

News Release



BorgWarner Announces Plan to Invest \$20 Million in Michigan Facilities, Create 186 Jobs

- *Investment to span three existing Michigan facilities and a new EV battery service center*
- *Plan enables the acceleration of electric vehicle product development and testing while increasing U.S. domestic manufacturing capabilities*
- *BorgWarner received a \$1.86 million grant from the Michigan Economic Development Corporation (MEDC)*

Auburn Hills, Michigan, April 19, 2023 – BorgWarner has announced its plan to invest \$20 million into expanding the capabilities of three existing Michigan-based facilities and developing a new electric vehicle (EV) battery service center. As a result of the investment, BorgWarner is slated to create approximately 186 jobs, including engineering, manufacturing and service positions.

The project will accelerate development, manufacturing and testing of EV products and EV charging infrastructure equipment, including battery modules and packs, direct current (DC) fast charging equipment, and microgrid control and operations in its Auburn Hills, Dearborn and Hazel Park facilities. The project will also increase BorgWarner's DC fast charging, EV battery module, and EV battery pack manufacturing capabilities in Michigan. In support of the expansion, BorgWarner has received a \$1.86 million grant from the Michigan Economic Development Corporation (MEDC) through its Michigan Business Development Program (MBDP) that will be put toward expansion activities that further advance the company's electrification goals.

"This is a significant investment for our company as we continue to charge forward with our electrification strategy. We are grateful to receive this grant from the MEDC as we continue to expand upon and grow our EV offerings," said Frédéric Lissalde, President and CEO of

BorgWarner Inc. (BorgWarner Announces Plan to Invest \$20 Million in Michigan Facilities, Create 186 Jobs) – 2

BorgWarner Inc. “On top of creating more pathway jobs in the community to improve the quality of life for local residents, we intend to use the grant to expand BorgWarner’s manufacturing capability and presence, enhance volume capacity and grow our cross-functional departments.”

The investment will be split across the three facilities. The Auburn Hills portion will be allocated toward new electrification labs that will house testing equipment and allow for new research and development activities. In Dearborn, its footprint is set to increase by roughly 7,000 square feet, allowing for growth of manufacturing, engineering and service departments dedicated to next generation DC fast charging equipment. The new enhancements will allow the facility to double its current capacity and, in turn, implement a second shift.

The Hazel Park location, combined with a new, separate 100,000 square foot facility that will be developed into a battery service center, will see the largest capital investment of approximately \$10.6 million. The new battery service center will provide service for all BorgWarner batteries in North America with a focus on testing, diagnostics and training. A new battery module assembly line will be added in Hazel Park to increase battery module and pack production.

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.



BorgWarner’s \$20 million investment in three of its Michigan facilities will expand its manufacturing capabilities and presence for several EV offerings, including battery systems and charging stations

Forward-Looking Statements: This press release contains 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, 2022 (“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.

BorgWarner Inc. (BorgWarner Announces Plan to Invest \$20 Million in Michigan Facilities, Create 186 Jobs) – 4

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 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 press release to reflect any change in our expectations or any change in events, conditions, circumstances, or assumptions underlying the statements.

PR contact:

Michelle Collins

Phone: +1 248-754-0449

Email: mediacontact@borgwarner.com