

Q2 2026

BORGWARNER

# Investor Presentation

# Forward-Looking Statements

This presentation 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 are intended to identify such forward-looking statements. Further, all statements, other than statements of historical fact, contained or incorporated by reference in this presentation that we expect or anticipate will or may occur in the future regarding our financial position, including our 2026 outlook, market, production and earnings expectations, our business strategy and measures to implement that strategy, including changes to operations, competitive strengths, goals, expansion and profitable growth of our business and operations, plans, references to future success, including the anticipated benefits of our new business awards, 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 May 6, 2026. 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: the success of our portfolio strategy; supply disruptions impacting us or our customers, commodity availability and pricing, and an inability to achieve expected levels of recoverability in commercial negotiations with customers concerning these costs; conditions in the automotive industry; competitive challenges from existing and new competitors, including original equipment manufacturer ("OEM") customers; the challenges associated with rapidly changing technologies, including artificial intelligence, and our ability to innovate in response; the difficulty in forecasting demand for electric vehicles and our electric vehicles revenue growth; potential future changes in laws and regulations, including, by way of example, taxes and tariffs, in the countries in which we operate; potential disruptions in the global economy caused by wars or other geopolitical conflicts; the ability to identify targets and consummate acquisitions on acceptable terms; failure to realize the expected benefits of acquisitions on a timely basis; the possibility that our 2023 tax-free spin-off of our former Fuel Systems and Aftermarket segments into a separate publicly traded company will not achieve its intended tax benefits; the failure to promptly and effectively integrate acquired businesses; the potential for unknown or inestimable liabilities relating to the acquired businesses; impacts of our exit of our charging business; our dependence on automotive and truck production, which is highly cyclical and subject to disruptions; our reliance on major OEM customers; impacts of any future strikes involving any of our OEM customers and any actions such OEM customers take in response; fluctuations in interest rates and foreign currency exchange rates; our dependence on information systems; the uncertainty of the global economic environment; the uncertainty surrounding global trade policies including tariffs and export restrictions, and their impacts on the Company, its customers and its suppliers; the outcome of existing or any future legal proceedings, including litigation with respect to various claims, or governmental investigations, including related litigation; impacts from any potential future acquisition or disposition transactions; and the other risks discussed in reports that we file with the Securities and Exchange Commission, including in 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 presentation to reflect any change in our expectations or any change in events, conditions, circumstances, or assumptions underlying the statements.

# Non-GAAP Financial Measures

This presentation contains certain information about BorgWarner's financial results that is not presented in accordance with U.S. GAAP. Such non-GAAP financial measures are reconciled to their closest U.S. GAAP financial measures in the Appendix. The provision of these comparable U.S. GAAP financial measures in the context of guidance for 2026 is not intended to indicate that BorgWarner is explicitly or implicitly providing projections on those U.S. GAAP financial measures, and actual results for such measures are likely to vary from those presented. The reconciliations include all information reasonably available to the company at the date of this presentation and the adjustments that management can reasonably predict.

Management believes that these non-GAAP financial measures are useful to management, investors, and banking institutions in their analyses of the Company's business and operating performance. Management also uses this information for operational planning and decision-making purposes.

Non-GAAP financial measures are not and should not be considered a substitute for any U.S. GAAP measure. Additionally, because not all companies use identical calculations, the non-GAAP financial measures as presented by BorgWarner may not be comparable to similarly titled measures reported by other companies.

