First Supplement dated 20 September 2023
to the Base Prospectus dated 10 May 2023
relating to the EUR 50,000,000,000 Euro Medium Term Note Programme of BMW Group

This document constitutes a supplement (the "First Supplement") for the purpose of Article 8(10) and 23(1) of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "Prospectus Regulation") to the base prospectus for securities relating to the EUR 50,000,000,000 Euro Medium Term Note Programme for the issue of Notes of Bayerische Motoren Werke Aktiengesellschaft ("BMW AG"), BMW Finance N.V. ("BMW Finance"), BMW US Capital, LLC ("BMW US Capital"), BMW International Investment B.V. ("BMW International Investment") and BMW Japan Finance Corp. ("BMW Japan") (each an "Issuer", and, together, the "Issuers") and BMW AG in its capacity as guarantor (the "Guarantor") in respect of non-equity securities within the meaning of Article 2(c) of the Prospectus Regulation, as amended (the "Base Prospectus").

Bayerische Motoren Werke Aktiengesellschaft
Munich, Federal Republic of Germany

BMW Finance N.V.
The Hague, the Netherlands

BMW US Capital, LLC
Wilmington, Delaware, USA

BMW International Investment B.V.
The Hague, the Netherlands

BMW Japan Finance Corp.
Minato-ku, Tokyo, Japan

EUR 50,000,000,000
Euro Medium Term Note Programme
unconditionally and irrevocably guaranteed by

Bayerische Motoren Werke Aktiengesellschaft
Munich, Federal Republic of Germany

This First Supplement is supplemental to, and should only be distributed and read together with, the Base Prospectus. Terms defined in the Base Prospectus have the same meaning when used in this First Supplement. To the extent that there is any inconsistency between (a) any statement in this First Supplement and (b) any other statement prior to the date of this First Supplement, the statements in (a) will prevail.

This First Supplement has been approved by the Commission de Surveillance du Secteur Financier (the "CSSF") and will be published in electronic form on the website of the Luxembourg Stock Exchange (www.luxse.com).

Each of the Issuers and the Guarantor has requested the CSSF in its capacity as competent authority under the Prospectus Regulation to approve this First Supplement and to provide the competent authorities in the Federal Republic of Germany, the Republic of Austria and The Netherlands with a certificate of approval (a "Notification") attesting that this First Supplement has been drawn up in accordance with the Prospectus Regulation. Any of the Issuers and/or the Guarantor may request the CSSF to provide competent authorities in additional Member States within the European Economic Area with a Notification.
By approving this First Supplement, the CSSF shall give no undertaking as to the economic and financial soundness of the operation or the quality or solvency of any of the Issuers and the Guarantor in line with the provisions of Article 6(4) of the Luxembourg act relating to prospectuses for securities dated 16 July 2019 (Loi du 16 juillet 2019 relative aux prospectus pour valeurs mobilières et portant mise en œuvre du règlement (UE) 2017/1129).

The Issuers and the Guarantor are solely responsible for the information given in this First Supplement. Each of the Issuers and the Guarantor hereby declares, having taken all reasonable care to ensure that such is the case, that to the best of its knowledge, the information contained in this First Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

No person has been authorised to give any information or to make any representation other than those contained in the Base Prospectus or this First Supplement in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuers, the Guarantor, the Dealers or any of them.

This First Supplement does not constitute an offer of, or an invitation by or on behalf of the Issuers, the Guarantor or the Dealers to subscribe for, or purchase, any Notes.

IN ACCORDANCE WITH ARTICLE 23 (2) OF THE PROSPECTUS REGULATION, WHERE THE BASE PROSPECTUS RELATES TO AN OFFER OF NOTES TO THE PUBLIC, INVESTORS WHO HAVE ALREADY AGREED TO PURCHASE OR SUBSCRIBE FOR ANY NOTES BEFORE THE FIRST SUPPLEMENT IS PUBLISHED HAVE THE RIGHT, EXERCISABLE WITHIN TWO WORKING DAYS AFTER THE PUBLICATION OF THIS FIRST SUPPLEMENT, I.E. UNTIL 22 SEPTEMBER 2023, TO WITHDRAW THEIR ACCEPTANCES, PROVIDED THAT THE SIGNIFICANT NEW FACTOR, MATERIAL MISTAKE OR MATERIAL INACCURACY AROSE OR WAS NOTED BEFORE THE FINAL CLOSING OF THE OFFER TO THE PUBLIC OR THE DELIVERY OF THE NOTES, WHICHEVER OCCURS FIRST. INVESTORS WISHING TO EXERCISE THEIR RIGHT OF WITHDRAWAL MAY CONTACT THE RELEVANT DEALER/INTERMEDIARY.

