BMW GROUP



M° RA 1999

VEHICLE FOOTPRINT.

Life cycle assessment of the BMW 520i with a validation by TÜV Rheinland and further information on its ecological and social impact. Data at the time of the start of production of the vehicle in July 2023.

TABLE OF CONTENTS.



| Page | Contents |
|------|--|
| 03 | 1. Product information and technical data |
| 04 | 2. Life cycle assessment |
| 07 | 2.1. Materials used in the vehicle |
| 08 | 2.2. CO ₂ equivalents over the life cycle |
| 09 | 2.3. CO_2 equivalents compared for different powertrains |
| 10 | 2.4. Measures for reducing CO ₂ equivalents |
| 11 | 2.5. Further environmental impact categories |
| 12 | 3. Production and water demand |
| 13 | 4. Recycling options at the end of the life cycle |
| 14 | 5. Social sustainability in the supply chain |
| 15 | 6. Evaluation and conclusion |

1. PRODUCT INFORMATION AND TECHNICAL DATA.

| Technical details | BMW 520i Saloon (Type 11FJ, Left-hand drive) | | | | |
|--|--|--|--|--|--|
| Powertrain type | Petrol engine – 48V mild hybrid | | | | |
| Transmission | 8-speed automatic | | | | |
| Power in kW (hp) | 153 (208) | | | | |
| Drive type | Rear-wheel drive | | | | |
| Maximum speed in km/h | 230 | | | | |
| Fuel consumption, combined WLTP in I/100 km (mpg) ¹ | 6.4 – 5.7 (44.1 – 49.6) | | | | |
| CO_2 classification ² | <u> </u> | | | | |
| CO ₂ emissions, combined WLTP in g/km | 144 - 130 | | | | |
| Empty weight in kg ³ | 1,800 | | | | |

The stated fuel consumption and CO₂ figures were determined according to the prescribed measuring procedure of the WLTP (Worldwide harmonised Light vehicles Test Procedure) cycle in accordance with Regulation (EC) No. 715/2007 and Regulation (EU) 2017/1151. The specifications always refer to a vehicle with basic equipment. Any added optional equipment that is supplied by the manufacturer to replace parts of the basic equipment may increase these values and therefore differ depending on the model and motorisation. In addition, retrofitted optional equipment and accessories can change relevant vehicle parameters such as weight, rolling resistance and aerodynamics, resulting in deviating consumption values and CO₂ emissions. Values other than the values stated here may therefore apply for the assessment of taxes and other vehicle-related duties (also) based on CO₂ emissions. The figures therefore do not refer to the specific vehicle, and do not form an integral part of the offer, but are provided solely for comparison purposes between the different types of vehicle. Further information on the WLTP measurement procedure can be found at: https://www.bmw.com/en/innovation/Wltp.html.

²German Energy consumption labeling regulation (Pkw-EnVKV)

³The EC unladen weight refers to a vehicle with standard equipment and does not include optional equipment. This unladen weight refers to a tank that is 90% full with a driver weighing 75 kg. Optional equipment can change the weight of the vehicle, the payload and, if it affects the aerodynamics, the maximum speed.

The new BMW 520i offers improved driving dynamics with that high level of comfort not being compromised. The business card for people who drive change, mobility that is fun and inspiring.

Inspiring as a vehicle and as a role model. The plastic in the luggage compartment trim panel, for example, consists of approx. 80% secondary material. The alloy wheels are made of approx. 45% secondary aluminium. Plastics in the floor trim contain approx. 25% secondary material. These values have been calculated at the start of production of the new vehicle generation in 2023 based on specific supplier records and also include production residues.

Furthermore, the 520i is the first BMW model to feature a completely leather-free interior as standard.

It is setting new standards for the business class.

