

Media Information
30 September 2016

BMW Group recognises suppliers for best innovations Presentation of the BMW Supplier Innovation Award

Munich. The BMW Group has bestowed its fourth BMW Supplier Innovation Award. A total of six suppliers were honoured for their outstanding achievements in innovation and development.

Innovation lays the foundation for the BMW Group's economic success and future competitiveness. Suppliers are key partners in this process and play a decisive role in the implementation of new developments. Innovative strength and collaborative partnerships with suppliers are highly valued by the BMW Group and recognised with this award.

Klaus Draeger, member of the Board of Management of BMW AG, responsible for Purchasing and Supplier Network, underlined the future importance of new technologies at the award ceremony in the BMW Welt. Speaking to the audience of 300 senior representatives of the international supplier industry he said: "Within two to three decades, mobility will be defined by sustainability, connectivity and automated driving. Innovations will be more important than ever going forward – especially since premium vehicles with strong emotional appeal depend on them. The only way to assure and strengthen our innovation capability is through close links with our suppliers and development partners."

BMW Group suppliers ceased to be simply component suppliers years ago and have become system developers and innovation partners. Over the years, their share of value creation at the company has risen steadily and currently stands at over 70 per cent. Between 2010 and 2015, the company increased purchasing volumes by 38 per cent to 34.7 billion euros.

The Supplier Innovation Award is a further highlight of the company's centenary year. With a number of its partners, the BMW Group can look back on decades of collaboration – dating, in some cases, from the very beginning. Klaus Draeger said: "The success of the BMW Group over the past 100 years is based to a large extent on our ability to innovate – something we can only achieve with strong partners. 100 years of BMW also means 100 years of partnership with our suppliers."

Media Information

Date 30 September 2016

Subject **BMW Group recognises suppliers for best innovations**

Page 2

The BMW Group presented awards in a total of six categories, in fields where the company intends to shape the future of individual mobility as a premium manufacturer: EfficientDynamics, digitalization, sustainability, quality, emotional experience and productivity. For the first time, the award was presented in the new categories emotional experience and digitalization.

The winners of the BMW Supplier Innovation Award 2016 are:

EfficientDynamics

Röchling Automotive: Active Grille Shutter in the BMW 7 Series

The Active Grille Shutter in the BMW 7 Series from Röchling Automotive makes air grilles visible for the first time, allowing the customer to witness aerodynamics directly. Integrating the slats directly into the BMW kidney grille creates a striking optical effect. Electric controls actively regulate the air stream. The improvement over previous systems is impressive: Air resistance is optimised, CO₂ emissions reduced and the engine warms up faster from a cold start.

Digitalization

Nuance Communications: Natural Language Understanding

Natural Language Understanding from Nuance Communications enables intuitive voice control based on interpretation of natural language. The system understands what the customer wants: from phone calls to navigation to entertainment: The user can interrupt the system at any time to shorten the dialogue. Hybrid voice recognition in the vehicle and in the cloud makes it much easier to communicate with the vehicle, enabling voice control that goes beyond pre-defined commands, with brief and efficient dialogue and free dictation of messages.

Sustainability

Huntsman Polyurethanes: Low Emission Flexible Foam System for Seating

The polyol and formaldehyde scavenger developed by Huntsman reduces total emissions from soft foams in the vehicle interior by factor ten. Huntsman is the only supplier to meet the BMW Group's ambitious requirements for moulded foams.

Media Information

Date 30 September 2016

Subject **BMW Group recognises suppliers for best innovations**

Page 3

Quality

Minth Group Ltd.: Corrosion Resistance for Anodised Trim Surfaces

High moisture and the cleaning agents commonly used in many markets attack trusted anodised aluminium trim surfaces. Adequate protection was previously only achieved through an additional, time-consuming painting process. Minth has found a less expensive solution that integrates the initial corrosion resistance application for anodised trim surfaces into the anodising process. Surfaces also retain their sheen longer for enhanced quality. The aggressive alkaline solutions used in carwashes and antifreeze agents, for example, no longer impair the sheen.

Emotional experience

Webasto Roof & Components SE: Sky Lounge Panoramic Roof

The Sky Lounge panoramic roof from Webasto Roof & Components contributes to the feeling of wellbeing in the interior. With light entering from the sides and reflected onto a printed graphic, the panoramic roof becomes part of an integrated lighting scenario – an exclusive feature offered only by BMW.

Productivity

SIEMENS Aktiengesellschaft: Totally Integrated Automation (TIA-Portal)

The BMW Group has worked with Siemens for many years. Together, the two partners have now taken an important step towards digitalization and Industry 4.0: BMW Group is the first in the industry to use the TIA (Totally Integrated Automation) portal control platform, which allows different stages of production to be linked and optimises all machine processes and process workflows for highly-efficient engineering. Standardised, integrated operating concepts minimise effort, costs and time-to-market, as well as enhancing flexibility and productivity.



Media Information

Date 30 September 2016

Subject **BMW Group recognises suppliers for best innovations**

Page 4

If you have any questions, please contact:

BMW Group Corporate Communicationswww.press.bmwgroup.comEmail: presse@bmw.de

Michael Rebstock, Business and Finance Communications, Michael.Rebstock@bmw.de,
Telephone: +49 (0)89 382-20470

The BMW Group

With its three brands BMW, MINI and Rolls-Royce, the BMW Group is the world's leading premium manufacturer of automobiles and motorcycles and also provides premium financial and mobility services. As a global company, the BMW Group operates 31 production and assembly facilities in 14 countries and has a global sales network in more than 140 countries.

In 2015, the BMW Group sold approximately 2.247 million cars and nearly 137,000 motorcycles worldwide. The profit before tax for the financial year 2015 was approximately € 9.22 billion on revenues amounting to € 92.18 billion. As of 31 December 2015, the BMW Group had a workforce of 122,244 employees.

The success of the BMW Group has always been based on long-term thinking and responsible action. The company has therefore established ecological and social sustainability throughout the value chain, comprehensive product responsibility and a clear commitment to conserving resources as an integral part of its strategy.

www.bmwgroup.comFacebook: <http://www.facebook.com/BMWGroup>Twitter: <http://twitter.com/BMWGroup>YouTube: <http://www.youtube.com/BMWGroupview>Google+: <http://googleplus.bmwgroup.com>