we maintain full compliance with national regulations while advocating for sustainable innovation. We also deepen collaboration with upstream suppliers to gain deeper insights into market trends and evolving demand.

ENVIRONMENTAL AND SOCIAL STANDARDS IN THE SUPPLY CHAIN

BMW in China believes that compliance with environmental and social standards is fundamental to achieving sustainable growth and supporting the well-being of our stakeholders and local communities, through three major areas. First, respect for individual rights, such as working conditions, equal treatment, and opportunities. Second, safeguard environmental standards in terms of water and soil pollution, resource use, and waste management. Finally, particular emphasis is placed on the responsible procurement of raw materials. We expect our suppliers to uphold these standards across the entire value chain. In doing so, we are building a supplier network united by shared environmental and social values.



MULTI-STAGE DUE DILIGENCE APPROACH

BMW in China has established a multi-stage due diligence process that firmly embeds responsibility for environmental and social standards throughout our value chain. With contractual obligations with supplier partners through the BMW Group Supplier Code of Conduct, we perform preliminary risk rating and concrete ESG assessments before supplier nomination, ensuring early identification and mitigation of potential risks with both preventive and corrective measures.

In addition, suppliers that have a direct business relationship with BMW in China (tier-1) are obligated on the basis of the BMW Group Supplier Code of Conduct, to ensure that the stipulated environmental and social standards requirements are met and that these requirements are also extended to their upstream supply chains (sub-suppliers). Through cooperation with supplier partners, we are able to achieve the overarching objective of securing a robust and sustainable supplier network.



COMMITMENT TO INDUSTRY-WIDE INITIATIVES AND COLLABORATION

BMW in China is committed to the view that standardisation and concerted action represent the best way to ensure compliance with environmental and social standards in the complex and dynamically changing supplier network, while most efficiently utilising the efforts from our supplier partners. It is for that reason that BMW in China has been acting as the pioneering role in promoting and implementing diversified sustainability initiatives within or across the industry.

These industry-wide collaborative frameworks include the Sustainability Assessment Questionnaire (SAQ) developed by the Drive Sustainability initiative, the risk-based on-site assessments in accordance with the standards of the German Association of the Automobile Industry-Responsible Supply Chain Initiative (VDA-RSCI), and local regulation-based compliance audits via third-party auditors leveraging digital platforms and media screening methods, etc.

Both the online and on-site assessments are applied to evaluate whether the supplier is complying with environmental and social requirements set out by BMW in China. Under the online assessment of SAQ, which is the mandatory prerequisite for a supplier nomination, necessary control measures such as ISO certifications (ISO 14001 and 45001) are fulfilled. In addition, BMW in China has been continually carrying out on-site assessments in recent years via third-party auditors. 42 assessments under the internationally standardised programmes, such as RSCI, were conducted in the year 2025 at production-related supplier sites, including initial or follow-up assessments to safeguard our environmental and social standards.

RESPONSIBLE PROCUREMENT AND RESILIENT SUPPLY CHAINS

BMW in China upholds a holistic approach in responsible procurement by adhering to environmental and social standards, as well as international and local regulations. We rely on cross-commodity projects such as the Initiative for Responsible Mining Assurance (IRMA) and the Responsible Minerals Initiative (RMI) to create a coordinated basis for the certification of raw materials and acceptance of recognised standards. With regard to what are known as Conflict minerals, Tin, Tantalum, Tungsten and Gold (3TG), the RMI tools are also applied to enable the responsible procurement practice at raw materials level.

Additionally, BMW in China focuses on increasing the supply chain resilience through dynamic media screening, AI and digitalisation solutions to ensure our agility and diversification in the global supplier network, as well as implement industry standards. We are continually cooperating with supplier partners to improve contingency planning and promote responsible procurement along the supply chain, which is consistent with our values in individual rights, health and safety practices, environmental responsibility, and business ethics.



SUSTAINABLE SUPPLY CHAIN EMPOWERMENT

BMW in China is committed to driving a more sustainable future by unlocking the potential of every partner through collaboration and shared innovation. We empower our associates and suppliers through comprehensive training and knowledge exchange platforms to enhance their capabilities and expertise. Catena-X is in the procedure of being gradually integrated into BMW's procurement process, establishing the technical infrastructure and common standards that enable accurate product life cycle data across the entire supply chain.

EMPOWERMENT TRAINING AND INITIATIVES

BMW in China provides comprehensive training for both our associates and suppliers, designed to build foundational sustainability knowledge and deliver tailored and practical support. Our approach combines flexible formats, including on-site, online, and video-based training, to meet diverse learning needs.

FOR ASSOCIATES

We use our “sustainability learn shop” to deliver foundational training for new procurement hires, building strong sustainability knowledge and practical skills. We also offer targeted EHS training for our teams, enabling them to effectively support suppliers in on-site EHS management, alongside online sessions that share up-to-date renewable energy policies and regulatory developments to keep them informed of the latest management standards.

Through these efforts, we delivered practical sustainability knowledge to both associates and suppliers, raising awareness and building capacity across key stakeholder groups.

FOR SUPPLIERS

We maintain open and transparent communication on sustainability requirements and provide diverse, comprehensive training to support their environmental and social responsibilities. In 2025, we delivered on-site training for new suppliers to strengthen their understanding of sustainability fundamentals and BMW's specific requirements. We also provided localised Group training videos to enhance sustainability competence across all local suppliers, and shared policy updates via online sessions to ensure alignment with evolving regulations.



BMW in China continues to lead by fostering collaborative partnerships and creating platforms for knowledge exchange, joint learning, and shared responsibility. In 2025, the BMW China Sustainability Supplier Innovation Day, held at Plant Tiexi, showcased our commitment to driving innovation and collaboration across the supply chain. From leadership vision to supplier innovation, from employee engagement to collective action, the event highlighted that meaningful progress is not achieved in isolation, but through collaborative innovation networks that drive systemic change across the entire value chain.



BMW CHINA SUSTAINABILITY SUPPLIER INNOVATION DAY

The 2025 BMW China Sustainability Supplier Innovation Day, themed “low-carbon supply chain, sustainable innovation, and win-win collaboration”, brought together management representatives, supplier partners, and employees to foster technical dialogue and share sustainable best practices. The event opened with keynotes from BMW China management emphasising how collaborative innovation and cross-functional efforts are driving tangible progress in sustainable supply chain and manufacturing practices across China. A key highlight of this event was the immersive exhibition and interactive sessions led by the four supplier partners, who presented a range of innovative sustainability achievements spanning low-carbon production, recyclable materials, and energy efficiency improvements for battery electric vehicles (BEVs). These achievements are collectively driving measurable reductions in emissions, enhancing resource efficiency, and redefining sustainability across the automotive value chain.



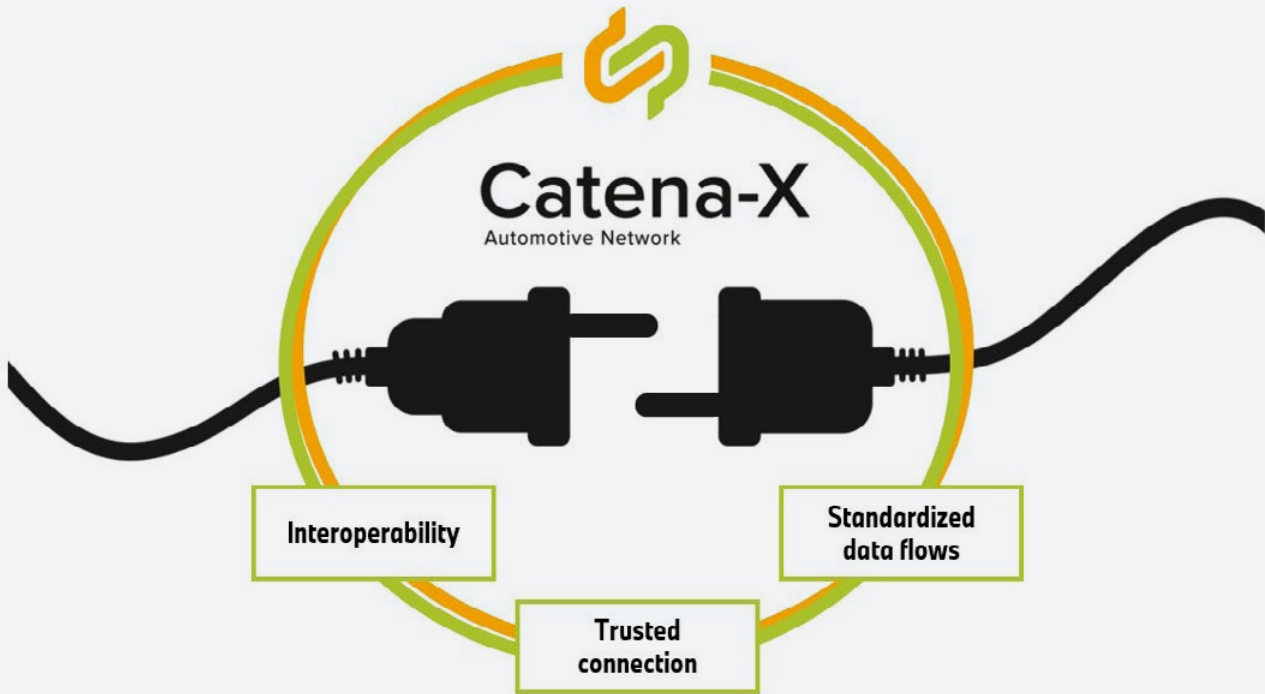
CATENA-X DATA ECOSYSTEM

Ensuring transparency and traceability over intricate, dynamic supply chains is one of the BMW Group's priorities. In 2025, BMW in China initiated the pilot launch of the Catena-X data ecosystem, leveraging digital innovation to continuously improve data quality and operational efficiency.



OPEN COLLABORATIVE DATA NETWORK: CATENA-X

Catena-X is a collaborative data ecosystem that enables participating organisations to exchange data about their entire value chain in a secure and standardised manner, while maintaining full sovereignty over the data they provide. It uses unified data standards to streamline communication between the BMW Group and suppliers, enabling accurate carbon footprint reporting, and supporting material recycling and reuse through shared product life cycle data.





FORECAST

Guided by our principle of "No Premium without Sustainability", BMW in China reinforces its sustainability leadership by empowering associates and collaborating closely with suppliers. This enables us to drive positive, systemic change across the value chain and solidify our public profile as a committed leader in driving the long-term transition to a sustainable future. Moving forward, BMW in China will continue strengthening its sustainable supply chain management, ensuring consistent compliance with evolving international and local environmental and social standards.

To support the Group's decarbonisation goal, we will continue accelerating the transition to the use of electricity from renewable sources across the supply chain through tailored guidance, and by advancing the circular economy through increased use of recycled and reusable materials. In 2026, suppliers for BMW's sixth-generation high-voltage battery cells will not only commit to using 100% electricity from renewable sources for their own operations but also significantly increase the share of electricity from renewable sources used by their tier-n suppliers. Beyond that, we will further advance circular economy principles in the NEUE KLASSE model, increasing the proportion of secondary material in more parts, including wheel carriers, swivel bearings, wheels, and interior and exterior parts.

In 2026, BMW in China will build on its multi-stage due diligence framework by expanding risk-based assessments and deepening collaboration with suppliers to uphold environmental and social standards across the value chain. We will continue to scale industry-wide initiatives and strengthen traceability for responsible raw material procurement, further advancing the resilience and sustainability of our supplier network.

Moreover, we are planning to expand supply chain empowerment initiatives that actively engage both internal teams and external partners. Through innovation and deep collaboration, we continue building a more resilient, transparent, and high-performance supply chain.

05

LASTING VALUE FOR
PEOPLE AND SOCIETY

BMW Brilliance remains steadfast in its people-first philosophy, equipping our workforce with future-oriented capabilities, digital fluency, and leadership skills to thrive amid industry transformation. In line with the BMW Group's Just Transition approach, BMW Brilliance is committed to shaping a responsible transformation process by placing people and society at the core of our actions.

We celebrate the wide range of perspectives and talents across our organisation, supporting our people through targeted capability development, inclusive workplace practices, competitive benefits and comprehensive well-being programmes. Guided by our "In China, for China, with China" principle, we further embrace our responsibility as a corporate citizen by driving impactful social initiatives and encouraging active employee participation in community development, thereby creating lasting value for our people and communities and contributing to a shared, sustainable future.



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

“ At BMW Brilliance, we see our associates as the foundation of long-term value creation. By developing future-ready talents with a wide range of perspectives and a strong sense of responsibility, we enable responsible innovation and create positive impact beyond our business. ”

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5.1

FUTURE PROOF JOB

At BMW Brilliance, we are committed to building a sustainable talent foundation. Our core values and culture guide us to create meaningful work experiences and foster an environment where employees can thrive. We implement strategic talent attraction initiatives that position BMW Brilliance as an employer of choice, building long-term relationships with critical talent pools through authentic engagement and future-oriented positioning.

Our comprehensive employee empowerment programmes deliver continuous training that equips our workforce with advanced capabilities in AI, digital fluency, leadership, and technical excellence. This ensures our employees remain adaptive and competitive. We nurture young talent through elite development programmes and university partnerships, reinforcing our commitment to cultivating the next generation of professionals who will drive BMW Brilliance's transformation.

Over **6,000** associates received Best YOU awards for their outstanding demonstration of corporate core values.

28,475 Training days of training organised by the Academy of Human Resources Department.

1.25 Average training days per employee.



CORE VALUES AND CULTURE

BMW Brilliance's organisational culture is anchored in five core values: responsibility, appreciation, transparency, trust, and openness. First introduced by the BMW Group in 2018 and subsequently embedded throughout its China operations, these values guide everyday actions and strategic decisions.

The Core Value Space remains central to our cultural development efforts, providing teams with a dedicated environment to explore values-based initiatives collaboratively. By the end of 2025, 72 teams, encompassing approximately 960 colleagues, had participated in sessions within this purpose-designed space, where they engaged in both business discussions and cultural activities that strengthened team cohesion.

FIVE CORE VALUES

-  Responsibility
-  Transparency
-  Openness
-  Appreciation
-  Trust

Our Core Value Space Ambassador Programme continued to evolve in 2025. Ambassadors from various business functions independently facilitated 19 cultural workshops addressing specific operational challenges and cultural themes, engaging over 200 participants. Through empowerment workshops, ambassadors co-created diverse team-building activities tailored to different scenarios, enabling leaders and key personnel to drive cultural transformation more effectively.