2. LIFE CYCLE ASSESSMENT.

Think long term and act with the customer in mind. These are the fundamental objectives of the BMW Group and firmly anchored in our corporate strategy. Part of our product responsibility includes: evaluating the environmental, economic and social impact of the BMW Group. With the help of a lifecycle assessment, we can look at the entire life cycle of a vehicle and its components.

What is a Life Cycle assessment?

A Life Cycle assessment means looking at the three elements of the car:

- production of the vehicle
- the use phase, or driving phase

- the end of life, how the car can be recycled This transparency means that in the development phase of a vehicle for example, potential measures to reduce the environmental impact can be identified and incorporated into product development decisions at an early stage.

What Criteria are we using?

The comparable presentation of results and process applications is particular challenging for complex products such as vehicles. We are using the WLTP (Worldwide harmonised Light Vehicles Test Procedure) which gives a representation of fuel consumption, electricity consumption and CO₂ figures for comparison purposes.

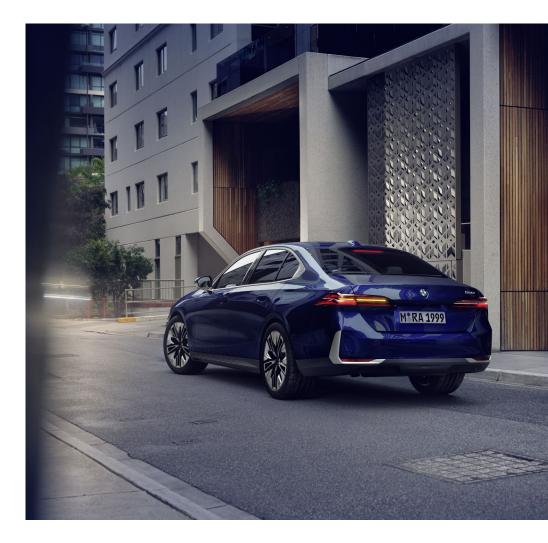
For the use phase of the vehicle WLTP consumption values are used over a total nominal distance covered of 200.000 km (approx. 125.000 mls).

Then, using LCA for experts 10 Software Programme and Database from Sphera, specific supplier records are added to quantify the environmental impact of the supply chain and vehicle production. Specific supplier records include the proportion of secondary raw materials and the use of renewable energies as at the start of production of the new vehicle generation. It's an industry standard system, and unless otherwise specified, all emission factors used are taken from the software.

Who verifies this data?

External experts, TÜV Rheinland, have verified compliance with the ISO 14040/44 standard.

The CML-2001 method is used for the life cycle assessment of the BMW 520i, and this method was developed by the Institute of Environmental Sciences at Leiden University in the Netherlands in 2001. This method of impact assessment is used in many life cycle assessments in the automotive industry. It's aim is to quantitatively map as many material and energy flows as possible between the environment and the product system in the life cycle.



VALIDATION OF THE LIFE CYCLE ASSESSMENT.





Validation

TÜV Rheinland Energy GmbH confirms that a critical review of the life cycle assessment (LCA) study of BMW AG, Petuelring 130, 80788 München for the following passenger car:

BMW 520i sDrive - 2023 model year

was performed.

Proof has been provided that the requirements of the international standards

- ISO 14040:2006 + A1:2020: Environmental management life cycle assessment principles and framework
- ISO 14044:2006 + A1:2018 + A2:2020: Environmental management life cycle assessment requirements and guidelines
- ISO/TS 14071:2014: Environmental management life cycle assessment critical review processes and reviewer competencies: additional requirements and guidelines to ISO 14044

are fulfilled.

Results:

- The LCA study was carried out according to the international standards ISO 14040:2006 + A1:2020 and ISO 14044:2006 + A1:2018 + A2:2020. The methods used and the modelling of the product system correspond to the state of the art. They are suitable to fulfill the goals stated in the study. The report is comprehensive and provides a transparent description of the framework of the LCA study.
- The assumptions used in the LCA study especially energy consumption based on the current WLTP (Worldwide harmonized Light vehicles Test Procedure) were verified and discussed.
- The assessed samples of data and environmental information included in the LCA study are plausible.

