

BMW China

BANKERS DAY PRESENTATION

July 2021



**BMW
GROUP**



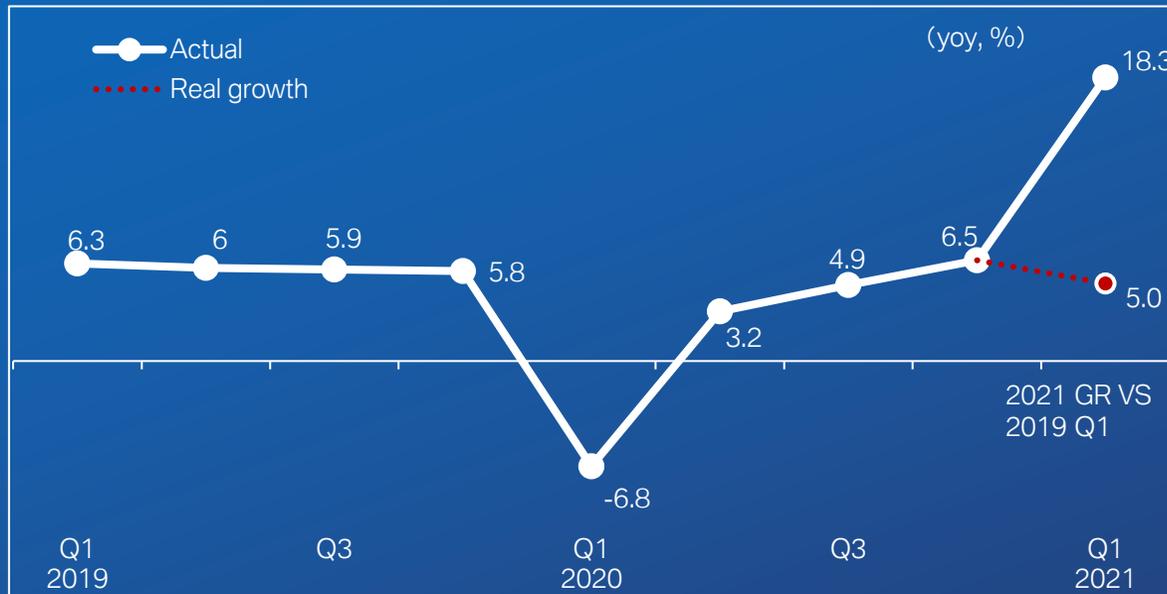
ROLLS-ROYCE
MOTOR CARS LTD

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



CHINA'S ECONOMY REBOUNDED IN Q2/2020. CONSUMER CONFIDENCE IS REACHING PRE-COVID LEVEL.