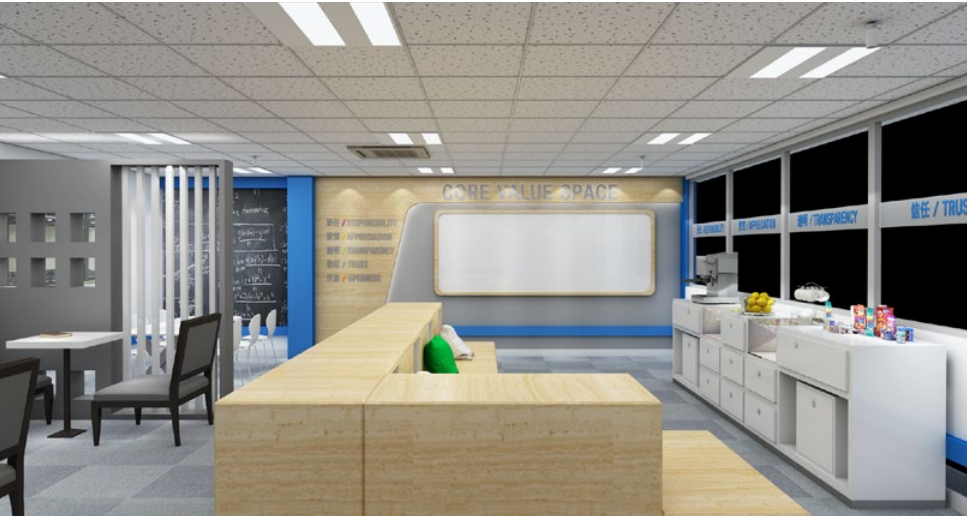
A notable innovation this year was the introduction of gamified team-building exercises designed to tackle real business challenges while promoting team integration. These sessions encouraged participants to examine concrete operational issues and leadership topics, with participants collaboratively developing sustainable action plans. This approach reflects our commitment to making core values not just aspirational concepts, but practical tools for business excellence and cultural evolution.

BEST YOU PROGRAMME

The Best YOU programme serves as a cornerstone of our appreciation culture at BMW Brilliance, recognising colleagues who exemplify our core values and desired behaviours in their daily work.

Our recognition framework operates across multiple dimensions to celebrate both individual excellence and collaborative achievement. In 2025, over 6,000 associates earned Best YOU awards for consistently demonstrating corporate values in action. Departmental management teams presented Best in My Team awards to 3,151 individuals and teams whose performance exceeded expectations.

Peer-to-peer recognition remained integral to fostering mutual appreciation, with 3,738 colleagues receiving Best in My Eyes awards from their teammates. At the pinnacle of our recognition system, 25 teams were distinguished with Best of the Year awards, honouring contributions that drove significant organisational impact.



Over **6,000** associates earned Best YOU awards for consistently demonstrating corporate values in action.

3,738
Colleagues receiving Best in My Eyes awards from their teammates.

TALENT ATTRACTION

In this transformative era, talent remains the fundamental driver of long-term sustainable development of the company. As the automotive industry undergoes profound changes and talent market dynamics continue to evolve, BMW Brilliance maintains a strategic, long-term approach to talent attraction and employer branding, ensuring we sustain both appeal and credibility among critical talent pools. Through a clear and consistent employer value proposition, candidate-centric experience design, and future-oriented talent positioning, we establish targeted, authentic, and meaningful connections with talent at different stages and from diverse backgrounds. While communicating our corporate strategic direction and cultural values, we also provide talent with a stable, trustworthy, and growth-oriented career development platform, solidifying our talent foundation for the company's transformation in electrification, digitalisation, and sustainability.

EMPLOYER BRANDING

The BMW Group's employer brand is anchored in "Passion", articulated in China through the employee value proposition (EVP) "Passion i". As the automotive sector transforms and talent markets evolve, strong employer branding is essential to building trust with employees and fostering lasting engagement.

Our employer brand strategy focuses on maintaining visibility and credibility during periods of change. We achieve this by connecting our brand story directly to what makes us distinctive - our products, technology, and people.

AUTHENTIC
CONTENT
ROOTED IN OUR
BUSINESS

We build employer brand communications around three directions: product excellence, technological innovation, and genuine employee stories. By showcasing our actual work - from advanced manufacturing to cutting-edge mobility solutions - we help prospective talent understand not just what we do, but why it matters. This approach creates authentic connections with candidates who share our passion for automotive innovation.

CONSISTENT
PRESENCE
ACROSS
TRANSITION

We maintain steady engagement across key talent platforms and channels. This consistency ensures that prospective talent and the broader market continue to recognise BMW Brilliance as an attractive forward-looking employer. We use these moments to reinforce our core values and long-term vision.

BUILDING
RESILIENT
CONNECTIONS

This sustained approach strengthens our employer brand over time, helping us attract and retain talent who align with our mission. By staying visible, authentic, and focused on what truly differentiates us, we build lasting relationships with the people who will drive our future success.

2025 EMPLOYER AWARDS

2026 TOP EMPLOYER
CERTIFICATION

Top Employer Institute

2025 CHINA BEST
EMPLOYERS AWARD
(AUTO INDUSTRY TOP 1)

Zhaopin

2025 CHINA BEST
EMPLOYER FOR FEMALE
EMPLOYEES

Zhaopin

TOP 50 EXTRAORDINARY
EMPLOYER AWARD

Liepin

TOP 100 EMPLOYER
EXCELLENCE CHINA

51 job

2025 TOP GRADUATE
EMPLOYER BRANDS

51 job

2025 ANNUAL
OUTSTANDING EMPLOYER

Maimai

2025 POWER GLOBAL
RECRUITING EMPLOYER
2025

Lockin China

2025 THE MOST
ATTRACTIVE EMPLOYER
(YOUNG TALENT GROUP)

Shixiseng



CANDIDATE ENGAGEMENT STRATEGY

Talent remains a cornerstone of sustainable development at BMW Brilliance. In 2025, our strategic focus evolved toward building long-term relationships with target candidates, cultivating employer aspiration, and fostering mutual commitment between organisation and prospective talent.

Our approach centres on precise employer brand positioning for future talent pools. Social media platforms serve as bidirectional communication channels that facilitate emotional connection alongside information exchange. Through authentic content, sustained interaction, and immersive experiences, we construct an employer image that is aspirational yet grounded in operational reality. A systematic employer brand content matrix has been established across multiple social platforms, delivering continuous high-quality original content encompassing employee narratives, technological innovation, product experiences, and sustainability practices. In 2025, we published over 100 content pieces, with self-produced video content exceeding 70% of total output supported by digital and AI capabilities, generating over one million views and interactions.

We published over

100

content pieces.



Strategic amplification is achieved through integration with critical brand and product milestones. Employer brand content is organically aligned with corporate initiatives including Destination X Employee Ambassadors, Shanghai Auto Show Engagement Programmes, and the BMW 3 Series 50th Anniversary. These touchpoints concentrate messaging around the interconnection of people, products, and technology at pivotal moments, while cultivating internal employee advocacy to authentically reinforce employer positioning.

ATTRACTING AND ENGAGING TALENT

ATTRACTING AND CULTIVATING TALENT FOR FUTURE

As BMW Brilliance accelerates its transformation toward electrification, digitalisation and circularity, demand for advanced technical and interdisciplinary professional talent continues to grow. Future-critical domains including autonomous driving, software development, digital solutions, and intelligent manufacturing have become essential sources of long-term competitiveness. BMW Brilliance adopts a business-driven and forward-looking approach to systematically identify core competencies required in these strategic areas, aligning our talent attraction strategies with priority technical directions.

Through enhanced collaboration between HR and business functions, we proactively build a professional talent pipeline to enhance organisational resilience and readiness for future transformation. In practice, we provide technical and digital talent with immersive opportunities to understand business operations and organisational culture through innovative assessment and engagement formats, ensuring recruitment processes deliver higher efficiency and stronger candidate-role alignment.



2025 EVENTS

PROJECT-BASED SUMMER INTERNSHIP PROGRAMME

In 2025, collaborated with our Research and Development Autonomous Driving department, we launched a project-based summer internship programme anchored in authentic business challenges. Young talents from target universities engaged in comprehensive eight-week experiences encompassing BMW Brilliance facilities, products, and working environments, with 6 concrete project outcomes receiving strong recognition from business teams.



TECHNICAL TALENT INTERVIEW DAY

To accelerate the company's digital transformation journey, BMW Brilliance is targeting integrated professionals who combine digital expertise with innovative mindsets.

In Nanjing, we replaced conventional interview approaches with a sophisticated dual-mode system combining scenario-based assessment and immersive experience. This methodology integrates real-business case simulations with cultural immersion, enabling digital talent to deeply experience organisational culture while efficiently identifying candidates aligned with our values. The initiative attracted 120 participants and successfully brought 17 specialised digital professionals to our Nanjing operations in the reporting period.

ATTRACTING YOUNG TALENT

Young talents driven by passion and bold vision bring fresh perspectives and forward-looking mindset that inject momentum into BMW Brilliance's advancement in electrification, digitalisation, and sustainability. By taking a long-term approach to connecting with young talent, BMW Brilliance aims to be a growth partner across their career journey, building a sustainable talent pipeline that bridges the classroom to the workplace.



2025 EVENTS



BMW "JOY CAREER" BAOBAO FESTIVAL

In 2025, we launched the BMW "JOY Career" BaoBao Festival, an innovative career empowerment carnival providing young talent with comprehensive career development support and industry insight.



COLLABORATION WITH UNIVERSITIES

Our structured Campus-to-Career ecosystem continues to cultivate future-ready talent through the BMW Brilliance Future talent programme, encompassing the Master's Programme FastLane, Trainee Programme AcceleratiON, and PhD Programme ProMotion. Throughout 2025, we provided over 600 internship opportunities spanning diverse functional areas, ensuring a sustainable pipeline of innovative young minds to support our continued technological leadership and sustainable development.

We also conducted career empowerment consulting and knowledge-sharing sessions with key universities through both online and offline formats.

EMPOWERING EMPLOYEES

BMW Brilliance empowers employees to thrive amid industry evolution. We provide targeted capability-building initiatives and strategic incentives within a dynamic working environment, ensuring our workforce develops the diverse competencies required for continued excellence. In line with the BMW Group's Just Transition policy, we are committed to the continuous professional development of all employees - equipping every individual with the skills and knowledge needed to grow alongside the industry's transformation, leaving no one behind.

CONTINUOUS INNOVATIVE TRAINING

The digital age demands talent equipped with advanced capabilities in AI, data analytics, and digital fluency to support workforce transformation. BMW Brilliance empowers employees through continuous, future-oriented learning initiatives that adapt to evolving methods of working and shifting market demands. We advance innovative training programmes and digital learning platforms to empower employees, ensuring our workforce remains well prepared for emerging opportunities and challenges.

EHS FIRST AID TRAINING

In collaboration with the Red Cross Centre, we certified plant doctors as accredited first aid trainers in 2025. This innovative programme reduced training costs by 80% through internal delivery while simultaneously building critical life-saving expertise in-house and forging a strategic partnership with the Red Cross Centre.

E-LEARNING MINI CAMP

The 2025 Mini Camp series successfully concluded with over 200 employees participating across two immersive learning experiences - Change Management and Strategic Thinking. Through three weeks of blended programming combining Harvard Manage Mentor digital courses, salons, leadership sharing, and hands-on strategy workshops, participants developed practical capabilities to address real workplace challenges while fostering peer connections and knowledge sharing.

INTERNAL TRAINER DEVELOPMENT

Our Internal Trainer Development Programme underwent comprehensive restructuring and standardisation in 2025. The redefined framework establishes four core trainer roles with standardised full-cycle processes spanning selection, development, utilisation, and retention. An exclusive trainer community drives continuous engagement through regular empowerment activities and knowledge exchange.

 AI LEARNING CAMP

In 2025, the BMW in China's Academy and IT Department jointly launched the AI Learning Camp, a one-week intensive training programme focused on AI office applications. This initiative attracted over 500 participants who developed 40 applications on Group Artificial Intelligence Assistant (GAIA), our in-house AI platform. Post-training assessments confirmed significant improvements in AI proficiency, establishing a solid foundation for digital transformation while enhancing daily operational efficiency through practical AI solutions.



 DIGITAL FLUENCY PROGRAMME

The Digital Fluency Learning Programme was introduced in 2025 to systematically develop cutting-edge digital courses and certify internal trainers. This initiative equips associates with foundational competencies in digital platforms, tools, and applications, establishing digital literacy as a mission-critical workforce capability for the transformation journey. We leverage advanced technologies, including 3D metaverse environments, to deliver virtual, interactive digital learning experiences that create immersive engagement more effectively than conventional training methods.

ALL-ROUND TRAINING

In a rapidly evolving market environment, BMW Brilliance recognises that comprehensive skills development and career advancement are essential to organisational resilience and sustained competitiveness. We provide tailored training programmes across all organisational levels and functional positions, fostering continuous personal and professional growth. Our holistic approach encompasses leadership development, technical capability building, and internal trainer cultivation, supported by personalised learning pathways that keep our workforce engaged and adaptable in dynamic conditions.

LEADERSHIP TRAINING

In 2025, we provided comprehensive leadership development support across both individual and team dimensions, committed to strengthening core capabilities to navigate uncertainty and embrace change, enhancing team collaboration to co-create possibilities, and promoting cross-functional cooperation and mutual inspiration. These efforts help the organisation maintain agility, cohesion, and resilience amid volatility.

We launched the new BMW AG leadership development framework to over 100 BMW Brilliance managers, offering personalised leadership development journeys that combine adaptive learning paths, flexible training formats, and practice-oriented content. Simultaneously, we delivered team-based workshops for 80 leadership teams featuring continuously evolving topics designed to address specific challenges and boost overall adaptive capacity and resilience.

TECHNICAL TRAINING

Centred on our strategic pillars of electrification, digitalisation, and sustainability, BMW Brilliance has developed an extensive portfolio of technical training programmes to support business transformation and upcoming launches of next-generation BMW vehicles, including the NEUE KLASSE models.

GEN6 QUALIFICATION

Trainings of the BMW Brilliance GEN6 project, commenced in mid-2022, is designed to upskill the workforce in preparation for BMW sixth-generation eDrive technology, ensuring operational readiness and supporting the delivery of high-quality BMW vehicles to Chinese customers. As the project approaches start of production, 2025 marks the most critical year for the training delivery. Our local Academy strengthened collaboration with BMW AG technical departments, BMW Academy, and local business functions to ensure the consistent rollout of global standard qualification in China. We delivered high-quality training to 2,797 participants through over 100 technical programmes, established three training rooms equipped with 18 technical training stations, and completed 39 Group Standard Control (GSC) associate training sessions for 352 associates. Localised GSC training for both associates and production line builders ensured production standards comply with BMW criteria, fulfilling GEN6 project milestones and building a qualified workforce to enhance production line performance.

We localised the new High-Voltage Component (HV-C) Qualification in strict alignment with BMW Group standards, establishing two specialised training rooms equipped with nine sets of BMW standard equipment. With certified external trainers and internal examiner teams, we successfully rolled out High-Voltage Components (HV-C) training to meet all critical project milestones, fulfilling training requirements for 104 associates on time and ensuring working safety in high-voltage environments.



QUALITY AND DIGITAL CAPABILITY BUILDING

In 2025, we continued targeted quality training programmes, including specialised software quality training in Automotive Software Process Improvement and Capability Determination (ASPICE), Safety of the Intended Functionality (SOTIF), and ISO/SAE 21434. Additionally, we implemented training focused on quality management systems and audit capabilities, including IATF 16949, DIN ISO 9001, and VDA 6.3, with more than 300 employees in quality audit functions achieving certification. These initiatives ensure employees understand their roles, minimise quality risks, and accelerate problem resolution, directly supporting quality management objectives and preparing the organisation for new vehicle model launches.

For digital capability development, we developed advanced courses leveraging local learning resources, focusing on technical proficiency and practical skills of digital talent. We empowered and certified more than 140 digital talents, enhancing their competencies in data analysis, data science, and AI. Through action learning methodology, digital talent delivered more than 20 business use cases, demonstrating practical application of acquired skills.