Review process and level of detail:

Verification of input data and environmental information as well as the check of the LCA process was performed in course of a critical data review. The data review considered the following aspects:

- · Check of the applied methods and the product model,
- Inspection of technical documents (e.g. type approval documents, parts lists, supplier information, measurement results, etc.) and
- Check of LCA input data (e.g. weights, materials, energy consumption, emissions, etc.).

Cologne, 02nd August 2023

N. Hichnaus

Norbert Heidelmann Department Manager for Carbon and Energy Services

Responsibilities:

Sole liability for the content of the LCA rests with BMW AG. TÜV Rheinland Energy GmbH was commissioned to review said LCA study for compliance with the methodical requirements, and to verify and validate the correctness and credibility of the information included therein.

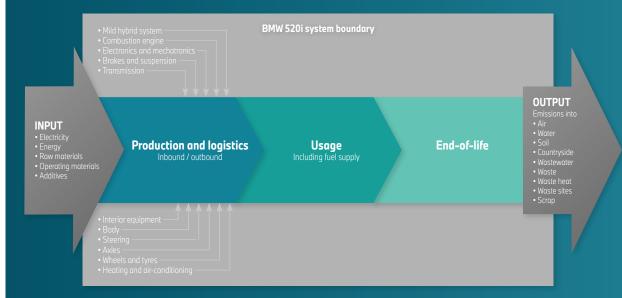
2. LIFE CYCLE ASSESSMENT.

The system boundary of the life cycle assessment (LCA) is shown in Figure 1 and ranges from the extraction of raw materials to the production of materials and components, logistics and the usage phase to recycling at the end of the vehicle's service life.

Recyclable production residues from manufacturing processes are kept in an internal cycle and are also taken into account. This includes, for example, the scrap from the production of steel and aluminium components. The impact of the manufacture of tools and the construction of production facilities are not included in this LCA.

For the usage phase, publicly available data records for EU-28 fuel mixes at the start of production of the new model generation are used for the electricity supply. The scope of the study does not include the maintenance or any service of the vehicles.

The recycling (end-of life) is mapped as part of the LCA using the standard ISO processes of drying and disassembly in accordance with the End-of-Life vehicles directive, as well as the separation of metal in the shredding process and the energy recovery of non-metallic components (shredder light fraction). No eco-credits are issued for secondary materials produced and energy recovery through thermal recycling. Only the efforts and emissions of the recycling processes are taken into account.



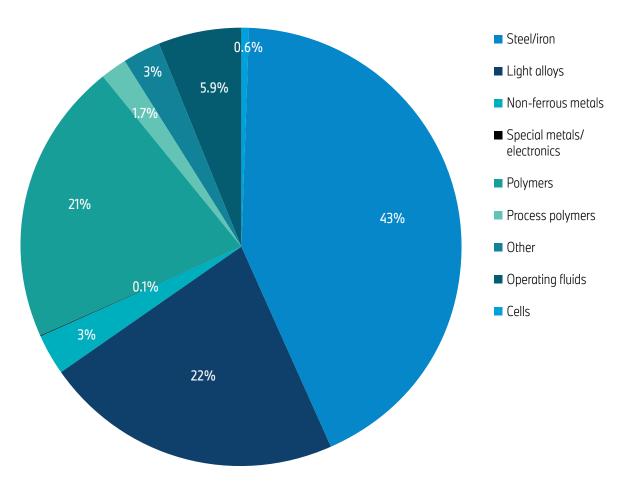
2.1. MATERIALS USED IN THE VEHICLE.

Product-related data, such as component and material specifications, piece quantities, manufacturing and logistics efforts, etc., is primary data collected by the BMW Group.

For the LCA, the weight is taken as the "mass in a drive-ready state without a driver or luggage plus artificial leather upholstery". This weight is mapped through a derivation of the vehicle's components and their material composition from a vehicle-specific parts list.

