



Charging Forward

The Next Decade +



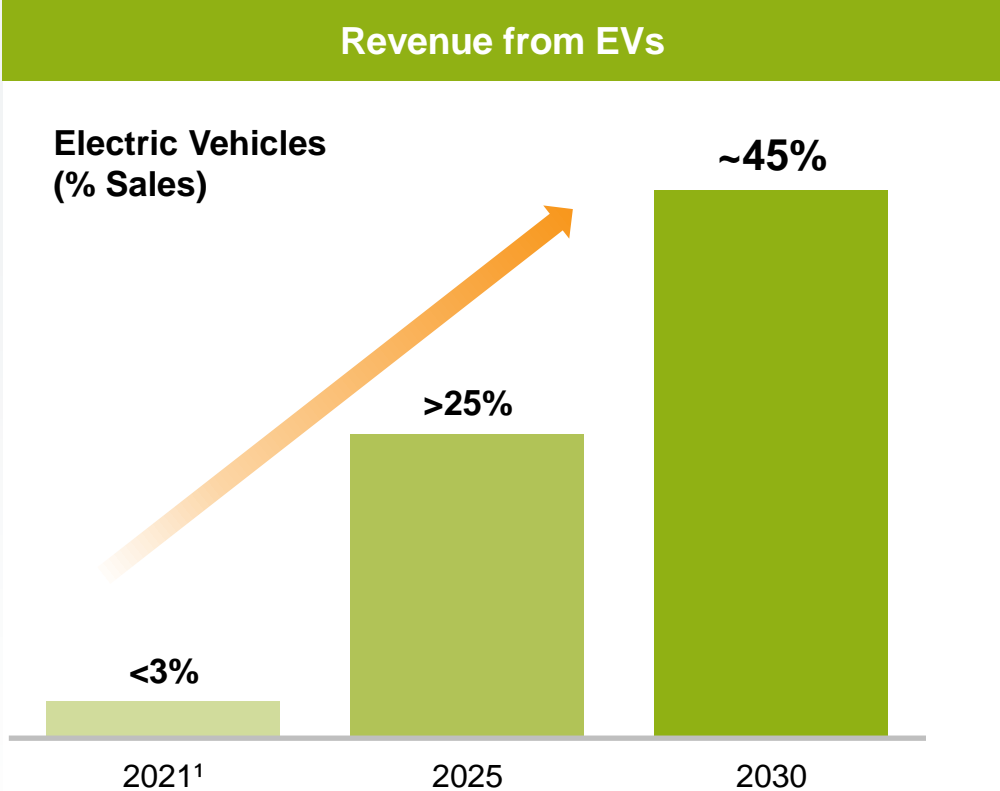
Forward-Looking Statements

Statements in this presentation may constitute forward-looking statements as contemplated by the 1995 Private Securities Litigation Reform Act (the “Act”) that are based on management’s current outlook, expectations, estimates and projections. Words such as “anticipates,” “believes,” “continues,” “could,” “designed,” “effect,” “estimates,” “evaluates,” “expects,” “forecasts,” “goal,” “initiative,” “intends,” “may,” “outlook,” “plans,” “potential,” “predicts,” “project,” “pursue,” “seek,” “should,” “target,” “when,” “will,” “would,” and variations of such words and similar expressions are intended to identify such forward-looking statements. Further, all statements, other than statements of historical fact contained or incorporated by reference in this presentation, that we expect or anticipate will or may occur in the future regarding our financial position, business strategy and measures to implement that strategy, including changes to operations, competitive strengths, goals, expansion and growth of our business and operations, plans, references to future success and other such matters, are forward-looking statements. Accounting estimates, such as those described under the heading “Critical Accounting Policies and Estimates” in Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2020 (“Form 10-K”), are inherently forward-looking. All forward-looking statements are based on assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. Forward-looking statements are not guarantees of performance and the Company’s actual results may differ materially from those expressed, projected, or implied in or by the forward-looking statements.

