



# Investor Presentation

November 2021

# Forward Looking Statements



Certain statements in this presentation constitute "forward-looking information" or "forward-looking statements" (collectively, "forward-looking statements"). Any such forward-looking statements are intended to provide information about management's current expectations and plans and may not be appropriate for other purposes. Forward-looking statements may include financial and other projections, as well as statements regarding our future plans, strategic objectives or economic performance, or the assumptions underlying any of the foregoing, and other statements that are not recitations of historical fact. We use words such as "may", "would", "could", "should", "will", "likely", "expect", "anticipate", "believe", "intend", "plan", "aim", "forecast", "outlook", "project", "estimate", "target" and similar expressions suggesting future outcomes or events to identify forward-looking statements. The following table identifies the material forward-looking statements contained in this document, together with the material potential risks that we currently believe could cause actual results to differ materially from such forward-looking statements. Readers should also consider all of the risk factors which follow below the table:

Material Forward-Looking Statement	Material Potential Risks Related to Applicable Forward-Looking Statement
Light Vehicle Production	<ul style="list-style-type: none"> <li>• Light vehicle sales levels</li> <li>• Supply disruptions, including as a result of the current semiconductor chip shortage</li> <li>• Production allocation decisions by OEMs</li> </ul>
Total Sales	<ul style="list-style-type: none"> <li>• Economic impact of COVID-19 on consumer confidence</li> <li>• Supply disruptions, including as a result of a semiconductor chip shortage currently being experienced in the industry</li> </ul>
Segment Sales	<ul style="list-style-type: none"> <li>• Global energy shortages</li> <li>• Elevated level of inflation</li> <li>• Concentration of sales with six customers</li> <li>• Shifts in market shares among vehicles or vehicle segments</li> <li>• Shifts in consumer "take rates" for products we sell</li> </ul>
Adjusted EBIT Margin	<ul style="list-style-type: none"> <li>• Same risks as for Total Sales and Segment Sales above</li> <li>• Operational underperformance</li> </ul>
Segment Adjusted EBIT Margin	<ul style="list-style-type: none"> <li>• Higher costs incurred to mitigate the risk of supply disruptions, including: materials price increases; higher-priced substitute supplies; premium freight costs to expedite shipments; production inefficiencies due to production lines being stopped/restarted unexpectedly based on customers' production schedules; other unrecoverable costs; and price increases from sub-suppliers that have been negatively impacted by production inefficiencies</li> </ul>
Net Income Attributable to Magna	<ul style="list-style-type: none"> <li>• Price concessions</li> <li>• Commodity cost volatility</li> <li>• Higher labour costs</li> <li>• Tax risks</li> </ul>
Equity Income	<ul style="list-style-type: none"> <li>• Same risks as Adjusted EBIT Margin/Segment Adjusted EBIT Margin/Net Income Attributable to Magna above</li> <li>• Risks related to conducting business through joint ventures</li> </ul>
Free Cash Flow	<ul style="list-style-type: none"> <li>• Same risks as for Total Sales/Segment Sales, and Adjusted EBIT Margin/Segment Adjusted EBIT Margin/Net Income Attributable to Magna above</li> </ul>

# Forward Looking Statements (cont.)



Forward-looking statements are based on information currently available to us and 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 in the circumstances. While we believe we have a reasonable basis for making any such forward-looking statements, they are not a guarantee of future performance or outcomes. In addition to the factors in the table above, whether actual results and developments conform to our expectations and predictions is subject to a number of risks, assumptions and uncertainties, many of which are beyond our control, and the effects of which can be difficult to predict, including, without limitation:

## Risks Related to the Automotive Industry

- economic cyclicality;
- regional production volume declines, including as a result of the COVID-19 pandemic, semiconductor shortage and energy shortages, including in China;
- intense competition;
- potential restrictions on free trade;
- trade disputes/tariffs;

## Customer and Supplier Related Risks

- concentration of sales with six customers;
- emergence of potentially disruptive EV OEMs, including risks related to limited revenues/operating history of new OEM entrants;
- OEM consolidation and cooperation;
- shifts in market shares among vehicles or vehicle segments;
- shifts in consumer "take rates" for products we sell;
- quarterly sales fluctuations;
- potential loss of any material purchase orders;
- a deterioration in the financial condition of our supply base, including as a result of the COVID-19 pandemic;

## Manufacturing Operational Risks

- product and new facility launch risks;
- operational underperformance;
- restructuring costs;
- impairment charges;
- labour disruptions;
- COVID-19 shutdowns;
- supply disruptions, including with respect to semiconductor chips;
- higher costs to mitigate supply disruptions;
- climate change risks;
- attraction/retention of skilled labour and leadership succession;

## IT Security/Cybersecurity Risk

- IT/Cybersecurity breach;
- Product Cybersecurity breach;

## Pricing Risks

- pricing risk following time of quote;
- price concessions;
- commodity cost volatility;
- declines in scrap steel/aluminum prices;

## Warranty / Recall Risks

- costs related to repair or replacement of defective products, including due to a recall;
- warranty or recall costs that exceed warranty provision or insurance coverage limits;
- product liability claims;

## Acquisition Risks

- competition for strategic acquisition targets;
- inherent merger and acquisition risks;
- acquisition integration risk;

## Other Business Risks

- risks related to conducting business through joint ventures;
- our ability to consistently develop and commercialize innovative products or processes;
- our changing business risk profile as a result of increased investment in electrification and autonomous driving, including: higher R&D and engineering costs, and challenges in quoting for profitable returns on products for which we may not have significant quoting experience;
- risks of conducting business in foreign markets;
- fluctuations in relative currency values;
- tax risks;
- reduced financial flexibility as a result of an economic shock;
- changes in credit ratings assigned to us;

## Legal, Regulatory and Other Risks

- antitrust risk;
- legal claims and/or regulatory actions against us; and
- changes in laws and regulations, including those related to vehicle emissions or made as a result of the COVID-19 pandemic.

In evaluating forward-looking statements or forward-looking information, we caution readers not to place undue reliance on any forward-looking statement. Additionally, readers should specifically consider the various factors which could cause actual events or results to differ materially from those indicated by such forward-looking statements, including the risks, assumptions and uncertainties above which are:

- discussed under the "Industry Trends and Risks" heading of our Management's Discussion and Analysis; and
- set out in our Annual Information Form filed with securities commissions in Canada, our annual report on Form 40-F filed with the United States Securities and Exchange Commission, and subsequent filings.

Readers should also consider discussion of our risk mitigation activities with respect to certain risk factors, which can be also found in our Annual Information Form.

# Key Messages

1

**Well-positioned to capture growing market opportunities** given systems approach and unique complete vehicle capabilities

2

**Supplier of choice** for automakers and enabler for new entrants

3

**Strategic portfolio** positions us for sales growth over market and strong free cash flow

4

**Untapped potential** to generate profits and grow shareholder value

# Magna Snapshot (NYSE: MGA, TSX: MG)



Sales\*

**~\$35B**

Team Members

**154K**

Customers

**50+**



Number of Countries

**28**

Facilities

**347**

World's

**4th**

Largest Supplier

\* 2021 Sales Outlook \$34.6B – \$35.6B



# Foundational Strengths Enabling Success & Growth



Manufacturing  
Expertise



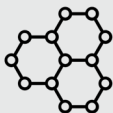
Innovation and  
Start-up Mindset



Our People  
and Culture



Unparalleled  
Global Scale



Decentralized  
Structure



Disciplined  
Profitable  
Growth



Strong  
Balance Sheet

# Secular Trends Driving Change



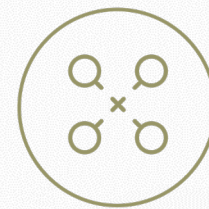
Electrification



Autonomy



New Mobility



Connectivity

## Magna Positioning

- |  |                             |  |  |
|--|-----------------------------|--|--|
| ✓ Enhanced e-Powertrain portfolio              | ✓ Full ADAS capability      | ✓ Expanded collaboration ecosystem     | ✓ Software-enabled functionality in our ECU-related products |
| ✓ Product range fills transition roadmap to EV | ✓ Complete system expertise | ✓ Leverage new business models         | ✓ Optimizing performance and efficiency                      |
| ✓ New EV business across all products          |                             | ✓ Enabling automakers and new entrants |  |

