



BorgWarner Awarded Grant to Launch e-Product in Cadillac, Michigan Plant

- *\$225,000 in support received from a Michigan Business Development Program performance-based grant*
- *High-voltage coolant heater (HVCH) systems to be used for both hybrid and pure electric vehicles*
- *Project expected to generate total capital investment of \$11.2 million and create up to 30 jobs*

Cadillac, Michigan, November 18, 2021 – BorgWarner Thermal Systems has been awarded a grant to grow its electric vehicle business and is set to launch a new high-voltage coolant heater (HVCH) at its existing facility in Cadillac, Michigan. The electrification project is expected to generate a total capital investment of \$11.2 million and create up to 30 jobs with support from the city of Cadillac in addition to a \$225,000 Michigan Business Development Program performance-based grant through the Michigan Economic Development Corporation (MEDC).

“I want to thank BorgWarner leadership for their continued investment in this plant and our people, as well as the MEDC and city of Cadillac for their support in growing our community,” said Hari Kumar, Plant Manager of BorgWarner’s Cadillac, Michigan facility. “The Cadillac plant has more than 75 years of rich, automotive history and I am excited and honored to lead the team into the electrification era with the launch of our new high-voltage coolant heaters.”

BorgWarner Cadillac will manufacture advanced HVCH systems that will be used to manage cabin and battery temperatures, critical for vehicle efficiency in hybrid and pure electric vehicles.

“Congratulations to the team at BorgWarner on your tremendous growth and success. We appreciate this continued vote of confidence in our incredible talent and competitive business climate here in Michigan,” said Quentin Messer, Jr., CEO of the Michigan Economic Development

Corporation and President and Chair of the Michigan Strategic Fund. “We’re pleased to work with our local partners to support BorgWarner’s investment that reinforces Michigan’s position as the leader in electric vehicle manufacturing.”

The state of Michigan was selected for the project after a competitive evaluation of alternative locations in the United States. The project reinforces Michigan’s leadership position in advanced manufacturing and will further boost the state’s efforts to position itself as the global leader in the future of mobility and vehicle electrification.

About BorgWarner

BorgWarner Inc. (NYSE: BWA) is a global product leader in delivering innovative and sustainable mobility solutions for the vehicle market. Building on its original equipment expertise, BorgWarner also brings market leading product and service solutions to the global aftermarket. With manufacturing and technical facilities in 96 locations in 22 countries, the company employs approximately 50,000 people worldwide with approximately 1,300 of those employees in Michigan. For more information, please visit borgwarner.com.



BorgWarner’s plant in Cadillac, Michigan will launch a new high-voltage coolant heater product line for electric vehicles

Forward-Looking Statements: This press release 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 press release 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, which speak only as of the date of this press release. 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: 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 the COVID-19/coronavirus pandemic, 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 AG that the Company completed on June 4, 2021 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 OEM customers; commodities availability and pricing; supply disruptions impacting the Company or the Company’s customers, such as the current shortage of semi-conductors that has impacted OEM customers and the Company; fluctuations in interest rates and foreign currency exchange rates; availability of credit; our dependence on key management; 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, tariffs, in the countries in which we operate; impacts from any potential future acquisition or divestiture transactions; and the other risks, including, by way of example, pandemics and quarantines, noted in reports that we file with the Securities and Exchange Commission, including Item 1A, “Risk Factors” in our most recently-filed Annual Report on 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 press release to reflect any change in our expectations or any change in events, conditions, circumstances, or assumptions underlying the statements.

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