INTERNAL TRAINER PROGRAMME

BMW Brilliance remains committed to strengthening the internal trainer network as a cornerstone of continuous learning and knowledge sharing. In 2025, we enhanced internal trainer development programmes, equipping trainers with advanced training skills, updated technical knowledge, and leadership methodologies to effectively support employee growth across all levels. We continue to

recognise trainers who demonstrate exceptional commitment and impact, reinforcing a culture of excellence and peer-to-peer learning.

Through targeted outreach and development opportunities, we actively encourage motivated colleagues to join the internal trainer team, enabling them to contribute expertise in soft skills, leadership development, and technical domains

while simultaneously advancing their own professional capabilities. In 2025, 265 internal trainers delivered over 5,226 person-days of training, reflecting stable demand for high-quality in-house learning solutions. These coordinated efforts enhance workforce competence, foster a learning-oriented culture, and support BMW Brilliance's long-term strategic objectives.



Powered by AI BAVA

NURTURING YOUNG TALENT

BMW in China remains steadfast in cultivating exceptional young professionals through innovative development initiatives aligned with business transformation needs.



UNIVERSITY PARTNERSHIPS AND ELITE PROGRAMMES

We continued strong partnerships with leading universities to promote joint talent cultivation and industry–academia collaboration. In 2025, we successfully renewed the cooperation agreement with Northeastern University regarding the ProMotion China Ph.D. Programme (joint Ph.D. training programme). This partnership was further recognised as "The Branch of the Engineering Technology Centre" with the National School of Elite Engineers of Northeastern University in China.

The AcceleratiON Programme, BMW Group's flagship management trainee initiative, welcomed nine outstanding trainees across Shenyang, Beijing, and Shanghai in 2025, majoring in various technology functions. We provided specialised training and personalised coaching to accelerate their professional growth and leadership capabilities. The FastLane Programme, designed to attract, develop, and retain master's degree students to build sustainable employee structure, welcomed three trainees with two dedicated to supporting the launch of New BMW iX3 Long Wheelbase in Shenyang. We continue exploring cooperation opportunities and new paradigms with existing and prospective universities on joint young talent development based on high-value business scenarios and requirements.



YOUNG ASSOCIATE DEVELOPMENT

Through the Beyond Programme, we empowered young permanent associates with 24 dedicated sessions covering 10 topics including career development, AI mastery, and communication skills. We further enriched this initiative with cross-location exchange activities, enabling young talents to expand networks while gaining valuable cross-functional business perspectives.



DUAL EDUCATION SYSTEM

Drawing on the successful German dual education system that combines workplace training with school education, we have made adaptive adjustments suited to conditions in China. This vocational education initiative not only trains highly skilled professionals to meet BMW Brilliance's talent needs but also shares the proven dual-system training model with local vocational institutions, thereby significantly advancing local vocational education system development.

Moving forward, BMW Brilliance will continue to reinforce our long-term investment in developing high-quality talent that supports organisational advancement and contributing to broader vocational education ecosystem development in China.



5.2

PEOPLE ENGAGEMENT

BMW Brilliance is dedicated to cultivating a dynamic, inclusive workplace that celebrates the wide range of perspectives and talents across our workforce. We recognise that our strength lies in embracing differences - spanning cultural backgrounds, generations, genders, abilities, and individual perspectives. Following BMW Group principles, we promote inclusivity across all dimensions, regarding variety as organisational strength that drives innovation, competitiveness, and sustainable growth.

In 2025, our initiatives engaged thousands of employees through multi-channel approaches commemorating International Women's Day, World Day for Cultural Diversity and Dialogue, and International Day for People with Disabilities. By dismantling barriers and fostering respectful behaviour and equal opportunities, we transform varied perspectives into our powerful source of innovation and excellence.

13.2% Female employees in total workforce.

33.6% Female employees in management positions.

Our employees come from **29 countries**.

OUR COMMITMENTS

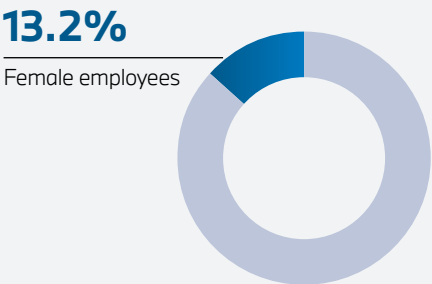
At BMW Brilliance, we are convinced that a wide range of perspectives and talents strengthens our organisation, contributing to drive innovation and competitiveness. We promote inclusivity across all dimensions, embracing employees representing varied cultural backgrounds, ages, gender identities, physical and cognitive abilities, and personal identities. Discrimination in any form has no place at BMW Brilliance.

Our goal is to foster an environment in which all employees utilise their full potential toward joint success. Through this approach, BMW Brilliance attracts and retains outstanding talent, improves teamwork and decision-making quality, and better meets the expectations of our customers. We advance multifaceted initiatives to dismantle prejudicial barriers and weave these fundamental principles into our corporate culture, shaping a culture of high performance and engagement.

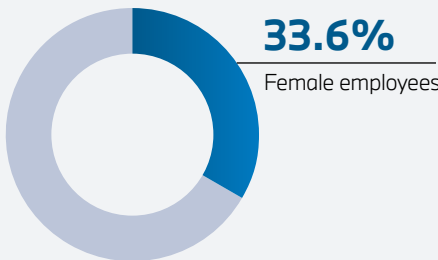


World Day for Cultural Diversity and Dialogue Video Shooting of Employees, Representing Varied Cultural Backgrounds

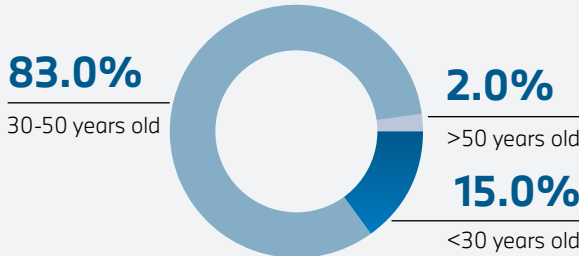
FEMALE EMPLOYEES IN TOTAL WORKFORCE



FEMALE EMPLOYEES IN MANAGEMENT POSITIONS



BMW BRILLIANCE EMPLOYEES ACCORDING TO AGE GROUP IN 2025



CREATING AN INCLUSIVE WORK ENVIRONMENT

At BMW Brilliance, we recognise that skills and potential, not physical condition, define capability. Hiring talented people with disabilities reflects our commitment to equal opportunities and respect. We provide a variety of career pathways with tailored accommodations, enabling colleagues with disabilities to find suitable positions and contribute meaningfully.

Our approach encompasses mindset transformation, barrier-free infrastructure, comprehensive health and safety protocols, and accessible working environments for all employees. On the hardware side, accessibility features are embedded across our facilities- from barrier-free infrastructure to dedicated equipment-ensuring colleagues with disabilities can work with confidence, dignity, and independence from day one. On the software side, we organise awareness activities and cross-departmental initiatives in collaboration with our Human Resources team, building genuine understanding among colleagues and dissolving unconscious bias.

Over the past two years, we strengthened partnerships with disability federations, organisations, universities, and government departments to explore more working opportunities for talents with disabilities. We established a dedicated application channel on our WeChat recruitment platform and showcased our disability-friendly facilities through job fairs, plant tours, and outreach campaigns. In May 2025, we hosted the second annual Workplace Experience Day for People with Disabilities,

supporting 17 participants nationwide - including university students and early-career professionals - to develop essential workplace capabilities. Through personalised career counselling and expert guidance from our recruitment team, participants gained clarity on their professional paths and built confidence for their career journeys.

In September, we partnered with a disability support organisation, to deliver a comprehensive online AI Skills Training Series. This programme equipped nearly 300 individuals with disabilities with practical AI literacy and digital competencies, directly enhancing their employability and career advancement potential. These initiatives demonstrate our conviction that various perspectives and talents drive organisational strength, innovation, and sustainable growth.



Workplace Experience Day for People with Disabilities

PROMOTING WIDE RANGE OF PERSPECTIVES AND TALENTS

To further engage employees in cultivating inclusive practices, we commemorated significant cultural and social milestones throughout 2025 through both interactive online sessions and immersive offline activities designed to foster awareness and celebrate the wide range of perspectives and talents across our organisation.

FOSTERING THE CULTURE OF WIDE RANGE OF PERSPECTIVES AND TALENTS

In 2025, we organised a series of events aimed at increasing awareness about the wide range of perspectives and talents within our organisation, focusing on gender, cultural background, and various abilities. Through themed celebrations, interactive activities, roadshows, and digital engagement platforms, we encouraged broad employee participation and fostered meaningful dialogue around inclusive practices, enabling us to reach various employee audiences and strengthen organisational cohesion.



INTERNATIONAL DAY FOR PEOPLE WITH DISABILITIES

In 2025, BMW Brilliance produced an exclusive video series on "People with Disabilities" as part of our ongoing effort to create an inclusive environment for all associates. The series featured perspectives from senior leadership, as well as colleagues with disabilities sharing their lived experiences at BMW Brilliance.

The initiative emphasised that people with disabilities represent a significant societal group that should not be overlooked, and that various talents, including those with disabilities, stimulate creativity, innovative thinking, and provide continuous impetus for organisational progress. The BMW Brilliance leadership reinforced our commitment to providing tailored work environments based on individual needs, promoting physical and mental well-being, and ensuring all employees receive support to thrive. Colleagues with disabilities shared that being valued for competence and integrating as equals fosters belonging and demonstrates that the wide range of perspectives and talents transcends borders, races, beliefs, genders, and abilities, helping everyone see things in new light and strengthening our culture of inclusion.





INTERNATIONAL WOMEN'S DAY: LET'S BLOOM

In March 2025, BMW Brilliance marked International Women's Day as an opportunity to reflect on cultivating various perspectives and inclusive practices across our organisation. Through interactive activities including eco-floral cup sleeves embedded with flower seeds, knowledge quizzes, word cloud creations, and personal storytelling, we engaged 3,714 colleagues, both women and men, in celebrating women's contributions and examining unconscious bias.

The campaign fostered meaningful dialogue around equal opportunities and mutual support, with over 530 colleagues showing their support and nearly 190 sharing personal stories and reflections about female role models. This initiative reinforced our commitment to building a culture where openness, acceptance, and the wide range of perspectives strengthen organisational innovation and sustainable growth.



WORLD DAY FOR CULTURAL DIVERSITY AND DIALOGUE – LET'S CONNECT

In May 2025, BMW Brilliance celebrated the World Day for Cultural Diversity and Dialogue under the theme "Let's Connect," fostering unity and appreciation for the cultural richness within our organisation of over 20,000 employees from 29 countries, spanning a wide range of global and Chinese regional backgrounds.

The celebration featured three key initiatives: "Coffee Time" randomly matched 228 colleagues into pairs for in-person or virtual conversations over coffee, creating stress-free opportunities for cross-departmental and cross-cultural exchange, professional networking, and sharing of personal histories and perspectives. An online Cultural Diversity quiz engaged over 2,300 colleagues from Nanjing and Shenyang, combining education and entertainment while celebrating the day's significance. A video showcase highlighted linguistic variety, featuring 15 participants from varied domestic and international backgrounds expressing commentary in their native languages, demonstrating the rich tapestry of dialects and worldwide cultures.

These coordinated activities reinforced our commitment to connecting people across differences, enriching networks, and celebrating the wide range of perspectives and talents that drive innovation and strengthen organisational cohesion.



5.3

BENEFITS AND WELL-BEING

At BMW Brilliance, we recognise that our people are central to our success. We maintain stringent safety standards and cultivate a workplace environment where safety and well-being are paramount. In 2025, we achieved zero fatalities, zero major casualties, and zero major fire accidents, demonstrating the effectiveness of our robust occupational health and safety (OHS) management system certified to ISO 45001:2018 across all manufacturing sites.

Our competitive benefits create an ecosystem where associates feel valued, supported, and empowered throughout their career journey. We facilitate work-life integration through flexible benefits, remote working provisions, and comprehensive wellness programmes addressing physical and mental health. Through BMW Brilliance Union, we cultivate a family-like atmosphere with charity funds, public rental housing support, and diverse cultural activities. Through meaningful engagement opportunities including associate-led social responsibility initiatives and innovation studios, we enhance individual growth, foster collective resilience, and drive sustainable success.



0 Accident frequency rate (per one million hours worked).

2,334 Associates' families living in our public rental housing project in Shenyang.

EMPLOYEE HEALTH AND SAFETY

Providing a safe workplace for our associates remains a fundamental priority at BMW Brilliance. We are committed to ensuring employee safety and health while sparing no effort to prevent work-related injuries. In production operations, we strictly implement the safety production responsibility system at all levels, achieving our targets of zero fatalities, zero major casualties, and zero major fire accidents in 2025.

Throughout the year, we carried out company-wide safety activities and organised comprehensive training programmes and emergency response drills to enhance associates' safety awareness and evacuation capabilities. These initiatives are grounded in our strong safety culture, which empowers employees to prioritise safety in their daily work. Through consistent safety initiatives, we continuously strengthen associates' safety consciousness and reinforce protective behaviours across all operational areas.



Safety Month Training



Plant Evacuation Drill

ROBUST OHS MANAGEMENT

Through systematic risk prevention and robust management practices, BMW Brilliance safeguards the health and safety of its employees. We maintain strict compliance with all applicable Chinese laws and regulations, as well as BMW Group's health and safety policy. Beyond compliance, our occupational health and safety (OHS) management system satisfies international standards and initiatives including the United Nations Global Compact, ISO 45001:2018, and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work.

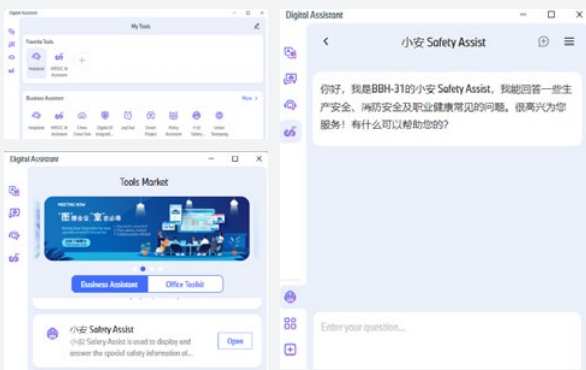
In 2025, all BMW Brilliance manufacturing sites retained ISO 45001:2018 accreditation, fulfilling OHS management system requirements. We also maintained Work Safety Standardisation Level 2 Certification from the Emergency Management Department of Liaoning Province. The effectiveness of our system was demonstrated by our accident frequency rate of zero per million hours worked in 2025, reflecting sustained progress in workplace safety performance.

BMW Brilliance senior management assumes full responsibility and accountability for preventing work-related accidents and maintaining safe and healthy workplaces for all employees at manufacturing sites. The management team has established OHS policies and objectives that align with our strategic goals and ensure both effective functioning and continual improvement. We fully

implement the safety production responsibility system at all levels across production operations.

BMW Brilliance leverages digital innovation to strengthen site safety management across both production and non-production environments.

Xiao'an, our AI-powered safety assistant, is available to all staff on PC and mobile, providing accurate, accessible guidance at the point of need. Staff can consult Xiao'an on a range of practical safety topics, including safety-related regulations and laws, safety management procedural instructions, and common occupational health & safety queries, making expert safety knowledge available to every employee.