The Issuers and the Guarantor announce the following changes with regard to the Base Prospectus:
Part A – Amendments to the section RISK FACTORS

1. In the section “RISK FACTORS”, the risk factor “Increased safety, emissions, fuel-efficiency or other regulations could lead to substantial costs and disruptions in automotive markets” on pages 23 et seq. of the Base Prospectus shall be modified as follows, whereby the words in red and strikethrough are deleted and the words in blue and underlined are added:

“The global automotive industry is subject to substantial government regulation, which differs by state, region and country. Government Over the past few years, the global market for automobiles, particularly in established markets, has been characterized by increasing demand for more environmentally friendly vehicles and technologies. As a result, government regulation has developed, and proposals for additional regulation have advanced, primarily out of concern for the environment (including concerns about global climate change and its impact as well as potential implications, whether legal or factual, stemming from legal proceedings or court decisions), vehicle safety and energy independence. These regulations, particularly in the areas of fuel efficiency, emissions and safety, are continually evolving, including as a result of varying or changing interpretations by courts and authorities, requiring BMW Group to spend significant resources to plan for, and adapt its products to, these developments. In addition, many governments regulate local product content or impose import requirements as a means of creating jobs, protecting domestic producers and influencing the balance of payments. A number of governments, as well as non-governmental organizations (“NGOs”), also publicly assess vehicles based on their own protocols. Such protocols could change significantly, and any negative perception regarding the performance of BMW Group’s vehicles subjected to such tests could reduce future sales.

In recent years, BMW Group has achieved significant improvements regarding the overall fuel efficiency of the vehicles it produces, as well as the fuel efficiency and emissions performance of individual models, thereby reducing their greenhouse gas emissions and progressing towards compliance with future fuel consumption and carbon dioxide (CO2) emissions regulations in the EU, the United States, Japan and China, among other jurisdictions.

For example, under Regulation (EU) 2019/631, which defines the EU fleet-wide CO2 emission targets, manufacturers will have to meet a fleet CO2 average in Europe that is 15% lower in 2025 as compared to 2021, as measured under Worldwide Harmonized Light Vehicles Test Procedures (“WLTP”), and, by 2030, the EU average will have to decrease by 37.5% compared to the 2021 target under the WLTP, each subject to certain automotive portfolio considerations and transition periods. In addition, under the Euro 7 legislative proposal of the European Commission from November 2022, all new light-duty vehicles (cars and vans) sold from July 2025 and all new heavy-duty vehicles (lorries and buses) sold from July 2027 will have to emit no more than 60 mg/km of NOx. Under Euro 7, by 2035, the European Commission expects the NOx emissions from cars and vans to be 35% lower compared to Euro 6 and the NOx emissions from lorries and buses 56% lower compared to Euro VI. The legislative proposal has been under the review of the European Parliament and Council and is expected to come into force in July 2025 if approved by the European Parliament.

The BMW Group is also subject to regulatory requirements in other key markets, including China. For example, pursuant to the “Administrative Rules on the Admission of New Energy Vehicle Manufacturers and Products” promulgated by China’s Ministry of Industry and Information Technology in January 2017 and amended in July 2020, a so-called “new energy vehicle” (“NEV”) quota applies to all new vehicles sold in China, requiring every car manufacturer to increase the share of electric vehicles in its production and import volume. For example, the NEV credit quota for 2022 was 16%, to be fulfilled through BEVs, PHEVs, or fuel cells. For 2023, the quota is 18%, and it is expected to further rise to 28% in 2024, and 35% in 2025.

In general, there is a clear move towards increasingly stringent vehicle emissions regulations, particularly for conventional drive systems, not only in the developed markets of Europe and North America, but also in emerging markets such as China. Moreover, further tightening and scrutiny could be forthcoming given the ongoing focus on emissions testing and on-road performance, particularly with respect to diesel engines, which could lead to significant additional investments to comply with new regulations as well as risks of limited market availability of products. In addition, several state and local governments, and in particular those of major cities, have increased their focus on diesel emissions
and have introduced or proposed regulations seeking to shift consumers from use of diesel vehicles. Such diesel vehicle restrictions could require BMW Group to take additional measures to meet applicable CO2 emissions targets, in particular if the proportion of number of diesel vehicles sold across BMW Group’s fleet decreases considerably relative to the number of other vehicles sold which have relatively higher levels of CO2 emissions. There are limits to BMW Group’s ability to achieve fuel efficiency improvements over a given timeframe, primarily relating to the cost and effectiveness of available technologies, consumer acceptance of new technologies and changes in vehicle characteristics, willingness of consumers to absorb the additional costs of new technologies, the suitability of certain technologies for use in particular vehicles, the widespread availability of supporting infrastructure for new technologies, as well as the human, engineering, and financial resources necessary to deploy new technologies across a wide range of products and powertrains in a short period of time.

