



**BMW  
GROUP**



**ROLLS-ROYCE**  
MOTOR CARS LTD

# BMW ANNUAL GENERAL MEETING 2025.

INFORMATION ON AGENDA ITEM 7.

APPROVAL OF THE REMUNERATION REPORT.



01  
REMUNERATION FOR  
FINANCIAL YEAR 2024.

## APPROVAL OF THE REMUNERATION REPORT (1/2).

For the financial year 2024, the **remuneration system**, which has been in force since 2021, has **remained unchanged**. Target remunerations within the remuneration levels remained constant.

The required **level of performance** for the **earnings component of the bonus** for the **financial year 2024 was raised**.

The **Supervisory Board has determined the remuneration** of the members of the Board of Management **within the framework of the remuneration system**. No use was made of the **option to make adjustments** due to extraordinary developments.

The **caps for the overall remuneration as well as for the components of the variable remuneration** were observed.

The Supervisory Board saw no reason to withhold or reclaim variable salary components as part of the **malus/clawback provisions**.

The **remuneration report for financial year 2023 was approved by the 2024 AGM by a majority of 94.99%**. In view of the high level of approval, there has been **no fundamental change in the reporting format** in the current year.

In addition to the legally required formal examination **PwC** has audited the remuneration report by way of a voluntary **substantive examination**.

## APPROVAL OF THE REMUNERATION REPORT (2/2).

Approximately **39 % of the variable target remuneration** for vesting year 2024 **was linked to environmental, social or governance targets (ESG-targets)**. The share of the **actual variable remuneration for vesting year 2024 linked to ESG-targets** amounts to approximately **48 %**.<sup>1</sup>

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Based on the **share ownership guidelines** the **personal cash investment amount** resulting from the share-based remuneration (LTI) has to be used by the board members to **acquire BMW shares** with a minimum holding period of four years. The ratio of the **value** of the **shares** held by the board members to the respective **base salary** for the financial year 2024 **is up to 227 %**.<sup>2</sup>

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The remuneration granted for the financial year 2024 as set out in the remuneration report includes, according to the requirements of section 162 AktG, the **share-based remuneration component** (matching component) 2019, which is a **variable remuneration component granted for an earlier vesting year (2019)**. The **remuneration vested in the financial year 2024** is shown under **section II.11** of the remuneration report.<sup>4</sup>

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The regulation for the **remuneration of members of the Supervisory Board** remains **unchanged**. In **accordance with the Articles of Incorporation**, the **remuneration of the Supervisory Board members** consists of a **fixed remuneration** only.

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<sup>1</sup> Statements on the relative proportion of remuneration components relate to remuneration for the vesting year 2024, unless otherwise noted. | <sup>2</sup> See [page 395 of the BMW Group Report 2024](#). Value of shares as of the last trading day in 2024. | <sup>3</sup> See [page 407 of the BMW Group Report 2024](#).

# TARGET ACHIEVEMENT FOR VARIABLE REMUNERATION FOR VESTING YEAR 2024.<sup>1</sup>

			Weighting <sup>2</sup>	Min. Value	Target Value	Max. Value	Actual value	Target achievement	
Fixed Remuneration	<b>Base salary and fringe benefits</b>								
Bonus (STI)	Earnings component	Profit attributable to shareholders of BMW AG (in € billion)		4.0	7.0	12.7	7.290	90.9 %	
		Group return on sales after tax (in %)		3.2	6.0	9.4	5.4		
	Performance component <small>The characteristics of the targets for the performance component of the bonus for FY 2024 are listed on p. 6.</small>	Interdepartmental targets – ESG	A	50 %	0 %	100 %	180 %	104.0 %	99 – 100 %
		Interdepartmental targets – Other	B	40 %	0 %	100 %	180 %	90.0 %	
		Departmental targets	C	10 %	0 %	100 %	180 %	[108.8 – 115.6 %] <sup>3</sup>	
Share-based remuneration (LTI)	Personal cash investment amount <small>Historical comparison of objectives of the LTI are listed on p. 8.</small>	RoCE in the Automotive segment (in %)		50 %	12	17	22	11.4	0 %
		<b>Strategic focus targets:</b>							
		Reduction of CO <sub>2</sub> -fleet emissions in the EU (in g CO <sub>2</sub> /km)		25 %	125	101	97	99.5	130 %
		Sales of all-electric vehicles (units)		25 %	460,000	547,000	630,000	426,536	0 %

<sup>1</sup> Simplified illustration. For a detailed description see [page 385 et. seqq.](#) of the BMW Group Report 2024. | <sup>2</sup> Target level. | <sup>3</sup> Individual target achievement.