Xiao'an is available on both mobile device and PC



New high-risk work permit approval and management functionality on the online platform

The E-Safety platform utilises digital solutions to continuously improve and optimise safety management. Modules provide guidance on safety inspections, special equipment management, and OHS liability letter e-signature functions. In 2025, new high-risk work permit approval and management functionality was introduced to the online platform, further strengthening transparency and traceability in safety management.

Beyond our management systems, we enhance employees' safety skills and knowledge through online OHS training. We offer safety training on specific matters including Lockout-Tagout

(LOTO), chemical handling, work in confined spaces, personal protective equipment (PPE), and hot work procedures, in addition to mandatory training sessions. Through these coordinated efforts, we strengthen our safety culture and risk prevention capabilities across all operational areas.

0

Accident frequency rate (per one million hours worked) in 2025.

OHS HAZARD AND RISK MANAGEMENT

Effective management of OHS hazards and risks are essential for protecting employee wellbeing. BMW Brilliance implements a dual-prevention mechanism for the classification, investigation, and governance of hidden safety hazards. This mechanism supports effective risk control across plants from organisational, institutional, technical, and emergency perspectives.

In 2025, we continued to focus on ergonomics improvements and behavioural safety strategies. Through Safety and Ergonomics Risk Assessments (SERA) and on-site observations, we promoted healthier work practices and safeguarded the well-being of our employees across all operational areas.



HEALTH INITIATIVES

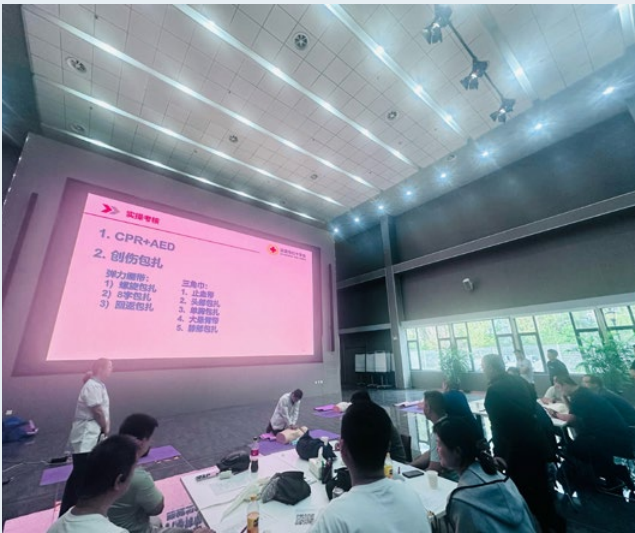
In 2025, amid a complex economic and geopolitical environment, employees may experience varying degrees of physical and psychological pressure. To support employee well-being, our Health Management Department implemented a series of health promotion activities aimed at strengthening the health awareness.

Based on the results of our 2024 annual health check, we further refined and upgraded the Health Management Plan for 2025. This comprehensive programme encompasses first aid training, mental care, high blood pressure management, heatstroke prevention, indoor fitness activities, annual health assessments, influenza vaccination campaigns, and additional wellness initiatives tailored to employees' evolving needs.



FIRST AID TRAINING

In 2025, we collaborated with the Shenyang Red Cross to enhance employees' first aid capabilities, conducting 12 training sessions through which over 300 employees participated and obtained qualification certificates. This initiative equipped our workforce with critical life-saving skills and strengthened emergency response preparedness across our operations.



HIGH BLOOD PRESSURE MANAGEMENT

In 2025, we delivered health seminars including "Understanding Blood Pressure", "Using blood pressure monitor" and "Dangers of high blood pressure". We established blood pressure monitoring stations at workplace sites, conducting periodic monitoring, supervision, and health management for employees. This initiative enabled early detection, timely intervention, and preventive treatment, helping employees understand their blood pressure trends and avoid complications and associated health risks.



MENTAL CARE

In 2025, we launched a comprehensive mental health campaign themed "Care for Your Mental Health, Enjoy a Healthy Life!". We conducted over 30 roadshow events and offline training sessions across six cities in China, engaging over 800 colleagues. Additionally, more than 500 colleagues received personalised support through mental health consultation services, demonstrating our commitment to holistic employee well-being.



HEATSTROKE PREVENTION

In response to increasing heat-related health risks associated with rising temperatures, we popularised heatstroke prevention and cooling knowledge in 2025, enabling employees to take effective self-protection measures during high-temperature periods.



INDOOR FITNESS ACTIVITIES

In 2025, we launched indoor fitness programmes during winter months to enhance employee physical fitness and health awareness, providing accessible wellness opportunities regardless of weather conditions.



ANNUAL HEALTH CHECK

In 2025, we organised our annual health check-up programme with strong participation from employees, reflecting greater awareness of personal health and wellbeing across our workforce.



INFLUENZA VACCINATION

In 2025, we continued to provide free influenza vaccination services for our employees, supporting preventive healthcare and a healthier workplace.

WELL-ROUNDED EMPLOYEE WELFARE

At BMW Brilliance, we understand that organisational excellence is built upon employee well-being and fulfilment. Our approach extends beyond workplace performance to support the comprehensive needs of our workforce, including physical vitality, mental resilience, career growth opportunities, and family support. Through these efforts, we create an environment where our associates feel supported and valued at every career stage. Anchored in people-centred principles and sustainable development commitments, we create conditions where employees can flourish professionally and personally, aligning individual growth with the company's strategic objectives and long-term success.

COMPETITIVE BENEFITS

BMW Brilliance places employee health, safety, and holistic well-being at the centre of our organisational philosophy, implementing robust benefit programmes that accompany associates throughout their professional tenure. Our benefits architecture is anchored in a flexible framework, subject to annual evaluation to ensure alignment with the diverse and evolving requirements of our workforce.

We facilitate work-life integration through flexible working arrangements, including remote working provisions that enable colleagues to exercise greater flexibility over their professional execution. This approach allows employees to better tailor their work schedules and locations, supporting them to balance between professional responsibilities and personal commitments. Complementing these arrangements, our Paid Leave Benefits provide employees with ample time off to fulfil family responsibilities. We firmly believe that a healthy work-life balance is essential to sustainable growth and development.

Our dedication to associate welfare spans the complete employment life cycle. BMW Brilliance cares for each associate's health and long-term financial security and offers supplemental benefits package under flexible benefit programme, which allows associates to customise the annual benefits package to secure the well-being of themselves and their families. Additionally, in 2025, BMW Brilliance updated their Retirement Policy and Operations Instruction in accordance with new national statutory retirement policy. This enhanced framework offers supportive benefits demonstrating our care for associates throughout their life journey, provides flexible retirement schedules including early retirement options considering personal needs, and standardises operational processes to facilitate smooth transitions from professional work to diversified personal life. These coordinated measures establish a comprehensive welfare ecosystem that helps attract and retain talents, fosters long-term engagement, and reinforces our sustainable operations.



3,572

Employees enjoyed childcare or parent caring leave in 2025.

COMMERCIAL INSURANCE PARTICIPANTS (TOTAL OF ALL ENTITIES UNDER FLEXIBILITY BENEFITS PROGRAMME)

About 23,000 Employees.

Over 26,000 Family members (including spouses, children and parents).

WELL-ROUNDED WELFARE

At BMW Brilliance, our people are at the core of sustainable development. Beyond work achievements, we prioritise physical and mental well-being alongside career growth. BMW Brilliance Union serves as a vital bridge, adhering to people-oriented and sustainable development principles to create an equitable, healthy, and supportive working environment.



PROTECTING RIGHTS AND OPTIMISING WELFARE

BMW Brilliance maintains robust dialogue mechanisms to safeguard associate interests. In March 2025, collective consultation sessions enabled Union representatives to voice proposals on compensation, benefits, and working conditions. The annual Associates' Congress in May facilitated management sharing of operational updates and policies, culminating in approval of the latest Collective Contract Supplementary.

As a Labour Disputes Mediation Committee member, Union ensures effective rights protection. The management actively collaborates with Union, listens to associate voices, and provides sustained welfare enhancement support.



ENHANCING BELONGING THROUGH CARE

BMW Brilliance cultivates a family-like atmosphere through comprehensive initiatives. Associates receive gifts on holidays and special occasions, while benefits including movie tickets, public rental housing, and kindergarten discounts bring daily convenience. In 2025, 1,393 associates benefited from the Associate Charity Funds, covering hospitalisation visits, bereavement condolences, serious illness assistance, and support for those in need.

Addressing housing challenges, 413 associates secured public rental housing in 2025, with 2,334 total residents and 5,287 cumulative beneficiaries since inception. The Associate Home Tiexi, opened in 2025, provides sports and recreational facilities. The Digital Union platform enables mobile welfare applications, surveys, and activity updates, facilitating efficient communication.



PROMOTING HEALTHY LIFESTYLES

BMW Brilliance Union prioritises health and work-life balance through diverse activities. We promote fitness of our associates through a range of initiatives, including long-term sports venues, Joy Run Carnivals, and athletic events. Oktoberfest celebrations and symphony concerts promote Sino-German cultural exchange. Family-oriented events enable quality time together, deepening bonds and introducing families to corporate culture. In 2025, over 50 activities at Shenyang plants engaged more than 42,000 participants. Over 10 associate clubs connect colleagues with shared interests, while regional collaborations with suppliers and enterprises foster cooperation.



Sports facilities in Associate Home



SUPPORTING CAREER DEVELOPMENT

At BMW Brilliance, we provide associates with broad career development opportunities, encouraging them to enhance their skills and unlock their full potential. Eighteen Model Worker Innovation Studios enable outstanding associates to lead cross-departmental teams, drive technological breakthroughs, and pursue patents. In 2025, programmes delivered 145 technical breakthroughs, filed 22 patents, and recognised 495 associates' innovation projects. Notable projects include material-saving innovations and paint shop energy optimisation that achieves carbon emission reductions.

Skills competitions spanning 11 categories with 17 sub-events attracted over 5,000 participants, expanding from traditional trades to new disciplines including Digital Associate Pioneer awards. Through competition-driven training, programmes enhanced individual skill levels while transforming ideas into competitive advantages. Annual BMW car test drives enable outstanding associates one-week vehicle use with families. In 2025, 172 associates participated, with 1,483 total beneficiaries since inception.

Programmes delivered

145

technical breakthroughs,

filed

22

patents.



Robot Operation Competition



Comprehensive Painting Skills Competition



Intelligent Control Equipment Testing Competition



Mold Fitter Competition

EMPLOYEE ENGAGEMENT

At BMW Brilliance, social responsibility extends beyond the workplace and is reflected in the everyday actions of our people.

Since 2018, the BMW Corporate Volunteer Association in China has provided associates with dedicated volunteer time off and practical support to engage meaningfully with their communities. This infrastructure reflects our belief that empowering employees to give back fosters stronger connections - within their communities, among colleagues, and to the values that define the BMW brand.

In 2022, we launched Social Drive, a platform where associates share their own stories of community action. From supporting vulnerable children to protecting local ecosystems, our people volunteer their personal time in ways that reflect who they are, not just where they work. To date, Social Drive has collected over 120 associate-led social responsibility initiatives and each one a reminder that lasting social impact is built one person, one action at a time. To honour outstanding Social Drive Initiatives and our colleagues' meaningful projects for creating positive impact for society, BMW Brilliance holds the Social Drive Encouragement Ceremony - a biennial event to formally recognise associates' outstanding social drive initiatives and celebrate the meaningful impact they create for society.



CREATING DIVERSE COMMUNICATION CHANNELS

Staying connected with our people matters. BMW Brilliance maintains a range of communication channels - including our WeChat official account, internal webpage, JoyChat Digital Union platform, and U-Journal bimonthly newsletter, BMW Brilliance Associate-led Social Responsibility (ASR) Information Account - to keep associates informed, heard, motivated and engaged.

Through these channels, associates receive timely updates on company news, welfare benefits, and Union activities, as well as recognition of key milestones and festive occasions. The JoyChat Digital Union platform continues to evolve, making it easier for associates to manage welfare applications and benefit redemptions directly from their phones - reducing friction and putting information where people are. At its core, this is about more than communication. It is about ensuring every associate feels connected to the organisation and confident that their needs are understood and addressed.

In 2025, BMW Brilliance Union's WeChat Video Channel was officially launched, providing a dynamic new platform to showcase associate stories and inspire continued growth, further enriching our communication ecosystem and deepening associate engagement across all organisational levels.

FORECAST

Looking forward, BMW Brilliance will continue to adapt welfare programmes to meet the evolving needs of associates, introducing expanded care initiatives that address emerging workforce priorities. We will strengthen our focus on holistic associate well-being through enhanced health management and emotional wellness programmes, designed to support physical and mental resilience. These strategic investments will further elevate associate fulfilment and reinforce our commitment to creating a supportive, sustainable workplace environment that enables long-term organisational success.

5.4

CORPORATE CITIZENSHIP

At BMW in China, our vision for sustainability extends beyond environmental responsibility, to encompass the mutual growth of people, cultures, and communities. As a premium automotive manufacturer with a long-term commitment in China, we strive to act as a responsible corporate citizen, focusing on ambitious and meaningful actions that create lasting value for customers, society, and the environment.



57,512,516 Beneficiaries of BMW CSR activities in 2025.

1,116 BMW Brilliance volunteers participated in volunteering activities in 2025.

13,804,511 RMB Expenditure on social commitment activities in 2025.

6,244 Total hours of volunteer service by BMW Brilliance volunteers in 2025.

OUR CORPORATE CITIZENSHIP APPROACH AND FLAGSHIP PROGRAMMES

At BMW in China, our corporate citizenship strategy is guided by a vision of harmonious coexistence between people and nature, anchored in three core principles: long-term commitment, addressing societal challenges, and comprehensive stakeholder engagement. We focus on priority societal needs where our resources and capabilities can deliver the greatest impact. BMW in China strives to deliver innovative and responsible solutions, contributing to efforts to address societal challenges. Through the BMW Warm Heart Fund, the automotive industry's first corporate charity fund, we focus on core social agendas: traditional culture protection, biodiversity conservation, and social development.

In recent years, technological innovation has emerged as a driving force shaping the development of Chinese society. As a responsible corporate citizen, BMW in China continuously evolves its CSR programmes in line with these shifts, integrating innovation into flagship initiatives to respond to evolving societal needs and changing community needs.

In 2025, through the BMW China Culture Journey, we advance the principle of "Innovation Through Heritage", supporting the creative transformation of intangible cultural heritage through technology-enabled approaches. The BMW Beautiful Homeland Initiative uses interactive, technology-driven exhibitions to raise public awareness of wetland protection and biodiversity conservation, making knowledge accessible and engaging. Meanwhile, the BMW Children's Traffic Safety Education programme connects the NEUE KLASSE's cutting-edge technological innovation with contemporary road safety challenges, illustrating how technological innovation can directly enhance societal well-being.

BMW CHINA CULTURE JOURNEY

The BMW China Culture Journey champions "Innovation Through Heritage" as its guiding principle, steering intangible cultural heritage protection towards creative transformation and innovation-driven development. China's intangible cultural heritage (ICH) is not only a relic of the past, but a living tradition that continues to evolve and find its place in modern life. This belief lies at the heart of the BMW China Culture Journey. Launched in 2007 and now entering its nineteenth year, the programme has positioned BMW in China not just as a philanthropic supporter, but as an active solution provider. Through creative partnerships and long-term engagement, our initiatives aim to support the sustained public understanding of ICH, promote the integration of culture and tourism to contribute to local economic development, and enable traditional

craftsmanship to be meaningfully integrated into contemporary life.

