

Press Information
5 February 2026



BMW Group and PreZero drive circular economy for Europe's automotive industry

+++ From end-of-life vehicles to recycled materials: strategic cooperation launched +++
Companies committed to co-development of closed-loop material cycles for end-of-life vehicles +++ Collaboration combines expertise from end-of-life vehicle recycling and circular economy +++

Munich/Heilbronn, 5 February 2026. The BMW Group and PreZero, the international circular economy company that forms parts of the Schwarz Group, are taking an important step towards a future based on circular principles. At the IPA1 (Innovation Park Artificial Intelligence) campus in Heilbronn, Germany, the two companies signed a strategic cooperation agreement to substantially advance the circular economy across the European automotive industry. The aim of the collaboration is to develop a business model for the recycling of end-of-life vehicles, creating a closed loop for both materials and recycling.

From end-of-life vehicle to a source of materials

The cooperation between the BMW Group and PreZero seeks to harness the strategic and economic potential of the circular economy for recycling end-of-life vehicles, while simultaneously tackling the automotive industry's current challenges. Going forward, the goal is to reduce dependence on raw materials and make supply chains more resilient. This is precisely where the joint initiative comes in: Its objective is to develop a viable business model for an innovative materials and recycling loop, systematically using end-of-life vehicles as a strategic source of materials. Initially, a vehicle's components will be kept in the loop for as long as possible through continued use. As a next step, innovative recycling processes will recover more high-quality recycled materials and raw materials. The new approach is also expected to significantly reduce the need for primary raw materials.

Establishing the circular economy as a business model

The partnership with PreZero is integral to the BMW Group's corporate and decarbonisation strategy. Ralf Hattler, Senior Vice President Customer Support and Aftersales BMW Group,

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summarises the importance of the cooperation as follows: "The collaboration with PreZero is another milestone on the road to establishing the circular economy as a genuine business model. For the BMW Group, circularity is already a central element of our corporate strategy and a key driver of CO2 reduction and resource efficiency. Together with PreZero, we are creating the conditions needed to design a vehicle's entire value chain in a way that keeps materials and components of the highest quality in the loop for as long as possible. Our goal is to significantly reduce the need for primary materials and make supply chains more resilient."

For PreZero, the cooperation is a logical step towards combining environmental responsibility with economic success. Carsten Dölfer, CEO of PreZero in Germany, underlines the significance for the market: "After acquiring Europe's largest battery recycling facility last year, we are now taking the next step with the BMW Group towards establishing a functional circular economy in the automotive industry. Together, we are developing scalable solutions that not only meet strict compliance and sustainability requirements but also drive the decarbonisation of the industry across Europe. In this way, we are closing the gap between automotive development and the realities of recycling."

Foundation for collaboration

The cooperation is rooted in the development of a business model that will ensure comprehensive recycling of end-of-life vehicles. Within the framework of the collaboration, innovative and efficient recycling processes for end-of-life vehicles will be jointly tested and brought to series maturity, while new approaches to material flow management will also be developed.

A core element will be knowledge transfer: From the assembly line to the recycling pipeline, the BMW Group will contribute its "design for recycling" know-how and insights gained from the recycling of end-of-life vehicles at its in-house Recycling and Dismantling Centre (RDC), as well as materials and manufacturing expertise. PreZero will share its expert knowledge of European material flows and sorting technologies. The company will also draw on its extensive expertise as one of Europe's leading battery recyclers. At the same time, the cooperation will strengthen the resilience and competitiveness of the automotive industry. The aim is to first reuse components and then recycle recoverable materials such as steel, aluminium, plastics and battery raw materials. The

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cooperation is also fully aligned with the European Union's circular economy strategy and its efforts to enhance resilience.

Further information:**BMW Group Recycling and Dismantling Centre**

If you have any questions, please contact:

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The BMW Group

With its four brands, BMW, MINI, Rolls-Royce and BMW Motorrad, the BMW Group is the world's leading premium manufacturer of automobiles and motorcycles and also provides premium financial services. The BMW Group production network comprises over 30 production sites worldwide; the company has a global sales network in more than 140 countries.

In 2024, the BMW Group sold 2.45 million passenger vehicles and more than 210,000 motorcycles worldwide. The profit before tax in the financial year 2024 was € 11.0 billion on revenues amounting to € 142.4 billion. As of 31 December 2024, the BMW Group had a workforce of 159,104 employees.

The economic success of the BMW Group has always been based on long-term thinking and responsible action. Sustainability is a key element of the BMW Group's corporate strategy and covers all products – from the supply chain through production to the end of their useful life.

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Press Information**5 February 2026****BMW Group and PreZero drive circular economy for Europe's automotive industry**Site **4****PreZero**

PreZero is an international circular economy company with around 30,000 employees at more than 460 locations across ten countries. It is part of the Schwarz Group, which also includes Kaufland and Lidl. The company provides services across the entire circular economy value chain. This includes the collection, sorting, processing and recovery of waste, as well as consulting on disposal, recycling processes and packaging issues. The company's vision: zero waste and 100-percent recyclable materials.

<https://prezero-international.com/>

LinkedIn: <https://linkedin.com/company/prezero-international>

YouTube: https://www.youtube.com/channel/UCWZ4ro9pkchUI_23PNXinFA

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