

Purpose Propelled:

Delivering on our vision of a clean, energy-efficient world

2020 SUSTAINABILITY REPORT HIGHLIGHTS

CREATE A CLEANER, MORE ENERGY-EFFICIENT WORLD

Product leadership in combustion, hybrid and electric propulsion architecture drives our business

- >80% of BorgWarner's revenue in 2019 came from electric, hybrid, and emissions-reducing combustion parts
- As cleaner mobility adoption accelerates, we expect to generate 36% of our revenue from products on hybrid and electric vehicles by 2023, slightly higher on a pro forma basis with our announced acquisition of Delphi Technologies

Committed to monitoring and reducing our environmental footprint

- After already exceeding our 2022 operational environmental goals, we have set new, sector-leading targets to reduce our carbon emissions intensity by 50% and our energy intensity by 37% by the year 2030.

LIVE THE BORGWARNER BELIEFS

Fostering and developing a talented and diverse workforce

- Team members actively embraced the company's talent development initiatives as nearly 58,000 hours of training were provided in 2019
- \$1M invested in the BorgWarner Corporate Leadership Programs, impacting 1,300 current or future leaders
- Over one-third of global new hires in 2019 were women and 42% of U.S. new hires were ethnic minorities

Putting safety at the forefront of everything we do

- Leading industry safety rate driven by a 75% improvement in our global workforce total recordable incident rate (TRIR) over the past decade
- 8 facilities earned BorgWarner's CEO Safety Excellence Award for working 1 million consecutive hours without a recordable incident

PARTNER WITH AND REPORT TO STAKEHOLDERS

Driving our sustainability commitment in our supply chain

- After launching a program to assess the sustainability of our top suppliers in 2018, we have committed to expanding it to cover and assess at least 80% of our high-impact and high-risk suppliers

Transparent in our impacts and reporting

- Our 2020 Sustainability Report newly uses the Sustainability Accounting Standards Board (SASB) and Task Force for Climate-related Financial Disclosures (TCFD) frameworks, and continues reporting against the Global Reporting Initiative (GRI) standard

Our priority sustainability goals

Driving clean mobility: Product goals to enable a cleaner mobility future



Maintain **majority of revenue** from emissions-reducing products across combustion, hybrid and electric segments

Running efficiently and sustainably: Operations goals to protect the environment

50% greenhouse gas intensity reduction by 2030 from 2015 baseline

37% energy intensity reduction by 2030 from 2015 baseline

Responsibility in our supply chain: Driving our commitment across the industry



Assess at **least 80%** of our high-risk and high-impact suppliers against our supplier sustainability standards

Responsibility to our communities:



580+

CHARITABLE ACTIVITIES



\$2.8M

DONATED

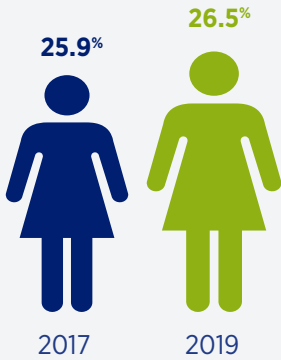


62,890

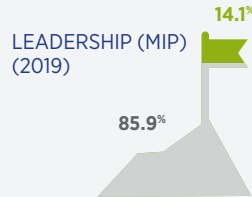
HOURS VOLUNTEERED

Focused on promoting diversity across our organization: CEO Action for Diversity & Inclusion™ signatory

OVERALL



Male Female



14%

FEMALE LEADERS



25%

FEMALE BOARD OF DIRECTORS



32%

MINORITY U.S. HOURLY EMPLOYEES



10



STRATEGY BOARD MEMBERS



3



HAVE INTERNATIONAL BACKGROUNDS



3



ARE FEMALE



2

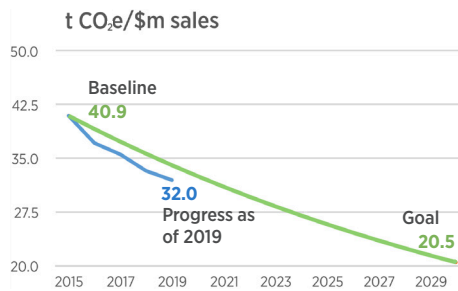


ARE WOMEN OF COLOR

Operating Efficiently

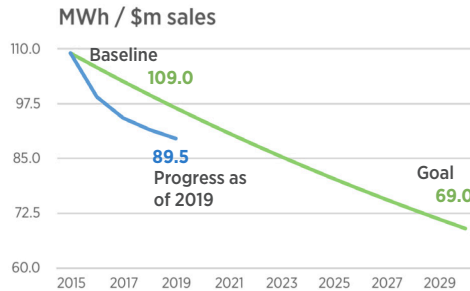
CARBON GOAL: 50% REDUCTION BY 2030

22% reduction achieved since 2015



ENERGY GOAL: 37% REDUCTION BY 2030

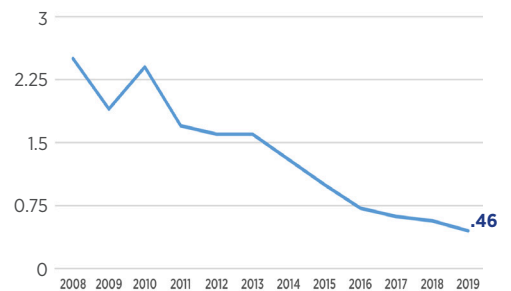
18% reduction achieved since 2015



Operating Safely

TOTAL RECORDABLE INCIDENT RATE

Total recordable incident rate (per 200,000 hours worked)



Awards & Recognition

Barron's 100 Most Sustainable U.S. Companies

Newsweek's America's Most Responsible Companies 2020

Forbes' America's Best Employers 2019 (second year in a row)

Detroit Free Press's Top Workplaces (second year in a row)

2020 Corporate Equality Index recognition for dedication to LGBTQ workplace equality

2020 Bloomberg Gender Equality Index recognition

CDP 2019 Supplier Engagement Rating: A-

South Carolina Manufacturers Alliance Safety Performance Recognition Award

Great Place to Work Certification® Mexico

Great Place to Work Certification® USA

Top Employers China 2020

American Heart Association's Gold Workplace Achievement Index

Healthiest 100 Workplaces in America

The Healthiest Employers® in Indiana

Mississippi Healthiest Workplace Award

General Motors Innovation Award Winner

Automotive News PACE Award Winner

Forbes Global 2000

Crain's Detroit Business Fast 50 (Fastest-Growing Company)

SAE Foundation's Gordon Millar Award for BorgWarner's ongoing commitment to youth STEM education

Masters of Quality Supplier Award Daimler Trucks North America - Markdorf, Germany

Winning W Company Women on Boards