



BorgWarner Receives U.S. Department of Energy Award for High Power-Dense Inverter

- *Project received \$4.97 million award from the U.S. Department of Energy*
- *The 39-month project kicks off in October*
- *Objective to develop smaller, more power-dense and cost-effective solution*

Auburn Hills, Michigan, OCTOBER 21, 2021 – BorgWarner, a global product leader in delivering innovative and sustainable mobility solutions for the vehicle market, is the recipient of a \$4.97 million U.S. Department of Energy (DOE) Award for the development of a Scalable Ultra Power-dense Extended Range (SUPER) inverter. This research and development project is one of 24 university and industry-led projects that collectively were awarded \$60 million in an effort to reduce CO₂ emissions from the transportation sector.

BorgWarner is leading this 39-month project and working with Infineon Technologies Americas Corp., PolyCharge America, Inc., the National Renewable Energy Laboratory and Virginia Tech as partners to bring the SUPER inverter to fruition. Wolfspeed, Inc. will be a key supplier.

“With an intense focus on electrification, and as a leading systems integrator and high-voltage inverter supplier, we are proud to be selected by the DOE to develop a next-generation inverter that will accelerate innovation in electric drive systems and propel the performance and capabilities of electric vehicles,” said Dr. Stefan Demmerle, President and General Manager, BorgWarner PowerDrive Systems. “We have a longstanding relationship with the DOE and have teamed up with an impressive group of industry partners and technology leaders to charge forward with this project.”

The goal of the project is to develop an advanced inverter that is smaller, more efficient and more cost-effective than inverters on the market today, with the intent of enabling 800-volt electrified vehicles to meet or exceed the DOE solicitation target of 100kW per liter of power density. Additionally, project plans call for a design that allows high power density with power

scaling between 100 kW and 300 kW and can be used either as a standalone device or integrated into a drive unit that includes a motor and gearbox.

During the first year of the project, which will begin in October, the group will create the concept for the entire silicon carbide (SiC) based inverter system. In the second year, the team will make all critical components that make up the inverter, including the power module and capacitor, and finalize the inverter's design. The final year will be used for validation of the components and the SUPER inverter. Once complete, the team expects to take the technology from development to production relatively quickly.

“For this project, we will be leveraging our experience with our unique and high-performing 800V Viper silicon carbide based inverter, advancing the concept with a building block approach and increasing component integration to achieve higher performance targets and ultimately expand its commercial potential,” continued Demmerle. “We expect the number of high-voltage EVs to sharply increase in the coming years and this scalable, high power density inverter will help expedite adoption.”

About BorgWarner

BorgWarner Inc. (NYSE: BWA) is a global product leader delivering innovative and sustainable mobility solutions for the vehicle market. Building on its original equipment expertise, BorgWarner also brings market leading product and service solutions to the global aftermarket. With manufacturing and technical facilities in 96 locations in 23 countries, the company employs approximately 50,000 people worldwide. For more information, please visit borgwarner.com.



The Department of Energy sponsored project will utilize BorgWarner's experience with our unique and high-performing 800V Viper silicon carbide based inverter, advancing the concept with a building block approach and increasing component integration to achieve higher performance targets and ultimately expand its commercial potential

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 Annual Report on Form 10-K for the year ended December 31, 2020 ("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: the difficulty in forecasting demand for electric vehicles and our EV revenue growth to 2030; the ability to identify targets and consummate acquisitions on acceptable terms; failure to realize the expected benefits of acquisitions; the ability to

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identify appropriate combustion portfolio businesses for disposition and consummate planned dispositions on acceptable terms; 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 failure to realize the expected benefits of the acquisition of Delphi Technologies PLC that the Company completed on October 1, 2020; the failure to realize the expected benefits of the acquisition of AKASOL AG that the Company completed on June 4, 2021 or a delay in the ability to realize those benefits; the failure to successfully execute on a timely basis our taking private strategy with respect to AKASOL; the failure to promptly and effectively integrate acquired businesses; the potential for unknown or inestimable liabilities relating to 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; commodities availability and pricing; supply disruptions impacting the Company or the Company's customers, such as the current shortage of semi-conductors that has impacted OEM customers and the Company; fluctuations in interest rates and foreign currency exchange rates; availability of credit; our dependence on key management; 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, tariffs, in the countries in which we operate; impacts from any potential future acquisition or divestiture transactions; and the other risks, including, by way of example, pandemics and quarantines, noted in reports that we file with the Securities and Exchange Commission, including Item 1A, "Risk Factors" in our most recently-filed Annual Report on 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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