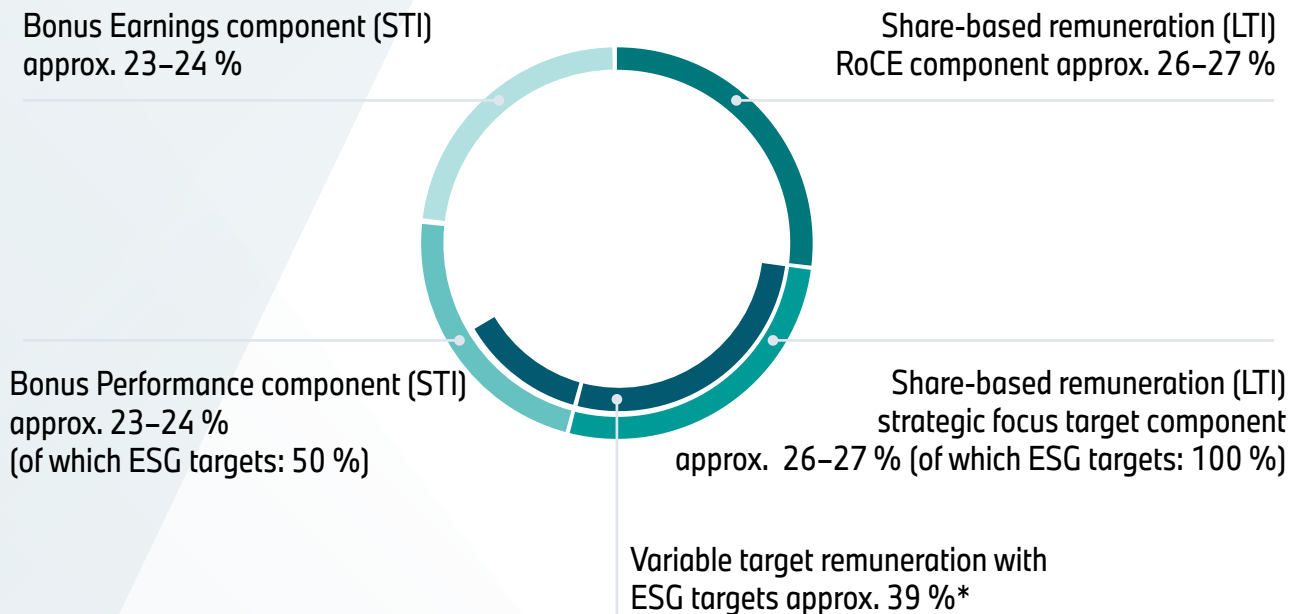
# PERFORMANCE COMPONENT OF THE 2024 BONUS: CHARACTERISTICS OF THE TARGETS.<sup>1</sup>

<b>A</b> <b>Interdepartmental targets</b> - ESG	Entire Board of Management <sup>2</sup>	<ul style="list-style-type: none"> <li>▪ Innovation performance (environmental, e.g. proportion of sales attributable to all-electric vehicles (battery electric vehicles, BEV)) (E)</li> <li>▪ Reputation (corporate reputation) (G)</li> <li>▪ Adaptability (investment in training and further education, sustainability) (E, S, G)</li> <li>▪ Employer attractiveness (e.g. placement in rankings) (S)</li> <li>▪ Leadership performance (employee satisfaction) (S)</li> </ul>	Weighting 50 %
<b>B</b> <b>Interdepartmental targets</b> - Other		<ul style="list-style-type: none"> <li>▪ Market position (e.g. sales volume of the BMW Group)</li> <li>▪ Innovation performance (economic, e.g. Connected Customer Rate)</li> <li>▪ Customer orientation (product, customer service quality, e.g. based on comparative studies and other information)</li> <li>▪ Reputation (e.g. brand strength)</li> </ul>	Weighting 40 %
<b>Joint departmental targets</b>	All members of the Board of Management <sup>3</sup>	<ul style="list-style-type: none"> <li>▪ Contribute to meeting growth, profitability and sustainability targets</li> <li>▪ Leadership performance in the department and achievement of (departmental and interdepartmental) diversity targets</li> <li>▪ Preventive activities in ensuring compliance in the department</li> <li>▪ Increased quality focus</li> </ul>	
<b>C</b> <b>Specific departmental targets</b>	Oliver Zipse Chairman of the Board of Management	<ul style="list-style-type: none"> <li>▪ Coordinate the work of the Board of Management</li> <li>▪ Represent the Company's interests, present new products</li> <li>▪ Progress with sustainability strategy and transformation process</li> <li>▪ Future portfolio of the brands, including hydrogen strategy</li> </ul>	Weighting 10 %
Jochen Goller Member of the Board of Management, Customer, Brands, Sales	<ul style="list-style-type: none"> <li>▪ Plan sales and prices, realise potential in sales markets, effective communication and launch of new products</li> <li>▪ Anticipate market requirements, manage the production network and safeguard the supply chain</li> <li>▪ Continue development of digital marketing and sales concepts and prepare regional direct sales models</li> <li>▪ Represent the Company's interests in the Chinese sales market</li> </ul>		
Ilka Horstmeier Member of the Board of Management, People and Real Estate	<ul style="list-style-type: none"> <li>▪ Ensure the BMW Group is an attractive employer and ensure labour availability</li> <li>▪ Manage personnel structures, capacities and costs; oversee skills transformation</li> <li>▪ Real estate portfolio management</li> <li>▪ Progress in terms of decarbonisation and energy supply strategies for each location</li> </ul>		
Walter Mertl Member of the Board of Management, Finance	<ul style="list-style-type: none"> <li>▪ Capital market communication; changes in non-financial reporting and reporting structure</li> <li>▪ Risk management and Group financing; optimisation of capital structure; investment planning</li> <li>▪ Implementation of financial targets including digitalisation potential</li> <li>▪ Steering of investment management in China</li> </ul>		
Milan Nedeljković Member of the Board of Management, Production	<ul style="list-style-type: none"> <li>▪ Anticipate market requirements, manage the production network and safeguard the supply chain</li> <li>▪ Flexible alignment of production structure; enhancement of future-oriented production system</li> <li>▪ Enhancement and safeguarding of high quality standards</li> <li>▪ Progress in decarbonisation and energy supply strategy for each location</li> </ul>		
Joachim Post Member of the Board of Management, Purchasing and Supplier Network	<ul style="list-style-type: none"> <li>▪ Anticipate market requirements, manage the production network and safeguard the supply chain</li> <li>▪ Meet quality requirements and cost targets</li> <li>▪ Ensure access to technology and ability to innovate</li> <li>▪ Continue development of a CO<sub>2</sub> management system in the supply chain</li> </ul>		
Frank Weber Member of the Board of Management, Development	<ul style="list-style-type: none"> <li>▪ Develop competitive products, strengthen leading position in innovation</li> <li>▪ Enhancement of technology cluster, mastering of innovative technologies</li> <li>▪ Hand over products ready for mass production on time; focus on new vehicle, drivetrain and digital architecture</li> <li>▪ Future portfolio of all brands</li> </ul>		

