

Media Information
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Sustainable tires for BMW X5 Plug-in Hybrid: BMW Group becomes first automotive manufacturer to use new Pirelli tires containing FSC-certified natural rubber and rayon

- 22-inch tires using certified sustainable natural rubber and rayon, a wood-based material used to strengthen the tires
- Plantations certified to standards of independent Forest Stewardship Council™ (FSC™) organisation
- Wendt: “We are helping preserve biodiversity and forests to counteract climate change”

Munich. The BMW Group is stepping up its activities in the field of sustainability, becoming the first automotive manufacturer worldwide to equip its cars with tires using certified sustainable natural rubber and rayon, a wood-based material used to strengthen the tires. The company will source 22-inch tires in the first instance exclusively from Pirelli and, from August of this year, will use them in the BMW X5 xDrive45e Plug-in-Hybrid (fuel consumption combined: 1.7-1.2 l/100km (WLTP), 2.1-1.6 l/100 km (NEDC); power consumption combined: 27.7-24.3 kWh/100 km (WLTP), 25.2-23.5 kWh/100 km (NEDC); CO₂ emissions combined: 39-27 g/km (WLTP), 47-37 g/km (NEDC)). Certification of the rubber plantations and the complex supply chain for natural rubber and rayon takes place in accordance with the strict standards of the independent Forest Stewardship Council (FSC).

“As a premium manufacturer, we aspire to lead the way in sustainability and take responsibility,” said Dr Andreas Wendt, member of the Board of Management of BMW AG responsible for Purchasing and Supplier Network. “We have been committed to improving cultivation of natural rubber and increasing transparency in the supplier network since 2015. The use of tires made of certified natural rubber is a pioneering achievement for our industry. In this way, we are helping preserve biodiversity and forests to counteract climate change.”

Natural rubber is the basic material for many products we use in our daily lives, such as boots and mattresses. About six million small farmers worldwide are responsible for over 80% of the world’s natural rubber cultivation. In the so-called rubber belt across the tropical regions, they run farms of between one and two hectares in size under a wide variety of

different conditions. Agreeing uniform social and environmental growing conditions with these millions of small individual farms is therefore a major challenge.

By far the largest share of natural rubber grown worldwide goes into tire production. Natural rubber's high elasticity and sturdiness currently make it irreplaceable for tire production.

Small label, big impact

As an independent organisation, FSC has developed an internationally recognised and demanding certification standard in recent years that is used worldwide for environmentally appropriate, socially beneficial and economically viable management of the forests. The organisation, whose well-known logo is already established in the wood and paper industry, also applies this standard to products made of natural rubber.

The new 22-inch P ZERO ★ tire has now become the world's first tire to receive the coveted FSC label. To earn this certification, Pirelli adapted its US plant in Rome, Georgia, to produce tires using FSC-certified natural rubber and rayon. From there, the tires are delivered to BMW Group Plant Spartanburg, around 370 km away, and mounted on the BMW X5 Plug-in Hybrid. The star ★ in the name indicates that the new tire meets the BMW Group's strict performance requirements, including particularly low rolling resistance and noise level.

Giovanni Tronchetti Provera, Pirelli's Senior Vice President for Sustainability and Future Mobility, said: "Before even reaching the road, sustainable mobility begins with raw materials. With the world's first FSC-certified tire, Pirelli once again demonstrates its commitment to pursuing increasingly challenging goals in terms of sustainability, a testament to the constant work on innovative materials and increasingly cutting-edge production processes. We continue to invest in sustainable growth for our planet, aware that this is also essential for the future of our businesses."

Jeremy Harrison, Chief Markets Officer, FSC International, added: "The new FSC-certified Pirelli Tire is a significant milestone in the drive to deliver economic, social, and environmental benefits across the natural rubber value chain. This is a major step forward in

the journey towards a more sustainable natural rubber value chain, thereby helping to mitigate deforestation and support the fight against climate change.”

