


Meeting Date:	Thu, 15 May 2014 10:00am	Type:	AGM	Issue date:	Fri, 02 May 2014
Meeting Location:	Olympiahalle of the Olympiapark, Coubertinplatz, 80809 Munich, Federal Republic of Germany				
Current Indices:	FTSE EuroFirst				
Sector:	Automobile Manufacturers				

PROPOSALS	ADVICE
<p>1 Receive Financial Statements and Statutory Reports for Fiscal 2013 The report has been made available with sufficient time prior to the AGM. No major governance concerns have been identified.</p>	For
<p>2 Approve Allocation of Income and Dividends The Board proposes a dividend payment of EUR 2.62 per non-voting preferred stock and EUR 2.60 per common share. Dividends are covered by earnings. Acceptable proposal.</p>	For
<p>3 Discharge the Management Board Standard proposal. No major governance concerns have been identified. Support is recommended.</p>	For
<p>4 Discharge the Supervisory Board Standard proposal. No major governance concerns have been identified. Acceptable proposal.</p>	For
<p>5 Appoint the auditors KPMG AG Wirtschaftsprüfungsgesellschaft are proposed. Non-audit fees on the year under review were approximately 64.3% of audit fees. On a three year aggregate basis non-audit fees were approximately 58.5% of audit fees. This level of non audit fees raises concerns over the independence of the auditors. Triodos opposes this resolution.</p>	Oppose
<p>6.1 Re-elect Franz Haniel Non-executive Director. Independence not declared by the Company, not considered to be independent as he has served on the Board for more than nine years. There are concerns over his potential aggregate time commitments. There is sufficient independent representation on the Board.</p>	For
<p>6.2 Re-elect Susanne Klatten Non-executive Director. Independence not declared by the Company, not considered to be independent as she holds 12.6% of the Company's issued share capital. In addition she has been on the Board for more than nine years. There is sufficient independent representation on the Board.</p>	For
<p>6.3 Re-elect Robert Lane Independent non-executive Director.</p>	For
<p>6.4 Re-elect Wolfgang Mayrhuber Independent non-executive Director.</p>	For
<p>6.5 Re-elect Stefan Quandt Non-executive Vice Chairman. Independence not declared by the Company, not considered to be independent as he holds 17.4% of the Company's issued share capital. In addition, he has been on the Board for more than nine years. The Board has sufficient independent representation.</p>	For
<p>7 Authorize Share Repurchase Program and Reissuance or Cancellation of Repurchased Shares The Board seeks to be entitled to repurchase company shares up to a maximum limit of 10% of issued share capital. Triodos supports this resolution.</p>	For
<p>8 Approve Creation of EUR 5 Million Pool of Capital without Preemptive Rights for Issuance of Employee Shares The Board seeks to be entitled to create a EUR 5 million pool without pre-emptive rights. Triodos supports this resolution.</p>	For

9 Approve Remuneration System for Management Board Members

Oppose

The Board remuneration is based on a fixed fee plus a variable bonus based on EPS. This is not considered best practice. Management executives receive a fixed and variable remuneration. Fixed compensation remains unchanged from 2013. Variable compensation includes a corporate earnings-related bonus and a personal performance-related bonus. The corporate earnings-related bonus is based on the BMW Group's net profit and post-tax return on sales (which are combined in a single earnings factor) and the level of the dividend (common stock). Specific targets are not disclosed. It is welcome that the capped bonus limit at 250% from last year is lowered after January 1 2014 down to 200% of target, which is €1.5 million p. a., rising to €1.75 million p. a. with effect from the second term of appointment or the fourth year in office. The personal performance-related bonus is derived by multiplying the target amount set for each executive by a performance factor. The criteria are all non-financial. Specific targets are not disclosed. Under the share-based remuneration programme, executives must invest the equivalent of 20% of their total bonuses (after tax) in shares and to hold these shares for a minimum of four years. At the end of the holding period, executives would receive either one additional share or an equivalent cash amount for three shares held. The award of matching shares is not subject to any performance conditions nor investment by the executive, which is not considered appropriate. There are no contractual agreements for severance or change in control. Given these concerns, Triodos opposes this resolution.

*** = Special resolution**

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