# Executing on Our Vision & Mission



## Our Vision

- A **clean, energy-efficient world**

## Our Mission

- We deliver **innovative and sustainable mobility solutions**

BORGWARNER

# BorgWarner Today



**65**

Manufacturing Locations



**16**

Technical Centers



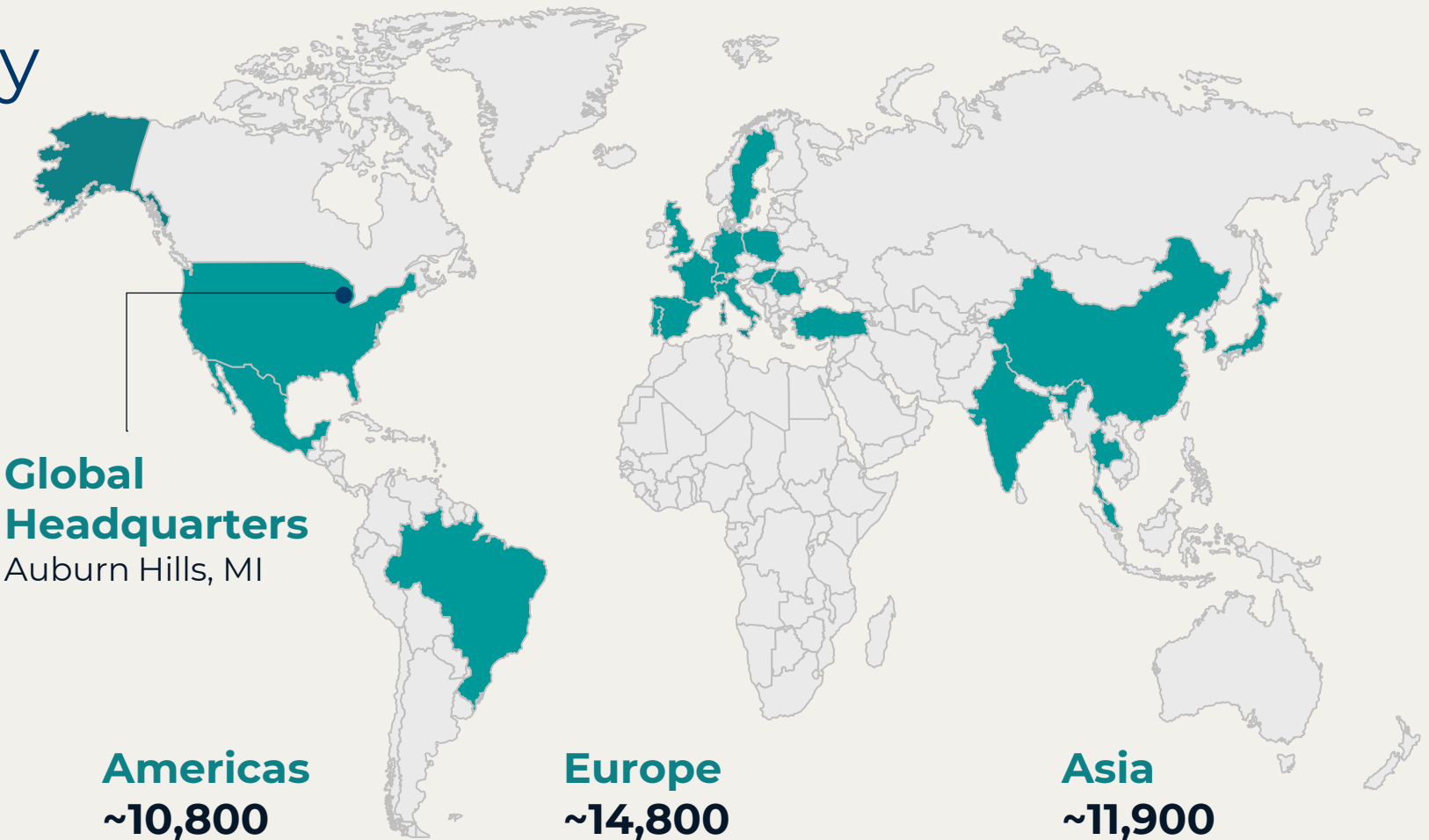
**~37,500**

Workers



**~7,680**

Engineers



**Global Headquarters**  
Auburn Hills, MI

## Americas

**~10,800**

Workers

**22**

Locations

**3**

Countries

## Europe

**~14,800**

Workers

**26**

Locations

**10**

Countries

## Asia

**~11,900**

Workers

**33**

Locations

**7**

Countries

# Focus for 2026 and Beyond

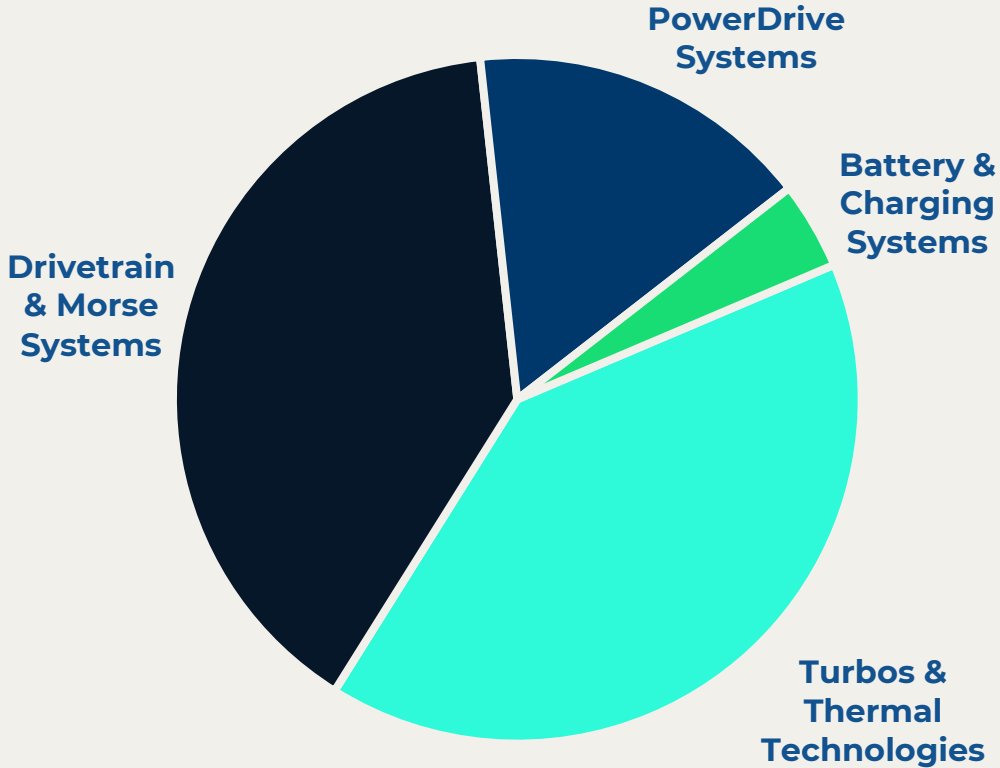
- ▶ **Drive enhanced financial performance** through long-term sales growth, margin expansion, cash generation and EPS accretion
- ▶ **Build on our existing product portfolio** through continued investment, while focusing on securing future profitable growth
- ▶ **Utilize free cash flow to create additional value** through accretive inorganic investments that expand capabilities and through return of capital to shareholders

# BMW

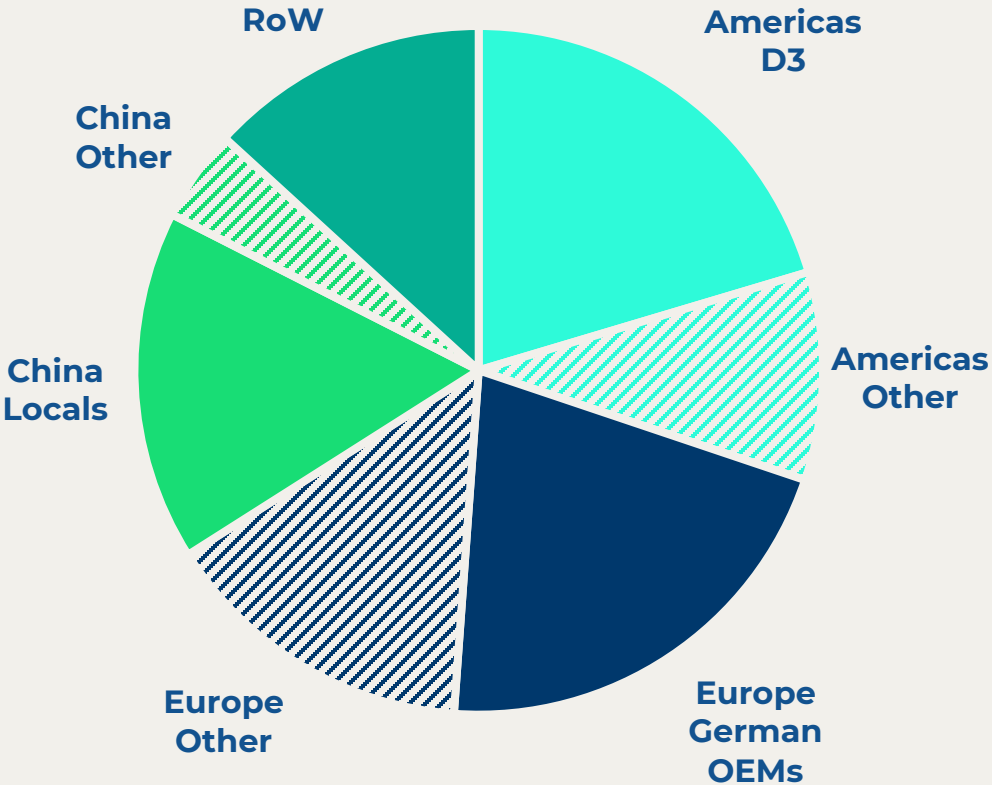


# Sales Resiliency – Strong Diversification Across Products, Customers and Regions




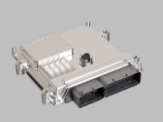


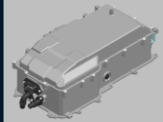
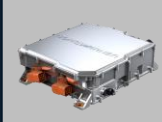




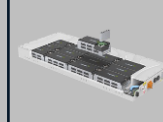
FY 2025 Segment Sales



FY 2025 Regional Sales



# Product Portfolio Well-Positioned for Long-Term Growth

	Foundational Products						eProducts						
	Turbos	AWD/4WD	Intake & EGRs	ECUs	Engine Timing	Transmission Products	Inverters	Other Power Electronics	Thermal Mgt.	EV Gearboxes	Electric Drive Motors	eTMS	Battery Systems
													
Combustion	✓	✓	✓	✓	✓	✓							
Hybrid	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Electric							✓	✓	✓	✓	✓	✓	✓