In 2025, guided by the theme "Innovation Through Heritage", the BMW China Culture Journey framed its narrative around the social hot topic of ICH preservation while deepening its connection to BMW's NEUE KLASSE philosophy, reflecting the belief that innovation is built on respect for history and tradition. From immersive cultural tours, to empowering heritage inheritors through design collaboration and the co-creation of contemporary cultural products, the programme created a complete journey that demonstrates how corporate innovation and cultural heritage can reinforce one another.

172,833,221

Cumulative beneficiaries of BMW CSR activities since 2017.



ENABLING INTANGIBLE CULTURAL HERITAGE (ICH) TO REACH WIDER AUDIENCES

The BMW China Culture Journey has continued to drive awareness and appreciation of China's intangible cultural heritage (ICH) through compelling content, strategic partnerships, and broad public engagement.

In 2025, the Grand Canal Cultural Protection and Education Project entered its second phase, exploring the Henan section of the Canal under the theme "Innovation Through Heritage". Combining offline exploration with online engagement, the project brought to life the cultural depth of the Central Plains region - tracing the origins of Chinese civilisation through local people, cultural artefacts, and living traditions.



To amplify the awareness of the intangible culture heritage along the Grand Canal, the BMW China Culture Journey partnered with CCTV's acclaimed culinary programme "A Bite of China" to launch a cross-boundary video series that brought the cultural heritage of the Grand Canal to life through the lens of food, craftsmanship, and shared human values.

At the heart of the series lies a core principle: BMW brand's most enduring heritage treasure is the Joy of Driving - a conviction that has defined the brand for over a century and continues to inspire every vehicle BMW creates. Just as China's culinary and craft traditions have travelled across generations, adapting and evolving without losing their essential soul, our commitment to driving pleasure has remained constant even as the technology that delivers it has been completely reimaged.

Heritage is never about replicating the past. It is about carrying forward what matters most - with creativity, courage, and a deep respect for what came before. From the story of Beijing Roast Duck's 600-year journey along the Grand Canal, to the debut of the "Breath of Seasons" Four Seasons Car Diffuser co-created by ICH inheritors and Tsinghua University's design scholars for the NEUE KLASSE, the films make the case that tradition and innovation are not opposites. They are partners - and the most meaningful progress happens when the two move forward together.



Together, the two films bring BMW in China's guiding theme of "Innovation Through Heritage" to life - showing that our commitment to Chinese culture goes beyond corporate goodwill. It reflects a long-term commitment grounded in respect for cultural continuity and innovation. Distributed across multiple mainstream platforms, the series drew over 28 million views - demonstrating that stories rooted in cultural authenticity resonate far beyond their original audience.

To further strengthen public literacy around cultural heritage, BMW in China launched a dedicated *24 Solar Terms* column on its official accounts of social media platforms. This content series aims to deepen public awareness and appreciation of traditional cultural knowledge, bridging everyday life with the living wisdom embedded in the ancient 24 Solar Terms calendar.



PROMOTING THE INTEGRATION OF CULTURE AND TOURISM

BMW in China believes that sustainable ICH protection must be rooted in lived experience. The BMW China Culture Journey actively promotes cultural tourism as a pathway for the public to engage with heritage in meaningful, accessible ways.

In 2025, the programme explored Luoyang - the ancient capital of thirteen dynasties - visiting the Erlitou Xia Dynasty Capital Site to trace the earliest roots of Chinese civilisation. Together with cultural stakeholders, participants engaged directly with "What Makes China, China", experiencing heritage not as a museum exhibit, but as a living connection to shared identity.

Building on this exploration, we released the Grand Canal Henan ICH Self-drive Tour Guide - the eighth edition in BMW in China's series of responsibility-driven travel guides dedicated to heritage protection and responsible tourism. Since its release, the guidebook has attracted over four million views, supporting the culture and tourism development in Henan Province whilst providing accessible pathways for the public to discover and appreciate China's intangible cultural heritage firsthand.



BRINGING INTANGIBLE CULTURAL HERITAGE (ICH) INTO MODERN LIFE

The BMW China Culture Journey is built on a conviction: intangible cultural heritage is not a relic to be preserved, but a living tradition with the potential to evolve and thrive in contemporary life. By bringing together the craftsmanship of ICH inheritors with the design expertise of Tsinghua's Academy of Arts & Design, the programme creates the conditions for heritage to find new forms of expression - ensuring that ancient skills remain not just relevant, but genuinely inspiring to modern audiences. Empowering inheritors means more than funding their work: it means expanding their creative horizons, connecting them with new collaborators, and opening pathways for their craft to enter everyday life in ways that resonate with the world today.

In 2025, this approach reached a new milestone - integrating ICH protection directly into BMW in China's core business and demonstrating how traditional craftsmanship can inspire next-generation mobility, and how cultural heritage can find genuine relevance in contemporary life. Supported by the BMW Warm Heart Fund, ten ICH inheritors - representing lacquerware, weaving, embroidery, carving, ceramics, metalwork, olfactory design, woodworking, and bamboo craftsmanship - participated in the Tsinghua-BMW Innovation Centre, working alongside professors from Tsinghua University Academy of Arts & Design. Together, they co-created conceptual cultural products inspired by the BMW NEUE KLASSE, transforming millennia-old crafts into innovative contemporary expressions.



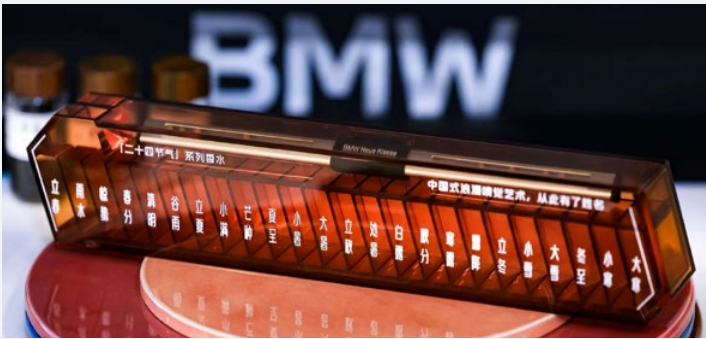


NOTABLE OUTCOMES FROM INTANGIBLE CULTURAL HERITAGE (ICH) INNOVATION



"BREATH OF SEASONS" FOUR SEASONS CAR DIFFUSER

Developed by an inheritor of traditional herbal fragrance from Henan Province, this work captures the essence of China's 24 Solar Terms through botanical and floral essences, creating a synchronised sensory experience where people, vehicle, and nature resonate harmoniously.



"FLOWING RADIANCE" MOBILE ENERGY ART

An ICH inheritor of Tang Sancai collaborated with professors from the Tsinghua University Academy of Arts & Design to transform mass-produced power banks into uniquely handcrafted artworks using high-temperature glazed ceramics, inspired by the cylindrical battery cell design of the NEUE KLASSE.



"WEAVING DREAMS, DRIVING CULTURE" SERIES

An embroidery specialist from Miao Ethnic Group of Yunnan province reinterpreted traditional Miao embroidery and batik techniques across apparel, home decoration, vehicle accessories, and cultural IP creation.

Cultural elements such as the 24 Solar Terms are being thoughtfully integrated into the upcoming BMW NEUE KLASSE's in-car display designed specifically for Chinese customers.

The programme's innovative approach to ICH protection was formally recognised when the BMW China Culture Journey was selected for inclusion in *Report on ICH and Industrial Integration Development Cases* published by Intangible Cultural Heritage Communication Research Centre, Communication University of China - affirming BMW in China's role as a benchmark for how corporate engagement can meaningfully advance China's cultural heritage agenda. The collaborative outcomes were also showcased at the Weibo ICH Gala, where the NEUE KLASSE-inspired ICH innovations made their public debut. The programme also received the Special Contribution Award of the 2025 Weibo ICH Gala.

Ms. Birgit Boehm

President and CEO of BMW Brilliance Automotive Ltd.

“

Whether it is a century-old carmaker or a thousand-year-old craft, both rely on innovation to carry forward their most valuable heritage. The locally produced BMW NEUE KLASSE integrates breakthrough innovations that set a new benchmark for 'Sheer Driving Pleasure' in the electric and intelligent era - BMW's latest answer to 'Innovation Through Heritage'.

”



Special Contribution Award of the 2025 Weibo ICH Gala



BMW China Culture Journey was selected into the *Report on ICH and Industrial Integration Development Cases*



NEUE KLASSE-inspired ICH innovations made their public debut

BMW BEAUTIFUL HOMELAND INITIATIVE

Healthy ecosystems are the foundation of life and are inseparable to BMW's long-term success in China. At BMW in China, we believe that business success, social responsibility, and environmental protection are not in conflict - they are different sides of the same commitment. A truly leading company does not measure its success solely by sales and financial performance, but by the positive contribution it makes to society and the environment. Through long-term commitment and innovative action, BMW in China has become an active part of the solution to societal environmental challenges - contributing to the vision of a Beautiful China.

Sustainability is not just about environmental initiatives, but also about fostering a world where people and nature can harmoniously coexist. This includes reducing carbon emissions and protecting natural ecosystems that serve as carbon sinks. Since its launch in 2021, our BMW Beautiful Homeland Initiative has translated this belief into action - supporting biodiversity conservation across China's ecologically significant wetland habitats, and empowering communities to become active participants in protecting them. Our initiative has provided sustained support to the Liaohekou National Nature Reserve and the Shandong Yellow River Delta National Nature Reserve, and contributed to the strengthening of management and conservation practices in wetland-type national parks. In 2025, while continuing our support for the Liaohekou National Nature Reserve, we

further expanded our biodiversity engagement beyond the boundaries of protected areas through innovative solutions. The BMW Beautiful Homeland Initiative leveraged interactive, technology-enabled exhibitions and digital media to bring wetland conservation to life for wider audiences, making complex ecological science accessible, engaging, and actionable for the general public.

TECH-DRIVEN BIODIVERSITY CONSERVATION

Liaohekou National Nature Reserve sits at the intersection of two critical international migratory bird routes - the East Asian–Australasian Flyway and the West Pacific Flyway - making it one of the most important stopover sites for migratory birds in the world. Home to rare species including the red-crowned crane, Oriental white stork, and Saunders's gull, the reserve is a living barometer of wetland health: when the ecosystem thrives, the birds thrive with it.

BMW in China has provided long-term support for biodiversity conservation at Liaohekou, with a particular focus on the recovery of wild, red-crowned crane populations. In 2025, we continued to fund the reserve's captive-bred crane rewilding programme. To date, our support has contributed to the release of 124 captive-bred, red-crowned cranes into the wild, with 42 individuals tracked via satellite monitoring - building a systematic, science-based foundation for wild population recovery of the species.

The red-crowned crane serves as both a flagship and indicator species for wetland ecosystems. Its recovery signals broader ecological health. Alongside the rewilding programme, the reserve has undertaken wetland restoration, water system connectivity projects, and the development of a smart wetland monitoring platform - creating a replicable model for integrated species and habitat protection that supports the recovery of endangered migratory birds along China's key flyways.



INCREASE PUBLIC AWARENESS OF BIODIVERSITY CONSERVATION



"ENRICHING WETLANDS FOR HARMONIOUS COEXISTENCE AND CIRCULARITY" EXHIBITION

In 2025, BMW China and BMW Brilliance and the China Science and Technology Museum co-created the "Enriching Wetlands for Harmonious Coexistence and Circularity" public science exhibition, which opened in Beijing before touring Chongqing, Shenzhen, and Shenyang. By the end of 2025, the exhibition had welcomed over one million visitors.

The exhibition explores two interconnected themes through immersive, interactive design. The wetland conservation section recreates the natural landscape of a living wetland ecosystem, bringing visitors into direct sensory contact with the ecological value of wetland carbon sequestration. The circular economy section showcases BMW Brilliance's own sustainability practices in action - from the recycling of used power batteries to closed-loop industrial water systems - embodying our circular principle of *"using today's materials to build tomorrow's cars"*. This exhibition represents both an innovative exploration of ecological public education and a demonstration of BMW in China's long-term commitment to being "In China, for China, with China".



"Enriching Wetlands for Harmonious Coexistence and Circularity" Exhibition



"RARE SPECIES OF LIAOHEKOU WETLAND" DOCUMENTARY

Wetlands are among the Earth's most important ecosystems - serving as irreplaceable reservoirs of freshwater and biological diversity. The red-crowned crane, Saunders's gull, and spotted seal - known as the "Three Treasures of Liaohekou" - are the living indicators of this ecosystem's health and richness.

In 2025, BMW in China supported the Liaohekou National Nature Reserve in the production of a dedicated documentary portraying the life stories of these three rare species through professional visual storytelling. By making the science of wetland conservation accessible and emotionally resonant, the film encourages audiences to move from awareness to action - deepening public understanding of China's ecological heritage and inspiring participation in wetland and species protection.

Together, these initiatives form a sustainable conservation model that is scientifically grounded, publicly engaged, and aligned with China's ecological civilisation vision. As recognised by the International Union for Conservation of Nature (IUCN) in its evaluation of the BMW Beautiful Homeland Initiative, the programme has become a pioneer example in corporate biodiversity engagement in China - offering a long-term strategic framework that advances both ecological protection and social responsibility, and contributing meaningfully to the harmonious coexistence of people and nature.



Film series of documentaries about wetland flagship animals

BMW CHILDREN'S TRAFFIC SAFETY EDUCATION

China's rapid motorisation - now home to the world's largest vehicle fleet and driver population - has made traffic safety one of the country's most pressing social challenges. Since 2005, BMW in China has played an active role as part of the society's solution to traffic safety. Through the BMW Children's Traffic Safety Education (CTSE) programme, now in its 21st year, BMW in China has taken a long-term, systemic approach to building safer roads - one that goes beyond awareness campaigns to shape lasting behavioural change across children, families, schools, and communities. The CTSE programme, meanwhile, draws on BMW's latest NEUE KLASSE technological innovations to make road safety education more immersive, credible, and impactful for contemporary road users.

"TRAVEL WITH PROPRIETY": A CULTURAL SOLUTION TO A MODERN CHALLENGE

In 2021, BMW in China introduced "Travel with Propriety" - a groundbreaking framework that draws on the Confucian ideal of *Li* to address the cultural dimension of traffic safety. Rooted in the principles of respect, deference, and harmony that define Chinese civilisation, the framework translates millennia of cultural wisdom into three concrete behavioural standards for the modern road: propriety as a pedestrian, propriety as a passenger, and propriety as a driver.



FROM CORPORATE INITIATIVE TO NATIONAL AGENDA

"Travel with Propriety" is more than just a slogan, it is a public education system rooted in traditional culture, with concrete operational and implementable practices. By identifying a genuine gap in China's traffic governance - the lack of civilised awareness among drivers and road users - BMW in China developed a culturally grounded solution, and sustained it with long-term conviction. In 2025, "Civilised Traffic, Travel with Propriety" was formally adopted as the theme for China's 14th National Traffic Safety Day by the Traffic Management Bureau of the Ministry of Public Security - elevating what began as a corporate CSR initiative into a national public advocacy. This recognition not only affirms our role as part of the solution but underscores the credibility that comes from two decades of consistent, purposeful investment in Chinese society.

