

BorgWarner to Deliver Electric Variable Cam Timing Technology to Global OEM

- *Technology to be used in select four-cylinder engines*
- *eVCT reduces emissions and significantly improves fuel economy and performance*
- *SOP slated for December 2024*

Auburn Hills, Michigan, June 23, 2023 – BorgWarner has secured a contract to deliver its latest electric variable cam timing (eVCT) technology for use in a major global OEM's four-cylinder engine. This business win highlights the first production of BorgWarner's eVCT and is anticipated to significantly improve fuel economy and performance while reducing emissions.

"We are proud to have the opportunity to offer this innovative product solution, which enables the customer to achieve reduced cold start emissions that conventional technology is unable to achieve," said Isabelle McKenzie, President and General Manager, BorgWarner Morse Systems. "Our eVCT highlights another exciting technology within BorgWarner's product portfolio that contributes to the reduction of greenhouse gases for a cleaner, more energy-efficient world."

The eVCT offers additional benefits from standard VCTs such as the ability to phase the camshaft during and before starting the engine, reduction in noise, vibration and harshness, extended phasing range of authority for improved CO2 reduction, enabling decreased time to torque of the engine. Additionally, the company's eVCT technology features a split-ring planetary gearbox which provides a greater range of control in comparison to hydraulic phasers, lower power consumption, and the ability to operate at lower oil pressure and temperatures.

BorgWarner's eVCT will be produced in the company's Ithaca, New York manufacturing facility due to the unique technical capabilities of the site's workforce. BorgWarner Ithaca has a long-standing tradition of launching new technologies since the plant began operations in 1880. Start of production is slated for December 2024.

To apply for open positions in Ithaca, please visit borgwarner.com/careers.

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 has secured a contract with a major global OEM to deliver its latest electric variable cam timing (eVCT) technology for use in the manufacturer's four-cylinder engines.

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 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 press release or, in the two instances noted, October 27, 2022. 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: our ability to effect the transaction described above and to meet the conditions related thereto; the ability of the separated companies to each succeed as a standalone publicly traded company; the potential that uncertainty during the pendency of the transaction could affect the Company's financial performance; the possibility that the transaction will not be completed within the anticipated time period, or at all; the possibility that the transaction will not achieve its intended benefits; the possibility of disruption, including changes to existing business relationships, disputes, litigation, or unanticipated costs in connection with the transaction; the uncertainty regarding the expected financial performance of the Company or NewCo following completion of the transaction; potential negative effects of the announcement or pendency of the transaction on the market price of the Company's securities and/or on the financial performance of the Company; the impacts of any information and consultation processes with works councils and other employee representatives in connection with the transaction; evolving legal, regulatory, and tax regimes; the 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, and an inability to achieve expected levels of success in additional commercial negotiations with customers concerning recovery of 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 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 including our recent acquisitions of AKASOL AG, Santroll's light vehicle eMotor business, and Rhombus Energy Solutions, the anticipated acquisition of Hubei Surpass Sun Electric's charging business, and our 2020 acquisition of Delphi Technologies PLC; 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 and potential for recessionary conditions in regional economies; 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 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.

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