Report 2020

Remuneration Report

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Component	Parameters/measurement base, applicable amounts
Share-based remuneration programme with holding requirements	Requirement for Board of Management members to invest an earmarked cash amount (personal cash investment amount), net of tax and deductions, in shares of BMW common stock
	 Requirement for Board of Management members to hold the acquired shares of BMW common stock for at least four years (share ownership)
	 Assessment period of five years in total (one year for determining the personal cash investment amount, four years holding requirement)
a) Personal cash investment amount	 Target amount p.a. (at 100 % target achievement): € 1.10 million (first period of office) € 1.28 million (from second period of office or fourth year of mandate) € 2.35 million (Chairman of the Board of Management)
	 50 % of target amount depends on RoCE achieved in the Automotive segment (RoCE component)
	 50 % of the target amount depends on the achievement of predefined strategic focus targets (strategic focus target component)
	— Capped at 180 % of target amount
	 Payment after the Annual General Meeting at which the Company Financial Statements are presented for the relevant financial year
aa) RoCE component (at 100 % target achievement corresponds to 50 % of target amount)	 Target amount of RoCE component p.a. (50 % of target amount for personal cash investment amount): € 0.55 million (first period of office) € 0.64 million (from second period of office or fourth year of mandate) € 1.175 million (Chairman of the Board of Management)
	Formula: 50 % of target amount x RoCE factor
	 RoCE factor is derived from the RoCE achieved in the Automotive segment for the grant year
	 Minimum, target and maximum values for RoCE are defined before the start of the financial year RoCE factor may not exceed 1.8
bb) Strategic focus target component (at 100% target achievement corresponds to 50% of target amounts)	 Strategic focus target component p.a. (50 % of target amount for personal cash investment amount): € 0.55 million (first period of office) € 0.64 million (from second period of office or fourth year of mandate) € 1.175 million (Chairman of the Board of Management)
	 At least two strategic focus targets of a non-financial nature derived from strategic plan and business forecast
	 Weighting of the strategic focus targets is decided upon before the start of the financial year
	 Formula in the case of two strategic focus targets with equal weighting p.a.: 25 % of target amount for personal cash investment amount x factor for strategic focus target 1 + 25 % of target amount for personal cash investmen amount x factor for strategic focus target 2
	 Minimum, target and maximum values for each focus target are defined before the start of the financial year
	Factor for each strategic focus target may not exceed 1.8
b) Share-based remuneration component (matching component)	Not applicable