GDP YoY growth rate

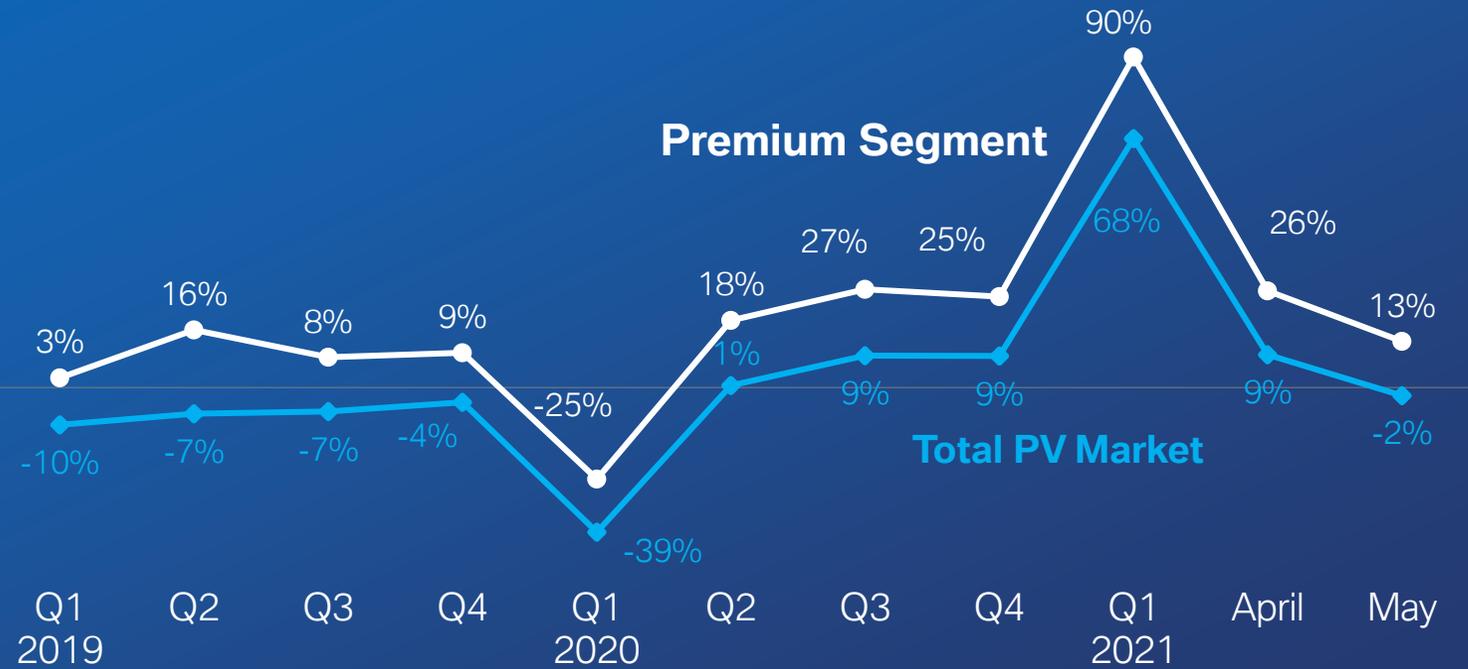


Consumer confidence index



STRONG ECONOMIC RECOVERY REFLECTED IN CHINA AUTO MARKET, ESPECIALLY IN THE PREMIUM SEGMENT.

