



Focus on digitalization: BMW Group strengthens production logistics and financial processes with modern SAP architecture

- Digital production logistics to go live in four plants by year-end
- New financial data model accelerates analysis and control
- Cloud-based SAP solutions increase efficiency and enable Al usage

Munich. With the introduction of pioneering SAP applications, the BMW Group is making significant progress in digitalization. The successful projects in production logistics and finance mark important milestones in the Group-wide rollout of a new, cloud-based IT architecture. Developed as greenfield projects, these solutions were created from scratch and are now being gradually rolled out worldwide.

"With the next stage of digitalization in production logistics and finance – enabled by consistent, unified data structures and standard process templates – we have significantly advanced the Al enablement of the BMW Group," explains Alexander Buresch, CIO and Senior Vice President of BMW Group IT. "As part of our partnership with SAP, we have transferred key corporate processes to a service-oriented, cloud-based platform, achieving a new level of efficiency, quality, and automation."

Global Digitalization of Production Logistics

So far, in addition to the MINI plant in Oxford, the high-volume plant in Regensburg has been successfully converted to digital production logistics. By the end of the year, the Munich headquarters and the new plant in Debrecen, Hungary, will follow. The latter will begin producing the fully electric BMW iX3 – the first model of the Neue Klasse – by year-end.

The so-called "Parts Process Chain" enables digital control of all in-house produced components and parts sourced from external suppliers and is being gradually introduced at all production sites worldwide as part of the BMW iFactory. Optimized collaboration with suppliers, as well as efficient storage and provision, ensures stable operations and flexible control of the entire production process.

"The global digitalization of our production logistics significantly increases transparency and standardization, allowing us to respond more quickly to changes in demand or supply shortages," explains Michael Nikolaides, Head of Production Network and Logistics at the BMW Group. "In addition to vehicle plants, we will also integrate new assembly sites for sixth-generation high-voltage batteries to support the stable ramp-up of electromobility."

New Financial Solution Improves Data Transparency and Process Efficiency

The financial system "Group Finance BackBone" (GFBB) features a completely new data model that standardizes previously heterogeneously structured financial information. This leads to improved data comparability and higher granularity, enabling detailed analyses and real-time business management. "We call it 'data at your fingertips,' as time-consuming manual evaluations





and complex reconciliations are now a thing of the past," explains Jonathan Townend, Head of Group Reporting and Taxes at the BMW Group.

Moreover, GFBB ensures comprehensive standardization and harmonization of financial processes across the Group. It takes into account both central and local requirements and significantly increases the degree of automation in finance. For the organization, this means easier cross-functional collaboration and a notable reduction in complexity. Following the successful golive of BMW AG, BMW Bank, and the production plants in Oxford and Debrecen, the global rollout of GFBB is now continuing step by step.

Strategic Partnership with SAP

As part of the "RISE with SAP" initiative, the BMW Group launched a comprehensive transformation process back in 2023. The goal is to migrate existing SAP systems to a modern, cloud-based architecture that also facilitates greater use of Al. The intelligent combination of SAP standards and BMW Cloud Services ensures rapid integration of innovations, maximum flexibility, and global scalability. Additionally, the BMW Group is actively involved in the further development of the SAP S/4HANA standard and drives it forward through co-innovation efforts.

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 over 2.45 million passenger vehicles and more than 210,000 motorcycles worldwide. The profit before tax in the financial year 2024 was \in 11.0 billion on revenues amounting to \in 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 and production to the end of their useful life.

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BMW Group Latin America

BMW Group is a leader in premium individual mobility technology products and services in Latin America, where it markets its three brands: BMW, MINI, and BMW Motorrad. BMW is the top-selling premium automotive brand in Latin America, with more than one in three vehicles sold in the region. In 2024, the brand has sold 42,886 units. MINI has sold 6,383 units in the same period. BMW Motorrad has sold 27,742 motorcycles in the region, setting a sales record. BMW is the best-selling premium brand in Brazil, Mexico, and Importer Markets. BMW Motorrad has achieved record sales and now has three of its 15 main global markets in Latin America: Brazil, Mexico, and Importer Markets. BMW Group's Open Technology Approach enables a gradual transition to electromobility, offering customers the choice between battery-electric, plug-in hybrid, or combustion powertrains. More than 20% of BMW Group's sales in Latin America consist of electric or plug-in hybrid vehicles. BMW Group has delivered approximately 80,000 personal or corporate charging units across the region.

The Group has 5,000 employees in the Latin American region. Its sales offices are located in Argentina, Brazil, and Mexico (where the regional office is based). BMW Group's production plants in the region are located in Brazil and Mexico. Brazil operates two plants: one in Araquari, Santa Catarina, focused on automobile production, where BMW X5 PHEV production began in 2024. The other plant in Manaus, Amazonas, is the first facility to manufacture motorcycles outside of Germany. In Mexico, a one-billion-dollar investment was announced in July 2014 for the construction and operation of a BMW Group plant in San Luis Potosí. This production site began operations in 2019 with the production of the BMW 3 Series; in 2021, an expansion was announced to include the manufacturing of the BMW 2 Series Coupé, and in 2022, the BMW M2, both exported worldwide. Starting in 2027, the San Luis Potosí Plant will incorporate electric vehicle and battery production with an \$800 million investment.

As additional information, Brazil has an engineering team to support global developments, regional challenges, and customer support organization, providing consumer assistance.

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