Long-standing commitment to greater transparency and sustainability in the natural rubber supplier network

The use of the first tires containing certified sustainable natural rubber and rayon at the BMW Group is the result of the company’s extensive commitment in this area. In 2019, the BMW Group joined forces with well-known tire manufacturers, NGOs, rubber producers and consumers to create the Global Platform for Sustainable Natural Rubber (GPSNR). Small farmers are also represented in this initiative. The GPSNR is committed to improving social and environmental conditions for cultivation of natural rubber and pushing for more sustainability. It also implements measures to stop deforestation and make supply chains more transparent. The GPSNR currently has almost 100 members, who are responsible for about 50 percent of the global natural rubber market.

Through its activities in the GPSNR and close cooperation with its suppliers, the BMW Group is constantly working to further improve sustainability in the natural rubber supply chain. The BMW Group is stepping up these activities and plans to steadily expand its sourcing of tires made from sustainably grown natural rubber.

The BMW Group has been working with the FSC organisation for many years (Licence code FSC-N002012). The company decided to use FSC-certified wood in the BMW i3, which was first launched onto the market in 2013. The BMW iX for release later this year will also feature FSC-certified wood. In 2017, the BMW Group and FSC advocated for further development of FSC standards for cultivation of natural rubber in Thailand.

Sustainability an integral part of all purchasing activities

Independently of these measures, the BMW Group has contractually obligated all its direct suppliers to respect human rights, comply with expanded environmental and social standards and to introduce management systems to promote occupational safety and protect the environment since 2014. This also includes protecting forests and biodiversity.

These requirements must also be contractually passed on to subcontractors. BMW Group Purchasing does not rely on contractual obligations alone for this but is also implementing a large number of additional measures in a transparent process. A risk filter is used to evaluate potential supplier locations worldwide even before the call for bids. The next step is to require possible suppliers to outline their sustainability activities in a detailed questionnaire. External partners also work with internal appraisers to review selected locations. Throughout the contract period, external partners work with internal appraisers to verify compliance with sustainability requirements through questionnaires and audits. In this way, BMW Group Purchasing is able to monitor thousands of locations every year.

Sustainable mobility with the BMW X5 xDrive45e

The BMW Group has completed full lifecycle CO₂ certification for the BMW X5 xDrive45e – from raw material procurement, through the supply chain, production and use phase, all the way to recycling. If charged during the use phase with the average European electricity mix, this gives it an advantage of around 40 percent over the BMW X5 xDrive40i. If charged with green power, the advantage is around 70 percent. The electric range amounts to 77-88 kilometres (WLTP).

CO₂ EMISSIONS AND CONSUMPTION:

BMW X5 xDrive45e Plug-in-Hybrid:

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If you have any questions, please contact:

Pirelli Press OfficeTel. +39 02 6442 4270
pressoffice@pirelli.com
www.pirelli.com**FSC Press Office**Estelle Mankan
FSC Media Manager
e.mankan@fsc.org**BMW Group Corporate Communications**Sandra Schillmöller, Corporate Communications, Communications Purchasing and Supplier Network
Email: Sandra.Schillmoeller@bmwgroup.com , Telephone: +49-89-382-12225Liane Drews, Product Communications BMW Automobiles
E-mail: liane.drews@bmwgroup.com, Telephone: +49-89-382-60964Dieter Falkensteiner, Communication Driving Dynamics / Driving Experience
E-Mail: Dieter.Falkensteiner@bmwgroup.com, Telephone: +49-89-382-51813Media website: www.press.bmwgroup.com
Email: presse@bmwgroup.com**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 31 production and assembly facilities in 15 countries; the company has a global sales network in more than 140 countries.

In 2020, the BMW Group sold over 2.3 million passenger vehicles and more than 169,000 motorcycles worldwide. The profit before tax in the financial year 2020 was € 5.222 billion on revenues amounting to € 98.990 billion. As of 31 December 2020, the BMW Group had a workforce of 120,726 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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