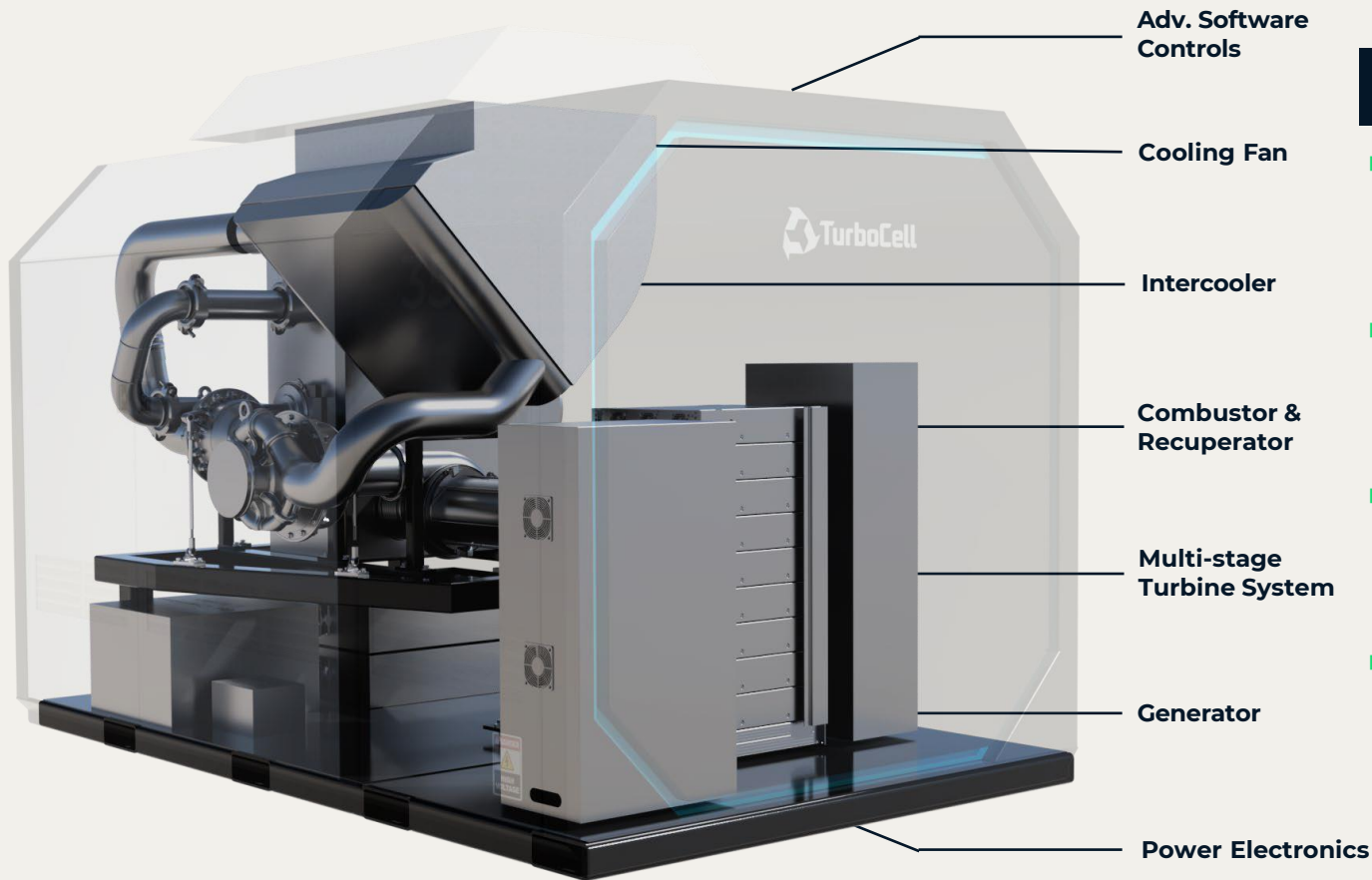
# Strategically Entered Data Center Market with Supply Agreement for Power Generation Solutions



**TurboCell leverages BorgWarner's automotive core competencies to provide a competitive data center power solution**

- **Product:** Modular turbine generator system for AI driven data center market and other microgrid applications
- **Background/Rationale:**
  - Signed agreement with TurboCell (subsidiary of Endeavour) to support growing power generation demand
  - Endeavour provides turnkey facility solutions to Data Center and Micro Grid customers
  - Endeavour has 25 years of experience in the data center market and is operating multiple facilities (US and Europe)
- **Expected 2027 Sales:** More than \$300 million

# Turbine Generator System Provides Significant Advantages to Existing Power Generation Solutions

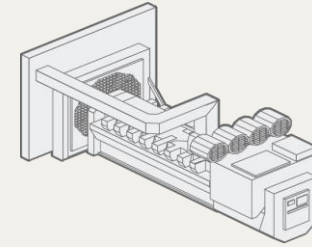
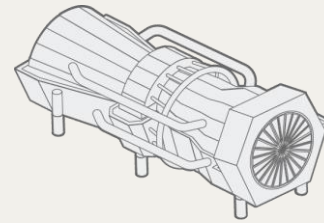
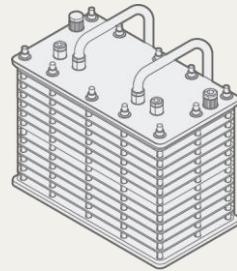


## Product Advantages

- **Power/Modular Flexibility:** continuous (bridging power) or backup power
- **Fuel Flexibility:** natural gas, propane, diesel and hydrogen
- **Emissions Regulations:** lower than traditional diesel solution
- **Automotive Scale:** utilizing automotive and supply base scale to provide value

**Turbine generator system is a lower emission solution that provides power, fuel and load flexibility**

# Turbine Generator System Offers Modularity and Flexibility Compared to Competing Technologies



	Fuel Cells	Turbines	Diesel Gensets	BorgWarner Turbine Generator System
Ultra-low Emissions	✓	✗	✗	✓
Affordable Long-Term Power	✗	✓	✗	✓
Instant Load Acceptance	✗	✗	✓	✓
Fuel Types	Natural Gas, Hydrogen	Natural Gas	Diesel	Natural Gas, Propane, Diesel, Hydrogen

# BorgWarner Continues to Expand Portfolio to Serve Data Center and Other Industrial Markets

## Power Generation

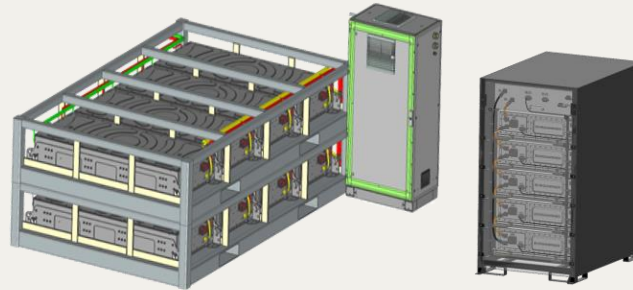


### Turbine Generator System

- Strong customer demand indicators continue, with ongoing end-customer visits\*
- Begun B-Sample customer deliveries
- Supplier nominations complete
- UL compliance in process

**Expected SOP 2027**  
**>\$300M Launch Year Sales**

## Energy Storage



### Battery Energy Storage System

- Data centers (AI and mechanical load)
- Cell-chemistry-, -formfactor- and application independent
- Modular, lean, scalable, redundant for peak-shaving, backup power, etc.
- Customer validation and UL compliance in process