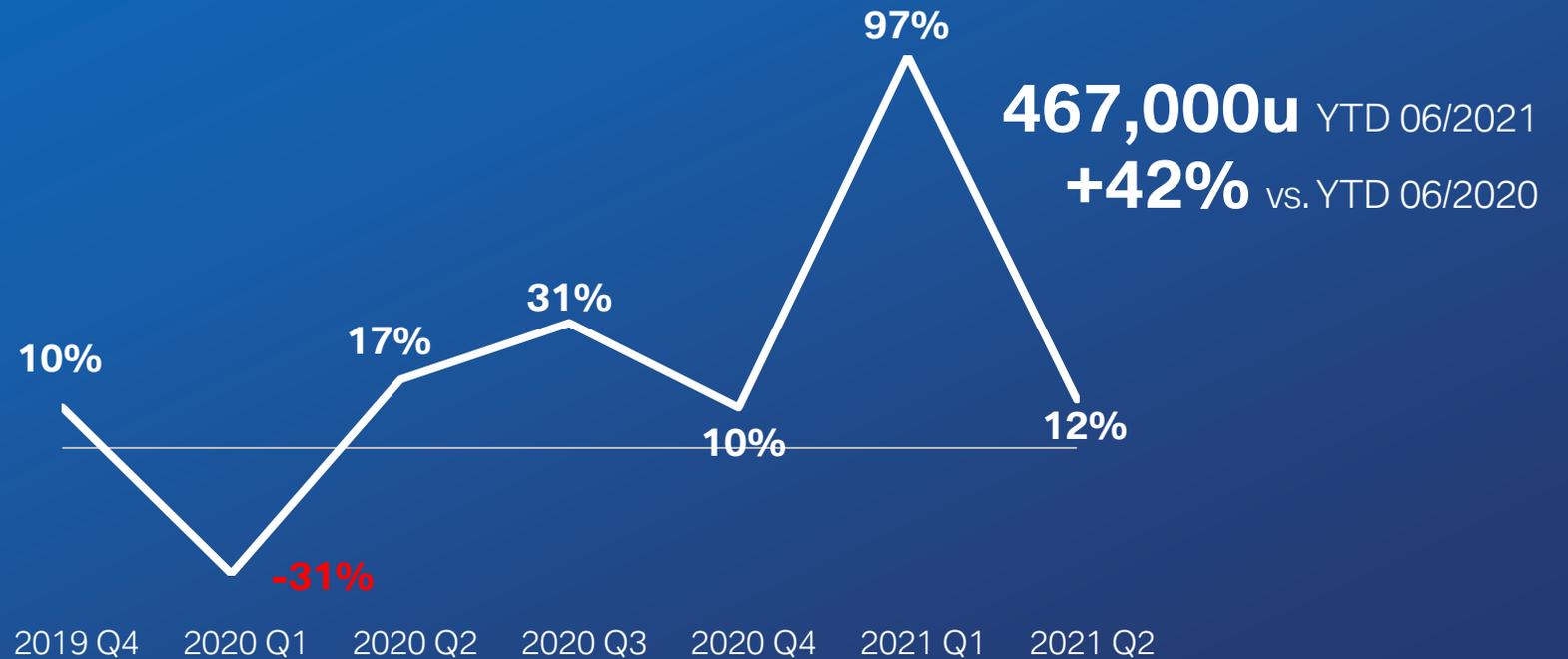
PV Market / Premium Segment Growth Rate



WITH QUICK RESPONSE AND COUNTERMEASURES, BMW CHINA HAS GAINED STRONG SALES MOMENTUM.



Retail Quarterly Growth Rate



BMW MOTORRAD & ROLLS-ROYCE IN CHINA EXCELS WITH RECORD PERFORMANCE YTD Q2 2021.



**BMW
MOTORRAD**

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



ROLLS-ROYCE
MOTOR CARS LTD

+134% vs. YTD Q2 2020 +71% vs. YTD Q2 2019

WHAT ARE THE KEY TRENDS?

DIGITALIZATION: PLATFORMS AND SERVICES ARE EMERGING WITH HIGH SPEED.

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



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



Source: QuestMobile



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

China targets:

CO₂ Emission Peak: **2030**

Carbon Neutrality: **2060**



领导人气候峰会
LEADERS SUMMIT ON CLIMATE



Xi Jinping: “For Man and Nature: Building a Community of Life Together”

Leaders Summit on Climate, April 22nd, 2021

WE HAVE A CLEAR FOCUS AND STRATEGY IN CHINA.