You should not place undue reliance on these forward-looking statements. Forward-looking statements are subject to risks and uncertainties, many of which are difficult to predict and generally beyond the Company’s control, that could cause actual results to differ materially from those expressed, projected or implied in or by the forward-looking statements. These risks and uncertainties, include, among others: the difficulty in forecasting demand for electric vehicles and our EV revenue growth to 2030; the ability to identify targets and consummate acquisitions on acceptable terms; failure to realize the expected benefits of acquisitions; the ability to identify appropriate combustion portfolio businesses for disposition and consummate planned dispositions on acceptable terms; competitive challenges from existing and new competitors including OEM customers; the challenges associated with rapidly-changing technologies, particularly as relates to electric vehicles, and our ability to innovate in response; uncertainties regarding the extent and duration of impacts of matters associated with COVID-19/coronavirus (“COVID-19”), including additional production disruptions; the failure to realize the expected benefits of the acquisition of Delphi Technologies PLC that the Company completed on October 1, 2020; the failure to realize the expected benefits of the acquisition of AKASOL or a delay in the ability to realize those benefits; the failure to successfully execute on a timely basis our taking private strategy with respect to AKASOL; the failure to promptly and effectively integrate acquired businesses; the potential for unknown or inestimable liabilities relating to acquired businesses; our dependence on automotive and truck production, both of which are highly cyclical and subject to disruptions; our reliance on major original equipment manufacturer (“OEM”) customers; commodities availability and pricing; supply disruptions; the uncertainty of the global economic environment; future changes in laws and regulations, including, by way of example, tariffs, in the countries in which we operate; impacts from any potential future acquisition or divestiture transaction; and the other risks, described in Part I, Item 1A, “Risk Factors,” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2020. The Company does not undertake any obligation to update any forward-looking statements, except as required by law.


Intentional Growth for a Sustainable Future

- This high-impact change is a product of our **vision** and **strategy**
- Our vision of a **clean, energy-efficient world** is as relevant today as ever
- And our **accelerated electrification strategy** to advance that vision is today's story



¹ Estimate at the midpoint of FY21 guidance
Source: BorgWarner estimate

BorgWarner Is Evolving Its Mission



Our mission was
focused on balance:

Propulsion System Leader
for Combustion, Hybrid and
Electric Vehicles



Today and Tomorrow

**We're accelerating
toward electrification**

*We deliver innovative and sustainable
mobility solutions for the vehicle market*

We're Moving Electrification to the Forefront of Our Strategy

2021-2025: Accelerating Our Shift

- Significantly shifting our organic investments towards electrification
- More aggressively deploying capital toward M&A
- Steadily optimizing our combustion portfolio, targeting dispositions of products with \$3B to \$4B in annual revenue

These actions alone expected to lead to

~45%

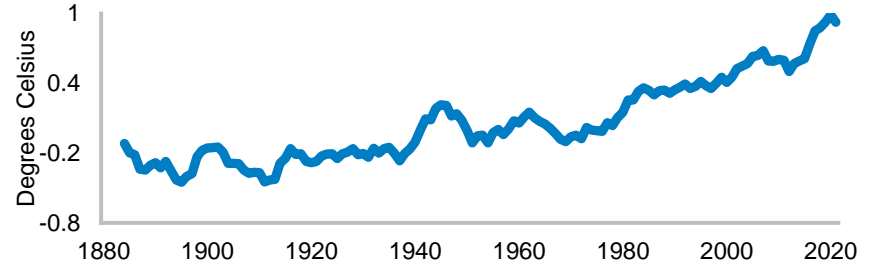
revenue from EV
by 2030

...and future actions could increase this further as appropriate

External Factors Are Accelerating Demand for Cleaner, More Efficient Vehicles

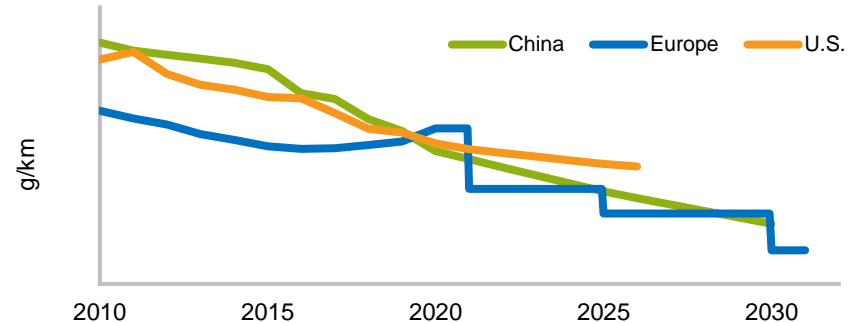
Rising Temperatures Drive Demand for Clean, Efficient Vehicles