**Actively Quoting**  
**Est. 2027 Production Ready**

## Power Conversion



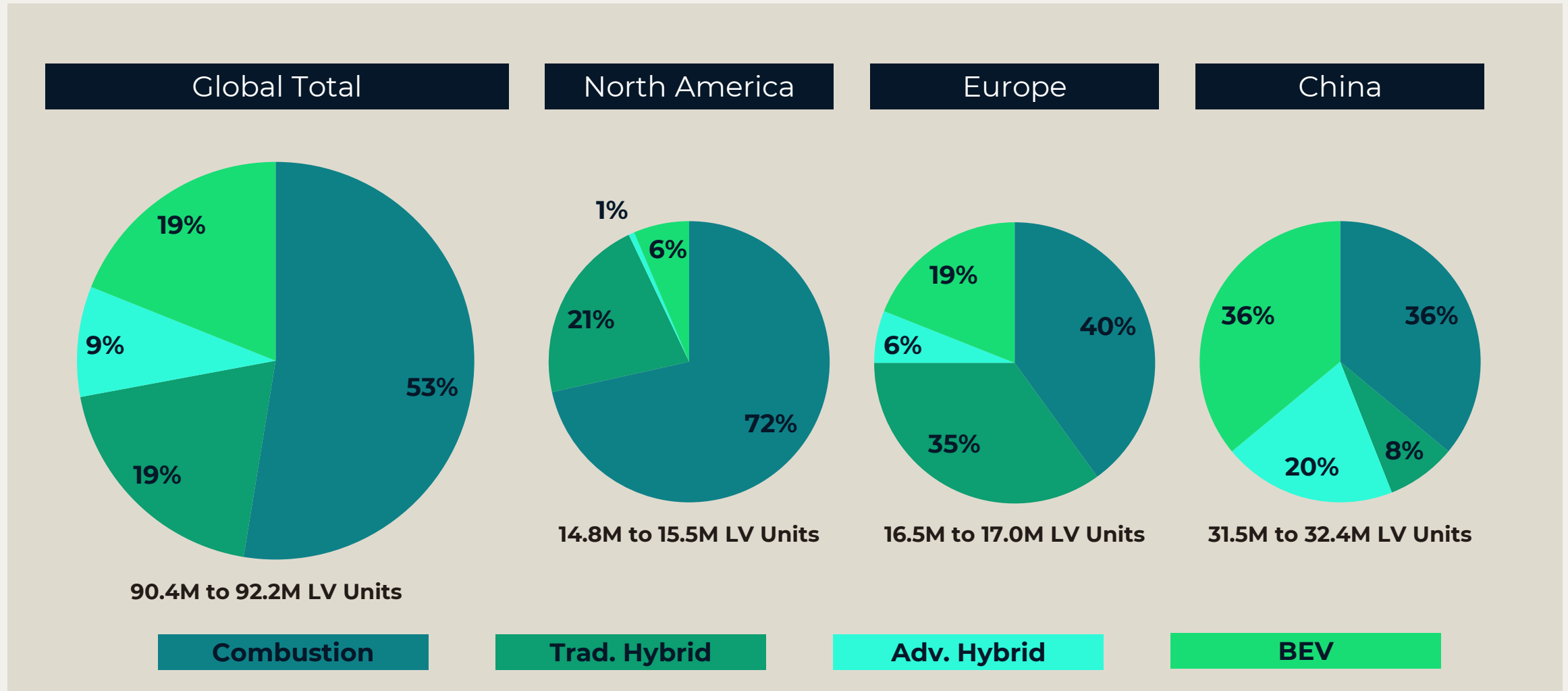
### Bi-Directional Microgrid Inverter

- Power distribution unit critical for efficient and flexible grid forming across microgrid applications
- Begun B-Sample customer deliveries
- UL compliance in process

**Testing Started**  
**Est. 2027 Production Ready**

\*TurboCell is available exclusively through Endeavour's Edged Infrastructure solutions division.

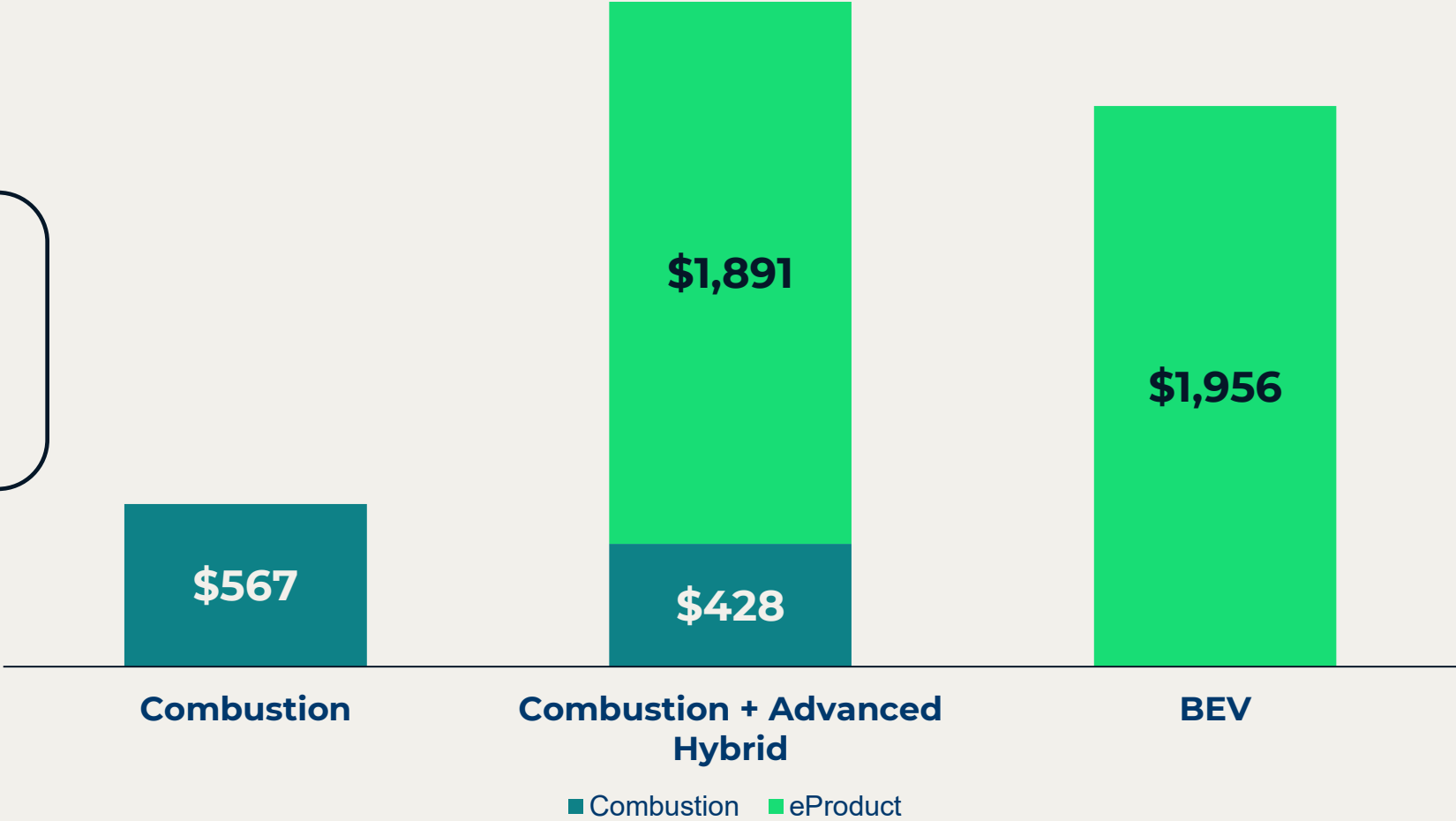
# Estimated 2026 Light Vehicle Market Propulsion Mix



Portfolio designed to support different rates of regional BEV adoption

# Content Opportunity Per Vehicle (COPV)

Estimated 2029  
BorgWarner Content  
Opportunity Per Light  
Vehicle Summary



# Leadership Position Across Foundational Portfolio and Regions

Global	2025 Market Position*	2025 LV Product Penetration %
Turbochargers	#1	57%
EGRs	#1	44%
Timing Systems	#1	80%
T-Case/Couplings	#1	57%

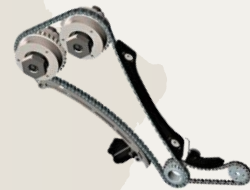
North America	2025 Market Position*	2025 LV Product Penetration %
Turbochargers	#1	52%
EGRs	#1	44%
Timing Systems	#2	94%
T-Case/Couplings	#2	57%

Europe	2025 Market Position*	2025 LV Product Penetration %
Turbochargers	#1	96%
EGRs	#1	47%
Timing Systems	#1	44%
T-Case/Couplings	#1	13%

China	2025 Market Position*	2025 LV Product Penetration %
Turbochargers	#4	69%
EGRs	#2	22%
Timing Systems	#2	81%
T-Case/Couplings	#1	9%



**Turbochargers**



**Timing Systems**



**EGRs**



**AWD**

LV Product Penetration Expected to Drive Ongoing Demand for BorgWarner Products

# Recent Foundational Awards



## Turbochargers

Award with Stellantis for the Hurricane 4, a 4-cylinder gasoline engine used on the 2026 Jeep® Grand Cherokee