Well-Positioned for Car of the Future



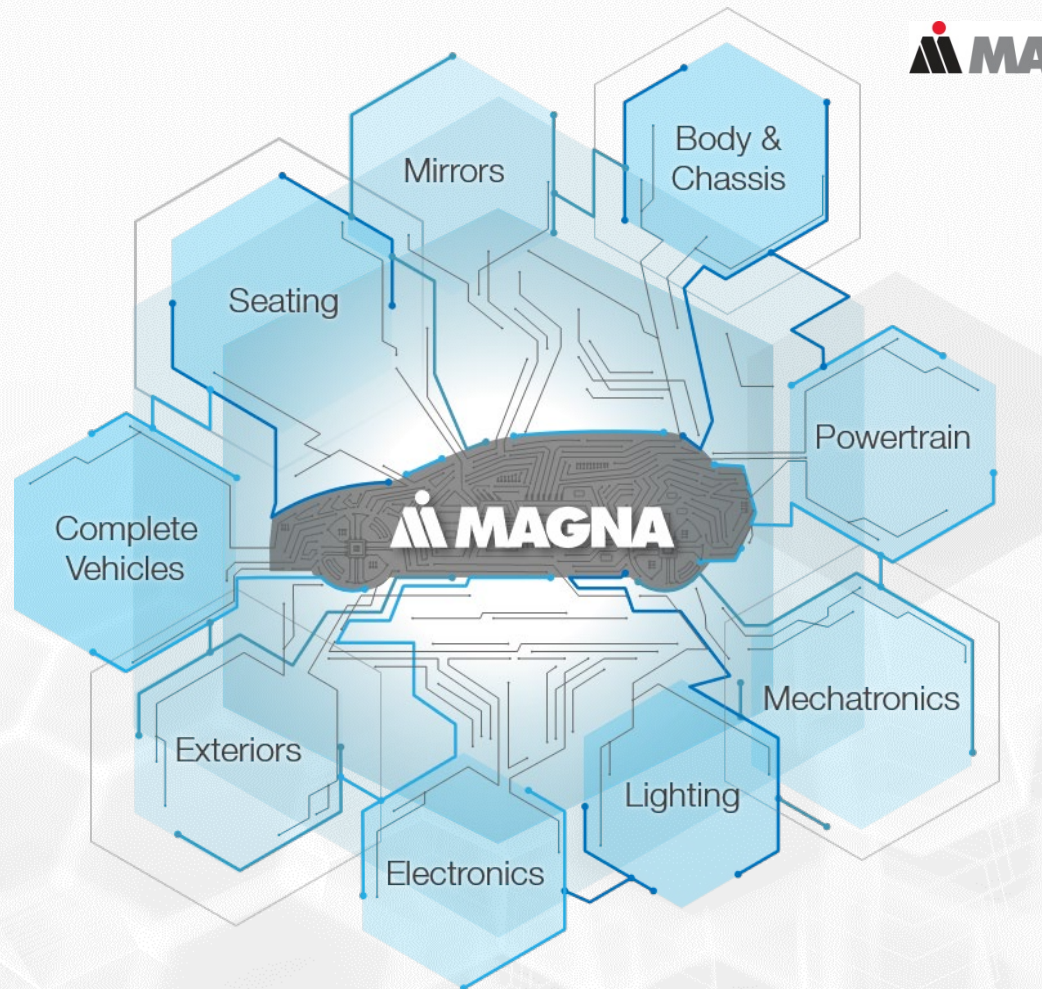
# The Power of Magna



Deep Product Expertise

Complete Vehicle Engineering  
and Manufacturing

Integrated Systems Level  
Analysis and Approach

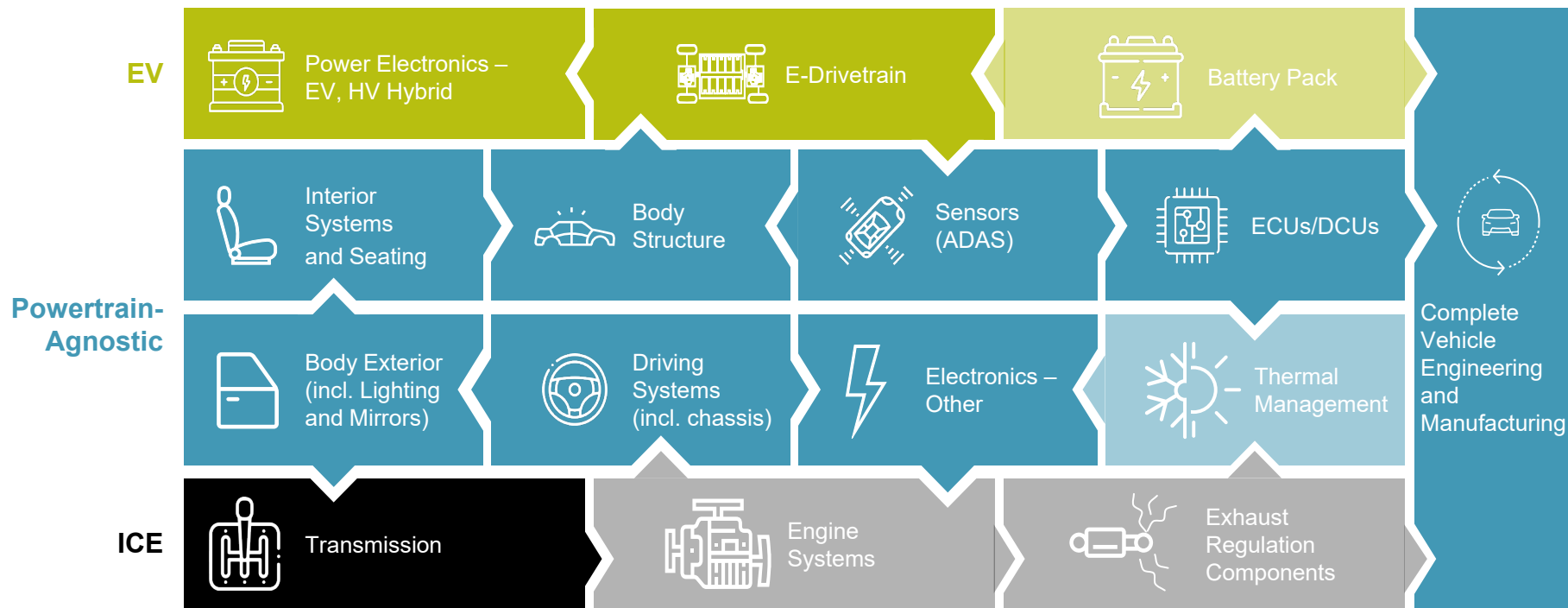




# Agnostic to Vehicle Propulsion



Included in Magna's portfolio



Magna's Portfolio is Future-Ready as the Transition to EVs Takes Place

# Clear Go Forward Strategy to Drive Growth



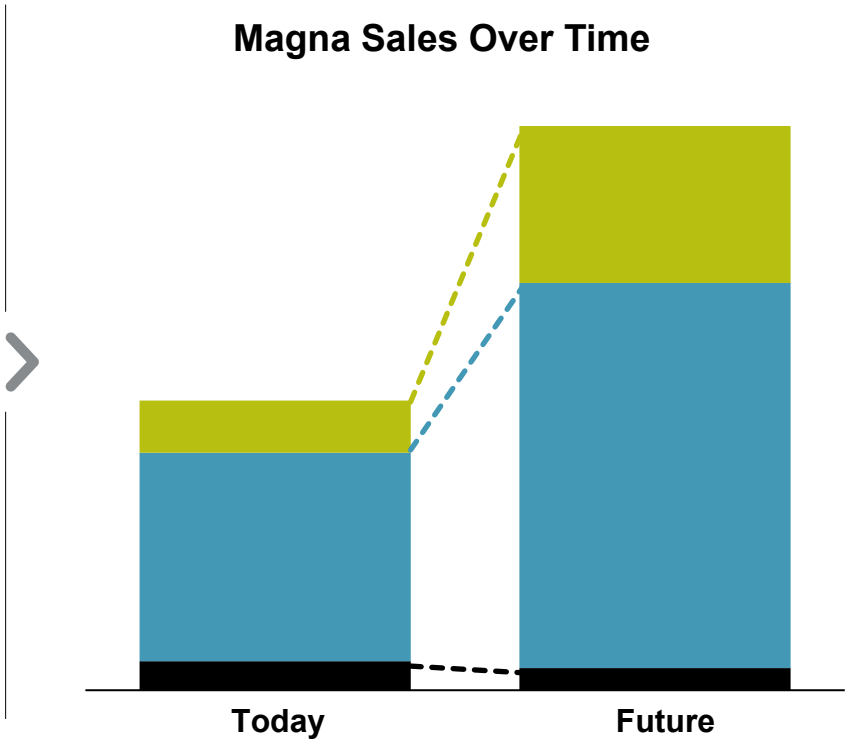
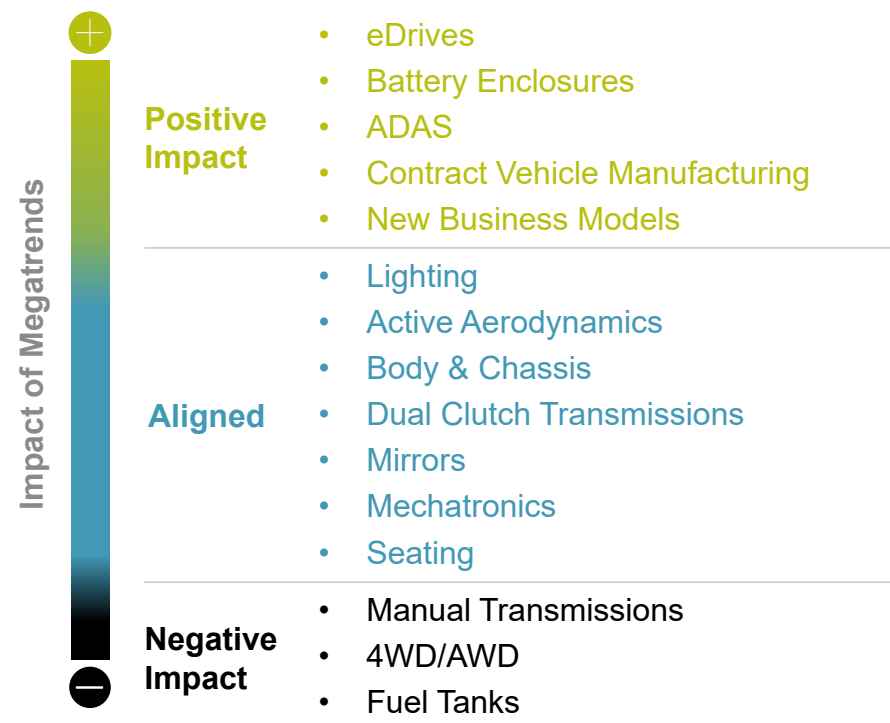
Accelerate  
Deployment of  
Capital towards  
High-Growth  
Areas

