

First Supplement dated 5 August 2024

to the Base Prospectus dated 10 May 2024

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 oeuvre 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 7 AUGUST 2024, 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**", sub-section "**Legal and Regulatory Risks relating to BMW AG and BMW Group**", the risk factor "**Increased safety, emissions, fuel-efficiency or other regulations could lead to substantial costs and disruptions in automotive markets**" on pages 27 et seq. of the Base Prospectus shall be replaced by the following:

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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 emissions, fuel efficiency 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.

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 55% compared to the 2021 target under the WLTP, each subject to certain automotive portfolio considerations and transition periods. Moreover, a new paragraph has been added that sets a fleet wide reduction target of 100% compared to 2021 under the WLTP. In addition, in December 2023, a political agreement was reached in the EU regarding the Euro 7 regulation. All new light-duty vehicles (cars and vans) sold from 2028 (the exact date depends on the formal date of effectiveness of the new legislation) may not emit more than 60 mg/km of NO_x for gasoline and 80 mg/km of NO_x for diesel. For the first time, the Euro 7 regulation will address brake wear emissions, tyre abrasion and durability requirements for high voltage battery of electrified vehicles. The political agreement has yet to be confirmed by the European Parliament and Council and is expected to come into force in July 2024.

The EU has lowered the legally mandated fleet-wide carbon emissions target to 0 g/km for 2035, necessitating the complete electrification of the passenger car new vehicle fleet by that year. In addition, the European Commission is working on a proposal to assess the recognition of vehicles powered solely by e-fuels as zero-emission vehicles. A review scheduled for 2026 will evaluate the necessary framework conditions to meet the 2035 zero emissions target, with risks stemming from factors such as renewable energy availability, insufficient private and public charging infrastructure, and limited resources for electric drive construction.

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.

The NEV mandate for 2021 to 2023 was officially released and set the NEV quota to 14% in 2021, 16% in 2022 and 18% in 2023, but the credit earned for each NEV is reduced by up to 50%. The 2024-2025 NEV quota was officially released and set to 28% for 2024 and to 38% for 2025. According to Chinese guidelines, the proportion of NEV among all new automobiles should reach 45% by the year 2027.

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. For more details, see "*BMW Group is required to comply with numerous laws and regulations in multiple jurisdictions*" and "*Business—Legal Proceedings—Emission Control Systems*". 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 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, recent judgments by the European Court of Justice ("**ECJ**") have significantly tightened requirements for emission control systems in diesel vehicles, leading to evolving regulatory interpretations. See "*Business—Legal Proceedings—Emission Control Systems*" for further information. 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.

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2. In the section "**RISK FACTORS**", sub-section "**Legal and Regulatory Risks relating to BMW AG and BMW Group**", the risk factor "*BMW Group is required to comply with numerous laws and regulations in multiple jurisdictions*" on pages 29 et seq. of the Base Prospectus shall be replaced by the following:

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Compliance with laws is a basic prerequisite for the success of BMW Group. Current laws provide the binding framework for BMW Group's various business activities around the world. The growing international scale of operations of BMW Group, the complexity of the business world and a broad set of complex legal (including, for example, tax, antitrust, customs, export controls and sanctions) regulations potentially applicable to BMW Group's business increase the risk of non-compliance with applicable laws, simply because they are not known, fully understood or are subject to varying interpretations.

BMW Group has established a compliance organization aimed at ensuring that its representative bodies, managers and staff act in a lawful manner at all times. Nevertheless, there remains a risk that BMW Group's employees may not act in compliance with applicable statutory provisions or BMW Group's compliance systems (including with respect to antitrust, anti-corruption, export control or consumer protection laws) or that BMW Group's internal controls and compliance systems are not adequate to maintain compliance with applicable laws and that, as a result, penalties, liabilities or additional compliance costs could be imposed on BMW Group. For example, as a result of several recent judgements 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 civil proceedings pending in Germany due to the emissions performance of BMW and MINI diesel vehicles. 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 still to be expected. In addition, the German Federal Motor Transport Authority (the "**KBA**") (*Kraftfahrt-Bundesamt*) determined in February 2024 that two functionalities of the emission control system of the BMW vehicle model X3 with 2.0-liter diesel engine (EU5) built between September 2010 and March 2014 do not comply with legal requirements. Furthermore, BMW Group is conducting an internal investigation, supported by external legal advisers and technical experts, considering all relevant legal and factual aspects, to determine whether and to what extent functionalities of the emission control systems of this and other past diesel vehicle models comply with legal requirements and is in dialogue with responsible authorities in this regard. In this context, the Munich public prosecutor's office has opened an investigation in July 2024 and conducted searches. Also, against the background of the development in case law referred to above, it is possible that these and further authorities, including type approval and law enforcement authorities, and courts find fault with functionalities of the emission control systems or deem them as non-compliant with legal requirements. The investigation is complex and will still take some time to complete. At this stage, with regard to the results of the aforesaid investigation and the internal investigation and possible measures to be taken as well as possible effects, including administrative and court proceedings, any financial risks that may be related thereto cannot be quantified at present. For more details, see "*BMW Group is required to comply with numerous laws and regulations in multiple jurisdictions*" and "*Business—Legal Proceedings—Emission Control Systems*".