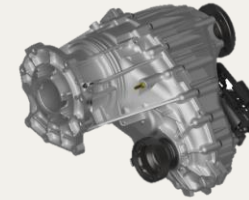
## Turbochargers and Exhaust Gas Recirculation (EGR) Coolers

Conquest awards with a major European commercial vehicle OEM for on-highway use



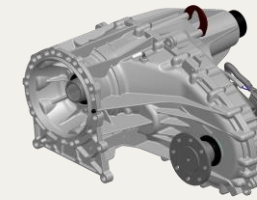
## Turbocharger Extension

Award for four turbocharger platforms with a major N.A.-based OEM



## Transfer Cases

Award to supply two types of transfer cases with SAIC Maxus for use in export vehicles



## Transfer Case Extension

Two transfer case awards with a major N.A. OEM for their next generation full-size pickup trucks



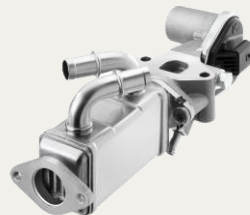
## Variable Turbine Geometry (VTG) Turbochargers

Conquest hybrid award with a major European OEM for the North American market



## Transfer Cases & Cross Wheel Drives

Multiple awards with Chery including transfer cases for pickup trucks and cross wheel drives for SUVs



## Exhaust Gas Recirculation (EGR) Components

Four program extensions with a major N.A. OEM used in pass. and light commercial vehicle platforms



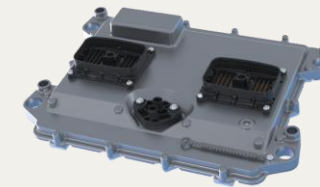
## Dual Clutches (DCT) & Variable Cam Timing Systems (VCT)

DCT award with a Chinese OEM for an SUV platform and a VCT conquest award with a Japanese OEM for a hybrid program



## Wastegate Turbochargers

Two conquest awards with a major global OEM for the European & N.A. hybrid markets



## Engine, Machine, Power Module & BMS Controllers

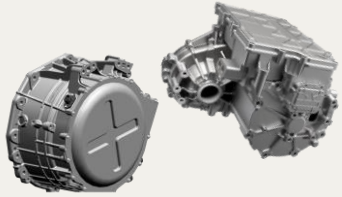
A seven-year program extension award with a world-leading off-highway manufacturer



## Turbochargers

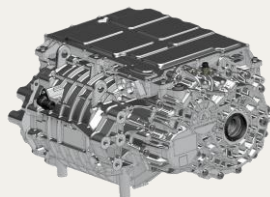
Three program extension awards and one conquest award with a major European OEM

# Recent eProduct Awards



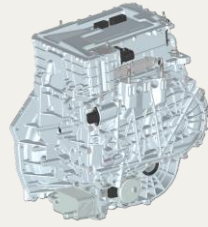
## Integrated Drive Modules (iDM) and Generator Modules with Dual Inverters

North American OEM award for range extended electric vehicle trucks and large-frame SUVs



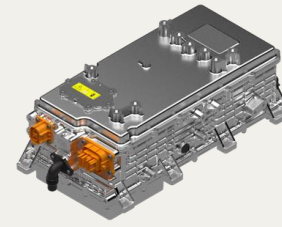
## Integrated Drive Modules (iDM)

Award with a European OEM supporting range extended powertrain architecture



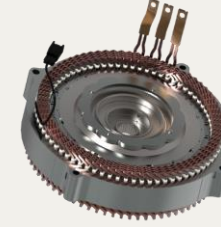
## 7-in-1 Integrated Drive Modules

Award with a leading Chinese OEM for a hybrid SUV



## Dual Inverters

Two awards with Great Wall Motor for HEV and PHEV vehicles



## eMotors

Three awards with Asian OEMs including two hybrid vehicle awards in China and one electric vehicle award in South Korea



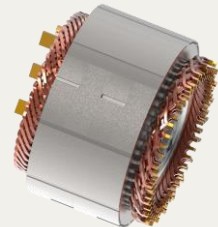
## Electric Cross Differentials (eXD)

Award with a leading Chinese OEM used on 48V electrical and electronic architectures



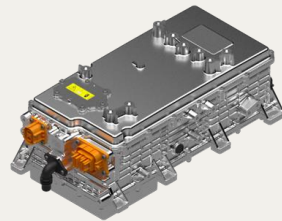
## High-Voltage Coolant Heaters (HVCH)

Awards with two major global OEMs for plug-in hybrid electric vehicle platforms (PHEV)



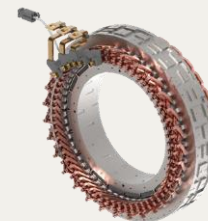
## Electric Motors

Award with a major Chinese OEM for platform-based design compatible across a full range of NEVs, including battery electric and hybrid models



## Dual Inverters

Award with major Chinese OEM for its new energy vehicle (NEV) hybrid lineup, extending the partnership established in 2021



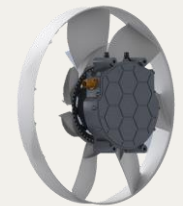
## eMotors

Four eMotor awards for three major Chinese OEMs used on plug-in hybrids, range-extended hybrids and electric vehicles



## Battery Management Systems (BMS)

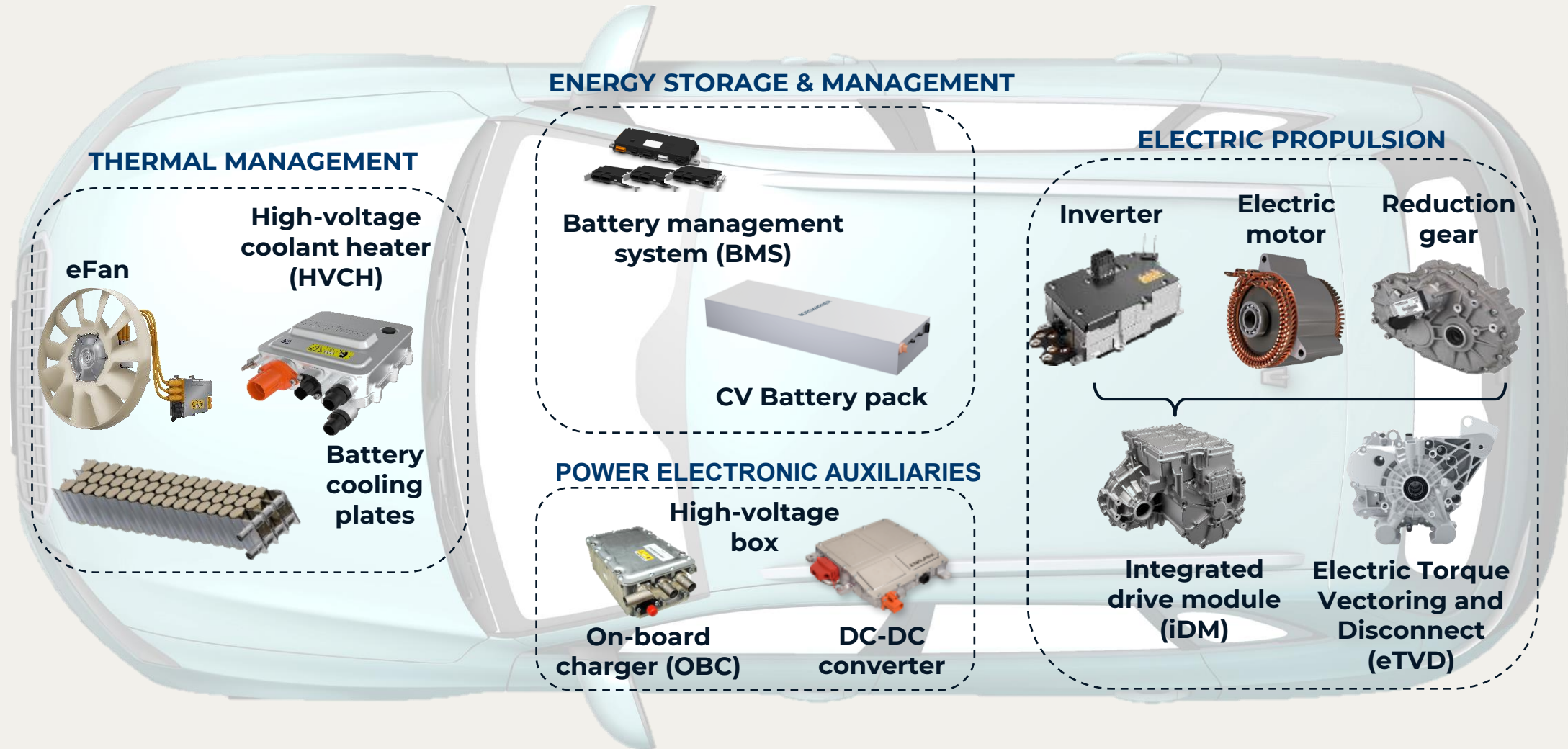
Award with a global OEM supporting additional B/C-segment passenger cars and light commercial vehicles for both BEV and PHEV vehicles



