BMW GROUP



Corporate Communications

Media Information 18 March 2019

BMW Group publishes Sustainable Value Report 2018.

New benchmarks for energy consumption and CO₂ emissions per vehicle produced. Market leader in electrified vehicles in Europe.

Munich. The BMW Group made further progress in shaping sustainable mobility last year, as documented by its new Sustainable Value Report 2018. The report will be released on 20 March 2019 to coincide with publication of the company's Annual Report 2018 and will also be available online from this date. It provides information on current measures and achievements during the 2018 reporting year, as well as updates on concrete progress towards fulfilment of the company's sustainability goals.

"Sustainability is a holistic task that is firmly anchored in our corporate strategy," says Harald Krüger, Chairman of the Board of Management of BMW AG. "In addition to developing innovative products and services, responsible use of resources is another central concern of all that we do – with clear objectives and measures that we are setting for ourselves and successfully implementing."

New benchmarks for resource efficiency.

As part of its holistic sustainability strategy, the BMW Group is not only concentrating on building more and more efficient vehicles, but also on various aspects of resource efficiency in its international production network.

In 2018, the BMW Group set new records in this area. Relative CO_2 emissions per vehicle produced decreased by an average of 2.4 percent year-on-year to a new low of 0.40 tons per vehicle. In the past five years alone, this figure has been reduced by around 39 percent. The same applies to absolute CO_2 emissions for the production network, which were 2.7 percent lower than the previous year. The BMW Group sites also set a new benchmark for energy consumption per vehicle produced in 2018: Vehicle production required 2.12 megawatt hours of power per vehicle, which is 2.3 percent less, on average, than in 2017.

The new benchmarks for production can be traced to various measures implemented in 2018. For example, the final switch to LED lighting at the company's German plants has produced effective energy savings. With 79 percent of electricity purchased worldwide from renewable energies, the BMW Group very nearly reached the high level of the previous year. Since 2017, all European BMW Group locations have sourced their electricity from renewable energies. The company's site in Brazil also reached this milestone in 2018.

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Further expansion of electromobility.

By focusing early on electromobility, the BMW Group has earned itself a leading position worldwide. With a total of 75,000 electrified vehicles delivered to customers in 2018, the BMW Group was the clear market leader in Europe. Worldwide, the company sold more than 140,000 electrified models. Thanks to significant growth in sales of fully-electric and plug-in hybrid vehicles, average CO₂ fleet emissions in 2018 remained at the same level as the previous year, despite a further decrease in diesel sales. Over the next few years, the BMW Group will gradually release additional electrified models like the MINI Electric, the BMW iX3 and the BMW iNEXT, which will significantly reduce CO₂ and pollutant emissions. As part of its holistic approach to electromobility, the BMW Group will also be expanding the necessary infrastructure. The charging service ChargeNow already gives customers access to more than 223,000 public charging points worldwide.

Human rights and environmental standards in global supplier chains.

The BMW Group is a strong advocate for a transparent and resource-efficient supply chain. Various measures and initiatives in the year under review helped promote compliance with environmental and social standards for raw material procurement. In this context, the company issued its BMW Group Code on Human Rights and Working Conditions in 2018, based on a due diligence process that is also mandatory for suppliers and sales partners.

Employee orientation and social commitment.

The BMW Group relies on a diverse, capable and highly qualified workforce. Occupational safety measures once again reduced the accident frequency rate in 2018. In order to actively develop the skills and strengths of individual employees, spending on vocational and further education programmes was significantly increased in 2018. The BMW Group relies on an ever more diverse workforce: In 2018, the percentage of women employed at the company overall and in management positions rose again. In the area of corporate citizenship as well, the BMW Group is engaged in promoting diversity and strong women. The company's Intercultural Innovation Award recognises, for instance, organisations that work to achieve cultural diversity, foster intercultural relations and promote the rights of women worldwide. Around 70 per cent of the winners of the Intercultural Innovation Award are female (https://interculturalinnovation.org/). The BMW Group values equal opportunities in education. Children and adolescents, regardless of religion, culture or country of origin, have a right to equal access to education. In 2018, the BMW Group's educational projects focussing on technology and science reached over 316,000 children and adolescents - double the number achieved in 2017. The aim is to reach one million children and adolescents in 2025.





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The BMW Group sustainability strategy.

Consistent integration of sustainability into its business model and corporate strategy NUMBER ONE > NEXT secures the BMW Group's future viability and competitiveness. The company is also aware of its responsibility for addressing global issues. To meet its standards as the most successful and sustainable premium provider of individual mobility, the company has systematically pursued ten long-term sustainability goals since 2012. The Sustainable Value Report documents concrete results under these strategic guidelines every year. The BMW Group also provides additional information and examples of the company's focus on sustainability on its website and in its sustainability newsletter.

Reporting standard and audit quality.

The BMW Group has published Sustainable Value Reports since 2001 – since 2013, solely as an interactive PDF. The 2018 report was once again compiled in accordance with the guidelines of the Global Reporting Initiative (GRI standards; comprehensive level) and meets the criteria of the CSR reporting standard in Germany in full. All quantitative and qualitative statements in the 2018 report were also verified by an external auditing firm (PricewaterhouseCoopers) under the following criteria: materiality, stakeholder inclusiveness, clarity, completeness, accuracy, reliability and comparability. Independent assurance was performed in accordance with the ISAE 3000 Standard (International Standard of Assurance Engagements).

Assessing the BMW Group's sustainable orientation.

The substance of sustainable development, as well as reporting transparency, are also recognised by international experts: The BMW Group is the only automobile manufacturer to feature in the rating published by RobecoSAM AG for the Dow Jones Sustainability Indices (DJSI) every year since 1999. In the rating compiled by the Carbon Disclosure Project (CDP), the BMW Group earned a place in the category "Leadership" with an "A-" rating for transparency and climate protection measures in the year under review. In the most recent ranking compiled in 2018 by the Institute for Ecological Economy Research (IÖW) and the business association "future", the BMW Group's Sustainable Value Report 2017 was named the secondbest sustainability report published by a major German company. In an industry comparison, the BMW Group's report is the clear leader.

The "Sustainable Value Report 2018" will be available from 20 March 2019 online under the following link:

https://www.bmwgroup.com/svr