Drive  
Operational  
Excellence

Unlock New  
Business Models  
and Markets



# Accelerate Deployment of Capital Towards High Growth Areas



Our Strategy is to Drive Growth in Positively Impacted Areas

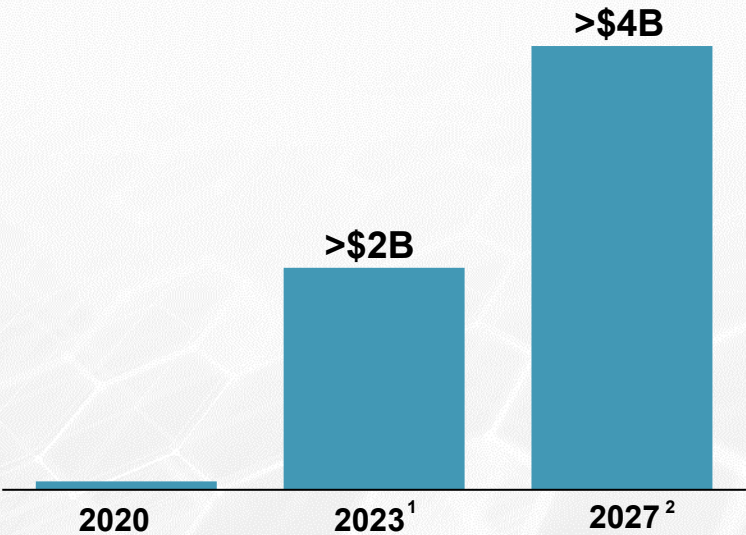




# High Growth Area: Electrification



Expected Managed Sales<sup>1</sup>



## Key Growth Contributors

- > eDrive program launches in China in HASCO-Magna Joint Venture
- > High-volume 48V hybrid DCT programs
- > New business in primary and secondary eDrives
- > Expect >50% sales CAGR over the next few years in LG Joint Venture

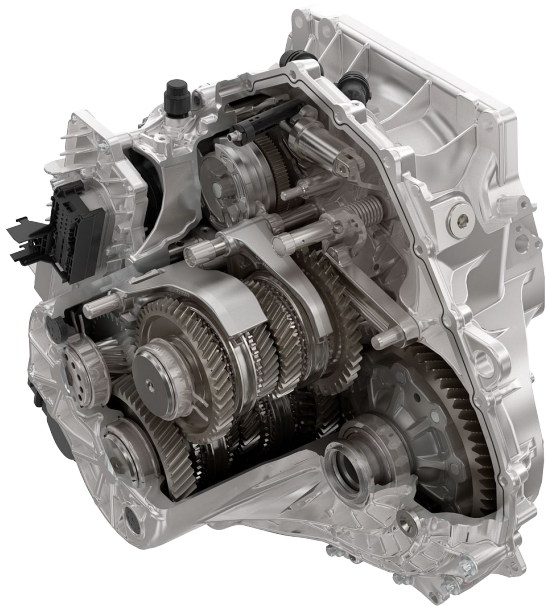
Strong Competitive Position for Transition to Electrification

<sup>1</sup> Managed sales = consolidated sales + sales at 100% for unconsolidated entities.  
<sup>2</sup> Forward-looking financial information beyond 2021 continues to be based on outlook information and assumptions provided in our outlook press release dated February 19<sup>th</sup>, 2021, and has not been updated.



Electrification

✓ Program Award



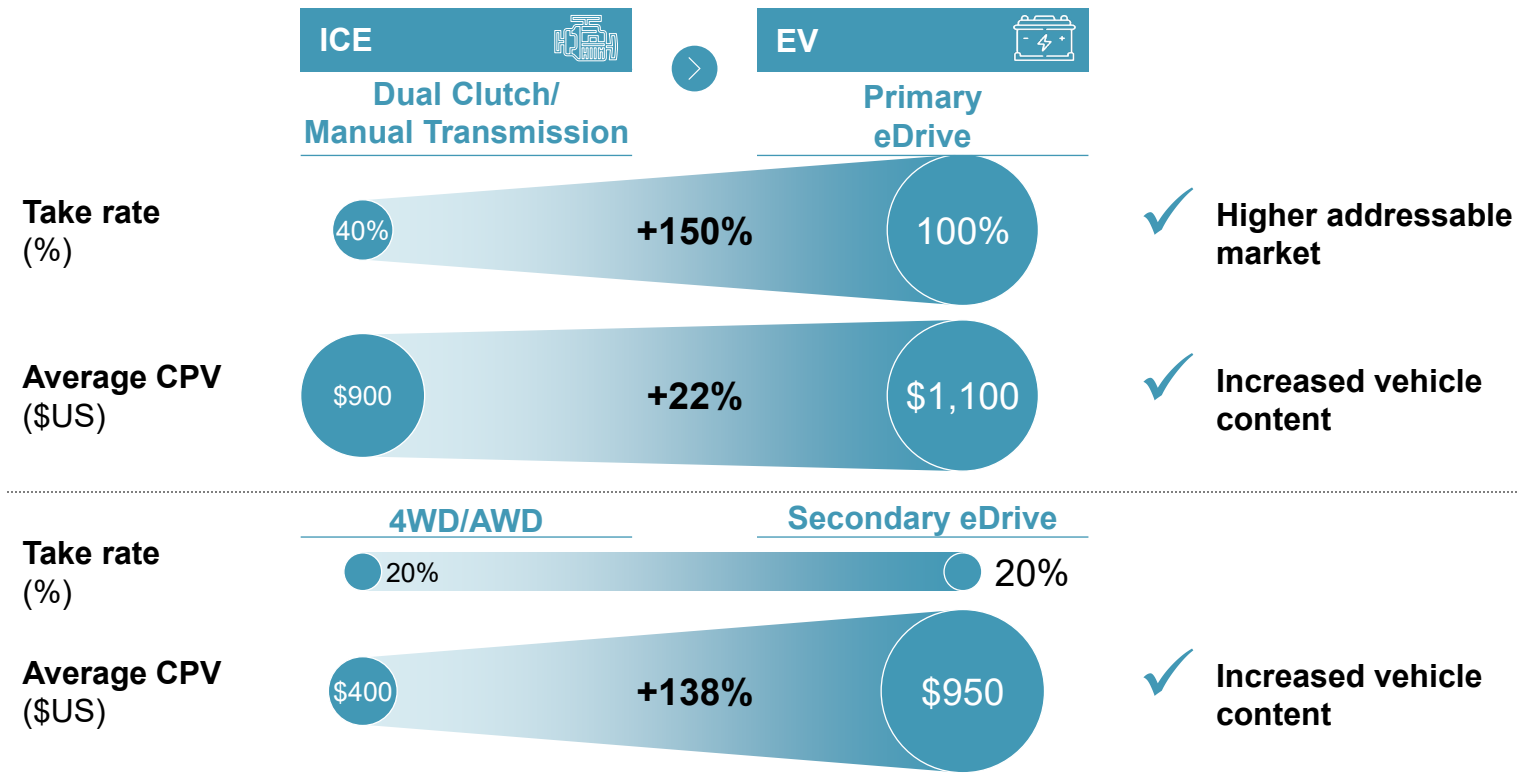
## Dual-Clutch Transmissions

- Awarded family of transmissions from Daimler, including traditional (DCT) and hybrid (HDT) launching in 2025
- Represents third high-volume HDT program award
- Beginning to launch HDTs this quarter for two additional global customers