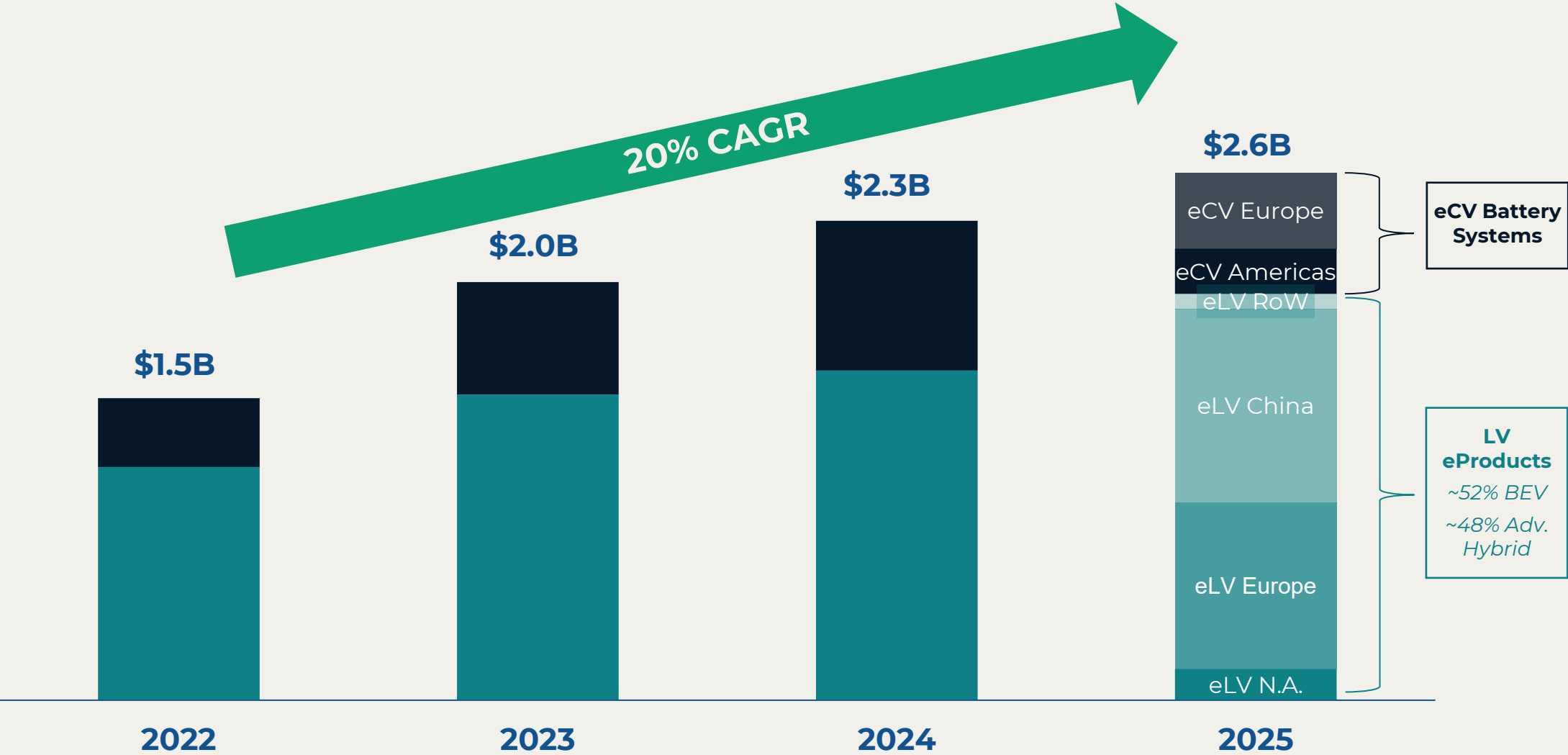
## High-Voltage eFans

Award with major global commercial vehicle OEM within the North American electric vehicle market

# Electric Vehicle System Portfolio



# eProduct Sales Growth Despite Volatile End Markets



# Leveraging Existing Footprint to Support eProduct Growth & Manage Market Volatility

## North America

Plant Location	eProduct	Est. SOP
SLP, Mexico	eMotor & iDM assembly	2021
Cadillac, MI, US	HV Heaters	2022
Seneca, SC, US	Battery Packs & Other	2024 & 2029
Ramos, Mexico	Battery Coolers	2026

## Europe

Plant Location	eProduct	Est. SOP
Viana, Portugal	HV Heaters	2021
Blonie, Poland	Inverters	2023
Markdorf, Germany	eFans	2024
Seixal, Portugal	eFans	2025
Vigo, Spain	Battery Coolers	2025
Landskrona, Sweden	eTMS	2025
Oroszlany, Hungary	PE Coolers	2026

## China/ROW

Plant Location	eProduct	Est. SOP
Jiangshan, China	HV Heaters	2021
Wuhan, China	eMotor & iDM assembly	2022
Changnyeong, Korea	eMotor & iDM assembly	2023
Beijing, China	eTMS	2025
TBD	eTMS	2027

