BMW GROUP
Corporate Communications

Media Information
25 November 2022

BMW Group to invest more than 2 billion euros in Hungarian Plant Debrecen by 2025

+++ In addition to vehicle production, BMW Group builds high-voltage battery assembly at Plant Debrecen +++ More than 500 additional jobs to be created by 2025 +++ Production of NEUE KLASSE starts here +++

Debrecen, Hungary. The BMW Group is building a high-voltage battery assembly for the vehicles of the NEUE KLASSE at its site in Hungary. The battery assembly will be located on the site of the Debrecen vehicle plant, which started construction about six months ago. The company will create more than 500 additional jobs and invest over two billion euros in the construction and launch of the entire plant by the end of 2025.

Milan Nedeljković, member of the Board of Management of BMW AG, Production, said: "In Debrecen, we are building the most advanced plant in the world. With our iFACTORY, we are setting new industry standards for vehicle production. Our investments underline our systematic approach to implementing e-mobility."

The new announcements were also welcomed by the Hungarian government. Péter Szijjártó, Minister of Foreign Affairs and Trade of Hungary, said: "The BMW Group plant in Debrecen is a symbol of the successful Hungarian economic policy of the past twelve years. The plant combines environmental protection and competitiveness."

BMW Group hiring and training in Debrecen

"We are currently recruiting new colleagues locally and from all over Hungary, so we can build the future of BMW Plant Debrecen together," explains Hans-Peter Kemser, President and CEO of BMW Manufacturing Hungary Kft. The

plant, together with local partners in education, will launch a dual education programme in autumn 2023 at its in-house Training Centre.

László Papp, the Mayor of Debrecen, emphasised the role of the BMW Group for the city: „With its investment in Debrecen, in addition to creating new jobs, the BMW Group makes a long-term commitment to the community of our city. We are building a thriving future together."

Short distances: high-voltage battery assembly at vehicle plant
The assembly of high-voltage batteries will be located on the site of the Debrecen vehicle plant. Markus Fallböhmer, Senior Vice President of Battery Production at the BMW Group, explains: "The BMW iFACTORY is also about ensuring short distances for logistics. The close link between battery assembly and vehicle production is part of our strategy."

In Debrecen, the next-generation round battery cells will be assembled into a battery housing – a metal frame, which is later integrated into the underbody of the car. The official start of production for the sixth generation high-voltage batteries will be in 2025 – in parallel with the start of vehicle production. All batteries for the vehicles from Plant Debrecen will be assembled on site. The new production facility will extend over an area of about 140,000 m². Construction work recently began.

Gen6 batteries: major steps in customer benefit and sustainability.
The battery is decisive for the competitiveness of electric vehicles. With the next generation of batteries for the NEUE KLASSE, range will improve by up to 30 percent, and the charging speed will be up to 30 percent faster.
The BMW Group is particularly focused on keeping the carbon footprint and consumption of resources for production as low as possible, starting in the supply chain. Cell manufacturers will use cobalt, lithium and nickel that include a percentage of secondary material, i.e. raw materials that are not newly

mined, but already in the loop, in production of battery cells. Combined with the commitment to use only green power from renewable energies for production of battery cells, the BMW Group will reduce the carbon footprint of battery cell production by up to 60 percent.

The BMW Group production network

The BMW Group has long seen itself as the benchmark in production technology and operational excellence in vehicle manufacturing. The strategic vision of its global production network – BMW iFACTORY. LEAN. GREEN. DIGITAL. – sets out the company's responses to the challenges of the transformation to e-mobility and pursues a global approach.

LEAN stands for efficiency, precision, absolute flexibility and outstanding integration capabilities. GREEN represents the use of cutting-edge technologies to realise production with minimal resources. With DIGITAL, the focus is on data science, artificial intelligence, virtual planning and development. Together, these things make the BMW Group Production Network a key contributor to the profitability of the company.

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 around the world; the company has a global sales network in more than 140 countries.

In 2021, the BMW Group sold over 2.5 million passenger vehicles and more than 194,000 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 its course for the future early on and is making sustainability and resource efficiency the focus of the company's strategic direction – from the supply chain, through production, to the end of the use phase, for all its products.

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