

BMW Group Stakeholder Engagement Policy

As a global corporation with a complex value chain, our operations and products have impacts that extend beyond our employees and customers. Business partners, suppliers, community interest groups, media, political and academic leaders, industry associations, NGOs, investors, and other stakeholder groups have different viewpoints and expectations related to our business. Responding to their needs can positively influence our license to operate, our competitive advantage, and our long-term success.

In order to seek and address stakeholder perspectives; build trust and develop partnerships; and make use of stakeholder capital, it is essential to have a strategic and global approach toward working with stakeholders. For this reason, we have developed the “Stakeholder Engagement Policy of the BMW Group.”

This policy addresses the BMW Group’s corporate stakeholder engagement strategy and ensures this strategy is applied consistently across our worldwide operations, including all local operations, National Sales Corporations, and government affairs offices. In addition, it advises our local operations on stakeholder identification, prioritization, and communication, as well as on engagement methods and risk management.

1. Objectives

According to the AA1000 Standard, relevant stakeholders are individuals, groups of individuals or organizations that affect and/or could be affected by an organization’s activities, products or services and associated performance with regard to the issues to be addressed by the engagement.

Systematically seeking stakeholders’ perspectives and expertise and to understand, address, and manage their expectations will enable the BMW Group to:

Identify chances:

- Identify emerging trends and potential business opportunities
- Gather input and external expertise to shape strategy and enhance capacity to innovate
- Promote higher-quality, sustainable decisions
- Enhance community confidence in projects undertaken
- Collaborate on solutions to future challenges

Manage and shape our reputation:

- Increase transparency of our activities and decisions
- Foster a value-oriented and transparent corporate culture

Reduce risk:

- Discover and address potential conflicts before they become risks
- Ensure stakeholders to articulate concerns regarding activities of the BMW Group in an early stage.

In turn, this approach will also enable stakeholders to:

- understand the BMW Group’s strategy and position on material issues,
- understand the context in which the BMW Group operates (e.g. the nature and structure of our business units and areas of focus) and our business realities (e.g. limitations and areas in which collaboration is needed),
- address additional requirements regarding the sustainability strategy of the BMW Group,
- profit from more open and transparent lines of communication.

The BMW Group’s strategy and position on material issues is steered from the BMW Group headquarters in Munich, Germany. Close alignment with our political offices and communication colleagues in the BMW Group markets ensures that the BMW Group speaks with one voice and is perceived in the same way - in dialogue with our stakeholders worldwide.

Specific objectives may vary, depending on the issue, the location, and stakeholders involved.

2. Stakeholder Engagement Levels and Methods

Level of engagement	Method of engagement
1. Inform (one-way communications: the BMW Group to stakeholders)	Publications (e.g. reports, brochures, press releases) Marketing and social media campaigns Speeches
2. Listen (one-way communications: stakeholders to the BMW Group)	Media evaluations Online surveys or stakeholder interviews Phone hotlines and email feedback forms
3. Involve	Advisory panels and focus groups Multi-stakeholder forums and roundtables One-on-one / bilateral meetings Workshops
4. Collaborate	Joint projects Joint positions on issues Partnerships Local / regional / national / international trade & industry associations / car manufacturer associations

3. Measuring Engagement Value and Output

To measure the effectiveness of our engagement activities a thorough review is needed. This may include gathering detailed feedback from stakeholders, such as:

- whether the objective, scope, and process of the engagement was clearly stated;
- if the results of the engagement process were clearly communicated;
- if the engagement addressed the right stakeholder concerns / the right issues;
- whether stakeholders had additional concerns or input regarding the issue at hand;
- what could be improved in future engagement activities; and
- whether the company's position was communicated clearly.

In addition, it is recommended to conduct an internal review of whether the input gathered from stakeholders contributes to our overall engagement objectives.

4. Stakeholder Engagement Responsibilities at BMW Group headquarters in Munich, Germany

To ensure a coordinated approach and share best practice examples within the Group and across local operations, we ask you to please inform and consult BMW Group Sustainability Communications on all stakeholder engagement activities.

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