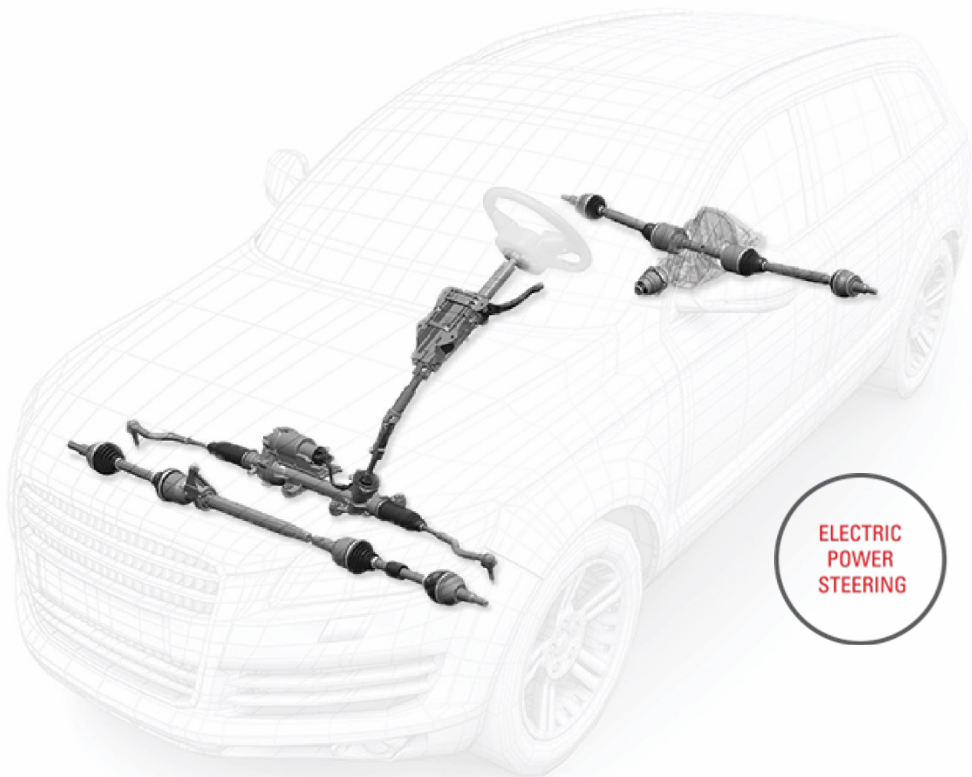




a leader in intuitive motion control



Q3 2021

Investor Communication

26 Oct. 2021

ELECTRIC
POWER
STEERING

COLUMNS &
INTERMEDIATE
SHAFTS

DRIVELINE
SYSTEMS

HYDRAULIC
POWER
STEERING

ASSISTED
& AUTOMATED
DRIVING
ENABLERS

Presenters

ROBIN MILAVEC

Executive Board Director
President
Chief Technology Officer
Chief Strategy Officer



MIKE BIERLEIN

Senior Vice President
Chief Financial Officer



Q3 2021 Business Update

- **Challenged Industry Environment Reflecting Ongoing Semiconductor Shortages, OEM Production Disruptions and Elevated Operating Costs**
- **Successfully Launched 6 Major Customer Programs With More Key EV Launches in Fourth Quarter**
- **Achieved Significant Progress with a Major Global EV Leader and New Business win a N. America Powersports Market Leader**
- **Awarded PACEpilot 2021 Innovation to Watch by Automotive News on Two New Technologies**

Successfully Launched 6 Major Programs in Q3

EMEASA
(2)



BMW iX
Column



Fiat Pulse
CEPS

APAC
(4)



Ford Escort
Column



VW Polo
Halfshafts



Skoda Kamiq
Halfshafts



VW Taigun
Halfshafts

Incumbent business | New business



Electric Vehicle

Business Wins – Q3 YTD and 2021 Outlook

Key Highlights

1st REPS Business Win with Japanese OEM

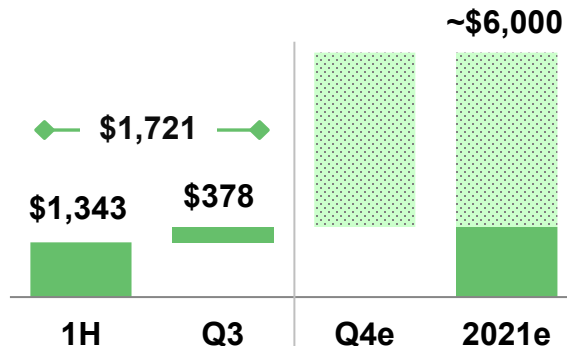
1st Steering Business Win in NA Powersports Market