SUSTAINABILITY

INNOVATION & ELECTRIFICATION

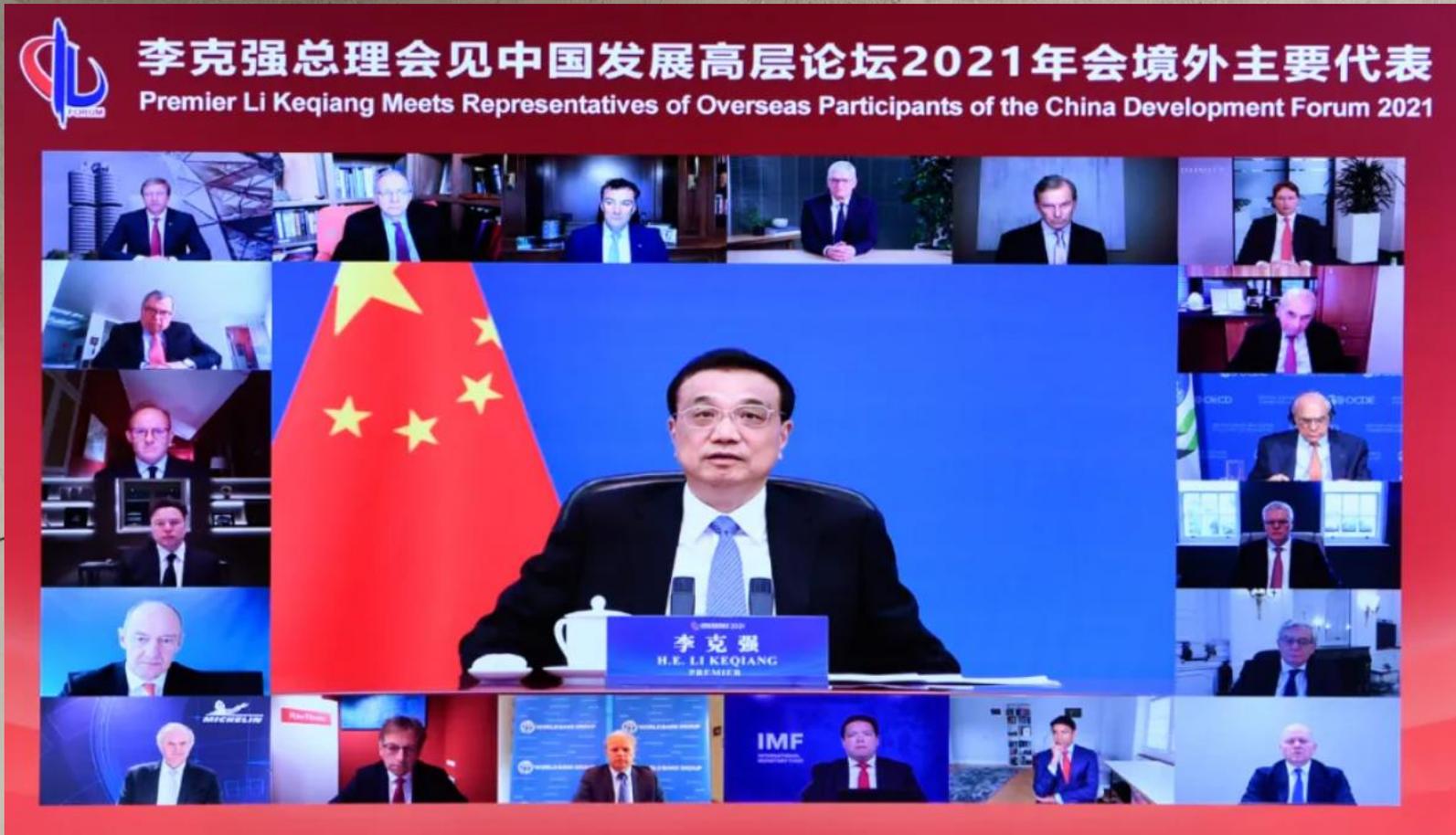
DIGITALIZATION

PREMIUM CUSTOMER EXPERIENCE



SUSTAINABILITY: ACTIVELY SHAPING THE INDUSTRY IN CHINA.

“LOW CARBON VALUE CHAIN INITIATIVE” PROPOSED DURING CHINA DEVELOPMENT FORUM.



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



Share knowledge



Best practice and pain points



Work with government for effective policies



5 BMW suppliers selected

* China Development Research Foundation

SUSTAINABILITY: “DRIVE THE GREEN MOBILITY TRANSFORMATION”.

FIRST EVER ANNUAL BMW SUSTAINABILITY SUMMIT WAS HELD IN CHINA.

Supply Chain

-20% CO₂ per veh.
2030 vs. 2019

Production

-80% CO₂ per veh.
2030 vs. 2019

Use Phase

-40% CO₂ per veh.
2030 vs. 2019



BMW SUSTAINABILITY SUMMIT

June 3rd, 2021 in Beijing

- ❑ First OEM to hold summit purely focused on sustainability
- ❑ Communicated BMW's sustainability strategy and targets in China
- ❑ Launch of the 'Low Carbon Value Chain Initiative'
- ❑ Speakers: Experts, suppliers, partners and BMW Management
- ❑ 1.26 million online visitors

INNOVATION & ELECTRIFICATION.