Global Surface Temperature Anomalies – 5-year average



NASA figure adapted from Goddard Institute for Space Studies Surface Temperature Analysis

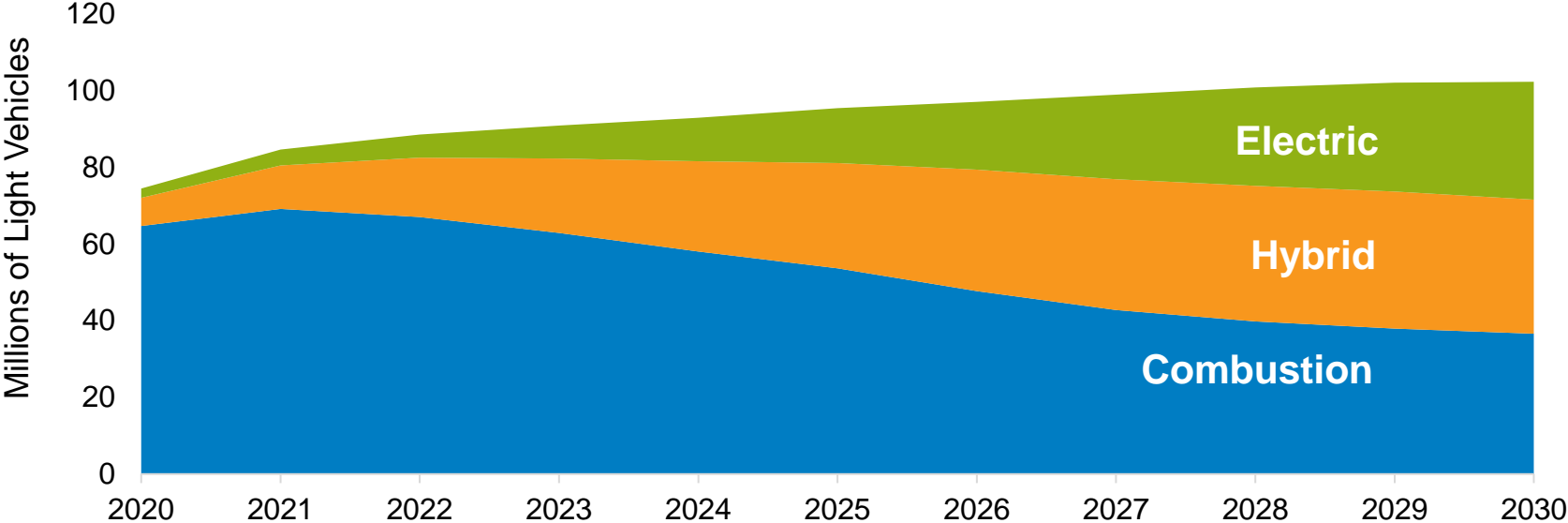
CO₂ Emissions Regulatory Standards Normalized to NEDC



NEDC figures adapted from The International Council on Clean Transportation analysis

Now is the Optimal Time to Accelerate BorgWarner's Shift toward Electrification

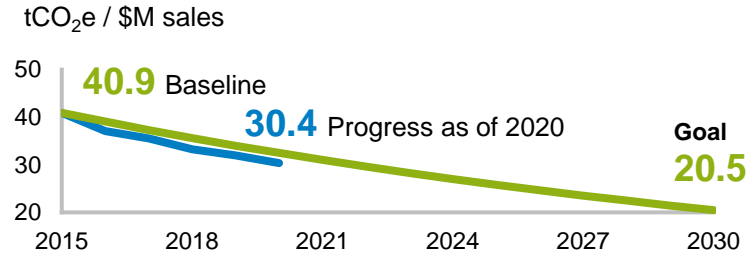
Estimated industry steady shift from internal combustion vehicles to electric ones