<sup>1</sup> See ↗ page 388 et. seqq. of the BMW Group Report 2024. | <sup>2</sup> Joint assessment of the Management Board as a team. | <sup>3</sup> Individual assessment per Management Board member.

# OVERVIEW VARIABLE TARGET REMUNERATION FOR VESTING YEAR 2024. ESG TARGETS.

## OVERVIEW OF VARIABLE TARGET REMUNERATION 2024.



\* Incorporating the joint departmental targets for the performance component of the bonus

### Variable target remuneration for vesting year 2024:

- Bonus (STI) and
- Share-based remuneration (LTI).

### Targets for the variable remuneration for vesting year 2024:

- 50 % of the long term share-based remuneration (LTI) target amount is linked to ESG targets. These comprise targets to reduce fleet carbon emissions in the EU (E) and to increase all-electric vehicle sales (E).
- 50 % of the bonus target amount is linked to ESG targets. These comprise, inter alia, environmental innovation performance (E), development of the Company's reputation (G), adaptability (ESG), employer attractiveness (S) as well as leadership performance (S). Also the departmental targets are linked to ESG targets, inter alia regarding diversity (S) and preventive activities in ensuring compliance (G).

# SHARE-BASED REMUNERATION (LTI): STRATEGIC FOCUS TARGETS.

		Weighting <sup>1</sup>	Min. value	Target value	Max. value	Actual value	Target achievement in %
<b>RoCE Automotive segment<sup>2</sup> (in %)</b>	<b>2024</b>	50 %	12	17	22	11.4	<b>0 %</b>
	<b>2023</b>	50 %	12	16	21	20.2	<b>167 %</b>
	<b>2022</b>	50 %	12	15	21	18.1	<b>141 %</b>
	<b>2021</b>	50 %	10	16	45	59.9 <sup>2</sup>	<b>180 %</b>
<b>Strategic focus targets:</b>							
<b>Reduction of fleet CO<sub>2</sub>-emissions in the EU (in g CO<sub>2</sub>/km)<sup>3</sup></b>	<b>2024</b>	25 %	125	101	97	99.5	<b>130 %</b>
	<b>2023</b>	25 %	125	103	98	102.1	<b>114 %</b>
	<b>2022</b>	25 %	125	112	98	105.0	<b>140 %</b>
	<b>2021</b>	25 %	125	114	100	115.9	<b>91 %</b>
<b>Global sales of all-electric vehicles (BEV) in units</b>	<b>2024</b>	25 %	460,000	547,000	630,000	426,536	<b>0 %</b>
	<b>2023</b>	25 %	300,000	380,000	465,000	375,716	<b>97 %</b>
	<b>2022</b>	12,5 %	170,000	230,000	375,000	215,752	<b>88 %</b>
	<b>2021</b>	12,5 %	75,000	101,000	170,000	103,854	<b>103 %</b>
<b>Global sales of plug-in hybrid vehicles (PHEV) in units (until FY 2022)</b>	<b>2022</b>	12,5 %	167,000	223,000	370,000	218,040	<b>96 %</b>
	<b>2021</b>	12,5 %	180,000	241,000	400,000	224,460	<b>86 %</b>

<sup>1</sup> Within the target structure and target achievement of 100%. | <sup>2</sup> The RoCE definition was changed as of FY 2022. For more details, see in the remuneration report 2022 (page 278 of the BMW Group Report 2022). | <sup>3</sup> Legal limit EU (FY 2024) approx. 130,1 g CO<sub>2</sub>/km.

# SHARE-BASED REMUNERATION (LTI): SHARE OWNERSHIP GUIDELINE.

Shares of BMW common stock held by members of the Board of Management subject to holding requirements in connection with share-based remuneration for financial years 2020–2023<sup>1</sup>

	Share portfolio with holding requirements as at 1 January 2024	Additions in the financial year 2024 <sup>2</sup>	End of the holding period in the financial year 2024	Share portfolio with holding requirements as at 31 December 2024	Value in € as at 31 December 2024 <sup>3</sup>	Relation value in € / base salary 2024 in % <sup>4</sup>
<b>Oliver Zipse</b>	45,868	16,890	6,696	56,062	4,427,777	227%
<b>Jochen Goller</b>	–	1,414	–	1,414	111,678	12%
<b>Ilka Horstmeier</b>	20,682	9,876	782	29,776	2,351,708	224%
<b>Walter Mertl</b>	–	5,013	–	5,013	395,927	44%
<b>Milan Nedeljković</b>	21,172	9,876	1,174	29,874	2,359,449	225%
<b>Joachim Post</b>	6,686	7,906	–	14,592	1,152,476	128%
<b>Frank Weber</b>	18,561	9,182	–	27,743	2,191,142	209%
<b>Total</b>	<b>112,969</b>	<b>60,157</b>	<b>8,652</b>	<b>164,474</b>	<b>12,990,157</b>	

<sup>1</sup> See [page 395 BMW Group Report 2024](#). Includes only shares of BMW common stock acquired using the personal cash investment amount of the share-based remuneration programme for members of the Board of Management, for which the four-year holding period has not yet expired. | <sup>2</sup> Payment of the 2023 cash remuneration component (personal cash investment amount) in May 2024 with subsequent acquisition of reported shares of BMW common stock (purchase date: 31 May 2024; purchase price: € 92.74). | <sup>3</sup> Last trading day of 2024: 30 December 2024. XETRA closing price on 30 December 2024: € 78.98. | <sup>4</sup> Value of share portfolio as at 31 December 2024 in relation to base salary paid in 2024.