Supports Magna's Growth in Electrification



# Well-Positioned to Capture Growing EV Opportunity

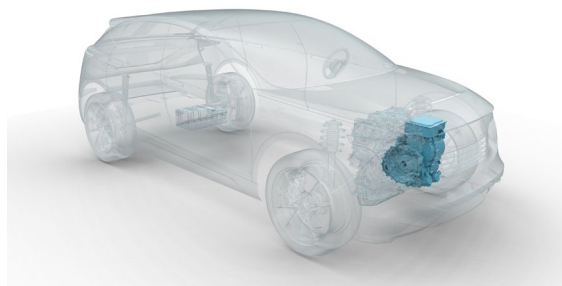


Higher Content Opportunity and Addressable Market for Magna as EV Transition Unfolds





# Innovative Electrification Solutions

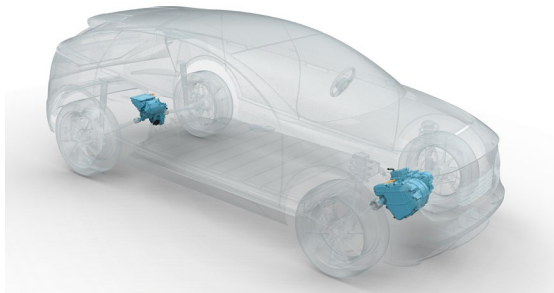


## EtelligentEco

Connected PHEV system

- Up to 38% emission reduction
- Unique cloud connectivity feature
- Smart cruise control and eco routing
- Class-leading performance in all-electric driving

New Benchmark for Efficient  
Plug-in-Hybrid Technology

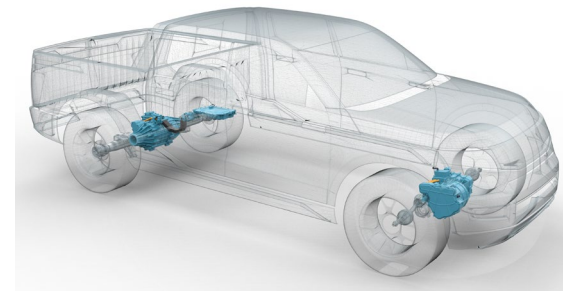


## EtelligentReach

Battery-electric drive system

- 30% range extension
- Combination of Next-Gen eDrive, software and controls
- Improvement in efficiency and driving dynamics
- First awarded business

BEV Drive System for Best-in-Class  
Range and Dynamics



## EtelligentForce

EV solution for pick-up trucks

- Drop-in replacement retains pick-up truck capability
- Leverage existing assembly processes and installed capital
- First significant change to solid beam rear axle in more than 100 years

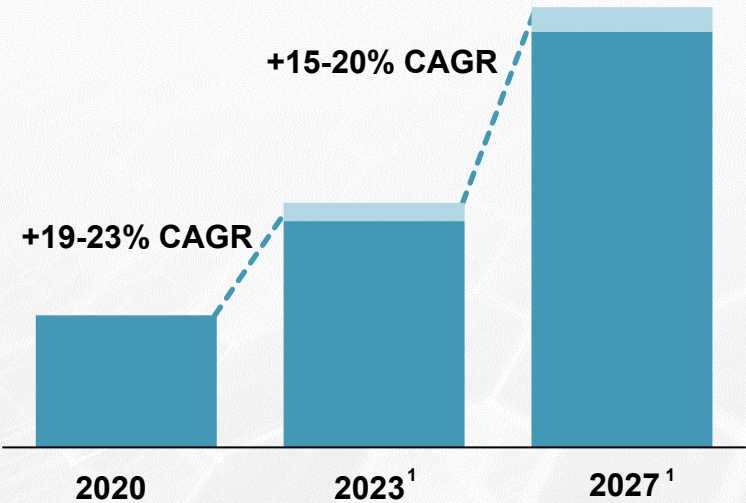
Electrifying Trucks without  
Compromising Utility



# High Growth Area: ADAS



**Expect ADAS Sales to  
Grow Above Market**



## Key ADAS Growth Contributors

- Ongoing Investments
- Expanding Software Engineering Team
- Strategic Partnerships

**Well-Positioned to Address ADAS Opportunities**

<sup>1</sup> Forward-looking financial information beyond 2021 continues to be based on outlook information and assumptions provided in our outlook press release dated February 19<sup>th</sup>, 2021, and has not been updated.



Autonomy

✓ Program Award



## Advanced Front Cameras

- Awarded new business with European-based global OEM
- Will utilize latest generation camera technology
- Based on platform that already has applications in production

Bolsters Magna's Leading Camera Position

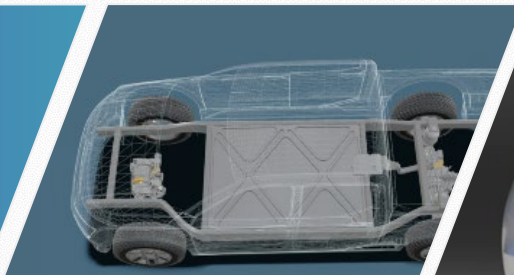




# Innovation Across the Vehicle



Rethinking the possibilities using our core strengths and systems know-how



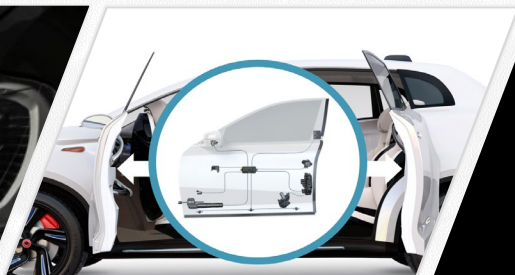
**Battery Enclosures**  
Structural opportunities expand with electrification



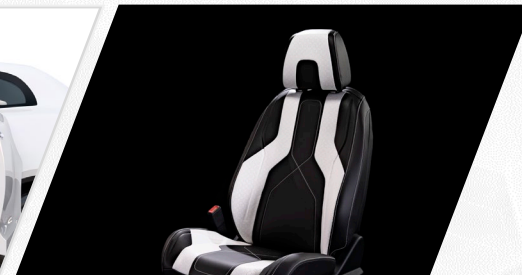
**Magna MezzoPanel™**  
Integrated ADAS and lighting functions



**Adaptive Beam Lighting**  
Increased safety and function by integrating electronics



**SmartAccess™**  
Bridging mechatronics and electronics to deliver functionality



**FreeForm™**  
Provides endless design possibilities



# Innovation Ecosystem



Taping Into Great Thinking  
**Outside the Company**

**Open for Business** Mindset

**Auto-Qualified Results**

Access to New  
**Creative Approaches**

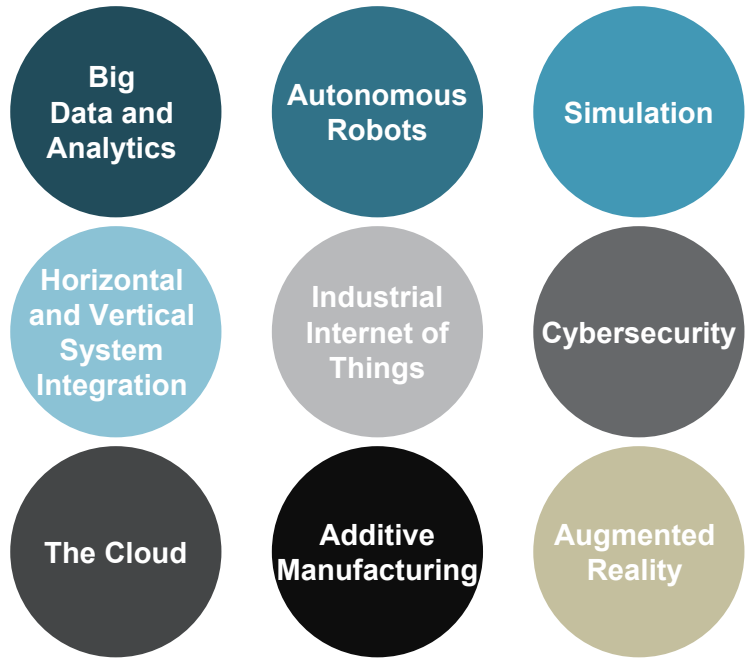




# Drive Operational Excellence



## Next-Gen World-Class Manufacturing Initiatives



Committed to Manufacturing Excellence



# Early Stages of Our Sustainability Journey



## Focused on Energy Optimization and Renewable Energy

- Goals for carbon-neutrality
  - In Europe by 2025
  - Globally by 2030
- Will be an industry leader in North America, and aligned with industry leaders in Europe

