

Media Information
3 February 2023

BMW Group steps up production of electric vehicles in global production network: NEUE KLASSE will also be built at Plant San Luis Potosí in Mexico

- Investment of € 800 million in Mexican production site for integration of fully-electric models of NEUE KLASSE and construction of local high-voltage battery assembly
- Around 1,000 new jobs for Plant San Luis Potosí
- Head of Production Nedeljković: "We are systematically gearing our production network towards electromobility"

San Luis Potosí, Mexico. The BMW Group is accelerating its ramp-up of e-mobility and poised to gain even more momentum with its next vehicle generation, the NEUE KLASSE. The share of 50 percent of the company's worldwide sales of fully electric vehicles could be reached earlier than 2030. The company is investing in expansion of its international production network to achieve this. The plant in San Luis Potosí, Mexico will produce fully-electric models for the NEUE KLASSE in the future and is setting up its own high-voltage battery assembly for this purpose.

"We are systematically gearing our production network towards electromobility. In Mexico, we are investing 800 million euros in our plant and creating around 1,000 new jobs," explained Milan Nedeljković, member of the Board of Management of BMW AG responsible for Production, in San Luis Potosí at an event attended by Mexican President Andrés Manuel López Obrador and Governor of San Luis Potosí Ricardo Gallardo Cardona.

Nedeljković continued: "The first cars of the NEUE KLASSE will come off the production line at our plant in Debrecen, Hungary, starting in 2025, followed by the main plant in Munich. We will achieve additional volumes by integrating the NEUE KLASSE at Plant San Luis Potosí from 2027 onwards."

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The company only recently announced an investment of 1.7 billion US dollars in the expansion of its Spartanburg production site in the US. This includes one billion US dollars for preparations for production of electric vehicles at the company's US plant and 700 million US dollars for construction of a new assembly centre for high-voltage batteries in nearby Woodruff. By 2030, the BMW Group aims to build at least six fully-electric models in the US.

Fully-electric models complement production programme in Mexico

A further 800 million euros will be invested in Mexico. Of this amount, 500 million euros is earmarked for construction of a new assembly centre for high-voltage batteries, located on the plant grounds in San Luis Potosí. The new assembly centre spans an area of 85,000 m². More than 500 additional employees will work there, producing next-generation batteries for fully-electric vehicles.

"With this new investment, our plant in San Luis Potosí will play a central role in BMW Group's transition to electromobility. The company is increasing its commitment to Mexico and its stake in our facility, not only due to its strategic location but, above all, to a solid work team, which, in less than four years after starting operations, already produces three models that supply 74 global markets and stand out for their quality," said Harald Gottsche, President & CEO at BMW Group Plant San Luis Potosí.

At the plant, which went on-stream in 2019, around 3,000 employees already produce the BMW 3 Series, 2 Series Coupé and the new M2 – in some cases, exclusively for the global market. The plant is designed to be highly flexible, ensuring only minor adjustments are needed in the body shop and assembly to incorporate the new vehicle architecture. A special feature of the NEUE KLASSE is that the high-voltage battery is directly integrated into the

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vehicle structure. The assembly in San Luis Potosí is therefore being expanded to integrate this new process into operations. A second shift will begin at the plant in April, adding another 500 new jobs. A total of about 1,000 additional employees will then be working at San Luis Potosí.

BMW iFACTORY as production masterplan

Head of Production Nedeljković: "Flexibility and efficient processes are hugely important elements of our BMW iFACTORY, which forms our strategic masterplan for production."

Plant San Luis Potosí is characterised by its responsible resource management and measures to reduce CO₂. In such a dry region, conserving water is particularly important. The plant is also home to the BMW Group's first paint shop to operate without producing process wastewater. The water required for the painting process is treated and then reused. In addition, the plant sources only green power, which it generates itself at a more than 70,000 m² solar power installation on the plant grounds, supplemented by electricity from an external solar farm.

Newly-developed BMW round cells for NEUE KLASSE vehicles

The models of the NEUE KLASSE will use new, round lithium-ion battery cells developed specifically for what will then be 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, as a result of cell suppliers relying on energy from renewable resources and, in the case of the raw materials lithium, cobalt and nickel, using a certain percentage of secondary material, i.e. material already in the cycle.

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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 and mobility 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 2022, the BMW Group sold nearly 2.4 million passenger vehicles and more than 202,000 motorcycles worldwide. The profit before tax in the financial year 2021 was € 16.1 billion on revenues amounting to € 111.2 billion. As of 31 December 2021, the BMW Group had a workforce of 118,909 employees.

The success of the BMW Group has always been based on long-term thinking and responsible action. The company set the course for the future at an early stage and consistently makes sustainability and efficient resource management central to its strategic direction, from the supply chain through production to the end of the use phase of all products.

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