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 laws 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.

When known and quantifiable, BMW Group seeks to recognize appropriate levels of provisions for lawsuits in accordance with applicable accounting standards. It cannot be ruled out that losses from

damages could arise which are either not covered or not fully covered by provisions. Some risks cannot be assessed in full or cannot be provided for in BMW Group's accounts, and new legal risks, as yet unidentified, could also materialize.

BMW Group is also subject to data protection laws such as the German Federal Data Protection Act (*Bundesdatenschutzgesetz*) and the EU General Data Protection Regulation (the "**GDPR**"). The GDPR provides for significant potential fines for non-compliance. Unauthorized access to information stored by BMW Group or by a third party, including failure to detect such access or to notify data subjects in a timely manner, may cause damage to BMW Group's reputation, constitute infringement of administrative and criminal law and grant the affected persons a right to damage claims against BMW Group.

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Part B - Amendments to the section DESCRIPTION OF BAYERISCHE MOTOREN WERKE AKTIENGESELLSCHAFT

1. In the section "*DESCRIPTION OF BAYERISCHE MOTOREN WERKE AKTIENGESELLSCHAFT*", the sub-section "*Legal Proceedings*" / "*Emission Control Systems*" on pages 250 et seq. of the Base Prospectus shall be replaced by the following:

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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 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 civil proceedings pending in Germany due to the emissions performance of BMW and MINI diesel vehicles. According to the previous 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 judgments from 2023 linked to proceedings against other manufacturers and taking into account the case law of the ECJ, the German Federal Court of Justice 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. 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 still to be expected.

In addition, the KBA determined in February 2024 that two functionalities of the emission control system of the BMW vehicle model X3 with 2.0-liter diesel engine (EU5) built between September 2010 and March 2014 do not comply with legal requirements. The KBA views these functionalities as prohibited defeat devices. BMW Group has filed a timely objection against this decision. Corrective measures are currently being coordinated with the responsible type approval authorities.

Furthermore, BMW Group is conducting an internal investigation, supported by external legal advisers and technical experts, considering all relevant legal and factual aspects, to determine whether and to what extent functionalities of the emission control systems of this and other past diesel vehicle models comply with legal requirements and is in dialogue with responsible authorities in this regard. In this context, the Munich public prosecutor's office has opened an investigation in July 2024 and conducted searches. Also, against the background of the development in case law referred to above, it is possible that these and further authorities, including type approval and law enforcement authorities, and courts find fault with functionalities of the emission control systems or deem them as non-compliant with legal requirements. The investigation is complex and will still take some time to complete. At this stage, with regard to the results of the aforesaid investigation and the internal investigation and possible measures to be taken as well as possible effects, including administrative and court proceedings, any financial risks that may be related thereto cannot be quantified at present. See also "*Risk Factors—BMW Group is required to comply with numerous laws and regulations in multiple jurisdictions*" and "*—Increased safety, emissions, fuel efficiency or other regulations could lead to substantial costs and disruptions in automotive markets*".

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 November 2023, the High Court approved a group litigation regarding the proceeding in England and Wales. In addition to BMW Group, several other OEMs are facing similar proceedings in the same court. In March 2024, the court selected the proceedings against five OEMs as lead proceedings; BMW Group is not among them. In Scotland, the court also approved the combination of relevant claims in group proceedings. The sued BMW Group entities filed their defense in April 2024.

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2. In the section "*DESCRIPTION OF BAYERISCHE MOTOREN WERKE AKTIENGESELLSCHAFT*", the third paragraph of sub-section "*Legal Proceedings*" / "*Other Matters*" on page 252 of the Base Prospectus shall be replaced by the following:

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Following a request for legal assistance from the Korean authorities in 2020 in connection with leaks in exhaust gas recirculation modules in BMW Group vehicles, the Munich public prosecutor's office initiated an investigation and searched BMW Group offices in Munich and Steyr in June 2022. The proceedings were finally concluded in March 2024 and BMW Group agreed to pay a fine. To the extent that aspects of this matter are under review by authorities, BMW Group continues to cooperate. Potential risks for BMW Group cannot be quantified at present.

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