## Broad Sustainability Strategy

- Product quality
- Health and safety culture
- Diversity and inclusion
- Employee development and training



**Science-Based Approach  
Aligned with Objectives of  
Paris Climate Agreement**



# Unlock New Business Models and Markets

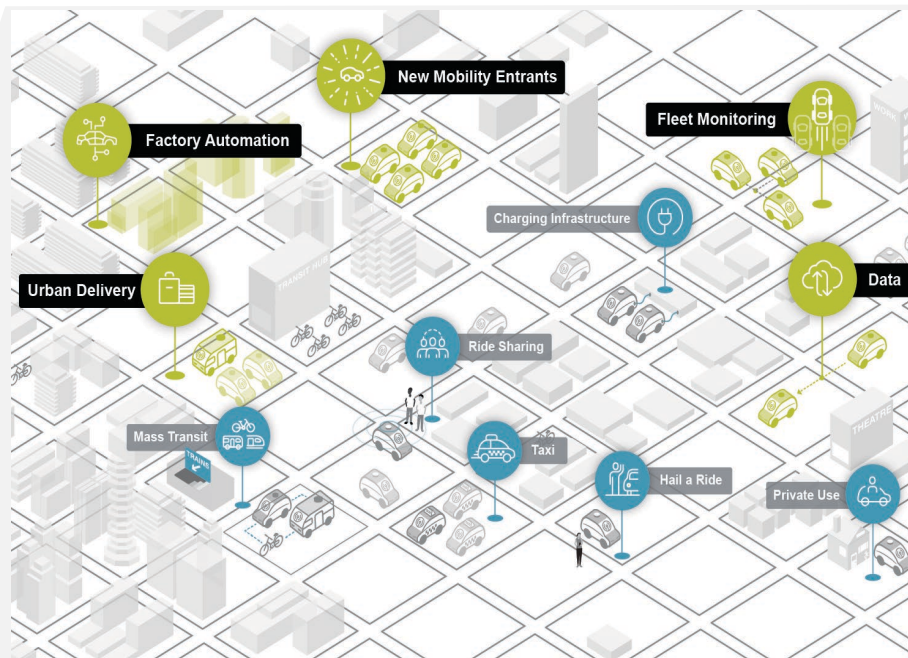


## New Mobility Landscape Creating Wide Range of Opportunities

- Urban delivery
- Factory automation
- Collaboration with automakers

## Magna Positioning

- Building blocks to participate in many of these areas
- Complete vehicle systems approach makes our proposition more attractive
  - Capital efficiency
  - Launch reliability
  - Speed to market

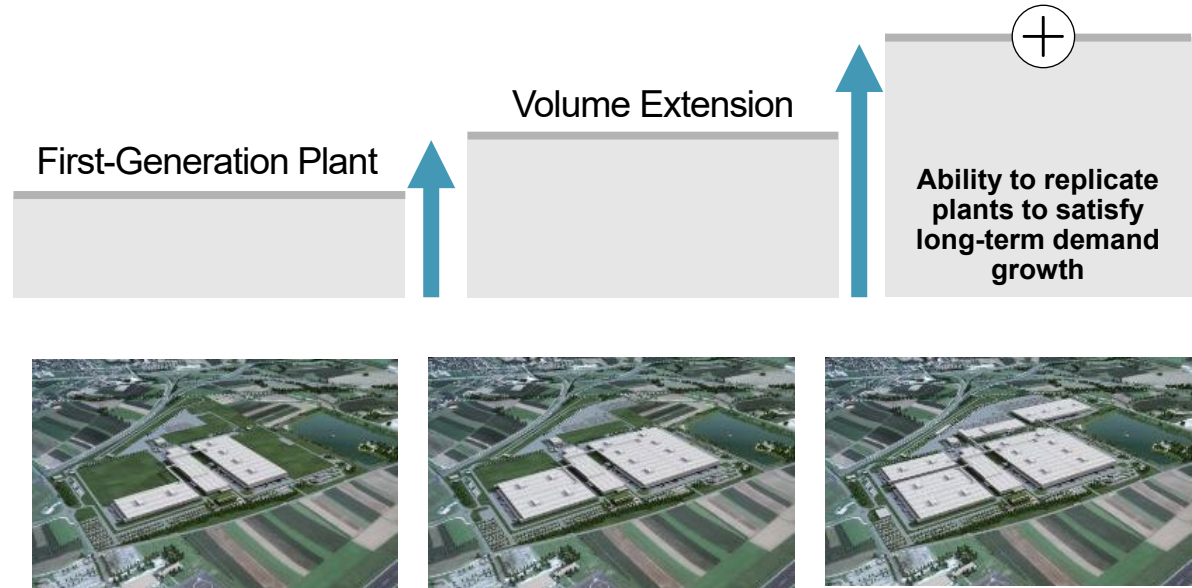


Leveraging Our Systems and Complete Vehicle Knowledge to Unlock New Business



# Flexible Production Concept

- Expansion planning in advance
- Volume expansion in phases
- Flexible supply management approach



Can Scale to Meet Volume Requirements and Optimize Future Expansion



# Global Production Network



Well-  
Established

2019

2020

Future

## Central Europe



Graz, Austria

- Six SOPs delivered in 24 months
- Battery electric, hybrid and ICE vehicles produced in the same facility and on same production lines

## Eastern Europe



Hoče, Slovenia

- State-of-the-art paint shop with 100k capacity
- Potential to expand to over 200k complete vehicles

## Asia



Zhenjiang, China

- Contract manufacturing joint-venture with BJEV launched in 2020
- Battery electric vehicle production

## North America

Potential to establish a scalable footprint

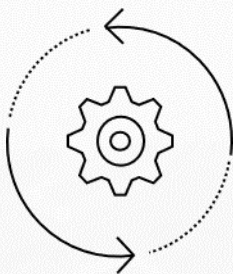
Can leverage our best people using Magna's North American footprint jointly with experts from Graz

Ability to Scale and Localize in Key Markets

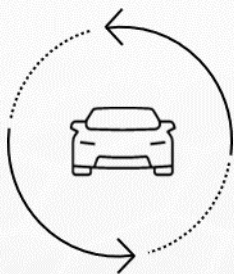




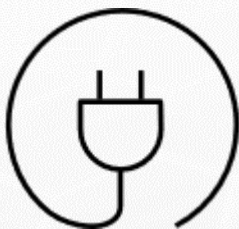
# Full Vehicle and System Capabilities



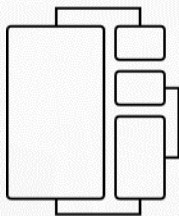
Complete Vehicle  
Engineering



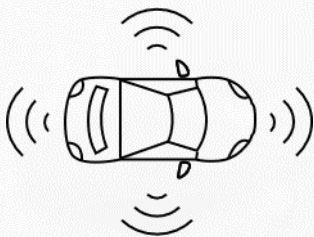
Complete Vehicle  
Manufacturing



EV and E/E  
Architectures



Broad System  
Portfolio



Full ADAS System  
and Software  
Platform

Uniquely Positioned to be a Strategic Partner

# Financial Strategy

# Strong 5 Year Performance

2016-2020



**Average Weighted Sales  
Growth Over Market (GoM)<sup>1</sup>**

**6%**



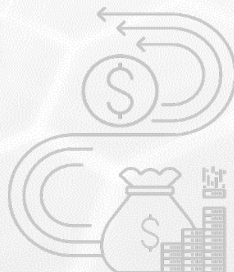
**Investment in Business**

**\$12.5B**



**Return of Capital**

**\$7.6B**



**Total Shareholder Return (NYSE)**

**100%**

*peer average of 35%*



<sup>1</sup> Weighted Growth over Market (GoM) compares organic sales growth (%) to vehicle production change (%) after applying Magna geographic sales weighting, excluding Complete Vehicles, to regional production

# Continued Financial Flexibility



(\$Billions, unless otherwise noted)

## TOTAL LIQUIDITY (9/30/21)

Cash	\$2.7
Available Term & Operating Lines of Credit	\$3.5
<b>Total Liquidity</b>	<b>\$6.2</b>

