



Wolfe Research

Global Auto, Auto Tech, and
Mobility Conference

Fred Lissalde – Chief Executive Officer
February 24, 2022

Forward-Looking Statements

This presentation may contain forward-looking statements as contemplated by the 1995 Private Securities Litigation Reform 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," "guidance," "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 most recently-filed Annual Report on Form 10-K ("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, which speak only as of the date of this presentation. Forward-looking statements are subject to risks and uncertainties, many of which are difficult to predict and generally beyond our 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, among others, include: supply disruptions impacting us or our customers, such as the current shortage of semiconductor chips that has impacted original equipment manufacturer ("OEM") customers and their suppliers, including us; commodities availability and pricing; 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 the COVID-19 pandemic, including additional production disruptions; the difficulty in forecasting demand for electric vehicles and our electric vehicles revenue growth; the possibility that the proposed acquisition of Santroll's light vehicle eMotor business will not be consummated; the ability to identify targets and consummate acquisitions on acceptable terms; failure to realize the expected benefits of acquisitions on a timely basis including our recent acquisition of AKASOL AG and our 2020 acquisition of Delphi Technologies PLC; the ability to identify appropriate combustion portfolio businesses for disposition and consummate planned dispositions on acceptable terms; the failure to promptly and effectively integrate acquired businesses; the potential for unknown or inestimable liabilities relating to the acquired businesses; our dependence on automotive and truck production, both of which are highly cyclical and subject to disruptions; our reliance on major OEM customers; fluctuations in interest rates and foreign currency exchange rates; our dependence on information systems; the uncertainty of the global economic environment; the outcome of existing or any future legal proceedings, including litigation with respect to various claims; future changes in laws and regulations, including, by way of example, taxes and tariffs, in the countries in which we operate; impacts from any potential future acquisition or disposition transactions; and the other risks noted in reports that we file with the Securities and Exchange Commission, including Item 1A, "Risk Factors" in our most recently-filed Form 10-K and/or Quarterly Report on Form 10-Q. We do not undertake any obligation to update or announce publicly any updates to or revisions to any of the forward-looking statements in this presentation to reflect any change in our expectations or any change in events, conditions, circumstances, or assumptions underlying the statements.

Non-GAAP Financial Measures

This presentation contains information about BorgWarner's financial results that is not presented in accordance with accounting principles generally accepted in the United States ("GAAP"). Such non-GAAP financial measures are reconciled to their closest GAAP financial measures in the Appendix. The provision of these comparable GAAP financial measures for 2022 is not intended to indicate that BorgWarner is explicitly or implicitly providing projections on those GAAP financial measures, and actual results for such measures are likely to vary from those presented. The reconciliations include all information reasonably available to the company at the date of this presentation and the adjustments that management can reasonably predict.

Management believes that these non-GAAP financial measures are useful to management, investors, and banking institutions in their analysis of the Company's business and operating performance. Management also uses this information for operational planning and decision-making purposes.

Non-GAAP financial measures are not and should not be considered a substitute for any GAAP measure. Additionally, because not all companies use identical calculations, the non-GAAP financial measures as presented by BorgWarner may not be comparable to similarly titled measures reported by other companies.