# TARGET AND ACTUAL REMUNERATION FOR VESTING YEAR 2024.<sup>1</sup>

		Chairman of the Board <sup>2</sup>				Board member 1 <sup>st</sup> period of office <sup>3</sup>				Board member 2 <sup>nd</sup> period of office <sup>4</sup>			
		Target remuneration		Actual remuneration		Target remuneration		Actual remuneration		Target remuneration		Actual remuneration	
		in €	in %	in €	in %	in €	in %	in €	in %	in €	in %	in €	in %
Fixed remuneration	Base salary	1,950,000	30	1,950,000	41	900,000	30	900,000	41	1,050,000	30	1,050,000	40
	Fringe benefits <sup>5</sup>	50,000	1	27,963	1	50,000	2	50,000	2	50,000	1	50,000	2
	<b>Total</b>	<b>2,000,000</b>	<b>31</b>	<b>1,977,963</b>	<b>42</b>	<b>950,000</b>	<b>32</b>	<b>950,000</b>	<b>43</b>	<b>1,100,000</b>	<b>31</b>	<b>1,100,000</b>	<b>42</b>
Variable remuneration	<b>Bonus (STI)</b>												
	Earnings component	1,050,000	16	954,450	20	475,000	16	431,775	20	575,000	16	522,675	20
	Performance component	1,050,000	16	1,050,000	22	475,000	16	470,250	21	575,000	16	569,250	22
	<b>Share based remuneration (LTI; Personal cash investment amount)</b>												
	RoCE component	1,175,000	18	-	-	550,000	18	-	-	640,000	18	-	-
	Strategic focus target component	1,175,000	18	763,750	16	550,000	18	357,500	16	640,000	18	416,000	16
<b>Total</b>	<b>4,450,000</b>	<b>69</b>	<b>2,768,200</b>	<b>58</b>	<b>2,050,000</b>	<b>68</b>	<b>1,259,525</b>	<b>57</b>	<b>2,430,000</b>	<b>69</b>	<b>1,507,925</b>	<b>58</b>	
<b>Total target remuneration<sup>6</sup> / Remuneration vesting year 2024 (2023)<sup>7</sup></b>		<b>6,450,000</b>	<b>100</b>	<b>4,746,163</b> (8,023,488)	<b>100</b>	<b>3,000,000</b>	<b>100</b>	<b>2,209,525</b> (3,731,250)	<b>100</b>	<b>3,530,000</b>	<b>100</b>	<b>2,607,925</b> (4,396,500)	<b>100</b>
Contribution to the company pension scheme / Service cost <sup>8</sup>		700,000		711,077		400,000		400,000		400,000		400,000	

<sup>1</sup> Simplified presentation. The target remuneration is set out on p. 380 et seqq. and the actual remuneration on p. 397 et seqq. of the BMW Group Report 2024. Due to rounding, it is possible that the percentages presented here may not be an exact reflection of the absolute values to which they relate. | <sup>2</sup> Oliver Zipse. | <sup>3</sup> Jochen Goller, Walter Mertl, Joachim Post. | <sup>4</sup> Or as of fourth year of mandate. Ilka Horstmeier, Milan Nedeljković, Frank Weber. | <sup>5</sup> Exemplary value of fringe benefits (with exception of the actual remuneration for Oliver Zipse). | <sup>6</sup> Excluding a contribution to the company pension scheme. Contributions to the pension scheme do not qualify as remuneration within the meaning of section 162 AktG, only subsequent pension payments qualify as such. | <sup>7</sup> The calculation of the total remuneration in the remuneration report 2024 includes in some cases, in accordance with section 162 AktG, variable remuneration components granted for an earlier vesting year (matching component 2019). | <sup>8</sup> Exemplary value (with exception of the actual remuneration for Oliver Zipse). The service cost are not part of the remuneration according to section 162 AktG. They reflect the expense recognized by BMW and are not paid out to the Board members.



02  
FURTHER INFORMATION ON  
THE REMUNERATION SYSTEM  
FOR THE BOARD OF MANAGEMENT  
FOR FINANCIAL YEAR 2024\*.

\* Information on the proposed remuneration system for the members of the Board of Management beginning with the financial year 2025 see Item 8 — Resolution on the approval of the remuneration system for the members of the Board of Management as of financial year 2025.