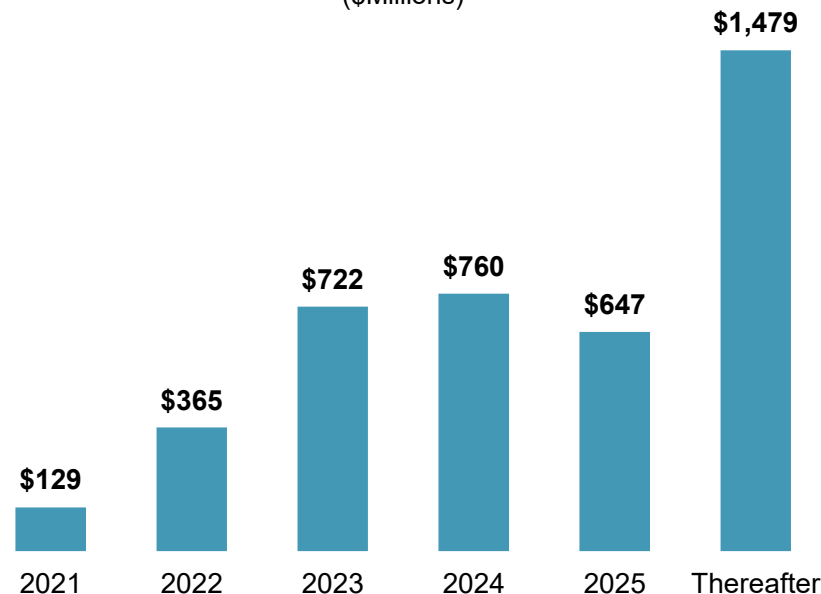
## LEVERAGE RATIO (LTM, 9/30/21)

Adjusted Debt	\$5.9
Adjusted EBITDA	\$4.3
<b>Adjusted Debt / Adjusted EBITDA (Q3 2021)</b>	<b>1.38x</b>

Investment-grade ratings from Moody's, S&P, DBRS

## Estimated Future LTD Principal Repayments (12/31/20)

(\$Millions)



Board Approved New Normal Course Issuer Bid



# Capital Allocation Priorities

## Maintain Strong Balance Sheet

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- Preserve liquidity and high investment grade credit ratings
  - Adj. debt / Adj. EBITDA ratio between 1.0-1.5x
- Maintain flexibility to invest for growth

## Invest for Growth

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- Organic and inorganic opportunities
- Innovation

## Return Capital to Shareholders

- Continued dividend growth over time
- Repurchase shares with excess liquidity



## STRATEGIC FILTERS

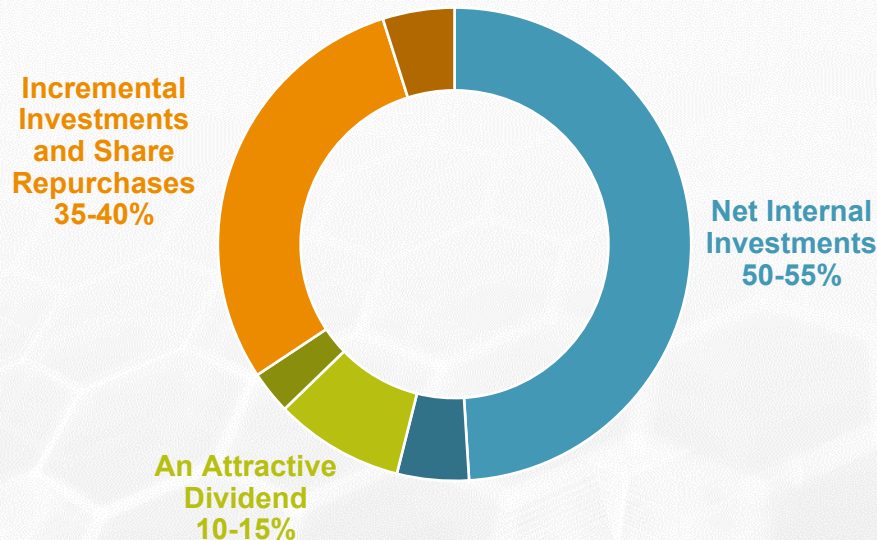
Expands/Complements Technology Base

Technologies that Enable Acceleration in Megatrend Areas  
(e.g., electrification, autonomy)

Customer Diversification

Geographic Expansion

## PROJECTED USES OF CASH FROM OPERATIONS (2021-2023<sup>1</sup>)



Disciplined, Profitable Approach to Growth Will Remain a Foundational Principle

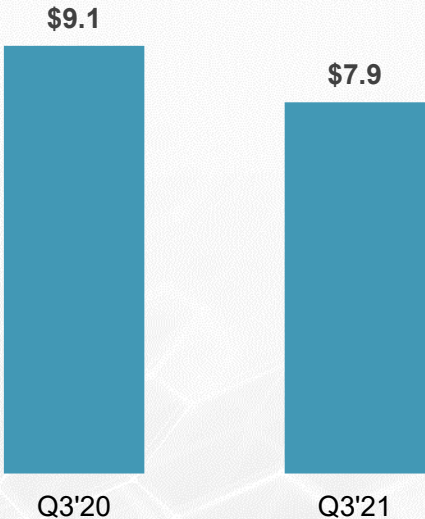
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# Q3 2021 Financial Results



**Consolidated Sales**  
(\$Billions)



**Adjusted EBIT**  
(\$Millions)



**Adjusted EPS**  
(\$)



Reflects Current Industry Environment



# Q3 2021 vs Q2 2021 (Sequential) Financial Results



## Consolidated Sales

(\$Billions)

-12%



## Q3'21 vs Q2'21 Production

Global	-6%
North America	-1%
Europe	-18%
China	-2%
Magna Weighted	-6%

## Key Factors

- Lower global light vehicle production, substantially due to semiconductor chip shortage (-)
- Negative program mix (-)
- Foreign currency translation: \$90M (-)
- Sale of three loss-making Exteriors facilities (-)

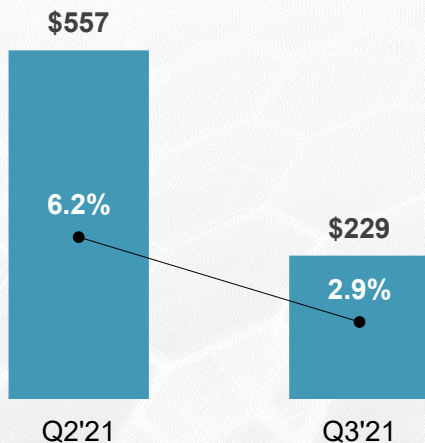
# Q3 2021 vs Q2 2021 (Sequential) Financial Results



## Adjusted EBIT & Margin

(\$Millions)

-59%



## Key Factors

- Lower earnings on \$1.1B decline in sales (-)
- Production inefficiencies driven by unpredictable OEM production schedules (-)
- Increased production costs, including freight and commodities (-)
- \$45 million provision on engineering service contracts with automotive unit of Evergrande (-)
- Favourable value-added tax settlement in Brazil in Q2 (-)
- Lower profit sharing and incentive comp (+)
- Lower launch costs (+)
- Sale of three loss-making Exteriors facilities (+)

# 2021 Outlook Assumptions



	2020	AUGUST	NOVEMBER
<b>Light Vehicle Production</b> (millions of units)			
• North America	13.0	14.4	<b>13.4</b>
• Europe	16.5	18.1	<b>16.5</b>
• China	23.5	24.7	<b>23.0</b>
<b>Foreign Exchange Rates</b>			
• 1 CDN dollar equals USD	0.746	0.801	<b>0.800</b>
• 1 EURO equals USD	1.141	1.193	<b>1.187</b>
• 1 RMB equals USD	0.145	0.155	<b>0.155</b>

*Changed from previous Outlook*

# 2021 Outlook



(\$Billions, unless otherwise noted)

	2020	AUGUST	NOVEMBER
<b>Sales:</b>			
• Body Exteriors & Structures		\$15.3 – \$15.9	<b>\$14.1 – \$14.5</b>
• Power & Vision		\$11.8 – \$12.2	<b>\$11.2 – \$11.5</b>
• Seating Systems		\$5.1 – \$5.4	<b>\$4.6 – \$4.8</b>
• Complete Vehicles		\$6.3 – \$6.6	<b>\$6.0 – \$6.2</b>
<b>Total Sales</b>	\$32.6	\$38.0 – \$39.5	<b>\$35.4 – \$36.4</b>
Adjusted EBIT Margin % <sup>1</sup>	5.1%	7.0% – 7.4%	<b>5.1% – 5.4%</b>
Equity Income	\$189M	\$115M – \$145M	<b>\$120M – \$145M</b>
Interest Expense	\$86M	~80M	<b>~80M</b>
Income Tax Rate <sup>2</sup>	25.7%	~23%	<b>~21%</b>
Net Income Attributable to Magna <sup>3</sup>	\$1.186	\$2.0 – \$2.2	<b>\$1.35 – \$1.45</b>
Capital Spending	\$1.145	~\$1.6	<b>~\$1.5</b>