COMPREHENSIVE EDUCATION: BUILDING CIVILITY ACROSS COMMUNITIES

The impact of CTSE is built on accessible, high-quality educational content developed through strategic partnerships.

In collaboration with the China Education Development Foundation and the China Children's Press and Publication Group, BMW in China developed the "Travel with Propriety" educational package - a comprehensive suite of interactive materials that bring traffic safety concepts to life. Supported by the BMW Warm Heart Fund, the programme also launched the "Traffic Safety Experience Class for the Era of Electric Vehicles" and a "Travel with Propriety" short video series - integrating BMW's own technological innovations, including the visual-cone concept, with accessible guidance on courteous and responsible road behaviour.

Teaching toolkits are distributed to schools and communities nationwide through our partnership with the China Children's Press and Publication Group, benefiting over 300,000 students. Online education courses further enable BMW in China's dealer network to deliver traffic safety education at the community level - making CTSE the most popular corporate social responsibility programme across our dealer network.



"Travel with Propriety" children's traffic safety and civility kit



Teacher from China Children's Press and Publication Group gives a lecture on traffic safety

BMW JOY HOME

The BMW Joy Home project promotes educational equity and children's welfare in rural China through sustained, systematic charitable action that supports educational development and rural revitalisation.

Since 2015, we have supported the children at Dashi Town Central Primary School in Beizhen City, Liaoning Province, for over a decade. Through this platform, we provide comprehensive support that nurtures children's growth, well-being, and knowledge. BMW Brilliance Union organises annual volunteer visits to the campus, conducting themed activities that broaden children's horizons and enrich their learning. Volunteers also visit the homes of students in need, bringing donations and school supplies ensuring our support extends beyond the classroom to their families. We remain committed to addressing these challenges through targeted educational support.

Our initiatives include student scholarships that ease families' financial burdens and enable students to complete their studies, strengthening the foundation for local talent development. From 2023 to 2025, we supported 125 students in Jinping County, Yunnan province. For educational infrastructure improvement, we support digital transformation by constructing interactive teaching systems across local primary and secondary schools, creating more intelligent and interactive learning environments that enhance educational quality. From 2023 to 2025, we completed the provision of 44 sets of equipment across 7 schools, significantly improving teaching conditions in Malipo County and expanding access to quality educational resources, benefiting more than 11,000 students.

Over a decade of impact, BMW Joy Home continues to plant seeds of care in children's hearts, nurture rural talent, and support rural educational development across China, with sustained participation from the BMW Brilliance family.

OUR CSR AWARDS AND HONOURS IN 2025

2025 "Unity, Strength, Progress" Award

Corporate Social Responsibility, German Chamber of Commerce in China and German Consulate General in Shanghai

Annual Responsible Brand Case

BMW China and BMW Brilliance, China
Newsweek



2025 Sina Weibo Revitalising Intangible Cultural Heritage Ceremony – Weibo Annual Special Contribution for Revitalising Intangible Cultural Heritage

BMW China and BMW Brilliance



EMPLOYEE VOLUNTEERING AND SOCIAL COMMITMENT

For over a decade, BMW Brilliance has embraced sustainable growth while promoting balanced progress between business success and societal contribution. BMW Brilliance believes volunteer engagement thrives through collective participation. We cultivate environmental and social consciousness among our associates through structured programmes that mobilise associates toward meaningful community action.

In 2018, BMW Group established the BMW Corporate Volunteer Association in China, complemented by human resources provisions including paid volunteer leave and logistical support for volunteer activities. This foundation enables associates to contribute meaningfully to society while aligning personal values with organisational purpose.

BMW Brilliance organised **9** volunteer activities,

engaged **1,116** participants,

contributed **6,244** volunteer hours.

In 2025, BMW Brilliance organised 9 volunteer activities, engaging 1,116 participants who contributed 6,244 volunteer hours. Our engagement extends beyond the workplace to diverse community initiatives that address educational equity, environmental conservation, and cultural preservation. In Shenyang, more than 120 volunteers across three groups visited the BMW JOY Home school in Beizhen, Liaoning, where they conducted educational sessions including scientific experiments, handicrafts, music and dance, and book sharing, while bringing donations and essential living and learning supplies to students in need. Since 2015, volunteers have visited BMW JOY Home annually, consistently providing care and support to children in remote mountainous regions.

We also conducted sand control and tree-planting activities in Fuxin, where over 40 associate volunteers planted 100 Scots pine seedlings by hand, contributing to desert reforestation and sustainable development in Liaoning Province. We organised a plogging event in Shenyang engaging over 100 volunteers who collected 65.45 kg of litter. In addition, online sustainability-themed activities engaged volunteers in learning about sustainable materials and product concepts through interactive quizzes and challenges, attracting over 1,700 participants. The Associate Cultural Journey invited 132 volunteers to visit intangible cultural heritage craftsmen, supporting local heritage protection and deepening their engagement with traditional culture and local communities.





2025 ASSOCIATE VOLUNTEER ENVIRONMENTAL INITIATIVES

In 2025, BMW Brilliance undertook three major volunteer environmental initiatives focused on biodiversity conservation, ecological protection, and sustainable agriculture.

SPRING MOUNTAINEERING – BIODIVERSITY CONSERVATION

A total of 225 BMW Brilliance volunteers engaged in biodiversity conservation initiatives at Yeyahu National Wetland Park and Jingdong Shilinxia Scenic Area in Beijing, contributing to a total of 900 volunteer service hours. Their efforts included:



BIODIVERSITY SURVEY ACTION

Volunteers observed and recorded wildlife, plant species, and ecological conditions, contributing valuable information to conservation efforts.



FOREST GUARDIAN ACTION

Associates conducted environmental patrols, waste cleanup, and monitoring for fire hazards and pest threats, directly supporting the protection of local ecosystems.



AUTUMN MOUNTAINEERING – WASTE REDUCTION AND FOREST PROTECTION

408 volunteers participated in activities for waste reduction and forest protection at Beijing Fenghuangling Nature Park and Dalinggou Kiwi Fruit Valley, contributing 1,632 volunteer service hours. Key initiatives included:



SUSTAINABLE HANDICRAFTS

Volunteers transformed waste materials such as empty water bottles into practical items including pen holders and vases, demonstrating circular economy principles.



MOUNTAIN PATROL AND PROTECTION

Associates served as mobile forest guardians, collecting scattered waste along trails and protecting natural habitats.





RICE FIELD ECOLOGICAL PROTECTION – SUSTAINABLE AGRICULTURE

240 volunteers engaged in ecological conservation activities at the Jingxi Rice Protected Planting Area in Beijing, contributing 1,200 volunteer service hours. Activities supported green agriculture and ecosystem stability:

CREATIVE SCARECROW WORKSHOP

Volunteers revived traditional bird-deterrent methods, achieving crop protection while maintaining ecological balance.



ECO-FRIENDLY PEST CONTROL

Associates handcrafted pest control boards with natural bait, reducing chemical pesticide use.



TREE PROTECTION

Volunteers applied pest control measures to trees, enhancing disease resistance and providing safer habitats for beneficial wildlife.



RICE FIELD WEEDING

Associates manually removed weeds to support rice growth while maintaining soil health and ecological balance.

INFRASTRUCTURE MAINTENANCE

Volunteers applied protective coatings to wooden pathways, extending their service life and improving the area's overall appearance.



BIODIVERSITY AND CIRCULARITY EXHIBITION GUIDE AT BEIJING AND SHENYANG

Starting in 2024, our Biodiversity and Circularity Exhibition has toured four cities - Chongqing, Shenzhen, Beijing, and Shenyang - attracting over one million visitors by the end of 2025. The Shenyang exhibition at Liaoning Science and Technology Museum achieved 100% positive visitor feedback and included interactive installations and hands-on learning experiences. Throughout the roadshow, 88 BMW Beijing and Shenyang associates volunteered 352 hours as exhibition guides, with many volunteers expressing pride in BMW in China's environmental responsibility initiatives.



At BMW Brilliance, we believe social responsibility thrives through individual action. We empower associates to transform personal commitment into meaningful community contribution, demonstrating that collective impact emerges from individual dedication.

ASSOCIATE-LED SOCIAL RESPONSIBILITY (ASR) INITIATIVES



WANG YIJIE (ANNA)
ADVANCED SPECIALIST PROJECT STEERING
PLANT DADONG, BMW BRILLIANCE

"In hospice, I learned not how to save lives but how to cater for the last dignity, with no pity. That is love's deepest calling."

Since 2020, Anna has volunteered at the Palliative Care Ward of Shengjing Hospital of China Medical University, providing aromatherapy and touch therapy services to medical staff, patients, and families. In 2024, Anna completed a professional hospice volunteer training and began assisting with personal care activities for elderly patients. After joining the Shengjing Hospice Volunteer Team, Anna participated in activities exploring themes of life, death, and hope, discovering that "healing others is healing oneself".

In July 2024, Anna led reading sessions at the Shengjing Hospice Reading Club, facilitating discussions on living in the present moment. In October, Anna spoke as a volunteer representative at the National Joint Conference for World Hospice and Palliative Care Day, sharing her journey of growth through hospice service. Through dedicated service, Anna demonstrates how individual commitment can inspire positive change.



LIU XUNDA
SENIOR SPECIALIST TRAINING PLANNING
PLANT TIEXI, BMW BRILLIANCE

"As a mother, she lit a light for children from the stars; as a storyteller, she built a bridge for society to see their silent cries."

Since joining Sande Public Welfare in 2021, Liu Xunda has volunteered with Shenyang Sande, an organisation providing psychological support to vulnerable individuals since 2013. Liu delivers mental health counselling, emotional support, and learning companionship to children in difficult circumstances, including those with disabilities, illnesses, and children without parental care backgrounds.

The spirit of Sande "Three Gets" resonates deeply: beneficiaries get professional support, volunteers get personal fulfilment, and society becomes progressively more inclusive and compassionate. For Liu, volunteering is a natural extension of BMW Brilliance's own commitment to creating value beyond the business - for the communities that matter most.

LOCAL COMMUNITY ENGAGEMENT

Committed to the "In China, for China, with China" philosophy, BMW Brilliance views local community engagement as a vital pillar of sustainable development, fostering social prosperity and the shared growth of local communities.

SOCIAL DONATIONS

BMW in China proactively supports communities across the country, stepping in to provide assistance in the event of natural disasters or other emergencies.



BMW IN CHINA AND BMW BRILLIANCE CONTINUE DISASTER RELIEF EFFORTS WITH TARGETED SUPPORT FOR CHILDREN AND COMMUNITIES

BMW in China and BMW Brilliance have long leveraged the BMW Warm Heart Fund, established through the China Education Development Foundation, to build a rapid-response disaster relief mechanism. In multiple disaster situations, they have provided targeted and diversified assistance with a focus on supporting children and restoring of educational facilities.



RECURRENT FLOOD SUPPORT IN BEIJING SUBURBS WITH FOCUS ON CHILDREN'S NEEDS

In July 2025, following severe rainfall that caused flooding in Miyun and Huairou districts in Beijing's outskirts, we donated "One Foundation Children's Kits". Each kit contained 23 selected items, including sleeping bags, rain gear, hygiene products, art supplies, and plush toys - helping address children's practical living needs, hygiene requirements, and psychological well-being. This marked our second year of flood relief in the Beijing suburbs, following its 2023 donation, demonstrating sustained commitment to the local communities.



SWIFT RESPONSE TO XIZANG EARTHQUAKE WITH FUNDING FOR EMERGENCY RELIEF AND SCHOOL RECONSTRUCTION

On January 7, 2025, a 6.8-magnitude earthquake struck Dingri County in southwest China's Xizang Autonomous Region. Within 24 hours, BMW in China and BMW Brilliance allocated RMB 3 million through the BMW Warm Heart Fund to support emergency rescue operations and post-disaster school reconstruction. The rapid response demonstrated the company's ability to mobilise resources efficiently in major disasters while focusing on long-term educational recovery.

Together, these two relief actions illustrate how BMW in China integrates corporate social responsibility into its emergency management framework, demonstrates our commitment to fulfilling corporate social responsibility through concrete philanthropic engagement in times of disaster. This approach is characterised by a well-established charitable platform that enables rapid activation; a flexible approach that aligns in-kind or financial support with disaster-specific needs; and sustained engagement across multiple events and regions, forming a clear path of swift response, targeted assistance, and long-term commitment to affected communities.

STRENGTHENING COMMUNITY INTERACTION AND INCLUSIVE GROWTH

Advancing the "Factory as Scenic Area" Model and expanding public access to industrial experience

BMW Brilliance plants serve not only as centres of industrial excellence but also as open platforms for community engagement and shared growth. Building on Plant Tiexi - China's first automobile manufacturing plant certified as a National AAAA-Level Tourist Attraction since 2017 - we opened Plant Dadong and Site Lydia to the public in 2025. We provide deeper immersive experiences in smart manufacturing, high-quality production and sustainable practices for visitors while establishing a systematic, multi-dimensional platform for industrial cultural exchange. It fosters two-way dialogue and deep integration between industrial development and societal understanding. In 2025, we welcomed a total of 22,375 visitors from around the world.

In 2025, we welcomed a total of

22,375 visitors from around the world.

Zero-Waste Tourist Attraction Certification: Integrating Sustainability Into Public Experience

In 2025, BMW Brilliance Plant Tiexi (an AAAA-Level Tourist Attraction) received the "Zero-Waste Tourist Attraction" accreditation in the Shenyang Municipal Committee's "Zero-Waste City" assessment for Ecological Civilisation Construction and Environmental Protection. This milestone extends sustainability practices from production process into scenic area operation, making plant tours a direct channel to communicate environmental awareness and responsible production. Furthermore, since the subway line opened in early 2025, the attraction has continuously championed the concept of "sustainable mobility", encouraging the public to prioritise public transportation for their visits. This initiative fosters a low-carbon travel experience, underscoring BMW Brilliance's leadership and commitment to advancing sustainable development. This series of initiatives also exemplifies an innovative pathway where, under the guidance of the high-quality cultural and tourism development strategy, enterprises leverage "foundation-strengthening and renewal" practices to integrate industrial facilities with cultural and tourism attractions.

STRENGTHENING COMMUNITY CONNECTION, CREATING SOCIAL VALUE

In 2025, we ignited teenagers' passion for advanced manufacturing through free tours for middle and high school graduates and continuous study projects. We offered public welfare visits to police officers, teachers and other contributors to society as a tribute to their dedication, while customising barrier-free routes and exclusive services for special groups to fulfil our commitment to inclusivity. At the same time, we offered free visits to employees and their families who received long-service awards and leveraged "Family Open Day" to invite employees' families to the production frontlines to strengthen the emotional bond between the enterprise and employees. Additionally, by collaborating with dealer partners through car delivery events and free visit rights to car owners' families, we built a new ecosystem of community development characterised by multi-party co-creation and warmth.



Zero-Waste Tourist Attraction



Free Plant Tour



ENGAGING THE YOUTH FOR A SUSTAINABLE FUTURE

In 2025, BMW in China brought its supply chain sustainability expertise to the next generation through two impactful events held at Tsinghua University. Featuring hands-on workshops and leadership dialogues, the initiative translated BMW's sustainability strategy into tangible learning and real-world inspiration.



