

News Release



BorgWarner Broadens its Involvement in Startup Ecosystems and Invests in the Technology of the Future

- *BorgWarner partners with Plug and Play and Franklin Venture Partners*
- *Positions the company to stay ahead of emerging technology trends*
- *Supports leadership in advancing cleaner, efficient propulsion systems*
- *The company expects first access to hundreds of early-stage technology and mobility companies both in, and adjacent to, the automotive industry*

Auburn Hills, Michigan, October 4, 2018 – BorgWarner is increasing its exposure to the latest cutting-edge technologies and accelerating innovation in the mobility sector by partnering with Plug and Play, an accelerator ecosystem for startup companies and Franklin Venture Partners, a specialized investment team within Franklin Templeton Investments that invests in private investment opportunities.

“BorgWarner is consistently looking for opportunities to spur new advancements in propulsion and automotive solutions,” said Brady Ericson, Chief Strategy Officer, BorgWarner. “Partnering with Plug and Play and Franklin Venture Partners connects us with the next generation of technology innovators in mobility as well as other industries. The exposure to these communities enables us to observe a broad range of ideas, which could fit with our business strategy today, or provide us with interesting insight for the future.”

By exposing BorgWarner’s team members to alternate technological solutions, BorgWarner is fostering a culture of innovation both in how the company approaches its business and develops propulsion technology for the future.

Plug and Play is a global platform that pairs promising startup companies with forward-thinking corporations and investors. By joining the Plug and Play ecosystem, the company will gain access to not only hundreds of startups that are developing technologies to revolutionize a variety

of industries, but also to the creative minds and innovative thinking that propels these startup companies to success. As a global leader in clean and efficient solutions for combustion, hybrid and electric propulsion systems, BorgWarner's three-year anchor membership in the platform allows it to keep a pulse on emerging mobility technology trends and provides first access to working with, or investing in, startups that match its business needs.

Each year, thousands of startups compete to earn a spot in one of Plug and Play's industry-specific accelerator programs. Beyond mobility, there are 14 other programs, including the Internet of Things, cybersecurity, and energy and sustainability. Approximately 20 startups are accepted into every three-month program during which Plug and Play matches them with relevant investors and corporations. The startups work with matched companies for several months before graduating, when the next session kicks off to fill open spots.

The partnership between BorgWarner and Franklin Venture Partners offers BorgWarner access to Franklin Venture Partners' C-level and public policy network and the ability to collaborate with other strategic partners. It also enables BorgWarner to leverage emerging hubs of innovation, and Franklin Templeton's research and resources.

These partnerships represent the second and third major Silicon Valley initiatives for BorgWarner. Last year, as the company pursued new opportunities in propulsion technologies and new mobility segments it announced it invested \$10 million in Autotech Ventures to gain access to hundreds of global startups involved in the future of ground transportation.

About Plug and Play

Plug and Play is a global innovation platform. Headquartered in Silicon Valley, we have built accelerator programs, corporate innovation services, and an in-house VC to make technological advancement progress faster than ever before. Since inception in 2006, our programs have expanded worldwide to include a presence in over 20 locations globally giving startups the necessary resources to succeed in Silicon Valley and beyond. Companies in our community have raised over \$7 billion in funding, with successful portfolio exits including Danger, Dropbox, Lending Club, PayPal, SoundHound, and Zoosk. For more information, visit www.plugandplaytechcenter.com.

About Franklin Venture Partners

Franklin Venture Partners is a specialized investment team within Franklin Templeton Investments, one of the world's leading asset managers, based in San Mateo, California. Leveraging its Silicon Valley proximity and the Franklin Templeton's 70 years of experience

evaluating and managing equity investments of all sizes, Franklin Venture Partners identifies and invests in mid-stage companies it believes are poised for transformative impacts across multiple industries.

About BorgWarner

BorgWarner Inc. (NYSE: BWA) is a global product leader in clean and efficient technology solutions for combustion, hybrid and electric vehicles. With manufacturing and technical facilities in 66 locations in 18 countries, the company employs approximately 29,000 worldwide. For more information, please visit borgwarner.com.

Statements in 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," "initiative," "intends," "outlook," "plans," "potential," "project," "pursue," "seek," "should," "target," "when," "would," variations of such words and similar expressions are intended to identify such forward-looking statements. 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. Such risks and uncertainties include: fluctuations in domestic or foreign vehicle production, the continued use by original equipment manufacturers of outside suppliers, fluctuations in demand for vehicles containing our products, changes in general economic conditions, as well as other risks noted in reports that we file with the Securities and Exchange Commission, including the Risk Factors identified in our most recently filed Annual Report on Form 10-K. We do not undertake any obligation to update or announce publicly any updates to or revision to any of the forward-looking statements.

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