# OVERVIEW OF COMPENSATION COMPONENTS.

<b>Base salary</b>  ~ 27 % <sup>1,4</sup>	<ul style="list-style-type: none"> <li>▪ <b>Fixed remuneration</b></li> </ul>
<b>Bonus (STI)</b>  ~ 30 % <sup>1,4</sup>	<ul style="list-style-type: none"> <li>▪ <b>Financial targets</b></li> <li>▪ <b>Non-financial targets</b></li> </ul> Target achievement 0 – 180 %
<b>Share-based remuneration (LTI)</b>  ~ 33 % <sup>1,4</sup>	<ul style="list-style-type: none"> <li>▪ <b>RoCE<sup>5</sup> Automotive segment</b></li> <li>▪ <b>At least 2 strategic focus targets.</b></li> </ul> Target achievement 0 – 180 %
<b>Pension scheme<sup>6</sup></b>  ~ 10 % <sup>1,3,4</sup>	
<b>Fringe benefits<sup>7</sup></b>  ~ 0.4 % <sup>1,4</sup>	

## General aspects.

- Maximum remuneration (€ 9.85m; € 5.5m, respectively € 4.925m<sup>2</sup>).
- ESG-criteria as part of the performance criteria.
- Peer group comparison within selected targets.
- Malus and Clawback clauses related to variable remuneration.

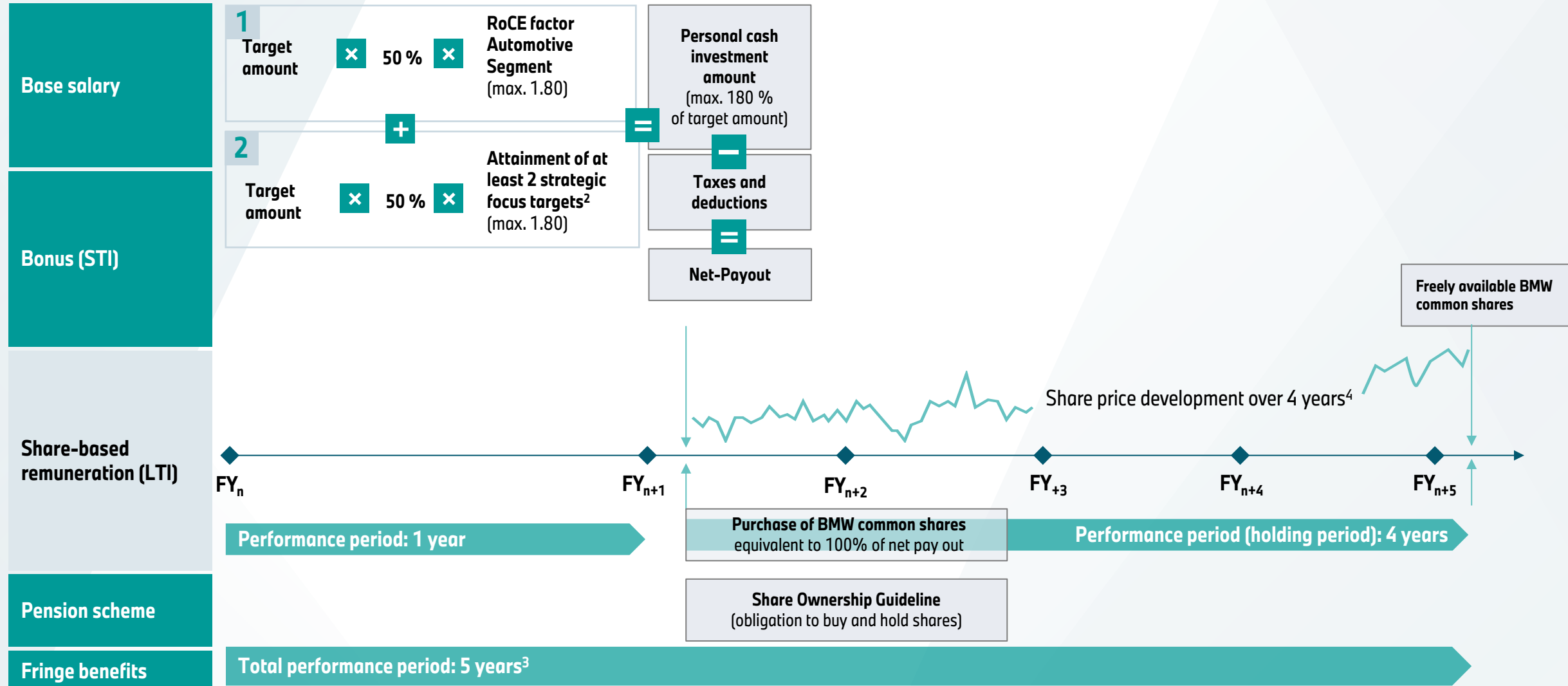
1 Schematic representation of the proportions based on the target remuneration for the Chairman of the Board of Management for financial year 2024 as an example. | 2 Chairman of the Board of Management, member of the Board of Management in the 2nd period of office or 4th year of mandate, and member of the Board of Management in 1st period of office. | 3 Pension contribution p.a. | 4 Due to roundings, percentage values may not add up to 100 %. | 5 Return on Capital Employed. A description can be found in the [BMW Group Report 2024](#), p. 51. | 6 Further details can be found in the [BMW Group Report 2024](#), p. 396. | 7 Based on contractual agreements; main points cover non-cash benefits from the use of company cars, insurance premiums, employee discounts, contributions towards security systems.