Figure 2 shows the material composition of the BMW 520i.

The weight of the BMW 520i is composed of 43% steel and ferrous materials and 22% light alloys, particularly aluminium. The material group of polymers also has a large share with 21%. Other materials make up 3%. Non-ferrous metals are 3%. Process polymers account for 1.7%. Operating fluids about 5.9%. They are composed of oils, coolant and brake fluid, as well as refrigerant and washer water. Special metals such as tin have a share of well below 1%. The specified values may contain rounding differences.



2.2. THE CO₂ LIFE CYCLE ASSESSMENT.

CO₂ equivalents [CO₂e] of the BMW 520i over its life cycle



Fig. 3: The total amount of carbon dioxide (CO_2) and other greenhouse gas emissions such as methane or nitrogen oxide are taken into account. CO_2 equivalents (CO_2e) are a unit of measurement used to standardise the climate impact of different greenhouse gases. The crediting of electricity from renewable energy sources includes both electricity from renewable in-house-generation plants and direct supply contracts as well as certified guarantees of origin. Offsetting measures are not taken into account. This life cycle assessment (LCA) considers the CO_2 equivalents of a product over its entire life cycle. In order to assess the climate impact, greenhouse gas emissions associated with the raw material supply chain, transport logistics and production, the usage and recycling or disposal of the product are included. The Global Warming Potential (GWP) evaluation is currently the main focus in the automotive sector.

Figure 3 shows the \rm{CO}_2 equivalents of the BMW 520i over its entire life cycle.

The BMW 520i tested for this life cycle assessment is handed over to customers with 11.1t CO_2e . Inbound and outbound logistics account for 1t of this. Inbound logistics includes all transportation of goods from suppliers to the production sites and intra-plant transport. The outbound transport logistics from the factory to the global markets is determined on the basis of forecasted volume plans.

The usage phase for the BMW 520i is based on WLTP consumption and a total distance covered of 200,000 km. (approx. 125.000 mls)

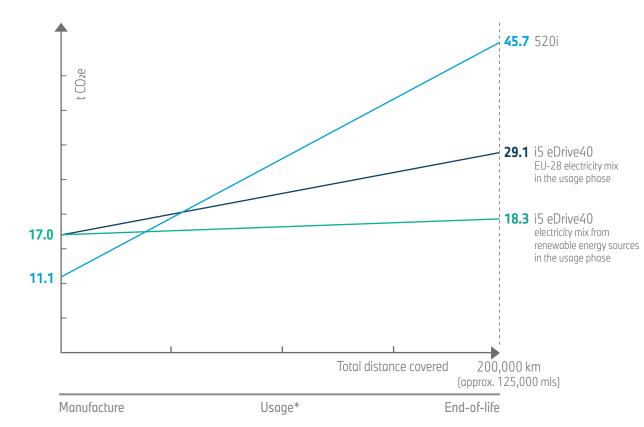
The emissions of the usage phase have a significant influence on the climate impact of the vehicle. Based on the EU-28 fuel mix (local or regional fuel mixes might differ), these amount to 34t of CO_2e .

2.3. CO₂ EQUIVALENTS COMPARED FOR DIFFERENT POWERTRAINS.

The production of the BMW i5 causes 17.0t of CO₂e. That is more than the BMW 520i with a combustion engine causes during production. The main reason is the energy-intensive production processes of the high-voltage battery.

However, besides production, consumption in the usage phase of both vehicles is key to their environmental impact. At 200,000 km (approx. 125.000 mls) total distance covered, charged with the EU-28 electricity mix in the usage phase, the BMW i5's total emissions of 29.1t of CO_2e are significantly lower than the 45.7t of CO_2e , emitted by the BMW 520i.