Changed from previous Outlook

<sup>1</sup> Adjusted EBIT Margin is the ratio of Adjusted EBIT to Total Sales

<sup>2</sup> The Income Tax Rate has been calculated using Adjusted EBIT and is based on current tax legislation

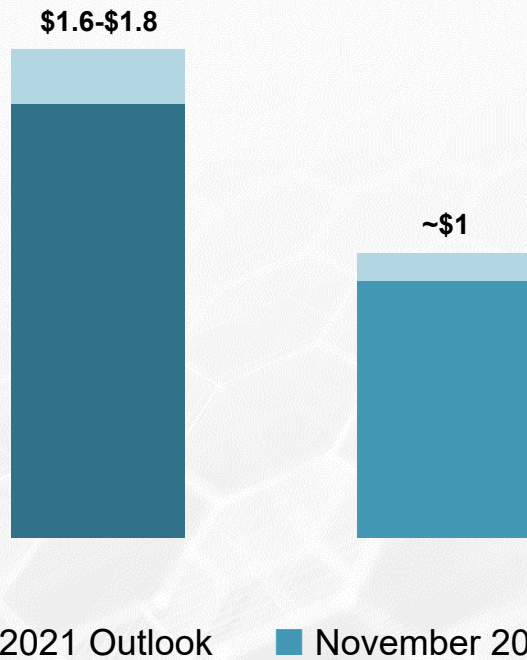
<sup>3</sup> Net Income Attributable to Magna represents Net Income excluding Other expense (income), net



# Free Cash Flow<sup>1</sup> Expectations

**2021**

(\$Billions)



- Significant reduction in light vehicle production assumptions
- Lower earnings on decline in sales
- Production inefficiencies
- Increased production costs
- Higher working capital levels

■ August 2021 Outlook    ■ November 2021 Outlook

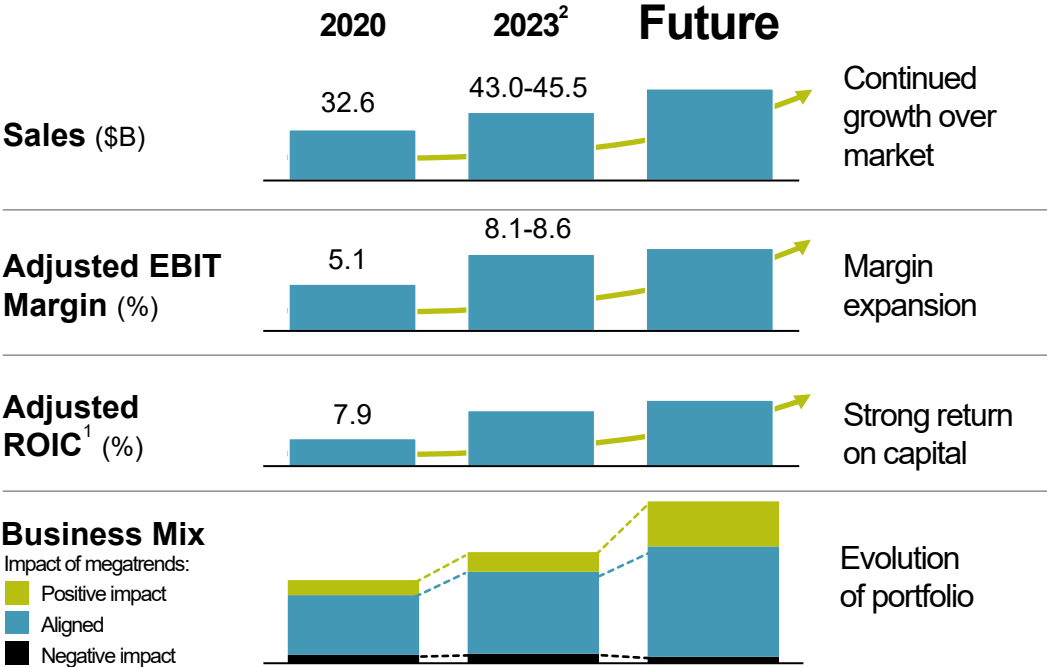
<sup>1</sup> Free Cash Flow (FCF) is Cash from Operating Activities plus proceeds from normal course dispositions of fixed and other assets plus settlement of long-term receivable from a non-consolidated joint venture minus capital spending minus investment in other assets

# Executing Our Disciplined Profitable Growth Strategy



## Strategy

- Accelerate deployment of capital towards high-growth areas
- Drive operational excellence
- Unlock new business models and markets



## Generating Sustainable Shareholder Value

<sup>1</sup> Adjusted Return on Invested Capital (Adjusted ROIC) is calculated as Adjusted After-tax operating profits divided by Average Invested Capital for the period. See Magna's 2020 Annual Report for detailed calculation.

<sup>2</sup> Forward-looking financial information beyond 2021 continues to be based on outlook information and assumptions provided in our outlook press release dated February 19<sup>th</sup>, 2021, and has not been updated.

# Investment Summary



- **Well-positioned to capture growing market opportunities** given systems approach and unique complete vehicle capabilities
- **Supplier of choice** for automakers and enabler for new entrants
- **Strategic portfolio** positions us for sales growth over market and strong free cash flow
- **Untapped potential** to generate profits and grow shareholder value



# Appendix



# New Launches



Jeep Grand Cherokee 3-Row



Ford Bronco



Chevrolet Bolt EUV



Toyota Tundra



Honda Civic



GMC Hummer



# New Launches



Skoda Enyaq



BMW 2 Series Active Tourer



Peugeot 308



Mercedes-Benz EQE



Volkswagen T7



BMW iX



# New Launches



Mercedes-Benz C-Class



Ford Mustang Mach E



Geely Emgrand GL



Audi A7 Sportback



Honda Civic

# Systems Approach

## Unique Styling and Packaging



Design Requirements

Design Objectives

Styling

Packaging

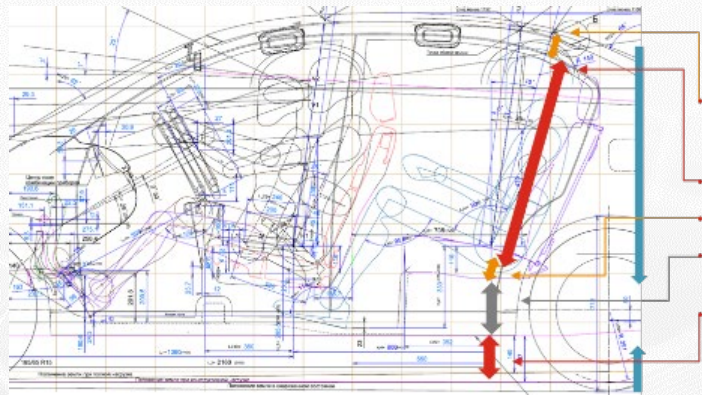
Functionality

Manufacturability

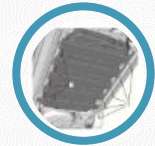
Affordability

### System Approach - Packaging

### Optimized Products



- Roof position (styling) and head clearance as driver for battery package space
- Passenger height
- Seat package and body
- Package space for battery/fuel tank as "only" variable
- Ground clearance



