BORGWARNER

BORGWARNER LIMITED
MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT
Financial Year End: December 31, 2024

1. INTRODUCTION

BorgWarner Limited provides this statement as required under the United Kingdom's Modern Slavery Act 2015 ("Act"). The Act requires certain companies doing business within the UK to provide information about their efforts to address the issue of modern slavery and human trafficking within their business and supply chain.

2. STRUCTURE OF THE ORGANIZATION

BorgWarner Limited's ultimate parent company is BorgWarner Inc., a global automotive supplier that is publicly traded on the New York Stock Exchange. BorgWarner Inc. along with its subsidiaries achieved net sales of $14.086 (USD) worldwide in the year ending on 31 December 2024. To find out more about BorgWarner's business, please visit borgwarner.com.

3. SUPPLY CHAINS

BorgWarner works with suppliers across the globe, who provide raw materials, components and parts for our manufacturing processes and products. We have over 3,700 direct (production) and over 26,000 indirect material (non-production) suppliers in over 48 different countries to meet its complex global business needs. These relationships are managed globally by our Business and Enterprise Supply Chain teams.

For suppliers, the applicable terms and conditions, policies and guidance can be found via the BorgWarner website at a dedicated section: borgwarner.com/suppliers.

4. POLICIES

We maintain policies to ensure our requirements on modern slavery/forced labor are well communicated, integrated into our contractual framework, and agreed upon by all employees and business partners. These policies are periodically reviewed, benchmarked, and updated as the law and, in some cases, societal circumstances require. This includes our Code of Ethical Conduct and Human Rights Policy, which were updated in 2023.

BorgWarner's suppliers are required to adhere to our BorgWarner Supplier Manual, which prohibits the use of forced labor and human trafficking and was updated in 2023.

BorgWarner's Chief Compliance Officer and the Compliance Office are responsible for monitoring compliance with our policies. Across BorgWarner there are locally situated Compliance Coordinators responsible for compliance training and escalation of reports. In parallel, the Business and Enterprise teams also have responsibility for the ongoing monitoring, oversight, and management of suppliers to BorgWarner and accordingly share in the responsibility of ensuring that all suppliers comply with their obligations, including but not limited to human rights issues, in practice.

5. DUE DILIGENCE

To monitor and reduce the risk of slavery and human trafficking occurring within our supply chains, we have adopted the following key due diligence procedures:

- Our global supply chain team assess all new suppliers before we work with them.
- We undertake regular reviews with our main suppliers to ensure that they operate in accordance with our requirements and policies.
- Our supplier contracts provide us with the right to audit our suppliers including, where appropriate, conducting audits using both BorgWarner employees and external resources.
- Direct material suppliers are audited prior to entering a business relationship with BorgWarner and audited periodically once a relationship has been established.
- BorgWarner also engages a third party to release a Sustainability Assessment Questionnaire to our production suppliers with more than 25,000 USD in annual spend, which includes questions relating to human rights governance and working conditions. A third party is used to verify supplier responses to the questionnaire. The questionnaire is a requirement for production suppliers to be sourced for new business.

A breach of BorgWarner's relevant policies would constitute a breach of the supplier contract and would enable us to act up to and including termination of the arrangement with the supplier.

Our procedures are designed to:

- establish and assess areas of potential risk in our business and supply chains;
- monitor potential risk areas in our business and supply chains;
- reduce the risk of slavery and human trafficking occurring in our business and supply chains; and
- provide adequate protection for whistle-blowers.

6. RISK AND COMPLIANCE

BorgWarner regularly evaluates the nature and extent of its exposure to the risk of modern slavery occurring in its operations and supply chain. Risk monitoring is an ongoing activity handled by the Business and Enterprise teams.

In 2023, the Sustainability Assessment Questionnaire was added to our supplier scorecard for monitoring risk. When a compliance report is submitted, an appropriate investigation is initiated by the Compliance Office, which may or may not include external support. At the conclusion of each investigation, remedial action is assessed and, where necessary, requisite modifications to our processes are made.

We also check if our suppliers adhere to our terms and conditions, which contain express language prohibiting modern slavery. We enforce a strict culture of compliance and do not tolerate slavery and human trafficking within our supply chains. Our policies make clear that in the event we find evidence of a failure to comply with our policies or where a potential negative human rights impact has been identified, we can and will terminate business contracts.

We have multiple reporting platforms, including a global whistleblower hotline (phone and web-based) to allow internal and external parties to report directly or anonymously (consistent with applicable law) any activity that is contrary to BorgWarner's policies and Beliefs. The hotline calls are free and available in multiple languages consistent with our diverse global footprint. Additionally, we encourage reporting to be made through managers, local or global human resources, legal, or compliance teams. Each report is taken seriously and is resolved using BorgWarner's investigation procedures, which include a strict anti-retaliation policy.

7. EFFECTIVENESS

BorgWarner’s global supply chain management function continuously assesses its policies and processes to prevent acts of modern slavery and human trafficking from occurring within its global business and supply chain.

8. TRAINING

In 2024, 99% of our salaried workforce completed ethics and compliance training. Such training encourages employees to report any potential breaches of BorgWarner's ethics and compliance policies. We encourage an open and transparent environment where employees and business partners feel safe and are protected from retaliation for speaking out.

9. FURTHER ACTIONS

BorgWarner continues to review our actions to prevent slavery and human trafficking from occurring in our business or supply chains. BorgWarner intends to take any necessary further steps that are identified to tackle slavery and human trafficking.

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This statement was approved by the Directors of BorgWarner Limited.

Signature:



Dave Bate
Plant Manager

May 2025