1st Steering Business with Major Global EV Leader in Q4

Bookings* & Full-Year Outlook

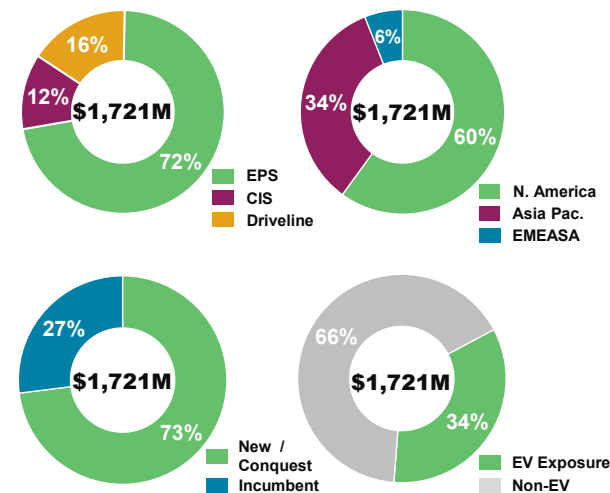
(\$ in millions)

Awards Weighted to 2H;
Full Year Estimate Reflects Customer Retiming



YTD Bookings Composition

(\$ in millions)



* Booked business information is compiled through our internal records, and such information has not been audited nor reviewed by our auditors.

Industry Recognition

Both **Steering-by-Wire with Stowable Column** and **Brake-to-Steer** Named by *Automotive News* as **PACEpilot 2021 Innovation to Watch**



**Ongoing Commitment to Relentless Innovation That Improves
Safety and Performance for Future Mobility**

Q3 Industry Environment

● OEM Production Fell In Q3 2021 as Semi and Other Supply Chain Constraints Accelerated

- *Served markets lower 20% Y-o-Y and 12% sequentially compared to Q2*
- *September 2021 production lower Y/Y by 29%*

● Frequent and Extended Customer Production Shutdowns

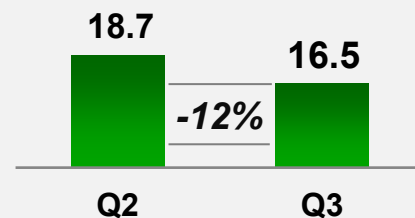
- *Driving inefficiencies in both Nexteer operations and broader supply chain*
- *Further impact from COVID-19 variant outbreaks*

● Commodity & Logistics Costs Remain Significantly Elevated

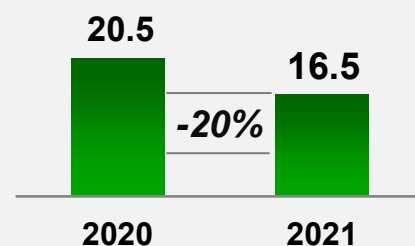
OEM Production

(units in millions)

Q3 2021 vs Q2 2021



Q3 2021 vs Q3 2020

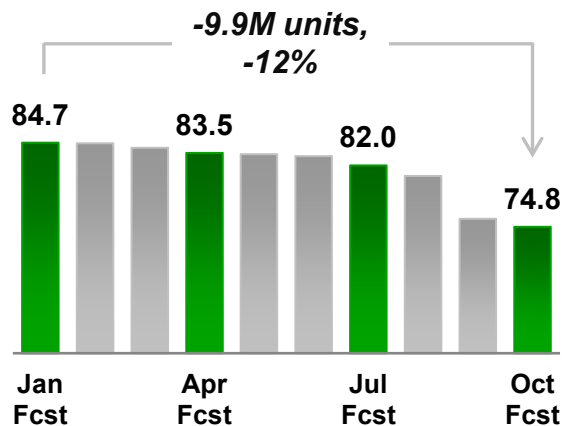


Source: Oct 2021 IHS Markit Ltd.

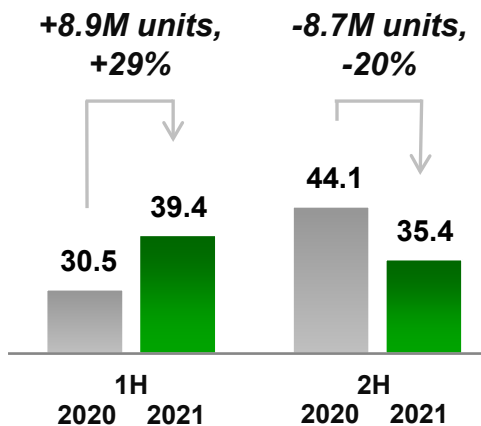
2021 Full Year Production Outlook

2021 Global Production Forecast

IHS Markit Ltd. 2021 Global Light Vehicle Production Unit Forecast to Forecast (in millions)



Supply Chain Constraints Continue to Impact Full Year OEM Production Expectations



OEM Production

Y/Y Growth %

	1H	2He	FYe
Global	29%	-20%	0%
NA	32%	-21%	0%
China	25%	-18%	-1%
APAC	28%	-18%	1%
EMEASA**	31%	-24%	-1%

** EMEASA includes Europe & S. America

2021 OEM Production Now Expected to be About Even to 2020 with 2H 2021 Lower 20% Pressuring 2H Financial Performance

Source: Oct 2021 IHS Markit Ltd.

Summary

Near-Term Challenges

- Semiconductor constraint likely to extend into 2022
- Quick / frequent OEM schedule changes
- Cost pressures from demand / supply imbalances & COVID impacts

Robust Fundamentals Remain

- Broad economic recovery forecasted to continue
- Strong consumer demand intact in key markets served
- Replenishment of historically low OEM vehicle inventories

**Building Strong Future While Moving Through
Difficult Near-Term Environment**