BMW CHINA SUSTAINABILITY SUPPLY CHAIN TEAM AT TSINGHUA UNIVERSITY

In October 2025, BMW China Sustainability Supply Chain Team engaged hundreds of students at Tsinghua University through two flagship initiatives: Climate Week¹ and Global Youth Summit on Net-Zero Future².

Interactive Learn Shop at Climate Week:

To provide students with tangible insights into sustainable supply chain practices, the team developed a sustainability learn shop. Through gamified learning and real-world case studies, students explored four core sustainability pillars:

- CO₂ Reduction

• Environmental & Social Standards

• Circular Economy

• Supply Chain Transparency

The sessions achieved 100% participant satisfaction, with students reporting a clearer understanding of BMW's sustainability leadership, increased environmental motivation, and practical inspiration for daily action.



Inspiring Keynote at Global Youth Summit:

Karl Barth, Head of Sustainability Supply Chain, Purchasing and Supplier Network Asia, delivered a keynote highlighting BMW's measurable progress in decarbonisation and circularity while calling on young talents to elevate aspirations, innovation, and mindset to drive the global sustainability shift.

These initiatives inspired future sustainable leaders while strengthening BMW's employer brand and advancing collective progress toward global sustainability goals.



1. Climate Week: organised by the Tsinghua University Student Net-Zero Association, aimed to raise awareness among faculty and students about climate change, low-carbon lifestyles, and sustainable development through a variety of interactive formats.

2. The Global Youth Summit on Net-Zero Future, hosted by the Global Alliance of Universities on Climate (GAUC), brought together academic experts, institutional representatives, and youth delegates to foster innovative solutions for climate action and amplify youth voices in shaping a sustainable future.

FORECAST

BMW in China will continue to pursue corporate citizenship with the same long-term conviction that defines our approach to business. We will deepen our commitment to cultural protection, biodiversity conservation, and community development - focusing not on the number of initiatives, but on the quality and depth of impact they create.

Being a good and responsible neighbour of Shenyang is integral to BMW Brilliance's corporate citizenship approach. In 2026, BMW Brilliance will unveil new corporate social responsibility initiatives to support wetland conservation in northeast China's Liaoning Province, aligning with China's 15th Five-Year Plan for ecological civilisation construction. The initiatives include a donation to Shenyang's Liaozhong Puhe National Wetland Park and the fifth consecutive year of support for Panjin's Liaohekou National Nature Reserve, underpinning our philosophy of "In China, for China, with China" and a long-standing commitment to both the economic and ecological development of Liaoning Province.

At BMW in China, we believe that true business success extends beyond sales and profit, encompassing a long-term responsibility for people, the environment, and society. Through the BMW Warm Heart Fund, we will continue investing in initiatives that create lasting value. Our ambition is to be a corporate citizen that honours the past, takes responsibility for the present, and helps shape a more sustainable future.



Red Beach in Liaohekou National Nature Reserve

06

OTHER INFORMATION

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SUSTAINABILITY DATA SUMMARY

BUSINESS ACTIVITIES

BMW BRILLIANCE						
	2021	2022	2023	2024	2025	% Change
Vehicles produced (in unit)	700,787	674,663	728,562	628,018	536,474	-14.6%
Automobiles retailed deliveries (in unit)	-	651,236	705,163	610,153	533,621	-12.5%

PRODUCTS AND SERVICES

BMW BRILLIANCE						
	2021	2022	2023	2024	2025	% Change
Average fleet CO ₂ emissions (domestic) ¹ (in g/km)	152.8	144.1	142.9	140.1	155.7	11.2%
Corporate average fuel consumption (domestic) ¹ (in l/100 km)	6.42	6.08	6.03	5.91	6.57	11.2%
Charging with electricity from renewable sources (via My BMW App in State Grid network) ² (in kWh)	-	26,948	89,708	97,877	1,255,849	1183.1%
Charging with electricity from renewable sources (Operated by IONCHI) ³ (in kWh)	-	-	-	1,018,017	54,099,441	5214.2%

Note:

1. The deviation is mainly due to more stringent yearly-adjusted regulatory requirement and fleet portfolio adjustment.

2. The increase in this figure is primarily due to BMW Brilliance's further deepened collaboration with State Grid Smart Vehicle Network to jointly advance the development of low-carbon charging service infrastructure.

3. Newly added indicator since 2025. The increase is mainly driven by the growth of the IONCHI business.

PRODUCTION AND OPERATION

BMW BRILLIANCE

	2021	2022	2023	2024	2025	% Change
CO ₂ e emissions per vehicle produced ¹ (in t CO ₂ e/vehicle)	0.17	0.19	0.18	0.22	0.20	-9.1%
Scope 1 Greenhouse gas emissions ² (in t CO ₂ e)	50,937	54,306	57,309	52,783	38,778	-26.5%
BMW Brilliance locations ³	50,937	54,306	53,044	49,374	35,003	-29.1%
Company vehicles ⁴	-	-	4,265	3,409	3,775	10.7%
Scope 2 Greenhouse gas emissions (in t CO ₂ e)	71,604	76,121	80,662	87,639	72,220	-17.6%
Electricity / heat purchased by BMW Brilliance locations ⁵	71,604	76,121	80,662	86,262	70,728	-18.0%
Company vehicles ⁴	-	-	-	1,377	1,492	8.4%
Scope 3 Greenhouse gas emissions (in t CO ₂ e)	29,079,393	32,430,178	34,642,342	35,731,546	30,342,796	-15.1%
Purchased goods and services	12,881,245	12,973,070	13,774,060	10,446,256	8,184,856	-21.6%
Logistics	310,772	519,304	619,572	575,665	399,625	-30.6%
Utilisation phase	15,521,957	18,562,014	19,818,887	24,260,962	21,267,572	-12.3%
Disposal	352,059	361,245	411,124	412,414	307,244	-25.5%
Business trips ⁶	2,606	2,560	6,438	6,939	4,195	-39.5%
Employees commuting	10,754	11,985	12,261	29,311	24,338	-17.0%
Franchises ⁷ (retail partner network)	-	-	-	-	154,966	-
Share of renewable electricity (in %)	100	100	100	100	100	0.0%
Total energy consumption (in MWh)	1,106,295	1,169,425	1,245,906	1,144,072	977,664	-14.5%
Total fuel consumption from non-renewable resources (in MWh)	295,209	297,727	298,231	239,606	169,965	-29.1%
Total electricity consumption (in MWh)	590,662	625,039	664,759	633,218	578,166	-8.7%
Total heating consumption (in MWh)	220,424	246,659	282,916	271,247	229,533	-15.4%
Energy consumption per vehicle produced (in MWh/vehicle)	1.40	1.60	1.58	1.63	1.60	-1.8%
Total water consumption ⁸ (in m ³)	-	-	-	-	439,481	-
Potable water withdrawals per vehicle produced ⁹ (in m ³ /vehicle)	1.82	1.77	1.72	1.57	1.40	-10.8%

Note:

1. Starting from the 2025 reporting year, the scope covers the Scope 1 and Scope 2 greenhouse gas emissions (excluding emissions from company vehicles). Scope 2 emissions data is calculated using the market-based approach. For comparability purposes, the 2024 data has been retrospectively adjusted.

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. From the 2025 reporting year onwards, Scope 1 emissions from destroyed VOCs, 3rd party, and construction have been incorporated into the category titled "BMW Brilliance locations".

4. Include the emissions from test vehicles used for R&D and production purposes since the reporting year 2025.

5. From the 2025 reporting year onwards, Scope 2 emissions from 3rd party and construction have been incorporated into the category titled "Electricity / heat purchased by BMW Brilliance locations".

6. Include the emissions from rail transport by employees for business purposes since the reporting year 2025. Rail emissions are calculated using the distance of the most frequently travelled route (Beijing-Shenyang) as the basis.

7. Newly added indicator since 2025. Retail partner network refers to authorised dealer outlets. Emissions from franchises result from electricity, purchased heating, and natural gas of BMW authorised dealer network, and calculated based on consumption values for electricity and nature gas and billing amount for purchased heating, and emission factors for energy type. The calculation also accounts for electricity from on-site renewable generation, Power Purchase Agreements for electricity from renewable sources and Energy Attribute Certificates (e.g. green electricity certificate). Due to the limited availability of activity data from retail partner networks, the emissions for 2025 are calculated based on the activities data of selected authorised dealer outlets for 2024 and the number of authorised dealer outlets of the same category in 2025.

8. Since the reporting year 2025, the calculation method for total water consumption has been revised: water withdrawals - water discharge. Water discharge is defined as the total volume of effluent discharged from the facility to the municipal sewer system, including industrial process wastewater and sanitary wastewater. Due to limitations in statistical capabilities, data from previous years are not retroactively adjustable.

9. Due to changes in the way that the water consumption indicator is calculated, the previous indicator "Potable water consumption per vehicle produced" is, as of the 2025 reporting year, now disclosed as "Potable water withdrawals per vehicle produced".

PRODUCTION AND OPERATION

BMW BRILLIANCE						
	2021	2022	2023	2024	2025	% Change
Total waste (in t)	210,691	208,564	231,484	197,649	186,333	-5.7%
Total waste for recycling (in t)	208,940	207,214	230,235	197,649	186,333	-5.7%
Total waste for disposal ¹ (in t)	1,751	1,350	1,249	0	0	0.0%
Waste for disposal per vehicle produced ¹ (in kg/vehicle)	2.50	2.00	1.72	0	0	0.0%
Total non-hazardous waste (in t)	200,283	198,662	221,245	189,822	178,203	-6.1%
Total non-hazardous waste for recycling (in t)	200,068	198,474	221,245	189,822	178,203	-6.1%
Total non-hazardous waste for disposal ¹ (in t)	215	188	0	0	0	0.0%
Total hazardous waste (in t)	10,408	9,902	10,239	7,827	8,130	3.9%
Total hazardous waste for recycling (in t)	8,872	8,740	8,990	7,827	8,130	3.9%
Total hazardous waste for disposal ¹ (in t)	1,536	1,162	1,249	0	0	0.0%

RETAIL PARTNER AND SUPPLY CHAIN

BMW BRILLIANCE						
	2021	2022	2023	2024	2025	% Change
Local content suppliers in China (number)	436	429	455	462	481	4.1%
Purchasing volume in China (in RMB billion)	71.39	73.47	86.53	85.09	62.25	-26.8%
Certificated BMW NT Green Star dealers (number)	-	-	251	364	362	-0.5%

Note:

1. Refers to landfill waste, excluding the waste incineration residual at waste treatment supplier. All plants in Shenyang achieved zero landfill waste.

EMPLOYEE AND SOCIETY

BMW BRILLIANCE

	2021	2022	2023	2024	2025	% Change
Total workforce at year-end (number)	22,829	25,802	25,856	25,077	22,777	-9.2%
Female employees in total workforce (number)	2,725	2,931	3,119	3,147	3,005	-4.5%
Female employees in total workforce (in %)	11.9	11.4	12.1	12.5	13.2	5.1%
Male employees in total workforce (number)	20,104	22,871	22,737	21,930	19,772	-9.8%
Male employees in total workforce (in %)	88.1	88.6	87.9	87.5	86.8	-0.7%
Employees, age<30 (number)	7,099	7,881	6,811	5,367	3,429	-36.1%
Employees, age<30 (in %)	31.1	30.5	26.3	21.4	15.0	-29.7%
Employees, age 30-50 (number)	15,515	17,670	18,741	19,332	18,894	-2.3%
Employees, age 30-50 (in %)	68.0	68.5	72.5	77.1	83.0	7.6%
Employees, age>50 (number)	215	251	304	378	454	20.1%
Employees, age>50 (in %)	0.9	1.0	1.2	1.5	2.0	32.2%
Female employees in management positions ¹ (in %)	31.4	31.8	33.2	33.3	33.6	1.0%
Local employees in management positions ¹ (in %)	90.0	91.7	91.7	91.3	92.1	0.9%
Local voluntary attrition rate (in %)	6.5	6.0	2.9	1.8	1.2	-34.3%
Accident frequency rate (per one million hours worked)	0.13	0.08	0.06	0.04	0.00	-100.0%
Training days of training organised by the Academy of Human Resources Department (in day)	19,524	25,844	36,730	39,012	28,475	-27.0%
Average training days per employee (in day/person)	0.86	1.00	1.42	1.56	1.25	-19.9%
Beneficiaries of BMW CSR activities ² (number)	11,459,458	31,885,474	35,542,888	21,997,919	57,512,516	161.4%
Accumulated beneficiaries of BMW CSR activities ³ (number)	25,894,424	57,779,898	93,322,786	115,320,705	172,833,221	49.9%
Expenditure on social commitment activities ⁴ (in RMB)	23,439,759	24,210,755	15,963,774	10,199,572	13,804,511	35.3%
Total participants of CSR activities (number)	300	616	711	1,016	1,116	9.8%
Total hours of volunteer service (in hour)	1,914	1,916	5,085	5,979	6,244	4.4%

Note:

1. Management positions refer to employees with function levels from I to V.
2. The "A Bite of China" video series, jointly produced by BMW Brilliance and CCTV, showcases the culture of the Grand Canal and intangible cultural heritage, achieving substantial viewership. This series has been the primary driver behind the significant increase in number of beneficiaries.
3. Accumulated figure which highly depends on the data in the reporting year and the previous years.
4. The increase in this figure is mainly attributable to donations for disaster relief efforts.