**Zebra Plants Expected to be >25% of our Manufacturing Sites by 2027**

# Inorganic Investment Screening Process

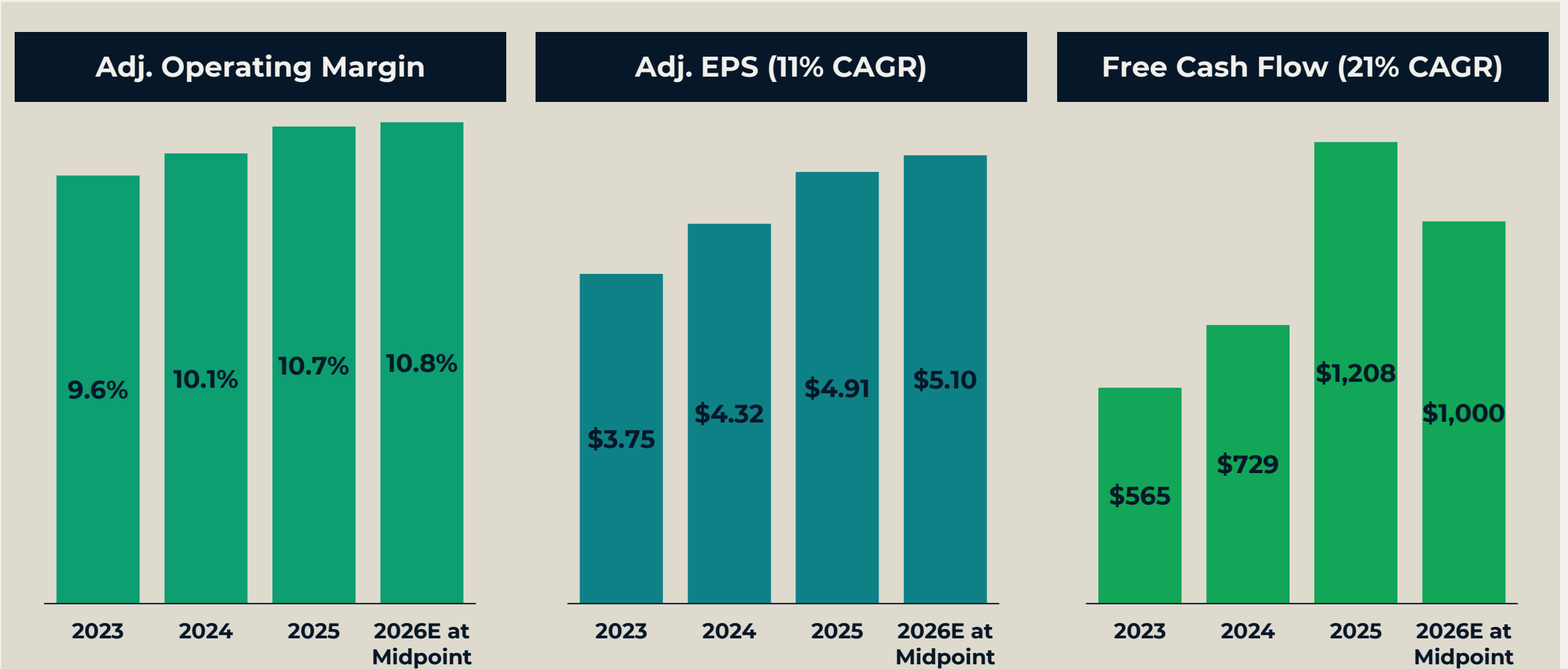
- **Industrial logic** – leverage BorgWarner’s core competencies (not limited to BorgWarner’s current portfolio)
- **Near-term accretion** – potential M&A intended to increase BorgWarner’s earnings power
- **Thoughtful / diligent valuation consideration** – incorporating current macro risks and industry turmoil



**BorgWarner Intends to Create Additional Shareholder Value with Free Cash Flow**

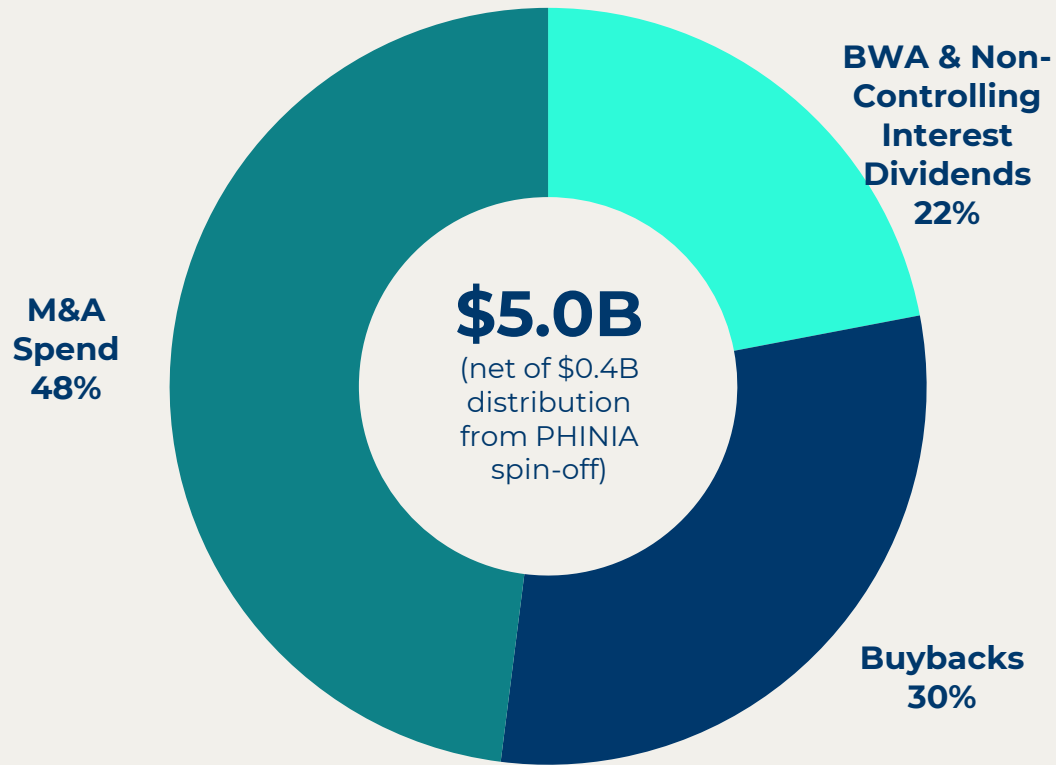
# Historical Financial Performance

\$ in millions, except EPS



# History of Capital Allocation & Return to Shareholders

## Capital Allocation Since 2021



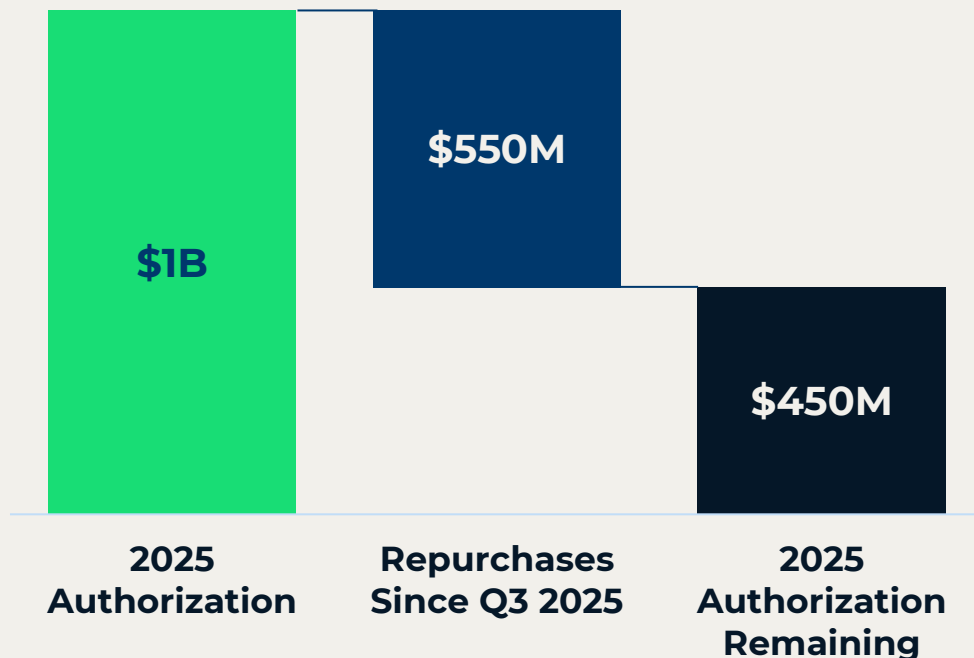
## Return of Capital to Shareholders

Since 2020	
Buybacks	~\$1.7 billion
Shareholder Dividends	~\$0.9 billion
Market Cap of PHINIA at Spin-off	~\$1.7 billion
<b>Total Capital Returned</b>	<b>&gt;\$4.2 billion</b>