Moreover, the potential threat of short-term tightening of laws and regulations, including local registration, usage restrictions, congestion charges and driving bans, as illustrated by the restrictions on issuing license plates in Chinese metropolitan areas and the banning of certain diesel-powered vehicles in certain restricted areas within some European cities, could further affect the automotive industry. In some cases, changes in customer behavior are not only brought on by new regulations but also through changes of opinion, values and environmental issues, which could be affected by perceptions of the industry as a whole. Among other factors, concerns about global climate change are affecting legislation, regulations and consumer behavior, which could affect demand for vehicles and the residual value of these vehicles, or requirements to develop new solutions for personal mobility. For example, the ongoing political and public discussion on diesel engines, particularly in Europe, could further adversely affect demand for diesel vehicles. Additionally, a potential tightening of consumer protection laws could result in a greater number of recalls.

In addition, BMW Group has been and may in the future be the target of complaints, claims or litigation, including complaints, claims or litigation brought by regulatory or governmental bodies, NGOs, including environmental groups or agencies, or individuals regarding alleged violations of regulations on emissions, fuel efficiency or other requirements, seeking changes in BMW Group’s products or business practices, fines, damages or injunctive relief against BMW Group. There can be no assurance that such allegations will not lead to inquiries, investigations, or other legal actions against BMW Group by regulatory or governmental authorities or others. Any regulatory inquiries or investigations and lawsuits against BMW Group, and perceptions of inappropriate business conduct or wrongdoing by BMW Group, among other things, could substantially damage BMW Group’s reputation regardless of their merits, and cause BMW Group to incur significant costs to defend itself.

The cost to comply with existing government regulations is substantial, and the effects of such regulations, as well as any future additional or changed regulations or interpretations of regulations, such costs are likely to increase further in the future, given the expected increased scrutiny, regulatory changes that result in increased stringency or novel interpretations of rules or regulations. For example, in several recent judgements, the European Court of Justice (“ECJ”) has ruled on emission control systems in diesel vehicles and has significantly tightened requirements pertaining to the justification of these systems. As a result of these new judgements by the ECJ, the interpretation of regulatory requirements for emission control systems is evolving. Alleged violations of emission standards or other requirements based on changed interpretations of existing rules could result in government investigations or other legal proceedings. In addition, failure to comply with applicable regulations, including due to changed interpretations thereof, could lead to the imposition of fines, damages, recalls, reputational harm or a combination of any of those items. Any of these actions could have a material adverse effect on BMW Group’s business, net assets, financial condition or results of operations.
2. In the section “RISK FACTORS”, the risk factor “BMW Group is required to comply with numerous laws and regulations in multiple jurisdictions” on pages 24 et seq. of the Base Prospectus shall be modified as follows, whereby the words in blue and underlined are added:

“For example, in October 2017, the European Commission carried out inspections at BMW Group’s premises in connection with cartel allegations against five German car manufacturers. The European Commission alleged that Daimler, Volkswagen and BMW colluded to avoid competition on cleaning nitrogen oxide (NOx) emissions from diesel passenger cars better than what was required by law despite the relevant technology having been available. The proceedings were settled in July 2021, and BMW Group was fined an amount of approximately €373 million. (See “Part K. Description of Bayerische Motoren Werke Aktiengesellschaft – 11. Financial Information concerning BMW AG’s Assets and Liabilities, Financial Position and Profits and Losses – Legal and Arbitration Proceedings” for further information). Also, as a result of several recent judgements by the ECJ, the interpretation of regulatory requirements for emission control systems is evolving, which is reflected, among other things, by the fact that established administrative practices of type approval authorities are being questioned from numerous sides. In addition, BMW Group is currently in dialogue with responsible type approval authorities in Europe in order to clarify queries pertaining to emission performance that have arisen during market surveillance of measurement results for a BMW vehicle model which was manufactured from September 2010 to March 2014. In this context and against the background of the development in case law described above and elsewhere in this Base Prospectus, BMW Group, in consultation with the authorities, is investigating whether and to what extent these questions also apply to other vehicle models, and whether this or other vehicle models comply with legal requirements. Given that the investigations will take some time, measures to be taken, the possible effects on administrative and civil court proceedings and any financial risks that may be related thereto cannot be determined at present.