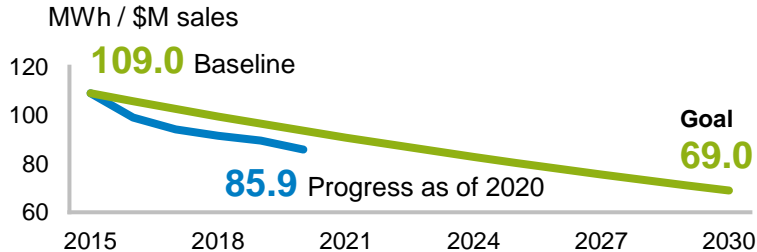
Source: BorgWarner Estimates

This Evolution Is Consistent with Our Commitment to Sustainability

GHG: 50% Intensity Reduction by 2030



Energy: 37% Intensity Reduction by 2030



Our sustainability objectives go hand in hand with our strategy to generate financial results

- Committed to **carbon neutrality*** by 2035 focusing on renewable and energy efficiency
- Providing **Scope 3 emissions** commentary
- Disclosures aligned with **SASB, TCFD and GRI**
- We disclose **environmental KPIs**

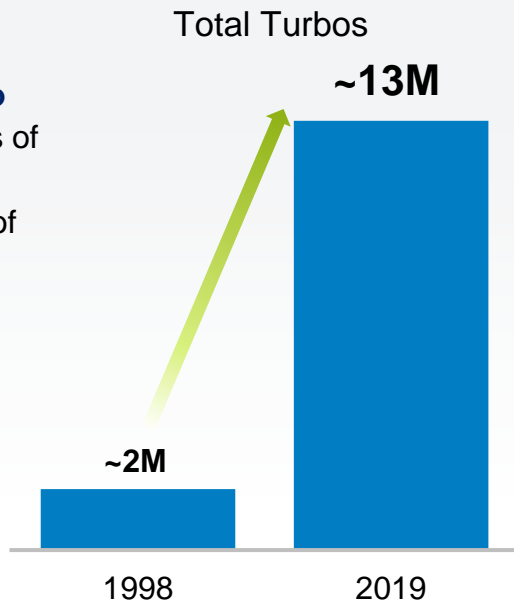
* Includes Scope 1 & 2 emissions

We Know How to Evolve to Meet Tomorrow's Needs

Decades of leadership through strategic evolution — and our next phase is underway

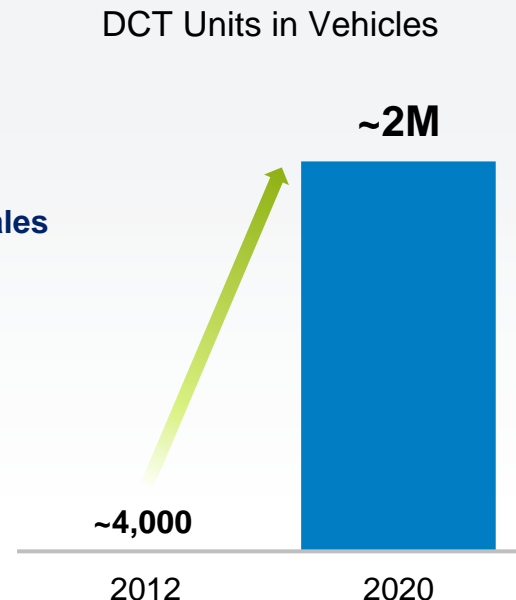
Late 1990s

BorgWarner **pivots to turbos** through series of strategic acquisitions, including the merger of 3K and Schwitzer