# BONUS DETAILS.

<b>Base salary</b>	<b>1 EARNINGS COMPONENT - „FINANCIAL TARGETS“.</b>		
	<b>Target amount</b>	<span style="background-color: #008080; color: white; padding: 2px 5px;">×</span>	<b>50 %</b>
		<span style="background-color: #008080; color: white; padding: 2px 5px;">×</span>	<b>Earnings factor</b> (max. 1.800)
	<b>Basis:</b>	1. Profit attributable to the shareholders of BMW AG. 2. Group return on sales after tax.	
	<b>Performance period:</b>	<b>1 Year</b>	
<b>Bonus (STI)</b>	<span style="background-color: #008080; color: white; padding: 5px 10px;">+</span>		<span style="background-color: #008080; color: white; padding: 5px 10px;">=</span>
	<b>2 PERFORMANCE COMPONENT - „NON-FINANCIAL TARGETS“.</b>		
	<b>Target amount</b>	<span style="background-color: #008080; color: white; padding: 2px 5px;">×</span>	<b>50 %</b>
		<span style="background-color: #008080; color: white; padding: 2px 5px;">×</span>	<b>Performance factor</b> (max. 1.80)
	<b>Weighting<sup>1</sup></b>	<b>Criteria</b>	
<b>Share-based remuneration (LTI)</b>	<b>Departmental targets</b>	<b>10%</b>	Individual performance of each Board Member in managing the department and progress in diversity.
			1. Innovation performance (environmental, e.g. share of sales of all-electric-vehicles (battery electric vehicle, BEV)) (E). 2. Reputation (corporate reputation) (G). 3. Adaptability (investment in training and further education, sustainability) (E, S, G).
			<b>ESG - criteria</b>
	<b>Inter-departmental targets</b>	<b>90%</b>	4. Employer attractiveness (e.g. placement in rankings) (S). 5. Leadership performance (employee satisfaction) (S). 6. Market position (e.g. sales volume of the BMW Group). 7. Innovation performance (economic, e.g. Connected Customer Rate). 8. Customer orientation (product, customer service quality, e.g. based on comparative studies and other information). 9. Reputation (e.g. brand strength).
			<b>50 %<sup>1,2</sup></b>
			<b>Further criteria</b>
			<b>40 %<sup>1</sup></b>
<b>Pension scheme</b>			
<b>Fringe benefits</b>			
	<b>Performance period:</b>	<b>1 year; trend evaluation over 3 years.</b>	
			<b>Payment amount</b>

<sup>1</sup> Within the target structure. | <sup>2</sup> Criteria from the areas of environment, social and governance (ESG).

# SHARE-BASED REMUNERATION DETAILS (LTI).<sup>1</sup>



<sup>1</sup> Simplified presentation. | <sup>2</sup> Following strategic focus targets have been set for the year 2024: (1) Reduction of CO<sub>2</sub>-fleet emissions in Europe (in g CO<sub>2</sub>/km) and (2) global sales accounted for by all-electric vehicles (BEVs). | <sup>3</sup> 1 year for the determination of the personal investment cash amount and 4 years holding period, even if board member leaves office (including retirement). | <sup>4</sup> Exemplary presentation.

# OVERVIEW REMUNERATION SYSTEM FINANCIAL YEAR 2024 (1/6).\*

Component	Parameters/measurement base, applicable amounts
<b>Fixed remuneration components</b>	
Base salary	<p>Member of the Board of Management:</p> <ul style="list-style-type: none"> <li>▪ € 0.90 million p. a. (first period of office = first remuneration level)</li> <li>▪ € 1.05 million p. a. (from second period of office or fourth year of mandate = second remuneration level)</li> </ul> <p>Chairman of the Board of Management:</p> <ul style="list-style-type: none"> <li>▪ € 1.95 million p. a.</li> </ul> <p>Base salary is paid monthly on a pro rata basis</p>
Fringe benefits	Contractual agreement, main points: non-cash benefits from the use of company cars and the BMW chauffeur service, insurance premiums, contributions towards security systems, employee discounts
Compensation payments	The Supervisory Board may award payments to compensate for loss of salary from a previous employment relationship and to cover relocation costs in the case of new entrants
Retirement benefits	<p>Defined contribution system with a guaranteed minimum return</p> <p>Benefits based on amounts credited to individual savings accounts for contributions paid and interest earned, various forms of disbursement</p> <p>Pension contribution p. a.:</p> <p>Member of the Board of Management: € 400,000</p> <p>Chairman of the Board of Management: € 700,000</p>
<b>Strategic relevance</b>	<ul style="list-style-type: none"> <li>▪ The base salary counteracts the temptation to take disproportionately high risks in order to achieve short-term goals, and thus contributes to the long-term development of the Company</li> <li>▪ Fixed remuneration components are required for remuneration to be competitive in order to attract and retain qualified members of the Board of Management</li> </ul>

\* ↗ BMW Group Report 2024, p. 377 et seqq.