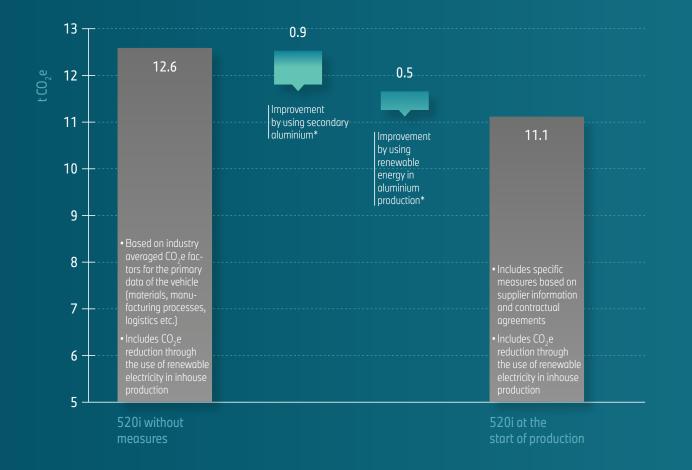
Charging with green electricity can reduce CO_2e in the usage phase of an electric vehicle from 11.5t to 0.7t.



*Consumption data according to type test (mean value of the WLTP range)

Fig. 4: Comparison of the CO₂ equivalents of the BMW 520i in relation to the all-electric BMW i5 eDrive40

2.4. MEASURES FOR REDUCING CO₂ EQUIVALENTS.



In order to achieve internal sustainability targets, various measures were implemented during the production phase of the BMW 520i.

Figure 5 shows the measures that contribute to reducing CO_2 equivalents in the manufacturing phase by around 11% compared to the industry averages according to LCA for Experts 10 Software and Database. The use of renewable energy sources in in-house production was not reported separately as a measure and is already included in the 12.6t of CO_2e . The specified values may contain rounding differences.

The inclusion of the measures result in a CO_2e value of 11.1t when the vehicle is handed over to the customer.

Fig. 5: Influence of development targets on the CO, equivalents in the manufacturing phase of the BMW 520i

2.5. FURTHER ENVIRONMENTAL IMPACT CATEGORIES.

Table 1 shows the CO_2 equivalents of the BMW 520i, which is expressed in CO_2e as well as other significant environmental impact categories with percentage contributions in the life cycle phases:

- The primary energy demand from renewable and non-renewable resources. In other words, the primary energy (e.g. coal, solar radiation) required to generate usable energy and to produce materials.
- Abiotic i.e. non-living resource consumption measures the scarcity of resources. The scarcer an element and the higher the consumption, the higher the contribution to Abiotic depletion potential (ADPelem.).
- The photochemical oxidant formation potential (POCP) measures ground-level ozone formation (e.g. summer smog) by emissions.
- The acidification potential (AP) quantifies and evaluates the acidifying effect of specific emissions.
- The eutrophication potential (EP) describes the undesirable introduction of nutrients into water bodies or soils (eutrophication).
- Nitrogen oxides (NO_x) contribute, among other things, to the formation of particulate matter and ozone. NO₂, for example, is an irritant gas.
- Emitted particles combine particles of different sizes.

| | | | % share in life cycle phases | | | | | |
|---|------------------------------------|-------|------------------------------|---------|-------------|------|-------|--|
| Influencing variable | Unit | Value | Manu | facture | Usage Usage | Recy | cling | |
| Global warming potential (GWP) | t CO ₂ e | 46 | | | | | | |
| Primary energy demand from non-renewable resources | GJ | 626 | | | | | | |
| Primary energy demand from renewable resources | GJ | 92 | | | | | | |
| Abiotic depletion potential (ADPelem.) | kg Sbe | 0.3 | | | | | | |
| Photochemical oxidant formation potential (POCP) | kg C ₂ H ₄ e | 8 | | | | | | |
| Acidification potential (AP) | kg SO _z e | 80 | | | | | | |
| Eutrophication potential (EP) | kg PO ₄ e | 11 | | | | | | |
| Nitrogen oxide (NO _x) | kg | 53 | | | | | | |
| Particles | kg | 7 | | | | | | |
| | | | 0 | 20 | 40 | | 0 10 | |

Tab. 1: Environmental impact categories with percentage contributions in the life cycle phases of the BMW 520i

3. PRODUCTION AND WATER DEMAND.

For the BMW 520i, the relevant production sites are Dingolfing, Landshut and Berlin. The assembly of the complete vehicle as well as the assembly of the drive components takes place at the Dingolfing site. Individual add-on parts of the body are delivered from the Landshut plant; the brake discs from the Berlin plant.

