2021, THE YEAR OF GLOBAL RECOVERY FROM COVID-19. MAJOR ECONOMIES IN THE WORLD ARE BACK ON TRACK.

Sources: Focus Economics, IHS Markit.
CHINA’S ECONOMY REBOUNDED IN Q2/2020. CONSUMER CONFIDENCE IS REACHING PRE-COVID LEVEL.

Sources: NBS(National Bureau of Statistics)
STRONG ECONOMIC RECOVERY REFLECTED IN CHINA AUTO MARKET, ESPECIALLY IN THE PREMIUM SEGMENT.

PV Market / Premium Segment Growth Rate

<table>
<thead>
<tr>
<th></th>
<th>Q1 2019</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1 2020</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1 2021</th>
<th>April</th>
<th>May</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>-10%</td>
<td>-7%</td>
<td>-7%</td>
<td>-4%</td>
<td>-25%</td>
<td>-39%</td>
<td>1%</td>
<td>9%</td>
<td>9%</td>
<td>9%</td>
<td>-2%</td>
</tr>
<tr>
<td>Premium</td>
<td>3%</td>
<td>16%</td>
<td>8%</td>
<td>9%</td>
<td>18%</td>
<td>27%</td>
<td>25%</td>
<td>68%</td>
<td>90%</td>
<td>26%</td>
<td>13%</td>
</tr>
</tbody>
</table>

Sources: CAAM (China Association Of Automobile Manufacturers), BMW China
WITH QUICK RESPONSE AND COUNTERMEASURES, BMW CHINA HAS GAINED STRONG SALES MOMENTUM.
BMW MOTORRAD & ROLLS-ROYCE IN CHINA EXCELS WITH RECORD PERFORMANCE YTD Q2 2021.

+86% vs. YTD Q2 2020  +105% vs. YTD Q2 2019

+134% vs. YTD Q2 2020  +71% vs. YTD Q2 2019
WHAT ARE THE KEY TRENDS?
DIGITALIZATION:
PLATFORMS AND SERVICES ARE EMERGING WITH HIGH SPEED.

Monthly Active User of Douyin
(in China, Million Users)

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Users</td>
<td>300</td>
<td>530</td>
<td>649</td>
</tr>
<tr>
<td>Growth</td>
<td>+77%</td>
<td>+22%</td>
<td></td>
</tr>
</tbody>
</table>

Social E-Commerce Market Size
(in China, Billion RMB)

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>627</td>
<td>1,317</td>
<td>2,067</td>
</tr>
<tr>
<td>Growth</td>
<td></td>
<td>+110%</td>
<td>+57%</td>
</tr>
</tbody>
</table>

Source: QuestMobile
AMBITIOUS GOVERNMENT SUSTAINABILITY TARGETS.
“SAVING THE PLANET” AS ONE COMMON GLOBAL GROUND.

China targets:

\[ \text{CO}_2 \text{ Emission Peak: } 2030 \]

\[ \text{Carbon Neutrality: } 2060 \]

Xi Jinping: “For Man and Nature: Building a Community of Life Together”
WE HAVE A CLEAR FOCUS AND STRATEGY IN CHINA.

SUSTAINABILITY

INNOVATION & ELECTRIFICATION

DIGITALIZATION

PREMIUM CUSTOMER EXPERIENCE
SUSTAINABILITY: ACTIVELY SHAPING THE INDUSTRY IN CHINA.
“LOW CARBON VALUE CHAIN INITIATIVE” PROPOSED DURING CHINA DEVELOPMENT FORUM.

“Low Carbon Value Chain Initiative”
JOINTLY INITIATED BY BMW & CDRF*

- Share knowledge
- Best practice and pain points
- Work with government for effective policies
- 5 BMW suppliers selected

* China Development Research Foundation
SUSTAINABILITY: “DRIVE THE GREEN MOBILITY TRANSFORMATION”. FIRST EVER ANNUAL BMW SUSTAINABILITY SUMMIT WAS HELD IN CHINA.

- **Supply Chain**
  -20% CO₂ per veh. 2030 vs. 2019

- **Production**
  -80% CO₂ per veh. 2030 vs. 2019

- **Use Phase**
  -40% CO₂ per veh. 2030 vs. 2019

BMW SUSTAINABILITY SUMMIT
June 3rd, 2021 in Beijing

- First OEM to hold summit purely focused on sustainability
- Communicated BMW’s sustainability strategy and targets in China
- Launch of the ‘Low Carbon Value Chain Initiative’
- Speakers: Experts, suppliers, partners and BMW Management
- 1.26 million online visitors
INNOVATION & ELECTRIFICATION: THE BMW iX AND i4.
EXTREME POSITIVE FEEDBACK DURING SHANGHAI MOTORSHOW.
INNOVATION & ELECTRIFICATION: MINI BRAND TO JOIN THE ERA OF E-MOBILITY. LOCAL CHINA PRODUCTION TO START IN 2024.

PREPARING THE FUTURE OF MINI IS ON TRACK.
EXTENDING INNOVATION FOOTPRINT
WITH JOINT OPEN INNOVATION BASE OF ALIBABA & BMW.

BMW & Alibaba open innovation base in Shanghai

Opening Ceremony: **May 2021**
Negotiating Startups: > **100**; Settled Startups: > **20**

Create Competition: Start-up partners for BMW

7 months, **450** teams, **10** countries,
**21** teams entered the global finals
DIGITALIZATION.

SUSTAINABILITY

INNOVATION & ELECTRIFICATION

DIGITALIZATION

PREMIUM CUSTOMER EXPERIENCE
DIGITALIZATION: BMW OPERATING SYSTEM 8. THE MOST POWERFUL & EXTENSIVE TECH. STACK EVER CREATED BY BMW.

- Fast, reliable data transmission using 5G mobile technology
- Always up to date: Remote Software Upgrade
- Over-the-air retrofitting: Functions on Demand
- Centralized network architecture and Gigabit Ethernet
- More apps, greater diversity: optimized third-party integration
- BMW iDrive: THE INTELLIGENT FUSION OF SENSING
- BMW Digital Key Plus with ultra-wideband radio technology
DIGITALIZATION: MY BMW / MINI APP.
REDEFINE THE CONNECTION WITH USERS FOR BMW OWNERS, FANS & PROSPECTS.

Today

Until 06/2021

2 MILLION

We Together

15 Million

App User Base

Today

From 2025
DIGITALIZATION: LEVERAGING CHINA COMPETENCIES TO ACCELERATE DIGITAL TRANSFORMATION.

- DIGITAL-COMPANY “LINGYUE“ (Beijing, 2019)
- E2E CUSTOMER EXPERIENCE

- “LINGYUE“ 2nd BRANCH (Nanjing, 2021)
- BUSINESS IT
  - BMW IT systems
  - DMS

- BMW ARCHERMIND TECHWORKS (Nanjing, 2021)
- CAR IT
  - In-Car Connectivity
  - Autonomous Driving / Assistance
  - Car IT Infrastructure
PREMIUM CUSTOMER EXPERIENCE:
FULLY DEDICATED TO CUSTOMER CENTRICITY.

ACCELERATION IN DIGITAL SALES

HOLISTIC CUSTOMER JOURNEY

NETWORK TRANSFORMATION & TEN PROMISES
THANK YOU!