

Media Information

23 May 2022

**BMW Group to open Cell Manufacturing Competence Centre this autumn**

+++ Approvals granted for commissioning of production in Parsdorf

+++ Near-standard production of samples for next-generation

battery cells +++ Start of production in late 2022 +++

**Munich/Parsdorf.** The BMW Group will open its Cell Manufacturing Competence Centre (CCMC) in the autumn. With the immission control approval procedure now completed, the necessary conditions are in place for commissioning of near-standard production of lithium-ion battery cells at the competence centre in Parsdorf, outside of Munich. In an area spanning around 15,000 square metres, the BMW Group will demonstrate industrial feasibility of future generations of high-performance battery cells. The pilot line at the competence centre will make it possible to analyse and fully understand cell value creation processes. This will enable future suppliers to produce cells to the BMW Group's own specifications and thereby further optimise battery cell production with regard to quality, output and costs. The company is currently ruling out the option of establishing its own large-scale battery cell production.

Markus Fallböhmer, head of Production Engines, E-Drives at the BMW Group: "The Cell Manufacturing Competence Centre in Parsdorf is the next logical step towards penetrating all aspects of the battery cell value chain. Following successful implementation of the Battery Cell Competence Centre (BCCC), we are now focusing on the production processes. We are validating the manufacturability of lithium-ion battery cells for large-scale standard production, with regard to quality, efficiency and costs."

**Staggered production start for pilot line from autumn 2022**

Investment in the initial development phase for the Cell Manufacturing Competence Centre totals around 170 million euros. About 80 employees will work at the Parsdorf location. The German Federal Ministry of Economic Affairs and the Bavarian Ministry of Economic Affairs, Regional Development

and Energy are supporting the project within the framework of the European funding process IPCEI (Important Projects of Common European Interest).

Due to the complex technologies involved, battery cell production will be commissioned in stages, with production due to start at the CMCC in the autumn. In the initial phase of the ramp-up, the systems for electrode production will be installed and run in. During this stage, raw materials, such as graphite and nickel oxides for battery electrodes, are metered and mixed. This is followed by coating of the metal foils and final compression.

In the second phase, the systems for subsequent cell assembly and formation will be installed. In this step, the electrodes are processed with the other sub-components to create battery cells and are formed and checked for quality. The entire ramp-up process will take about a year. Over the course of the following year, near-standard battery cell production at the competence centre will transition to regular operation.

### **Cell manufacturing expertise for Neue Klasse**

In Parsdorf, work will also focus on innovative production processes and systems that can be used in standard production. The BMW Group will produce battery cell samples at this site for the next generation of battery technology for use in the Neue Klasse. The Neue Klasse represents a major technological leap for the company in electric drive systems. The aim is to significantly increase the energy density of the next generation of lithium-ion cells and, at the same time, reduce costs from the use of materials and production. The CMCC will make an important contribution to this. Operations in Parsdorf will therefore rely on electricity produced using renewable energy, including from photovoltaic systems on the roof of the building. Parking spaces in the garage are also equipped with charging infrastructure.

Markus Fallböhmer, head of Production Engines, E-Drives at the BMW Group: "The CMCC will enable us to round out our know-how throughout the value chain, from battery cell development to production of modules and powertrain components, up to and including installation of fully-assembled high-voltage batteries at our vehicle plants. Like the BCCC in the field of cell research, near-standard production in Parsdorf will create an authority in battery cell production. This means BMW Group experts will be able to discuss topics with cell manufacturers at the same eye level and optimise processes and technologies."

**Complete view of battery value chain**

The BMW Group sources battery cells from leading cell manufacturers. The remaining value creation, i.e. cell preparation, and production of modules and high-voltage batteries, takes place at the automotive manufacturer. Electric powertrain components are manufactured at multiple locations across the BMW Group production network. For example, high-voltage batteries, battery modules and components are produced in Germany, at Plants Dingolfing, Regensburg and Leipzig. Other electric powertrain components come from Plant Spartanburg in the US and the BMW Brilliance Automotive joint venture in China.

If you have any questions, please contact:

**The BMW Group production network**

The BMW Group has regarded itself for decades as the benchmark for production technology and operational excellence in vehicle construction. BMW iFACTORY. LEAN. GREEN. DIGITAL. represents the strategic vision of the worldwide production network. It provides answers to the challenges of the transformation towards e-mobility, with a global approach.

Lean stands for efficiency, precision and the highest level of flexibility, as well as outstanding integration capability. Green means using state-of-the-art technologies to establish production with minimal use of resources. The aim is to reduce CO2 emissions per vehicle from production by 80% from 2019 levels by 2030. Digital focuses on data science, artificial intelligence and virtual planning and development. In this way, BMW Group production is able to make a decisive contribution to the company's profitability.

**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 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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