

Press Release



BorgWarner Experiences Aftermarket Growth in Turbocharger and Viscous Clutch Sales

- *Company breaks volume records with 42% aftermarket growth in 2021*
- *In 2021, 30% of sales came from Latin American countries and 70% from the Brazilian market*
- *The turbo line attributed to 69% of sales and thermal line (clutches and fans) earned 31%*

Itatiba, São Paulo, June 8th, 2022 – BorgWarner, a global leader in providing innovative and sustainable mobility products and solutions for the vehicle market, has consistently broken records in the aftermarket sales of turbochargers and viscous clutches. Even in 2020 – the initial year of the pandemic – the company saw aftermarket sales grow 6% in Brazil, compared to 2019. In 2021, the growth of these products in the Latin American market, including Brazil, grew 42% over 2020 sales. This percentage was leveraged by the 55% growth in exports to Latin American countries, served by the Brazilian team, and the 37% growth in sales to the domestic market.

“We are very pleased to have achieved such significant results, despite difficult times. Our growth represents market expansion and the exceptional quality and reliability our parts are delivering our customers and consumers,” said Guilherme Soares, Head of Aftermarket at BorgWarner Emissions, Thermal and Turbo Systems in Brazil.

Of the 42% growth in 2021, 69% of it is attributable to turbocharger sales and 31% is from thermal products (clutches and fans), representing the expansion of market share and coverage. This growth is directly correlated to the expansion of BorgWarner’s portfolio, increased penetration in the agricultural and mining sectors, and clear commercial and pricing policies. These efforts have promoted greater credibility and attraction from our clients. In addition, the uncertain scenario of the pandemic made truck and bus fleet owners opt for higher quality and performance to

reduce consumption and prevent corrective stops, as well as the need to comply with emissions requirements. For example, the viscous clutch products can reduce the fuel consumption of a truck or bus by up to 6%.

Due to the uptick in sales, BorgWarner is further expanding its coverage of the Brazilian fleet with a multitude of new launches. In 2022, between its turbo and thermal portfolios, 11 new products are slated to go into production, while the engineering team continues to monitor the market for new opportunities and demands.

“We have recently expanded our online training in an effort to share all relevant technical information more widely with our customers in order to help increase the understanding of our products and convey the reliability and quality of our brand. In addition, we are constantly investing in improvements to our e-catalog and keeping our product and application information up to date, reducing the return on warranty due to application errors,” added Soares.

This year, BorgWarner expects growth similar to that in 2021 for its turbo and thermal portfolios. The company is also focused on expanding business in several Brazilian states and expanding exports to Latin American countries.

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,” “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: 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; 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 and Santroll’s light vehicle eMotor business and our 2020 acquisition of Delphi Technologies PLC; the ability to identify appropriate combustion portfolio businesses for disposition and consummate planned dispositions on acceptable terms; 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; 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:

Tatiane Zambão

Phone: +55 11 3183-0487

Email: mediacontact.sa@borgwarner.com