BMW Group

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BMW Group Breaks Ground on New High-Voltage Battery Assembly Factory in South Carolina.

- Plant Woodruff Will Produce Batteries for Fully Electric BMW X Models at Plant Spartanburg.
- New Technical Training Center Will Play Critical Role for EV Training.
- Woodruff Facility Will Have Several Sustainability Innovations.

Woodruff, S.C. – The BMW Group took a major step on Tuesday towards building electric vehicles in the United States as it broke ground for a new high-voltage battery assembly plant in Woodruff, South Carolina. Named "Plant Woodruff," the BMW facility will produce sixth-generation batteries to supply fully electric vehicles at nearby BMW Manufacturing in Spartanburg. More than 300 jobs will be created onsite at Plant Woodruff with the opportunity to grow.

"We're making the BMW Group electric. Our new battery assembly plant in Woodruff will soon play an important role in our electric future here in the USA," said Ilka Horstmeier, Member of the Board of Management of BMW AG responsible for Human Resources and Real Estate. "Through the Woodruff plant, we expand our footprint in the state of South Carolina. At the same time, we are taking our associates with us in this transformation. Our new Technical Training Center at the Spartanburg plant will prepare our 11,000 associates for the future. In this way, we are taking responsibility as a reliable employer and offer future-proof jobs at the same time."

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"Today's groundbreaking is the start of a new era at Plant Spartanburg as we prepare to produce fully electric BMW X models for the world," said Dr. Robert Engelhorn, president and CEO of BMW Manufacturing. "The road to the future begins here in Woodruff as we build on our legacy of producing high-quality vehicles right here in the U.S. Plant Woodruff will be state-of-the-art in terms of sustainability, flexibility, and digitalization."



Last October, BMW Group Chairman Oliver Zipse announced a new \$1.7 billion investment in its U.S. operations, including \$1 billion to prepare Plant Spartanburg for the production of fully electric vehicles and \$700 million to build a new high-voltage battery assembly plant. The Woodruff facility, located on 315 acres near the city, will be more than one million square feet in size that includes construction of a technology building and support buildings such as a cafeteria, fire department, and energy center.

"I am proud to celebrate BMW's groundbreaking for Plant Woodruff. This new high-voltage battery assembly factory once again proves that South Carolina is a leader in the EV industry and furthers our reputation as an automotive powerhouse," said Governor Henry McMaster. "We look forward to continuing our strong partnership with BMW as they continue to help move South Carolina forward."

"BMW continuously recognizes the many possibilities of doing business in South Carolina," said Secretary of Commerce Harry M. Lightsey III. "The company's innovation, fueled by the highly skilled workforce that our state provides, means Plant Woodruff will help drive future growth that will impact the entire state. Congratulations, BMW!"

BMW Group's "Local for Local" Principle.

As part of the BMW Group's "local for local" approach, the company will purchase battery cells for its electric vehicles from partner AESC, which is building a new 30 GWh battery cell factory in Florence, South Carolina, with BMW as its first customer. AESC broke ground for its new plant on June 7. They will produce newly developed round lithium-ion battery cells, specifically designed for the sixth generation of BMW eDrive technology. The new battery format will increase energy density by more than 20 percent and improve charging speed and range by up to 30 percent. At the same time, CO₂ emissions from cell production will be reduced by up to 60 percent through the partial use of secondary lithium, cobalt, and nickel material, as well as renewable energy for production.

Battery cells produced at the AESC facility in Florence will be shipped to Plant Woodruff, where the cells will be used to manufacture batteries for fully electric BMW X models at Plant Spartanburg. By 2030, Plant Spartanburg will build at least six fully electric BMWs.

Upskilling the BMW Workforce.

The new BMW Technical Training Center (TTC), which opened in October, will play a critical role in preparing associates to build fully electric vehicles. Plant Spartanburg already produces three plug-in hybrid electric vehicles – the BMW X3 xDrive30e, BMW X5 xDrive50e, and the BMW XM – and several hundred associates already have EV training. The TTC will be at the center of all EV training for North and South America to ensure associates master the skills to set new industry standards.