SUSTAINABILITY

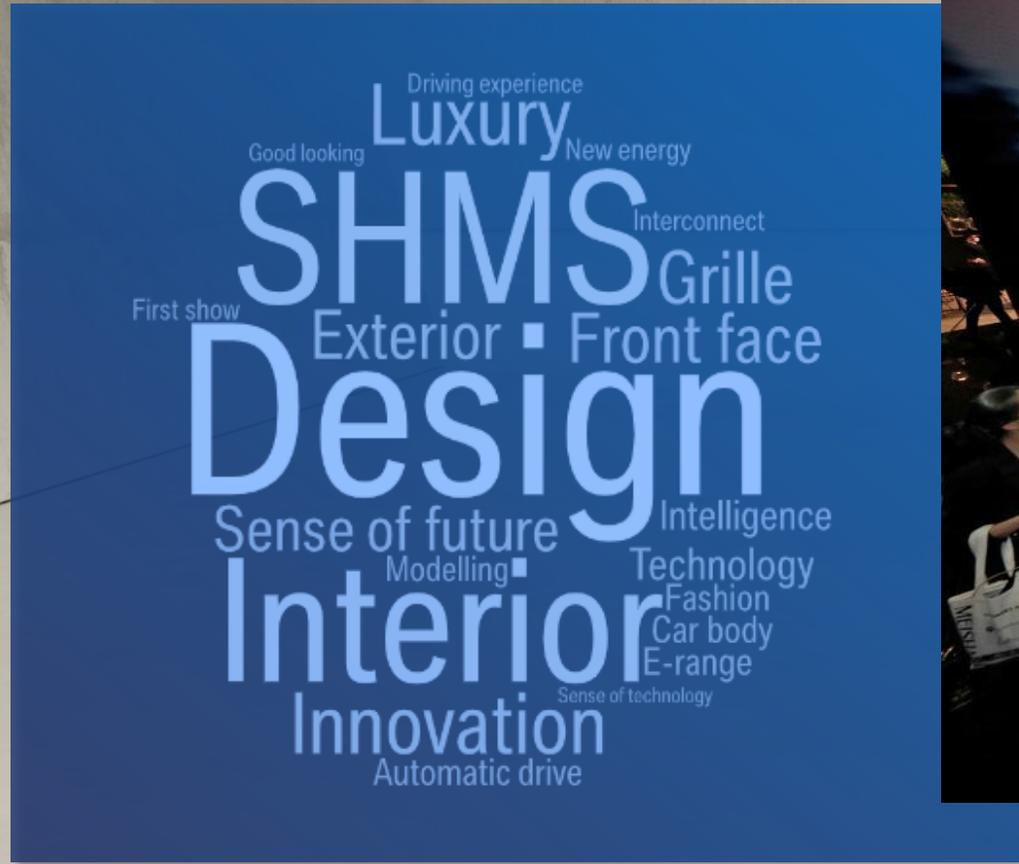
INNOVATION & ELECTRIFICATION

DIGITALIZATION

PREMIUM CUSTOMER EXPERIENCE

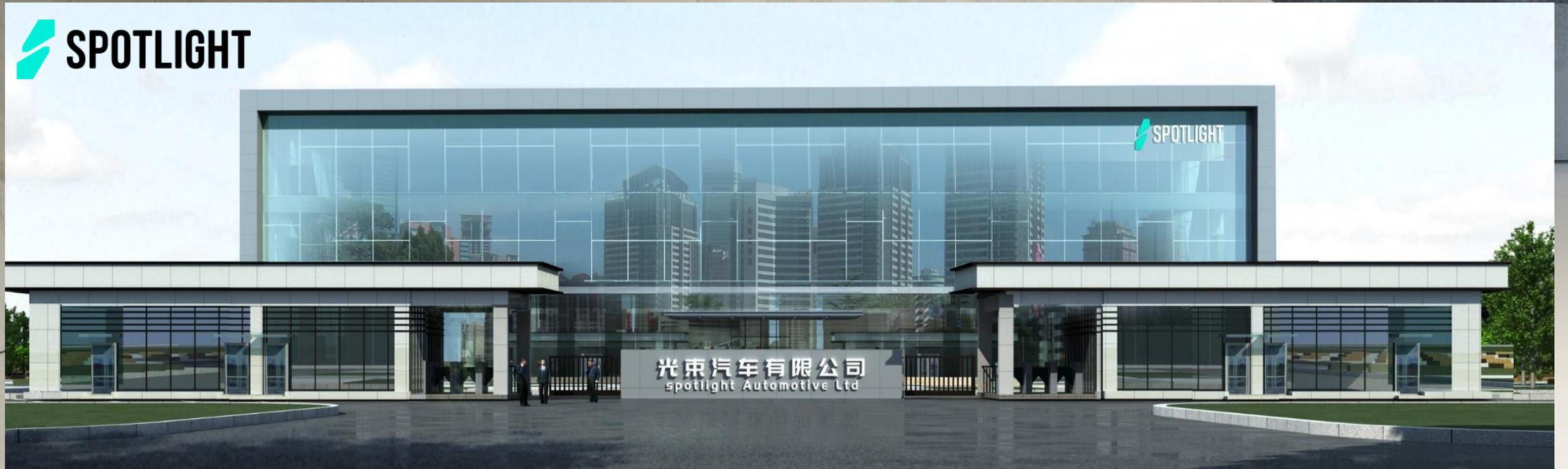


INNOVATION & ELECTRIFICATION: THE BMW iX AND i4. EXTREME POSITIVE FEEDBACK DURING SHANGHAI MOTORSHOW.



INNOVATION & ELECTRIFICATION: MINI BRAND TO JOIN THE ERA OF E-MOBILITY. LOCAL CHINA PRODUCTION TO START IN 2024.

 **SPOTLIGHT**



PREPARING THE FUTURE OF MINI IS ON TRACK.

EXTENDING INNOVATION FOOTPRINT WITH JOINT OPEN INNOVATION BASE OF ALIBABA & BMW.

BMW & Alibaba open innovation base in Shanghai



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

Create Competition: Start-up partners for BMW



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

DIGITALIZATION.

SUSTAINABILITY

INNOVATION & ELECTRIFICATION

DIGITALIZATION

PREMIUM CUSTOMER EXPERIENCE

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

Fast, reliable data transmission using
5G mobile technology



Over-the-air retrofitting: Functions on Demand



Centralized network architecture and Gigabit Ethernet