# OVERVIEW REMUNERATION SYSTEM FINANCIAL YEAR 2024 (2/6).\*

Component	Parameters/measurement base, applicable amounts
<b>Variable remuneration components</b>	
<b>Bonus</b>	
Bonus (sum of earnings component and performance component)	<ul style="list-style-type: none"> <li>▪ Target amount p. a. (at 100% target achievement):               <ul style="list-style-type: none"> <li>▪ € 0.95 million (first period of office = first remuneration level)</li> <li>▪ € 1.15 million (from second period of office or fourth year of mandate = second remuneration level)</li> <li>▪ € 2.10 million (Chairman of the Board of Management)</li> </ul> </li> <li>▪ Capped at 180% of target amount</li> <li>▪ Payment as part of the next payroll run after the Annual General Meeting at which the financial statements are presented for the relevant vesting year</li> </ul>
Earnings component (at 100% target achievement corresponds to 50% of target amount)	<ul style="list-style-type: none"> <li>▪ Assessment period one year</li> <li>▪ Base amount p. a. (50% of target bonus amount):               <ul style="list-style-type: none"> <li>▪ € 0.475 million (first period of office = first remuneration level)</li> <li>▪ € 0.575 million (from second period of office or fourth year of mandate = second remuneration level)</li> <li>▪ € 1.050 million (Chairman of the Board of Management)</li> </ul> </li> <li>▪ Formula: 50% of target amount x earnings factor</li> <li>▪ Earnings factor is derived from an allocation matrix determined in advance based on the parameters "profit attributable to shareholders of BMW AG" and "Group return on sales after tax" in the vesting year               <ul style="list-style-type: none"> <li>▪ The earnings factor is 1.0 in case of a profit attributable to shareholders of BMW AG amounting to € 7.0 billion and a post-tax return on sales of 6.0%</li> <li>▪ The earnings factor is 1.5 in case of a profit attributable to shareholders of BMW AG amounting to € 8.6 billion and a post-tax return on sales of 7.7%</li> <li>▪ The earnings factor is 0 in case of a profit attributable to shareholders of BMW AG below € 4.0 billion and/or a post-tax return on sales of below 3.2%</li> </ul> </li> <li>▪ Earnings factor may not exceed 1.8</li> <li>▪ Maximum amount of earnings component p. a.:               <ul style="list-style-type: none"> <li>▪ € 0.855 million (first period of office = first remuneration level)</li> <li>▪ € 1.035 million (from second period of office or fourth year of mandate = second remuneration level)</li> <li>▪ € 1.890 million (Chairman of the Board of Management)</li> </ul> </li> </ul>

\* ↗ BMW Group Report 2024, p. 377 et seqq.

# OVERVIEW REMUNERATION SYSTEM FINANCIAL YEAR 2024 (3/6).\*

Component	Parameters/measurement base, applicable amounts
<b>Bonus (continued)</b>	<ul style="list-style-type: none"> <li>▪ Assessment period one year</li> <li>▪ Base amount p. a. (50% of target bonus amount):               <ul style="list-style-type: none"> <li>▪ € 0.475 million (first period of office = first remuneration level)</li> <li>▪ € 0.575 million (from second period of office or fourth year of mandate = second remuneration level)</li> <li>▪ € 1.050 million (Chairman of the Board of Management)</li> </ul> </li> <li>▪ Formula: 50% of target amount x performance factor</li> <li>▪ Non-financial criteria, expressed in terms of a performance factor, aimed at measuring the Board member's contribution to sustainable and long-term performance and the future orientation of the Company</li> <li>▪ Relevant period is the vesting year</li> <li>▪ Additional trend analysis over at least three financial years</li> <li>▪ Composition of performance factor:<sup>2</sup> <ul style="list-style-type: none"> <li>▪ 50% cross-divisional targets with ESG criteria</li> <li>▪ 40% other cross-divisional targets</li> <li>▪ 10% individual targets</li> </ul> </li> <li>▪ Criteria for cross-divisional targets with ESG criteria include in particular: Innovation performance (environmental, e. g. reduction of carbon emissions), development of the BMW Group's reputation based on ESG aspects (e. g. corporate culture, promotion of integrity and compliance), adaptability, attractiveness as an employer, leadership performance</li> <li>▪ Criteria for the other cross-divisional targets include in particular: Market position compared to competitors, innovation performance (economic), development of the BMW Group's reputation based on non-ESG-related aspects (e. g. perception on capital markets, brand strength), customer orientation</li> <li>▪ Measurement parameters and target values are determined before the start of the financial year</li> <li>▪ Performance factor may not exceed 1.8</li> <li>▪ Maximum amount of performance component p. a.:               <ul style="list-style-type: none"> <li>▪ € 0.855 million (first period of office = first remuneration level)</li> <li>▪ € 1.035 million (from second period of office or fourth year of mandate = second remuneration level)</li> <li>▪ € 1.890 million (Chairman of the Board of Management)</li> </ul> </li> </ul>
Performance component (at 100% target achievement corresponds to 50% of target amount)	
<b>Strategic relevance</b>	<ul style="list-style-type: none"> <li>▪ Earnings component of bonus rewards attainment of financial targets and is beneficial for earnings-related aspects of business strategy</li> <li>▪ Performance component of bonus motivates the pursuit of non-financial strategic targets and is therefore beneficial for the long-term development of the BMW Group</li> </ul>

\* ↗ BMW Group Report 2024, p. 377 et seqq.

# OVERVIEW REMUNERATION SYSTEM FINANCIAL YEAR 2024 (4/6).\*

Component	Parameters/measurement base, applicable amounts
Share-based remuneration	
Personal cash investment amount	<ul style="list-style-type: none"><li>▪ Requirement for Board of Management members to invest an earmarked cash amount (personal cash investment amount), net of tax and deductions, in BMW common shares immediately after disbursement</li><li>▪ Payment as part of the next payroll run after the Annual General Meeting at which the Financial Statements are presented for the relevant vesting year</li><li>▪ Requirement for Board of Management members to hold the acquired shares of common stock for at least four years; this requirement remains in effect for individuals who step down from the Board of Management (share ownership guideline)</li><li>▪ Assessment period of five years in total (one year for determining the personal cash investment amount, four years holding requirement)</li></ul>
Calculation	<ul style="list-style-type: none"><li>▪ Target amount p. a. (at 100% target achievement):<ul style="list-style-type: none"><li>▪ € 1.10 million (first period of office = first remuneration level)</li><li>▪ € 1.28 million (from second period of office or fourth year of mandate = second remuneration level)</li><li>▪ € 2.35 million (Chairman of the Board of Management)</li></ul></li><li>▪ 50% of target amount depends on RoCE achieved in the Automotive segment (RoCE component)</li><li>▪ 50% of the target amount depends on the achievement of predefined strategic focus targets (strategic focus target component)</li><li>▪ Capped at 180% of target amount</li><li>▪ Payment after the Annual General Meeting at which the Financial Statements are presented for the relevant vesting year</li></ul>

\* ↗ BMW Group Report 2024, p. 377 et seqq.