"Our job is to put together a toolbox for our associates that will be the foundation for a full and satisfying career at BMW," said Sherry McCraw, vice president of Human Resources. "We must capitalize on our team's existing skill sets, support them with the appropriate training, and ensure they are well equipped for the EV journey ahead."

Using Sustainable Methods at Plant Woodruff.

The BMW Group's philosophy of promoting sustainability in all its facilities will be promoted at the Woodruff plant as well. This was important in the building's design and use of equipment. Some of the innovations include:

- Plant Woodruff will be operated without fossil fuels and will use 100 percent green electricity. In addition, CO₂ emissions per vehicle across the lifecycle will fall by 40 percent by 2030.
- The structure is "solar ready," meaning it supports the installation of a rooftop solar photovoltaic (PV) system in the future.
- The facility uses a highly energy efficient concept with only 67 kwh/m²a energy consumption.
- Smart LED lighting and occupancy sensors combined with dimming strategies to reduce energy consumption for lighting.
- Significant reduction in water consumption at the plant. Rainwater will also be harvested and used.
- BMW will use technology from CarbonCure that injects captured CO₂ into fresh
 concrete during the mixing process. This concrete will be used in sections of the
 facility. This sequesters CO₂ permanently at a molecular level and increases the
 strength of the concrete.
- Use of highly efficient electrical "smart" motors from Turntide, a BMW iVentures partner, to reduce energy consumption by as much as 40 percent in HVAC systems.

Since 1992, the BMW Group has invested nearly \$12.4 billion in its South Carolina operations. BMW Manufacturing is the largest BMW Group plant in the world, producing more than 1,500 vehicles each day. The plant is an important part of BMW's global production network and plays a critical role in meeting the high demand for BMW Sports Activity Vehicles and Coupes in the U.S. and around the world. Nearly 60 percent of its vehicles are shipped to about 120 global markets, making BMW the largest automotive exporter by value in the United States for nine consecutive years. In 2022, approximately 60 percent of BMW vehicles sold in the U.S. came from Plant Spartanburg. The model portfolio includes six top-selling BMW X models, five Motorsport X models, and three plug-in hybrid electric vehicle X models. The factory has an annual production capacity of up to 450,000 vehicles and employs more than 11,000 people.

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BMW Manufacturing Co., LLC

BMW Manufacturing Co., LLC is a subsidiary of BMW AG in Munich, Germany, and is the global producer of the BMW X3, X3 M, X5, X5 M and X7 Sports Activity Vehicles; the BMW X4, X4 M, X6 and X6 M Sports Activity Coupes; and the all-new BMW XM. In addition to the South Carolina manufacturing facility, BMW Group North American subsidiaries include sales, marketing, and financial services operations in the United States, Canada and throughout Latin America; a manufacturing plant in San Luis Potosi, Mexico; and a design firm and technology office in California. For more information on BMW Manufacturing, visit www.bmwusfactory.com.

BMW Group in America

BMW of North America, LLC has been present in the United States since 1975. Rolls-Royce Motor Cars NA, LLC began distributing vehicles in 2003. The BMW Group in the United States has grown to include marketing, sales, and financial service organizations for the BMW brand of motor vehicles, including motorcycles, the MINI brand, and Rolls-Royce Motor Cars; Designworks, a strategic design consultancy based in California; a technology office in Silicon Valley and various other operations throughout the country. BMW Manufacturing Co., LLC in South Carolina is the BMW Group global center of competence for BMW X models and manufactures the X3, X4, X5, X6 and X7 Sports Activity Vehicles as well as the new BMW XM. The BMW Group sales organization is represented in the U.S. through networks of 350 BMW passenger car and BMW Sports Activity Vehicle centers, 146 BMW motorcycle retailers, 105 MINI passenger car dealers, and 38 Rolls-Royce Motor Car dealers. BMW (US) Holding Corp., the BMW Group's sales headquarters for North America, is located in Woodcliff Lake, New Jersey. Journalist note: Information about BMW Group and its products in the USA is available to journalists on-line at www.bmwgroupusanews.com and www.press.bmwna.com.