All three sites obtain their entire external electricity requirements from renewable energy sources, for example using guarantees of origin. The BMW Group only purchases certificates of renewable energy for which the production is not subsidised. This excludes the possibility of double counting. In addition, electricity is also generated from renewable energy sources on the factory premises. The heat demand is covered by natural gas, heating oil and heat from combined heat and power (CHP) plants.

Many production processes, such as painting the vehicles, require a lot of water. The average potable water consumption in 2022 across all global production sites was 1.90 m^{3*} per new vehicle.

*Source: https://www.bmwgroup.com/en/report/2022/index.html The specifications regarding water demand do not form part of the LCA.

4. RECYCLING OPTIONS AT THE END OF THE LIFE CYCLE.



BMW considers the impact on the environment over the entire life cycle of a new vehicle. From production to usage, servicing and recycling. Efficient recycling is planned as early as in the development and production stages. "Designed for recycling" is applied and ensures efficient recycling of end-of-life vehicles. One example is the complete and simple removal of the operating fluids (e.g. refrigerant).

It goes without saying that BMW automobiles worldwide meet the legal requirements for the recycling of end-oflife vehicles, components and materials. In relation to the entire vehicle, at least 85% of materials are recycled and, including thermal utilisation, at least 95% as stipulated by legal requirements (European End-of-Life Vehicles Directive ELV 2000/53/EC).

End-of-life vehicles are recycled in recognised disassembly facilities. The BMW Group and its national sales companies have established a network recycling at more than 2,800 collection points in 30 countries worldwide. The four stages of recycling include controlled return, pre-treatment, disassembly and recycling of the remaining vehicle.

The statements and specifications on this page do not form part of the LCA.

5. SOCIAL SUSTAINABILITY IN THE SUPPLY CHAIN.





Compliance with environmental and social standards in the supplier network is the declared goal of the BMW Group. This includes respect for human rights and diligence in the extraction of raw materials.

We source components, materials and services from many manufacturing and delivery locations worldwide. We pass on social and environmental due diligence obligations as part of contractually binding sustainability standards. We counter identified risks in the network with prevention, enabling and remedial measures. They are systematically embedded in our processes.

In critical supply chains, corporate due diligence is a particular challenge. This is due to the complex tracing of raw material sources to ensure the necessary transparency. That is why, for example, we have been actively involved in the Aluminium Stewardship Initiative since 2012 in the development and implementation of a certification standard to minimise the risk of negative environmental impacts and possible human rights violations in the extraction of aluminium. Since 2019, we have had the BMW light metal foundry in Landshut certified according to this Chain of Custody Standard. In this way, the origin and extraction methods of the raw materials are fully traced. Environmental and social standards become more transparent. Further information on auditing and improving environmental and social standards in the extraction and processing of raw materials can be found here:

https://www.bmwgroup.com/en/sustainability/our-focus/ environmental-and-social-standards/supply-chain.html

The statements and specifications on this page do not form part of the LCA.

6. EVALUATION AND CONCLUSION.

To choose a BMW 520i is to choose a business saloon that is moving itself and its customers into the future. To choose a sporty look and mobile office. To choose mobility that's fun and inspiring.

The independent TÜV Rheinland Energy validated a life cycle assessment of the BMW 520i. The assessment shows that the BMW Group is taking measures to reduce its environmental impact.