PROJECT CHARGING FORWARD



**ORGANIC EV
GROWTH**

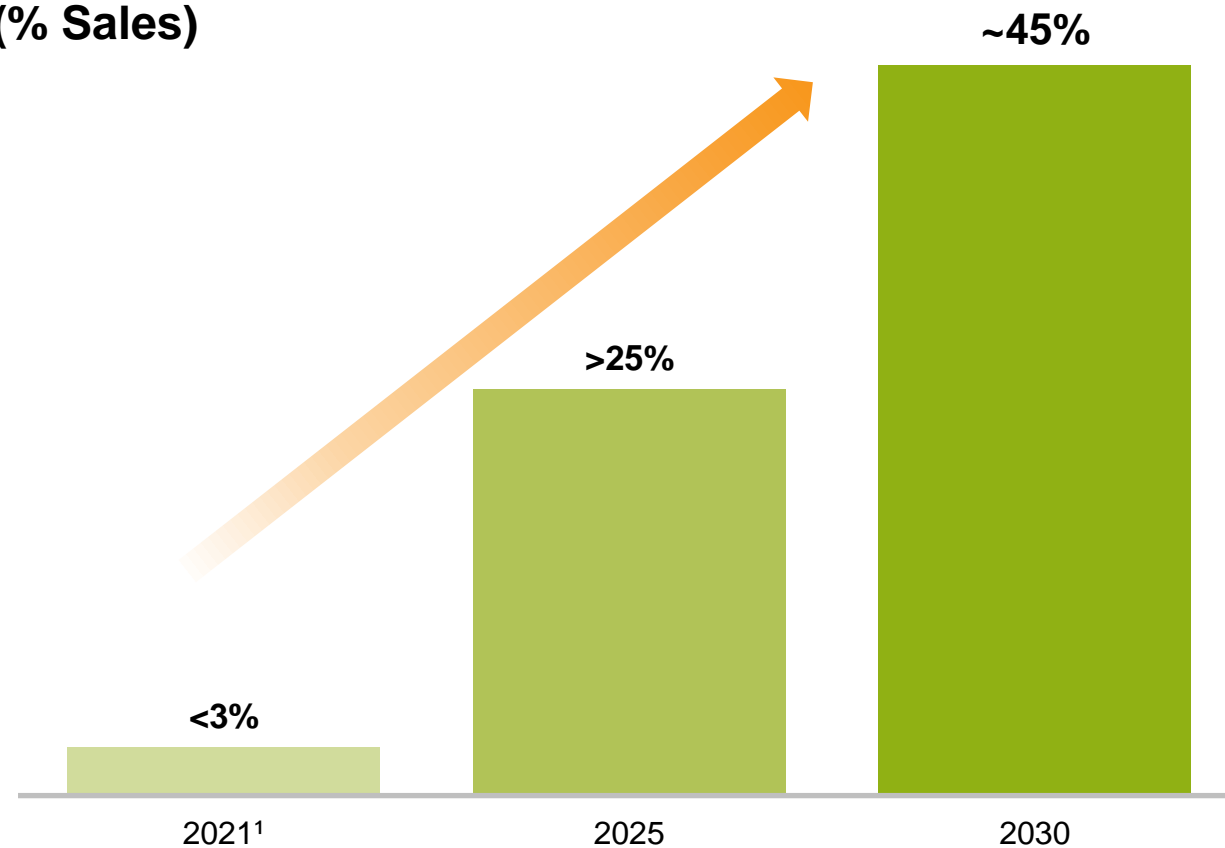


**EV
FOCUSED
M&A**