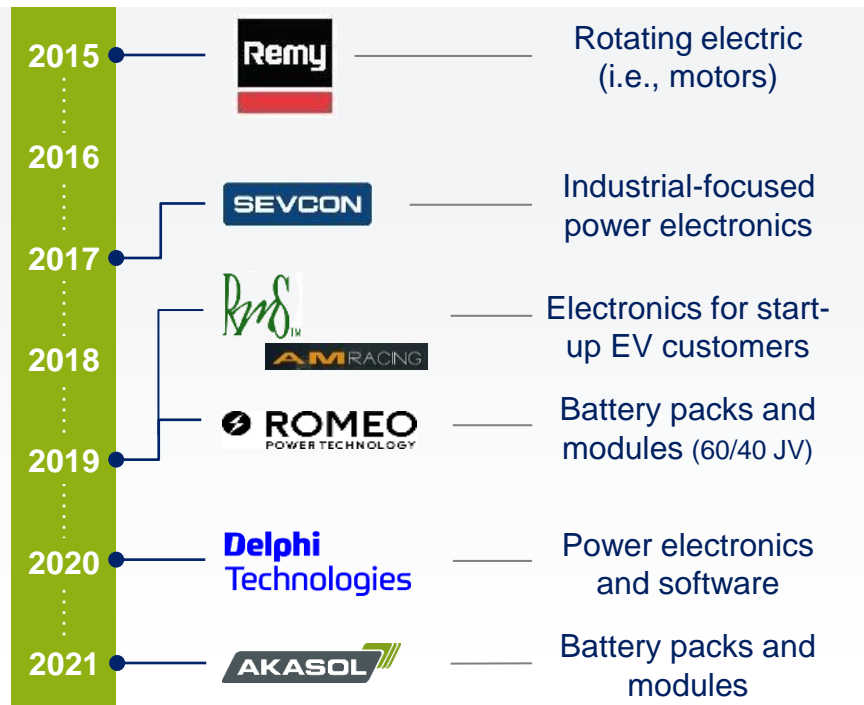


2010s

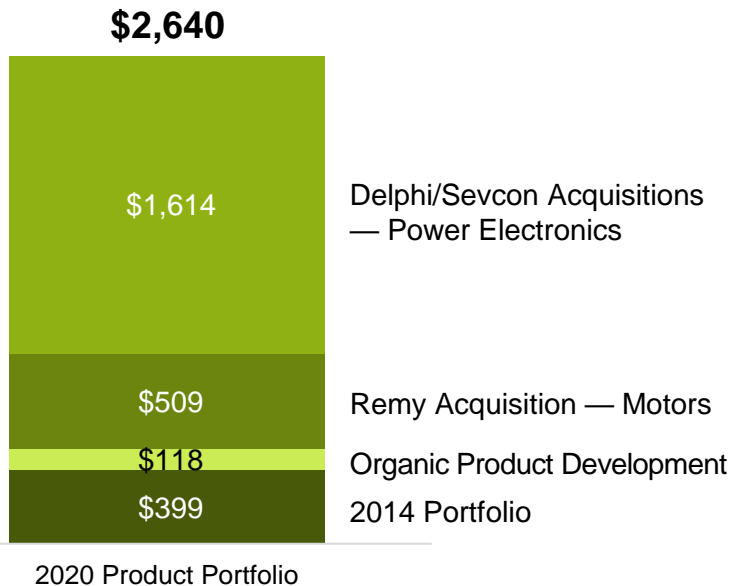
BorgWarner **significantly accelerates dual clutch module sales** in China through wholly-owned and joint ventures



We've Grown Our Electrification Portfolio Deliberately Over Time Through Acquisitions...



