



## **BorgWarner Announces New Scope 3 Emissions Reduction Target in Commitment to a Cleaner Mobility Future**

- *New target to reduce Scope 3 emissions by at least 25% by 2031 from a 2021 baseline*
- *BorgWarner submits science-based targets for Scope 1, 2 and 3 emissions to SBTi*
- *Target aligns with BorgWarner's Charging Forward business strategy*

*Auburn Hills, Michigan, December 15, 2022* – BorgWarner announced today its commitment to reduce its absolute Scope 3 emissions by at least 25% by 2031 from a 2021 baseline. This Scope 3 target, along with BorgWarner's previously announced target to achieve 85% absolute Scope 1 and Scope 2 emissions reduction by 2030 (from a 2021 baseline), were formally submitted for validation to the Science Based Target initiative (SBTi). These science-based targets, along with our carbon neutrality commitment, align with Charging Forward, BorgWarner's accelerated path to electrification, which aims to achieve a net-zero carbon emissions future for all.

"We are excited to announce our science-based targets to further our vision of a clean, energy-efficient world," said Frédéric Lissalde, President and CEO, BorgWarner Inc. "These targets are fully supported by BorgWarner leadership and encourage a whole-company effort to meet our objectives as we continue to support and collaborate with our partners to achieve sustainable operations, and, further, our value chain."

Significant progress is being made toward achieving our Scope 1 and 2 emissions targets as the company's global operations are placing an increased focus on renewable energy and efficiency within their respective facilities. To meet the Scope 3 target, BorgWarner will focus its efforts on actions that can be made by the company, such as transitioning its product portfolio to electrification and furthering circular product development by increasing content of recyclable and remanufactured material, product weight reductions, and sustainable raw material selection. The

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company will also ask its suppliers to develop a carbon-efficient supply base. To achieve this objective and promote environmental stewardship in its supply chain, BorgWarner's cross-functional team of experts will offer to support and partner with suppliers on their journey toward emissions reduction.

To learn more about BorgWarner's Sustainability initiatives and read the complete 2022 Sustainability Report, please visit [www.borgwarner.com/company/sustainability](http://www.borgwarner.com/company/sustainability).

### 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 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. 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: 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

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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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