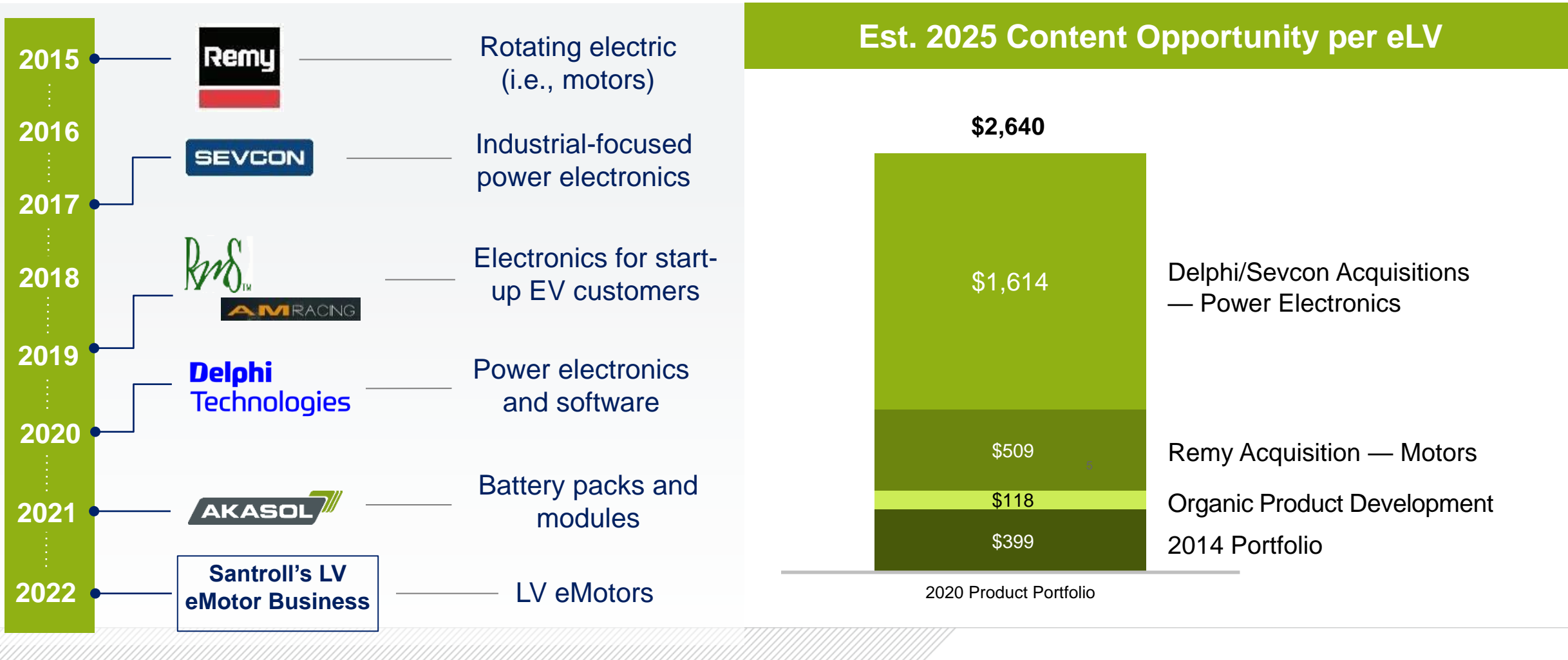
**OPTIMIZE
COMBUSTION
PORTFOLIO**

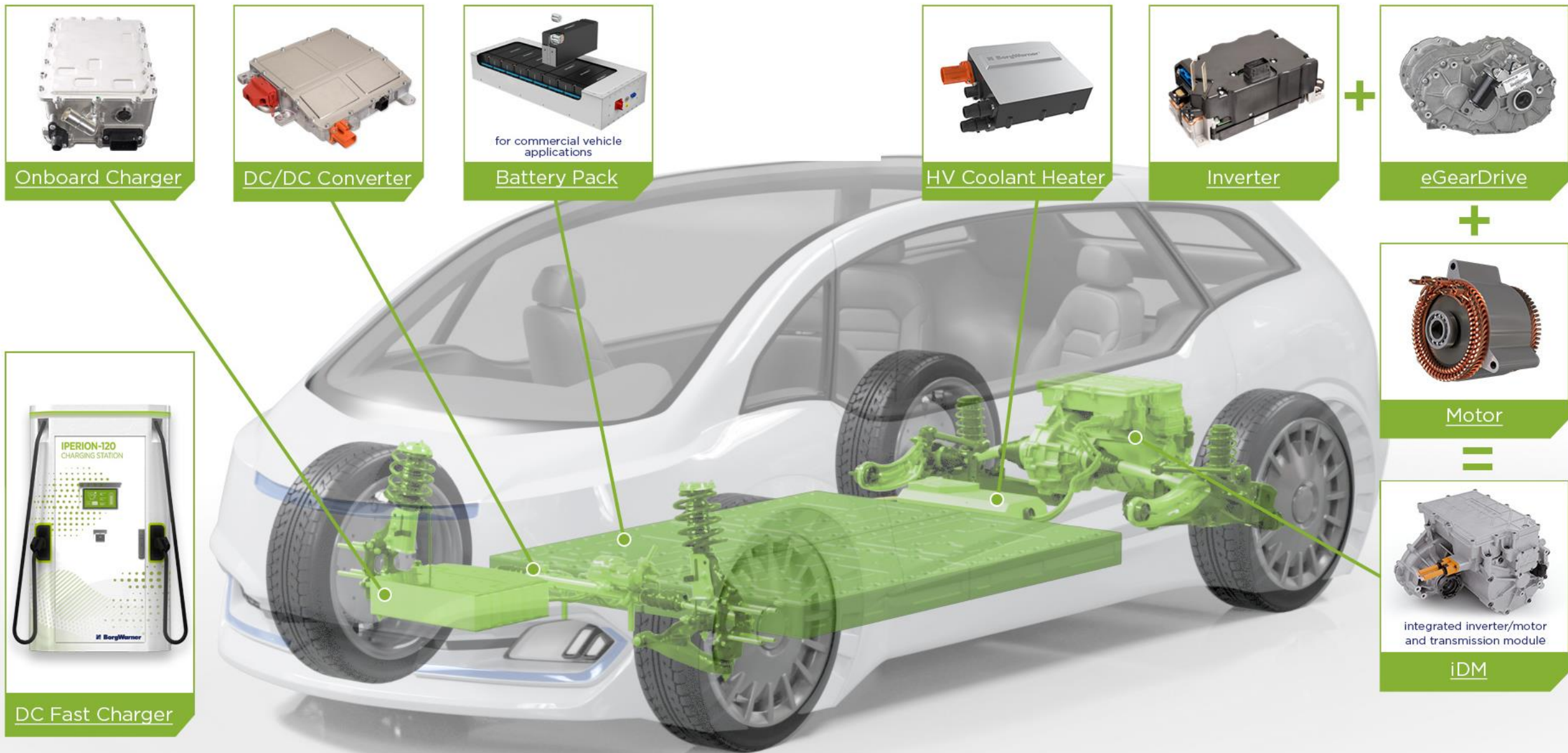
Electric Vehicles (% Sales)



