



BorgWarner to Expand South Carolina Facility, Resulting in 3GWh of U.S. Battery Pack Production with \$42 Million Investment

- *Investment to create 122 jobs at BorgWarner's existing Seneca, South Carolina facility*
- *Plan enables the growth of the company's battery module and pack production in the U.S.*
- *Company received support from the State of South Carolina and Oconee County to aid in the expansion*

Auburn Hills, Michigan, April 19, 2023 – BorgWarner announced today its plan to invest \$42 million into the expansion of its Seneca, South Carolina production facility. The investment will be allocated to building and equipment upgrades as well as the development of new manufacturing lines, resulting in the production of 3GWh of annual battery module capacity in the U.S. and contributing to the growth of the company's overall battery module and pack production.

Over the course of three years, the expansion is expected to create approximately 122 jobs, including production, technical support, manufacturing, engineering, maintenance and supporting function positions. To aid in the expansion, BorgWarner is set to receive financial support in the form of grants and job development credits from the State of South Carolina as well as assistance from Oconee County.

"The ability to expand our existing BorgWarner operations producing energy-efficient, clean products is crucial as we continue to 'Charge Forward' toward our goal of enabling lower-emissions transportation," said Volker Weng, Vice President and General Manager, BorgWarner Drivetrain and Battery Systems. "I want to thank the State of South Carolina and Oconee County for their support in further enabling the launch of new production processes at our Seneca facility,

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which will provide additional capacity to better meet U.S. customer demands for BorgWarner battery assemblies.”

Expansion of the facility is slated to begin in the second quarter of 2023, with an expected completion date of in the first half of 2024.



BorgWarner plans to invest \$42 million in building and equipment upgrades and development of new manufacturing lines for its Seneca, South Carolina production facility, contributing to the growth of the company’s battery module and pack production in the U.S.

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 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,”

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“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.

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

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any change in our expectations or any change in events, conditions, circumstances, or assumptions underlying the statements.

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