

BorgWarner Unveils Next Phase of Electrification Strategy at 2023 Investor Day

“Charging Forward: 2027” Builds on Company’s Proven Track Record and Leading Market Positions Expecting to Deliver Enhanced, Sustainable Growth and Value Creation.

Auburn Hills, Michigan, June 6, 2023 – At its 2023 Investor Day being held today, BorgWarner Inc. (NYSE: BWA) (“the Company”) is announcing the next phase of its “*Charging Forward*” strategy for advancing its position as a technology leader in eProducts, while maximizing its Foundational portfolio.

“Over the past two years, the BorgWarner team has worked diligently to execute on our ‘*Charging Forward*’ strategy, and we believe we are well on track to meet or exceed our 2025 goals for EV organic growth, M&A and asset dispositions. This next phase of growth is a natural extension of our efforts to enhance our entire eProduct portfolio. Building on our success to date, we expect our eProducts to deliver over \$10 billion in revenue by 2027,” said Frédéric Lissalde, President and CEO of BorgWarner. “We believe BorgWarner is uniquely positioned to capture this growth opportunity given our leading market positions, deep customer relationships, strong Foundational assets and proven track record of innovation. As we work to drive sustainable, long-term value for our shareholders and other stakeholders, we will continue to be guided by our vision for a clean, energy-efficient world.”

At today’s event, BorgWarner will provide insights into the Company’s acceleration of its positioning and outlook in an electrified world. Specifically, the Company will profile its “***Charging Forward: 2027***” strategy, which focuses on profitably growing eProducts for both BEVs and Hybrid vehicles while maximizing the value of its Foundational portfolio. As part of that strategy, the Company will detail its expectations regarding the following:

- **Achieving over \$10 billion in eProducts sales by 2027**, making up nearly 50% of BorgWarner's total sales;
- **Delivering approximately 7% margins and positive free cash flow in its eProduct portfolio by 2027**, driven by leveraging economies of scale as eProducts revenue growth is expected to outpace eProduct R&D;
- **Maximizing the value of its Foundational portfolio**, through sustaining its leading margin profile and strong free cash flow conversion to support ongoing investments in electrification; and
- **Continuing its strong commitment to ESG**, evidenced by its goals of achieving carbon neutrality by 2035 for Scope 1 and Scope 2 emissions, reducing Scope 3 emissions by 25% by 2031 from a 2021 baseline, and transitioning many of its existing people and manufacturing locations to support the growth in eProducts.

Conference Call and Webcast Details

Today's Investor Day presentation will begin at 9:00 a.m. (EDT). A live webcast and the materials for today's event will be available on the investor relations section of BorgWarner's website at borgwarner.com/investors under Events and Presentations.

About BorgWarner

For more than 130 years, BorgWarner has been a transformative global product leader bringing successful mobility innovation to market. Today, we're accelerating the world's transition to eMobility — to help build a cleaner, healthier, safer future for all.

Forward Looking Statements: This 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 (including amounts labeled with an "E," which indicates the amount is estimated) are intended to identify such forward-looking statements.

Further, all statements, other than statements of historical fact, contained or incorporated by reference in this 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 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 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: 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; commodity availability and pricing, and an inability to achieve expected levels of recoverability in commercial negotiations with customers concerning these costs; 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 difficulty in forecasting demand for electric vehicles and our electric vehicles revenue growth; potential disruptions in the global economy caused by Russia’s invasion of Ukraine; the ability to identify targets and consummate acquisitions on acceptable terms; failure to realize the expected benefits of acquisitions on a timely basis; our ability to effect the intended tax-free spin-off of our Fuel Systems and Aftermarket segments into a separate, publicly traded company on a timely basis or at all; the potential that uncertainty during the pendency of the spin-off transaction could affect our financial performance; the possibility that the spin-off transaction will not achieve its intended benefits; 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, or governmental investigations, including related litigation; 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 release to reflect any change in our expectations or any change in events, conditions, circumstances, or assumptions underlying the statements.

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