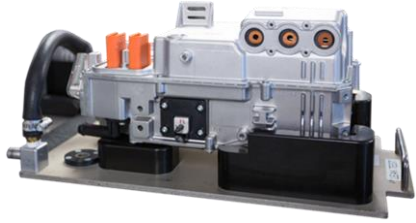
¹ Based on FY21 Actual Sales
2025 & 2030 Source: BorgWarner estimates

We've Grown Our Electrification Portfolio Deliberately over Time





Recent Awards Across EV Product Portfolio



800-Volt Inverter

- with a premium European OEM on next-generation BEVs expected to launch in 2024



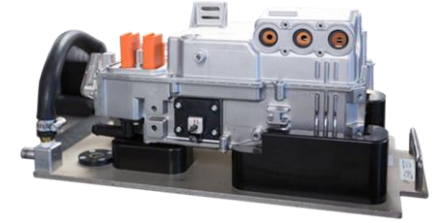
800-volt Electric Motor

- with a large global commercial vehicle EV customer launching in 2024



Third Generation Battery System

- with GILLIG, a leading North American bus manufacturer, expected to launch in 2023



800V SiC Inverters

- Award for European inverter with a German OEM, expected to launch in early 2025



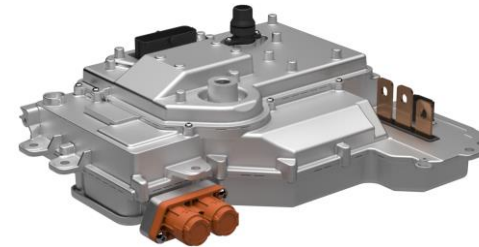
Integrated Drive Module (iDM)

- with Hyundai Motor Group for EVs expected to launch in 2023



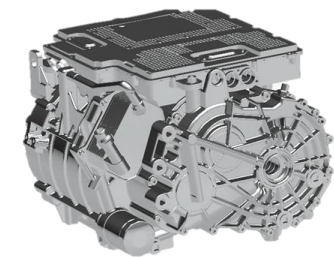
800V SiC Inverters

- with major Chinese electric vehicle program expected to launch in 2023



High-voltage SiC Inverter

- Award for North American inverter program with a Global OEM, expected launch in 2024



800V Integrated Drive Modules (iDM)

- with a Chinese luxury NEV brand expected to launch in 2023

Progress Report

PROJECT CHARGING FORWARD



ORGANIC EV
GROWTH



EV
FOCUSED
M&A



OPTIMIZE
COMBUSTION
PORTFOLIO

EV Organic Sales in 2025

\$2.7B

Current
Booked
Status

Charging
Forward
Goals

Goal
Reached



M&A by 2025

\$2.0B

\$1.3B
to
\$1.4B

Add'l M&A

\$0.6B
to
\$0.7B

AKASOL &
Santroll
(pending)

Dispositions by 2025

\$3.5B

\$2.5B

Add'l
Dispositions

\$0.8B

Targeted by
End of 2022

\$0.2B

Completed



Wolfe Research

Global Auto, Auto Tech, and
Mobility Conference

Fred Lissalde – Chief Executive Officer
February 24, 2022