Always up to date: Remote Software Upgrade



More apps, greater diversity:
optimized third-party integration

BMW iDrive
THE INTELLIGENT
FUSION OF SENSING

BMW Digital Key Plus
with ultra-wideband radio technology

DIGITALIZATION: MY BMW / MINI APP.

REDEFINE THE CONNECTION WITH USERS FOR BMW OWNERS, FANS & PROSPECTS.



2 MILLION

We Together

Until 06/2021



App User Base

15 Million

Today

From 2025

DIGITALIZATION: LEVERAGING CHINA COMPETENCIES TO ACCELERATE DIGITAL TRANSFORMATION.



DIGITAL-COMPANY
„LINGYUE“ (Beijing, 2019)

E2E CUSTOMER EXPERIENCE



„LINGYUE“ 2nd BRANCH
 (Nanjing, 2021)

BUSINESS IT



BMW ARCHERMIND TECHWORKS (Nanjing, 2021)

CAR IT

- In-Car Connectivity
- Autonomous Driving / Assistance
- Car IT Infrastructure

PREMIUM CUSTOMER EXPERIENCE.

SUSTAINABILITY

INNOVATION & ELECTRIFICATION

DIGITALIZATION

PREMIUM CUSTOMER EXPERIENCE



PREMIUM CUSTOMER EXPERIENCE: FULLY DEDICATED TO CUSTOMER CENTRICITY.

ACCELERATION IN DIGITAL SALES



HOLISTIC CUSTOMER JOURNEY



NETWORK TRANSFORMATION & TEN PROMISES



THANK YOU!