Est. 2025 Content Opportunity per eLV

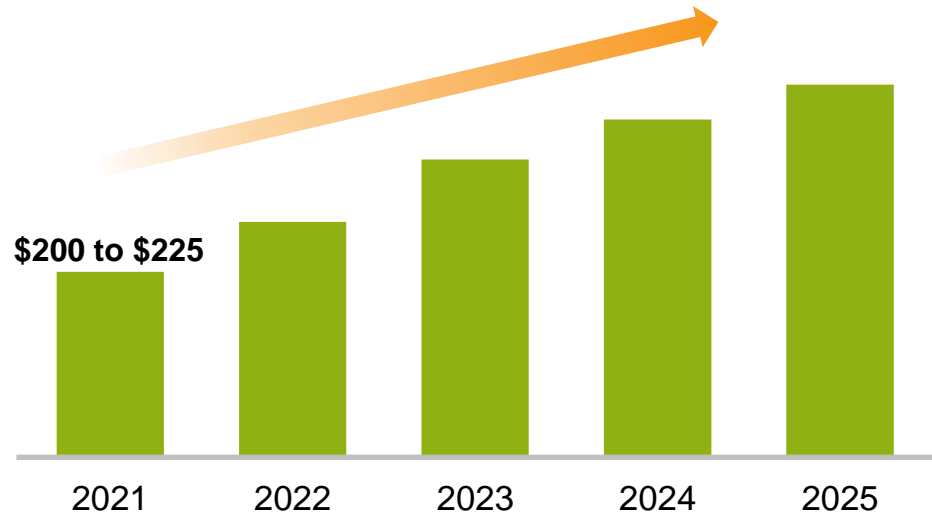


...And Our Organic Investment Strategy Will Also Play a Major Role in Advancing eLV...

Organic Investment Strategy

- >\$3B over next 5 years on combined R&D and capital spending for eProducts
- eProducts approaching 50% of R&D before acquisitions by 2025
- Organic spending supplemented with up to \$5B in M&A

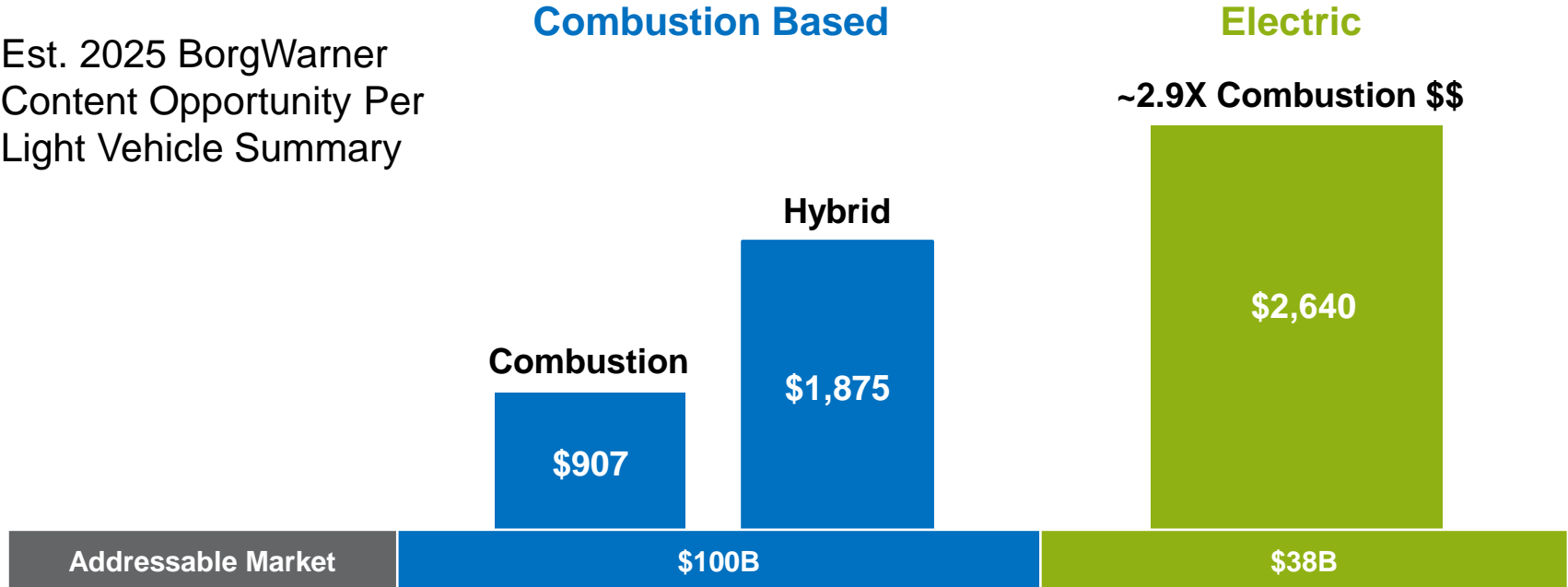
Estimated R&D Spend for eProducts (\$M)