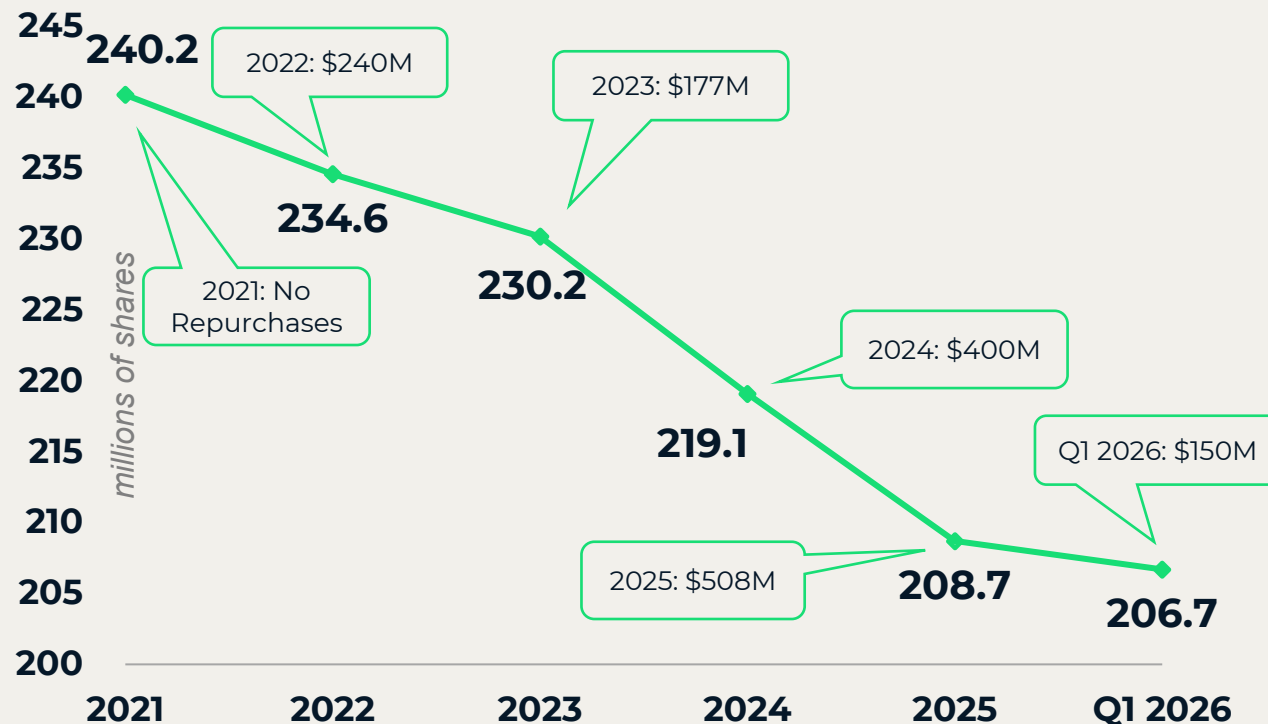
**Capital Allocation Balanced Between Inorganic Investments and Shareholder Return Activity**

# Share Repurchase History

## Current Authorization



## Outstanding Dilutive Shares



Note: Repurchase dollars excludes excise taxes and commissions

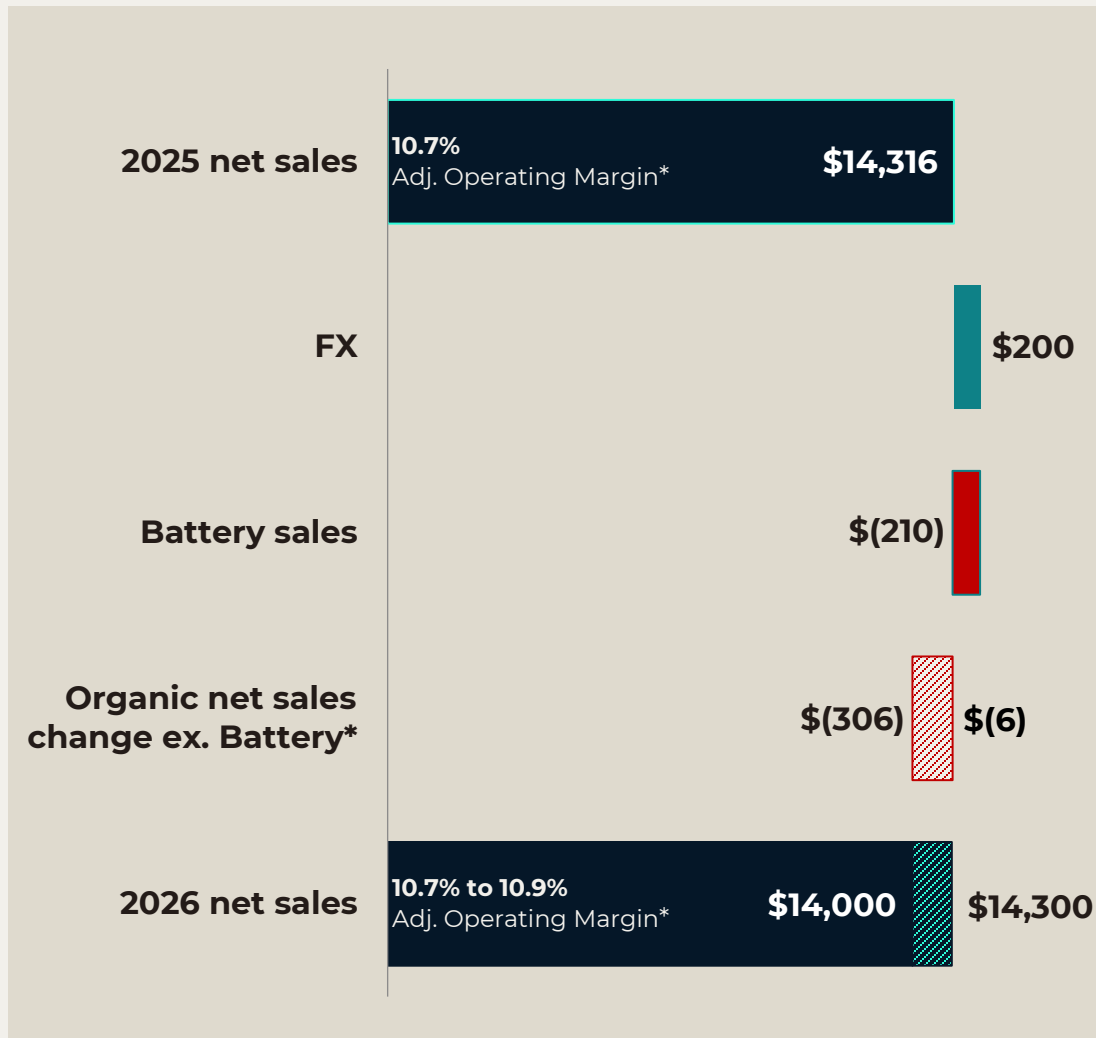
**\$1.5B in share repurchases over the last four years;  
\$450M authorization remains available to support additional value creation**

# APPENDIX

# 2026 Outlook and Other Items

\$ in millions, except EPS

## Full-year Net Sales Outlook



## Market & Earnings Outlook

	Prior 2026 Guidance	Revised 2026 Outlook
Organic growth*	(3.5%) to (1.5%)	(3.5%) to (1.5%)
Adj. operating margin*	10.7% to 10.9%	10.7% to 10.9%
Adj. diluted EPS*	\$5.00 to \$5.20	\$5.00 to \$5.20
Free cash flow*	\$900M to \$1,100M	\$900M to \$1,100M

\*Organic growth, adj. operating margin, adj. diluted EPS and free cash flow on this slide are non-US GAAP measures. See reconciliation to US GAAP in Appendix.

Note: FX rate assumes \$1.17 for Euro.

# 2026 Light Vehicle Market Expectations

LV Units in millions