# OVERVIEW REMUNERATION SYSTEM FINANCIAL YEAR 2024 (5/6).\*

Component	Parameters/measurement base, applicable amounts
<b>Share-based remuneration (continued)</b>	
RoCE component (at 100% target achievement corresponds to 50% of target amount)	<ul style="list-style-type: none"> <li>▪ Target amount of RoCE component p. a. (50% of target amount for personal cash investment amount):               <ul style="list-style-type: none"> <li>▪ € 0.55 million (first period of office = first remuneration level)</li> <li>▪ € 0.64 million (from second period of office or fourth year of mandate = second remuneration level)</li> <li>▪ € 1.175 million (Chairman of the Board of Management)</li> </ul> </li> <li>▪ Formula: 50% of target amount x RoCE factor</li> <li>▪ RoCE factor is derived from the RoCE achieved in the Automotive segment for the vesting year</li> <li>▪ Minimum, target and maximum values for RoCE are defined before the start of the financial year</li> <li>▪ RoCE factor may not exceed 1.8</li> <li>▪ Maximum amount of RoCE component p. a.:               <ul style="list-style-type: none"> <li>▪ € 0.990 million (first period of office = first remuneration level)</li> <li>▪ € 1.152 million (from second period of office or fourth year of mandate = second remuneration level)</li> <li>▪ € 2.115 million (Chairman of the Board of Management)</li> </ul> </li> </ul>
Strategic focus target component (at 100% target achievement corresponds to 50% of target amount)	<ul style="list-style-type: none"> <li>▪ Target amount of strategic focus target component p. a. (50% of target amount for personal cash investment amount):               <ul style="list-style-type: none"> <li>▪ € 0.55 million (first period of office = first remuneration level)</li> <li>▪ € 0.64 million (from second period of office or fourth year of mandate = second remuneration level)</li> <li>▪ € 1.175 million (Chairman of the Board of Management)</li> </ul> </li> <li>▪ At least two strategic focus targets derived from the strategic plan</li> <li>▪ Weighting of the strategic focus targets is decided before the start of the financial year</li> <li>▪ Formula in the event of two strategic focus targets with equal weighting p. a.:                25% of target amount for personal cash investment amount x factor for strategic focus target 1 + 25% of target amount for personal cash investment amount x factor for strategic focus target 2</li> <li>▪ Minimum, target and maximum values are defined before the start of the financial year</li> <li>▪ Factor for each strategic focus target may not exceed 1.8</li> <li>▪ Maximum amount of strategic focus target component p. a.:               <ul style="list-style-type: none"> <li>▪ € 0.990 million (first period of office = first remuneration level)</li> <li>▪ € 1.152 million (from second period of office or fourth year of mandate = second remuneration level)</li> <li>▪ € 2.115 million (Chairman of the Board of Management)</li> </ul> </li> </ul>
<b>Strategic relevance</b>	<ul style="list-style-type: none"> <li>▪ 50% of the personal cash investment amount within the target structure depends on the RoCE and is therefore directly linked to a key target for the corporate strategy and reflects BMW AG's aspiration to generate a significant premium on the cost of capital</li> <li>▪ The remaining 50% of the personal cash investment amount encourages achievement of strategic focus targets and therefore contributes to business performance in key strategic areas</li> <li>▪ Commitment to purchase shares of the Company's common stock and the four-year holding period provide additional motivation to support the Company's long-term development</li> </ul>

\* ↗ BMW Group Report 2024, p. 377 et seqq.

# OVERVIEW REMUNERATION SYSTEM FINANCIAL YEAR 2024 (6/6).<sup>1</sup>

Component	Parameters/measurement base, applicable amounts		
<b>Malus and clawback rules</b>			
Malus	<ul style="list-style-type: none"> <li>▪ Agreement to withhold variable remuneration in the event of specified serious compliance violations or (withholding amounts provisionally) in the event of reasonable suspicions of such</li> <li>▪ Amounts may also be withheld in principle after a member has left the Board of Management</li> </ul>		
Clawback	<ul style="list-style-type: none"> <li>▪ Agreement entitling the BMW Group to reclaim variable remuneration already paid out in the event of specified serious incidences of non-compliance, incorrect calculation bases or incorrect financial statements</li> <li>▪ Amounts may also be clawed back in principle after a member has left the Board of Management</li> </ul>		
<b>Maximum amounts p.a.</b>			
in € million p. a.	Bonus	Share-based remuneration (personal cash investment amount)	Maximum remuneration <sup>2</sup>
Member of the Board of Management in the first period of office	€ 1.710 million	€ 1.980 million	€ 4.925 million
Management in the second period of office or fourth year of Mandate	€ 2.070 million	€ 2.304 million	€ 5.500 million
Chairman of the Board of Management	€ 3.780 million	€ 4.230 million	€ 9.850 million

<sup>1</sup> ↗ BMW Group Report 2024, p. 377 et seqq. | <sup>2</sup> Maximum remuneration as defined in section 87a (1) sentence 2 no. 1 AktG. The overall cap is lower than the sum of the maximum amounts for the individual components.