Source: BorgWarner March 2021 Investor Day estimate

...Such That We're Well Positioned to Seize Market Opportunity

Est. 2025 BorgWarner Content Opportunity Per Light Vehicle Summary

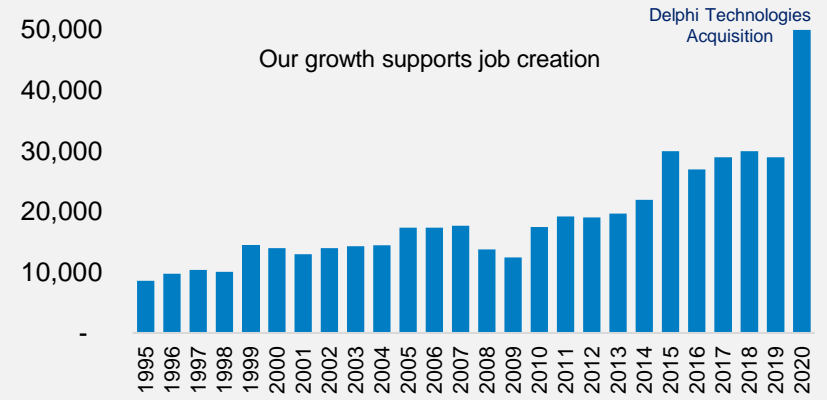


Sources: BorgWarner TAM; IHS Markit, KGP. Excludes: Romeo Power Battery JV opportunities, Service & Aftermarket

How Did We Anticipate this Transition?

Our people practices are designed to enable creativity, quick pivots, long-term planning and operational excellence:

- Track hiring success as a leading indicator (which is better than peers)
- Decentralized org structure

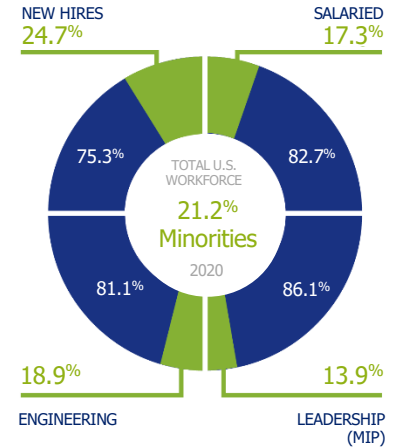
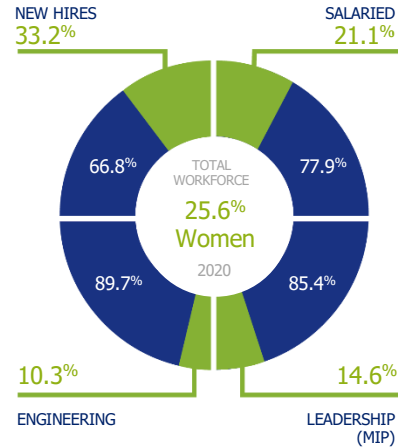


Recruitment strongly outperforms peers
Year-over-Year LinkedIn Results vs. Peers

	BorgWarner YOY	Peer Median YOY
Job Views	+13.0%	-18.2%
Job Applications	+28.9%	-6.6%
View-to-Apply Rate	+14.0%	+2.8%
Recruiter In-Mail Acceptance Rate	+125.6%	-17.5%

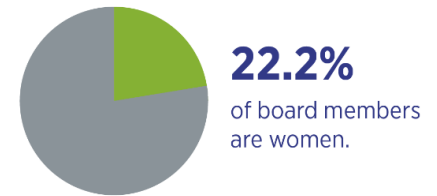
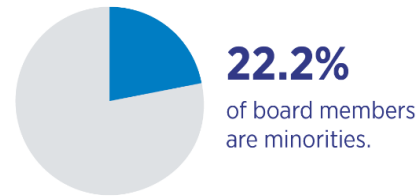


Employee Diversity



We Empower Our Diverse Teams

Board Diversity





PROJECT
CHARGING FORWARD



**PROFITABLY
SCALE eLV**



**EXPAND
INTO eCV**



**OPTIMIZE
COMBUSTION
PORTFOLIO**

- We believe we have both the **strategies** and **execution capabilities to lead** the industry
- **Sustainability is core** with a commitment to **carbon neutrality by 2035**
- Our actions through 2025 are expected to achieve **~45% of revenue from EV by 2030**, with potential for more to come