BMW Group is confronted with legal disputes relating, in particular, to warranty claims, sales practices, product liability and infringements of protected rights. Further, BMW Group may also be subject to information requests, inquiries, investigations and other proceedings initiated by governmental agencies, as well as legal actions relating to safety, environmental, antitrust, securities, criminal and other laws and regulations. If these or other inquiries, investigations, legal actions and/or proceedings result in unfavorable findings, an unfavorable outcome or otherwise develop unfavorably, including as a result of varying or changing interpretations of applicable law and regulations by courts, BMW Group could be subject to significant monetary penalties, remediation requirements, vehicle recalls, process improvements, mitigation measures or other sanctions, measures and actions, including further investigations by these or other authorities and additional litigation. Further, a negative determination or finding with respect to technical or legal issues by one governmental agency could result in other agencies also adopting such determination or finding, even if such determination or finding is not within the scope of such authority’s responsibility or jurisdiction. Thus, a negative determination or finding in one proceeding carries the risk of having an adverse effect on the outcome of other proceedings, also potentially leading to new or expanded investigations or proceedings.

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1. In the section “DESCRIPTION OF BAYERISCHE MOTOREN WERKE AKTIENGESELLSCHAFT”, the sub-section “Legal and Arbitration Proceedings” on pages 235 et seq. of the Base Prospectus shall be modified as follows, whereby the words in blue and underlined are added after the Section “SEC Investigation and Class Action Regarding BMW Group’s Unit Sales of New Vehicles” and before the Section “Other Matters”:

“Emission Control Systems

In several recent judgments, the ECJ has ruled on emission control systems in diesel vehicles and has significantly tightened requirements pertaining to the justification of these systems. As a result of these new judgments by the ECJ, the interpretation of regulatory requirements for emission control systems is evolving. This is reflected, among other things, by the fact that established administrative practices of type approval authorities are being questioned from numerous sides.

This development leads to a reassessment of court proceedings pending in different court instances in Germany, which have been brought by individual claimants due to the emissions performance of BMW and MINI diesel vehicles. According to previously established case law of German national courts, damage claims could only be asserted on the basis of intentional damage inflicted in a manner offending common decency. In its most recent judgements linked to proceedings against other manufacturers and taking into account the case law of the ECJ, the German Federal Court of Justice ("BGH") has ruled that a manufacturer can also be held liable for negligent breach of EU homologation standards and on the basis of a far-reaching reversal of the burden of proof to the detriment of the manufacturer. See also “RISK FACTORS—Increased safety, emissions, fuel efficiency or other regulations could lead to substantial costs and disruptions in automotive markets”. An increase in the effort and complexity of the defense in individual cases, an increasing number of new court proceedings, increased legal risks and increased financial expenditure are to be expected.

In addition, the BMW Group is in dialogue with two responsible type approval authorities in Europe in order to clarify queries pertaining to emission performance that have arisen during market surveillance of measurement results for a BMW vehicle model which was manufactured from September 2010 to March 2014. In this context and against the background of the development in case law referred to above, BMW Group, in consultation with the authorities, is investigating whether and to what extent these questions also apply to other vehicle models, and whether this or other vehicle models comply with legal requirements. Given that the investigations will take some time, measures to be taken, the possible effects on administrative and civil court proceedings and any financial risks that may be related thereto cannot be determined at present. See also “RISK FACTORS—BMW Group is required to comply with numerous laws and regulations in multiple jurisdictions”.

Furthermore, several BMW Group entities have been facing a number of diesel emissions-related court claims in England and Wales since November 2021 as well as in Scotland since March 2023. In October 2022, the claimants in England and Wales applied for a group litigation order. The claimants in Scotland applied for permission to bring group proceedings alongside their claims. Given that the proceedings are still at an early stage, the probability, amount or timing of any potential liability cannot be determined at present.

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2. In the section “DESCRIPTION OF BAYERISCHE MOTOREN WERKE AKTIENGESELLSCHAFT”, the last paragraph of sub-section “Other Matters” on pages 236 et seq. of the Base Prospectus shall be modified as follows, whereby the words in red and strikethrough are deleted:

“Several companies of BMW Group are facing diesel emissions-related court claims in England, Wales and Scotland. More than 50,000 claims have been issued as of April 2023. In October 2022, the claimants in England and Wales applied for a group litigation order. In March 2023, the claimants in Scotland applied for permission to bring group proceedings. Given that the proceedings are still at an early stage, BMW Group is not able to assess inherent risks.

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