GRI CONTENT INDEX

BMW Brilliance has reported the information cited in this GRI content index for the period from January 1st, 2025 to December 31st, 2025 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	06-07	--	--
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: Assurance report	153-154	--	--
GRI 2-6: Activities, value chain and other business relationships	77-96	--	--
GRI 2-7: Employees	98-119, 141	--	--

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	20	--	--
GRI 2-10: Nomination and selection of the highest governance body	20	--	--
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	20	--	--
GRI 2-13: Delegation of responsibility for managing impacts	20	--	--
GRI 2-14: Role of the highest governance body in sustainability reporting	20	--	--
GRI 2-15: Conflicts of interest	--	This information is not reported because it is not applicable.	--
GRI 2-16: Communication of critical concerns	17-19	--	--
GRI 2-17: Collective knowledge of the highest governance body	20	--	--
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	23-25	--	--
GRI 2-26: Mechanisms for seeking advice and raising concerns	23-25	--	--
GRI 2-27: Compliance with laws and regulations	23-25	--	--

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	17-19	--	--
GRI 2-30: Collective bargaining agreements	108-111	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	18	--	--
GRI 3-2: List of material topics	18	--	--

PRODUCT RESPONSIBILITY

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	18-19	--	7, 8, 9
GRI 302-5: Reductions in energy requirements of products and services	11, 60-63	--	--
GRI 416-1: Assessment of the health and safety impacts of product and service categories	33-36	--	--
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 2025.	--

DECARBONISATION ACROSS THE VALUE CHAIN

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	18-19	--	7, 8, 9
GRI 302-1: Energy consumption within the organisation	139	--	--
GRI 302-2: Energy consumption outside of the organisation	78-80, 88-91	--	--
GRI 302-3: Energy intensity	139	--	--
GRI 302-4: Reduction of energy consumption	58-64	--	--
GRI 305-1: Direct (Scope 1) GHG emissions	59, 139	--	--
GRI 305-2: Energy indirect (Scope 2) GHG emissions	59, 139	--	--
GRI 305-3: Other indirect (Scope 3) GHG emissions	139	--	--
GRI 305-4: GHG emissions intensity	139	--	--
GRI 305-5: Reduction of GHG emission	59-63	--	--

ENVIRONMENT AND ECOLOGY

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	18-19	--	7, 8, 9
GRI 101-1: Policies to halt and reverse biodiversity loss	69	--	--
GRI 101-2: Management of biodiversity impacts	69, 125-126	--	--
GRI 101-4: Identification of biodiversity impacts	69	--	--
GRI 101-5: Locations with biodiversity impacts	69	--	--

CIRCULARITY AND EFFICIENT RESOURCE MANAGEMENT

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	18-19	--	7, 8, 9
GRI 301-1: Materials used by weight or volume	43-46	--	--
GRI 301-2 Recycled input materials used	43-47	--	--
GRI 301-3 Reclaimed products and their packaging materials	43-48	--	--
GRI 306-1: Waste generation and significant waste-related impacts	57, 67	--	--
GRI 306-2: Management of significant waste-related impacts	57, 67	--	--
GRI 306-3: Waste generated	67, 140	--	--
GRI 306-4: Waste diverted from disposal	67, 140	--	--
GRI 306-5: Waste directed to disposal	67, 140	--	--
GRI 303-1: Interactions with water as a shared resource	57, 68	--	--
GRI 303-2: Management of water discharge-related impacts	57, 68	--	--
GRI 303-3: Water withdrawal	11, 68, 139	--	--
GRI 303-4: Water discharge	66, 139	--	--
GRI 303-5: Water consumption	66, 139	--	--

AIR POLLUTION

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	18-19	--	7, 8, 9
GRI 305-7: Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	68	--	7, 8, 9

CLIMATE CHANGE ADAPTION

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	18-19	--	7, 8, 9
GRI 201-2: Financial implications and other risks and opportunities due to climate change	20	--	--

RESPONSIBLE SOURCING

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	18-19	--	1-10
GRI 308-1: New suppliers that were screened using environmental criteria	--	Due to the complexity and in some cases the lack of transparency across entire supply chains, it is not possible to give a percentage of the new suppliers screened.	--
GRI 308-2: Negative environmental impacts in the supply chain and actions taken	88-96	--	--
GRI 414-1: New suppliers that were screened using social criteria	--	Due to the complexity and in some cases the lack of transparency across entire supply chains, it is not possible to give a percentage of the new suppliers screened.	--
GRI 414-2: Negative social impacts in the supply chain and actions taken	88-96	--	--
GRI 204-1: Proportion of spending on local suppliers	88, 140	--	--

EMPLOYEE DEVELOPMENT AND TALENT RETENTION

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	18-19	--	--
GRI 201-3: Defined benefit plan obligations and other retirement plans	115-118	--	--
GRI 404-1: Average hours of training per year per employee	104-107	--	--
GRI 404-2: Programmes for upgrading employee skills and transition assistance programmes	104-107	--	--
GRI 404-3: Percentage of employees receiving regular performance and career development reviews	--	Some of BMW in China'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	18-19	--	--
GRI 403-1: Occupational health and safety management system	113-114	--	--
GRI 403-2: Hazard identification, risk assessment, and incident investigation	113-114	--	--
GRI 403-3: Occupational health services	115	--	--
GRI 403-4: Worker participation, consultation, and communication on occupational health and safety	119	--	--
GRI 403-5: Worker training on occupational health and safety	113-115	--	--
GRI 403-6: Promotion of worker health	113-115	--	--
GRI 403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	113-115	--	--
GRI 403-8: Workers covered by an occupational health and safety management system	113-115	--	--
GRI 403-9: Work-related injuries	113-115	--	--
GRI 403-10: Work-related ill health	--	This information is subject to internal confidentiality regulations and is not reported.	--

WIDE RANGE OF PERSPECTIVES AND TALENTS, EQUALITY AND INCLUSION

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	18-19	--	4, 5, 6
GRI 405-1: Diversity of governance bodies and employees	108-111	--	--
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	18-19	--	1, 2, 3, 4, 5, 6, 10
GRI 205-2: Communication and training about anti-corruption policies and procedures	23-25	We define governance bodies as those committees which receive active regula reports by the compliance function. All committee members are informed about each entities' anti-corruption policies and procedures. All committee members who are BMW Group China 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.	--

INFORMATION SECURITY AND PRIVACY PROTECTION

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	18-19	--	--

SUSTAINABILITY GOVERNANCE AND CORPORATE DISCLOSURE

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	18-19	--	--

PUBLIC POLICY

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	18-19	--	--

CHARGING INFRASTRUCTURE

GRI Standard	Page index	Further information	UNGC
GRI 3-3: Management of material topics	18-19	--	--
GRI 203-1: Infrastructure investments and services supported	48-50	--	--

LIMITED ASSURANCE
REPORT



Independent practitioner’s limited assurance report
on BMW Brilliance Automotive Ltd.’s consolidated
sustainability information

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To the Board of Management of BMW Brilliance Automotive Ltd.

Limited assurance conclusion

We have conducted a limited assurance engagement on the consolidated sustainability information of BMW Brilliance Automotive Ltd. and its subsidiaries (the “Group”) as summarised in the table below.

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 Consolidated Sustainability Information is not prepared, in all material respects, in accordance with the criteria applied as explained in the “BASIS OF REPORTING” of the Sustainability Report 2025 (the “applicable criteria”).

Consolidated Sustainability Information

The Consolidated Sustainability Information as at 31 December 2025 and for the year then ended is summarised below:

Consolidated Sustainability Information	For the year ended 31 December 2025
Vehicles produced (in unit)	536,474
Average fleet CO ₂ emissions (domestic) (in g/km)	155.7
Corporate average fuel consumption(domestic) (in l/100 km)	6.57
Charging with electricity from renewable sources (via My BMW App in State Grid network) (in kWh)	1,255,849
Charging with electricity from renewable sources (Operated by IONCHI) (in kWh)	54,099,441
CO ₂ e emissions per vehicle produced (in t CO ₂ e/vehicle)	0.20
Scope 1 Greenhouse gas emissions (in t CO ₂ e)	38,778

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Consolidated Sustainability Information (continued)	For the year ended 31 December 2025
Scope 2 Greenhouse gas emissions (in t CO ₂ e)	72,220
Scope 3 Greenhouse gas emissions (in t CO ₂ e)	30,342,796
Share of renewable electricity (in %)	100
Total energy consumption (in MWh)	977,664
Energy consumption per vehicle produced (in MWh/vehicle)	1.60
Total water consumption (in m ³)	439,481
Potable water withdrawals per vehicle produced (in m ³ /vehicle)	1.40
Waste for disposal per vehicle produced (in kg/vehicle)	0
Total waste (in t)	186,333
Total non-hazardous waste (in t)	178,203
Total hazardous waste (in t)	8,130
Purchasing volume in China (in RMB billion)	62.25
Local voluntary attrition rate (in %)	1.2
Accident frequency rate (per one million hours worked)	0.00
Training days of training organised by the Academy of Human Resources Department (in day)	28,475
Average training days per employee (in day/person)	1.25
Beneficiaries of BMW CSR activities (number)	57,512,516
Expenditure on social commitment activities (in RMB)	13,804,511
Total participants of CSR activities (number)	1,116
Total hours of volunteer service (in hour)	6,244
	As at 31 December 2025
Local content suppliers in China (number)	481
Certificated BMW NT Green Star dealers (number)	362
Total workforce at year-end (number)	22,777
Female employees in total workforce (in %)	13.2
Female employees in management positions (in %)	33.6
Local employees in management positions (in %)	92.1

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 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”).

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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.

Other matter

Our conclusion on the current period addresses the Consolidated Sustainability Information described in the “Limited assurance conclusion” section of our report. The comparative Consolidated Sustainability Information presented as at 31 December 2024 and for the year then ended relating to Consolidated Sustainability Information set out below was not subject to assurance. Our conclusion is not modified in respect of these matters.

- Charging with electricity from renewable sources (via My BMW App in State Grid network) (in kWh)
- Charging with electricity from renewable sources (Operated by IONCHI) (in kWh)

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Responsibilities for the Consolidated Sustainability Information

Management of the Group is responsible for:

- the preparation of the Consolidated 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 Consolidated Sustainability Information, 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 Group’s sustainability reporting process.

Inherent limitations in preparing the Consolidated Sustainability Information

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 Consolidated 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 Consolidated Sustainability Information.

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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 Group's use of the applicable criteria as the basis for the preparation of the Consolidated 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 Group's internal control; and
- design and perform procedures responsive to where material misstatements are likely to arise in the Consolidated 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.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Consolidated 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 Consolidated Sustainability Information, whether due to fraud or error.

In conducting our limited assurance engagement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Consolidated Sustainability Information by inquiring with the persons responsible from relevant departments of the Group;

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- Performed site visits to the Beijing Office, Tiexi Plant, Dadong Plant, Powertrain Plant and Lydia Plant of the Group to understand the process in collecting and reporting the Consolidated Sustainable Information;
- Performed analytical procedures on selected information in the Consolidated Sustainability Information;
- Performed limited substantive procedures on a sample basis of the Consolidated Sustainability Information; and
- Evaluated the methods, assumptions and data for developing estimates.

Restriction on use

Our report is intended solely for the Board of Management of the Group. 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.

 Zhong Tian LLP

PricewaterhouseCoopers Zhong Tian LLP
Shanghai, the People's Republic of China
20 May 2026

BASIS OF REPORTING

Vehicles produced (in unit)	BMW vehicles produced by BMW Brilliance of the year.	Scope 3	
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.	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 the year. Emissions of the vehicle-related purchased goods and services and disposal are calculated based on the number of produced vehicles and the 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, which include inbound (production supply), outbound (vehicle distribution) and customer support (spare parts), 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 V3.2 and CleanCargo. Emissions from use of sold products (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 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 air and rail transport by employees for business purposes. Rail emissions are calculated using the distance of the most frequently travelled route (Beijing-Shenyang) as the basis. Emissions from franchises result from electricity, purchased heating, and natural gas of BMW authorised dealer network, and calculated based on consumption values for electricity and nature gas and billing amount for purchased heating, and emission factors for energy type. The calculation also accounts for electricity from on-site renewable generation, Power Purchase Agreements for electricity from renewable sources and Energy Attribute Certificates (e.g. green electricity certificate). Due to the limited availability of data (consumption values and billing of externally-sourced energy) from dealer networks, the emissions for 2025 are calculated based on the activity data of selected authorised dealer outlets for 2024 and the number of authorised dealer outlets of the same category in 2025.
Corporate average fuel consumption(domestic) (in l/100 km)	Average fuel consumption of automobiles produced by BMW Brilliance for sales 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.		
Charging with electricity from renewable sources (via My BMW App in State Grid network) (in kWh)	The total charging volume of BMW customers initiated via the official brand app (My BMW App) on the State Grid public charging network of the year, with the electricity certified as sourced from renewable energy.		
Charging with electricity from renewable sources (Operated by IONCHI) (in kWh)	The total charging volume of new energy vehicle customers (BMW and other brands) charged at IONCHI HPC stations of the year, with the electricity certified as sourced from renewable energy.		
CO ₂ e emissions per vehicle produced (in t CO ₂ e/ vehicle)	The sum of Scope 1 and 2 greenhouse gas emissions, excluding emissions from BMW Brilliance company vehicles, divided by the number of vehicles produced in the reporting year. The Scope 2 emissions are considered with the market-based method.		
Scope 1 Greenhouse gas emissions (in t CO ₂ e)	Direct CO ₂ e emissions result from the combustion of fossil fuels at BMW Brilliance plants and non-manufacturing sites (e.g. R&D centres, training centres, office buildings), from BMW Brilliance company vehicles, as well as from the destruction of volatile organic compounds (VOCs). The emissions factors used for calculation are from Emission Factors for Electricity, District Heating and Fuels issued by the German Association of the Automotive Industry (VDA). Emissions of company vehicles refer to the direct emissions generated from company vehicles that are controlled by BMW Brilliance and test vehicles used for R&D and production purposes, and the emissions are calculated based on kilometres driven, fuel consumption factors and emissions factors for fuel types. Emissions from destroyed VOCs result from combustion of production relevant VOC generated during the painting process.	Share of renewable electricity (in %)	The ratio of renewable electricity consumed to the total electricity consumption of BMW Brilliance plants and non-manufacturing sites (e.g. R&D 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).
Scope 2 Greenhouse gas emissions (in t CO ₂ e)	Indirect CO ₂ e emissions result from purchased electricity and purchased heating at BMW Brilliance plants and non-manufacturing sites (e.g. R&D centres, training centres, office buildings), as well as from BMW Brilliance company vehicles. Emissions of company vehicles refer to the indirect emissions generated from company vehicles that are controlled by BMW Brilliance and test vehicles used for R&D and production purposes, and the emissions is calculated based on kilometres driven, energy consumption factors, and the emissions factors for electricity. The emissions factors used for calculation are from Emission Factors for Electricity, District Heating and Fuels issued by the German Association of the Automotive Industry (VDA). The calculation also accounts for electricity from on-site renewable generation, Power Purchase Agreements for electricity from renewable sources and Energy Attribute Certificates (e.g. green electricity certificate). The Scope 2 emissions are considered with the market-based method.	Total energy consumption (in MWh)	Total energy consumption generated by BMW Brilliance plants of the year, including electricity, heating, and fossil fuels (natural gas and diesel). In addition, the consumption of heat from renewable sources and electricity from renewable sources, are included.
		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)	Total water consumption of the year in BMW Brilliance plants. The calculation method for total water consumption: water withdrawals - water discharge. Water discharge is defined as the total volume of effluent discharged from the facility to the municipal sewer system, including industrial process wastewater and sanitary wastewater. For the reporting year ended 31 December 2025, the calculation methodology for total water consumption has been revised. Therefore, the figure presented in 2025 may not be comparable to those of prior years.

Potable water withdrawals per vehicle produced (in m³/vehicle)	Production-relevant potable water withdrawals per vehicle produced in BMW Brilliance plants, excluding the potable water withdrawals of R&D, VDC, construction, on-site third-party suppliers and other nonproduction relevant potable water withdrawals of the plants. Potable water withdrawal refers to water purchased from external water suppliers.	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 employees hired locally. People, who are deployed to work at BMW Brilliance but has an international assignment contract, are not included. Management positions refer to employees with function levels from I to V.
Waste for disposal per vehicle produced (in kg/ vehicle)	Production-relevant waste for disposal per vehicle produced in BMW Brilliance plants. This refers to landfill waste, excluding the waste incineration residual at waste treatment supplier.	Local voluntary attrition rate (in %)	Voluntary departures of local employees divided by the number of monthly average local employees of the year.
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.	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.
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.	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.
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.	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.
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.	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 are counted by visiting times.
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.	Expenditure on social commitment activities (in RMB)	Expenditure on the social commitment activities by BMW Brilliance and China Education Development Foundation-BMW Warm Heart Fund.
Certificated BMW NT Green Star dealers (number)	Number of Certificated BMW NT Green star dealers in operation in Chinese mainland of the year.	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 workforce at year-end (number)	The number of employees of BMW Brilliance and its wholly-owned subsidiary LingYue Digital Information Technology Co., Ltd. and BMW (Nanjing) Information Technology Co., Ltd. at 31 December 2025. The figure does not include interns, while it includes dispatched employees.	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.
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.		



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<http://www.bmw-brilliance.cn/cn/en/sustainability/index.html>