Flat Underbody



Seat with Optimized Height



eDrive



# Systems Approach

## Best-in-Class Driving Range

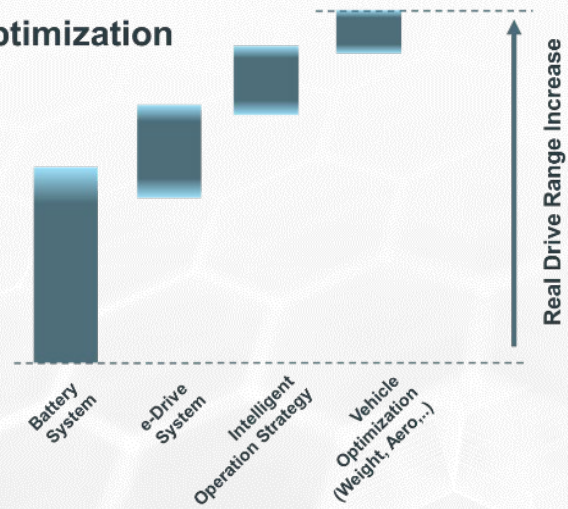


- Design Requirements
- Design Objectives

### Optimized Products

- Efficiency
- Safety
- Dynamics
- Drivability
- Affordability

### Path of Optimization



eDrive



Software and Controls



Lightweight Products



Active Aero

# Systems Approach

## Optimizing Vision and Response



Design Requirements

Design Objectives

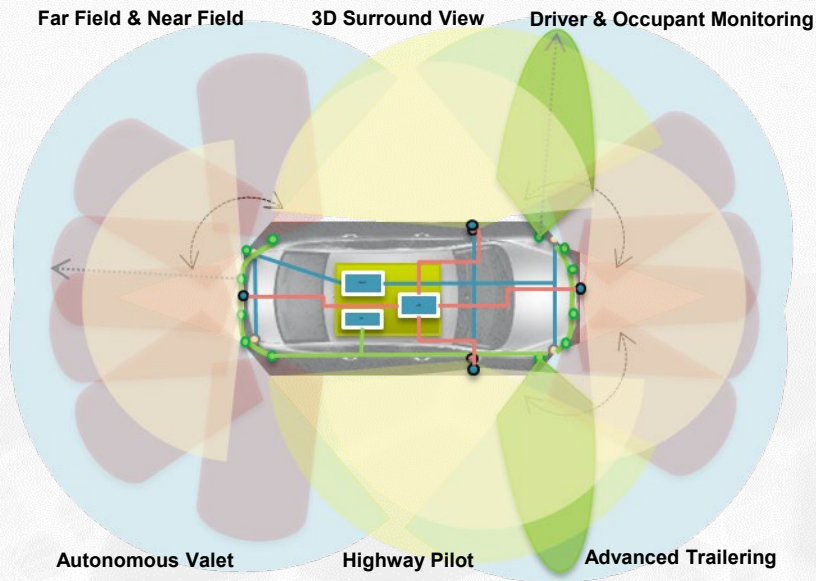
Safety

Convenience

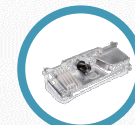
Efficiency

Dynamics

Affordability



## Optimized Products



Front  
Advanced  
Cameras



Digital  
Imaging  
Radar



Domain  
Controllers  
and Software



Single and  
Multi-Camera



Long Range  
LiDAR



Ultrasonic  
Sensors



Advanced  
Lighting



Integrated  
Cameras

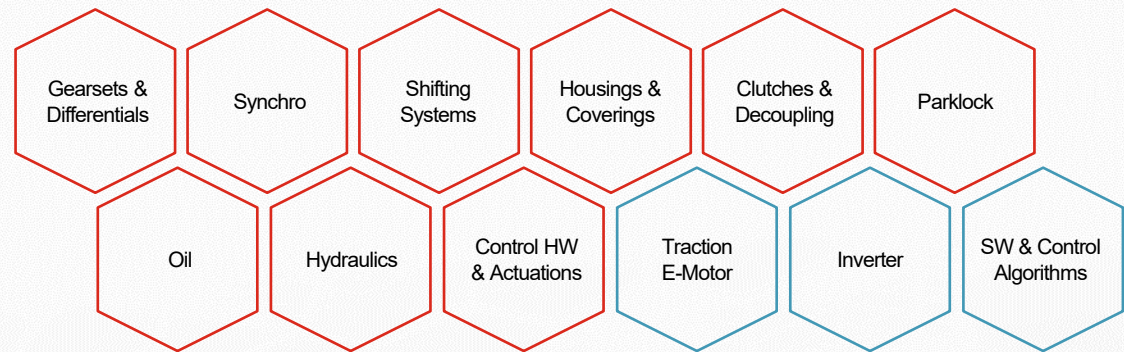


# Powertrain Portfolio

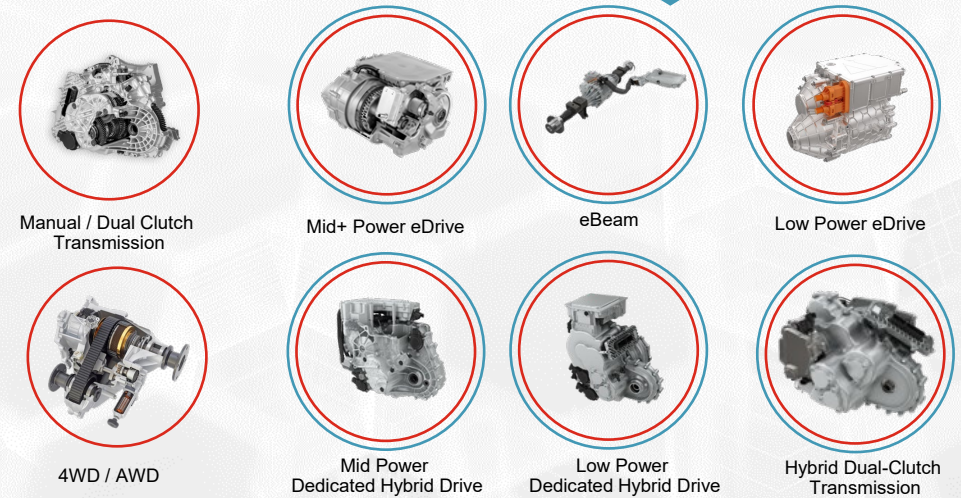
## Building Block Approach



### MODULAR & SCALABLE BUILDING BLOCKS



### MODULAR & SCALABLE PRODUCTS

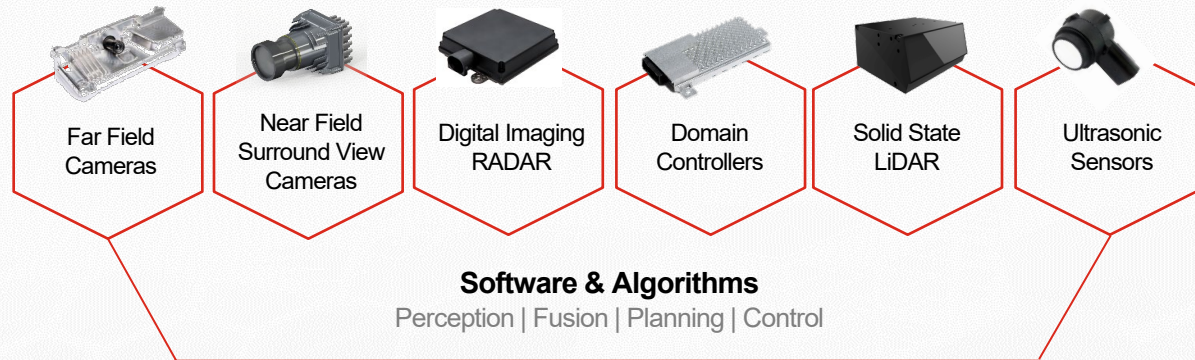


# Full ADAS Systems

## Building Block Approach



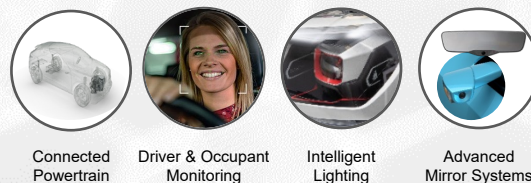
### MODULAR & SCALABLE BUILDING BLOCKS



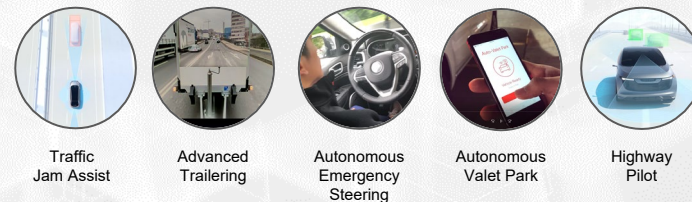
### SAFETY FEATURES (NCAP 5-STAR)



### CROSS - SYSTEM FEATURES



### PREMIUM FEATURES





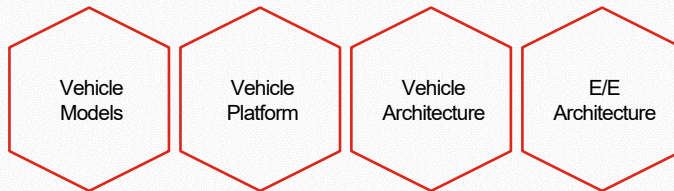
# Complete Vehicles

## Building Block Approach

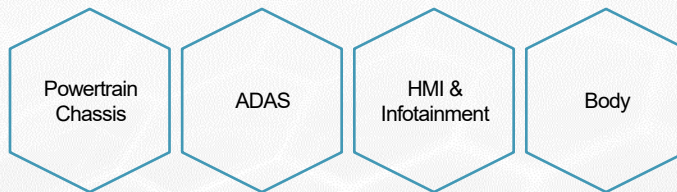


### PRODUCT

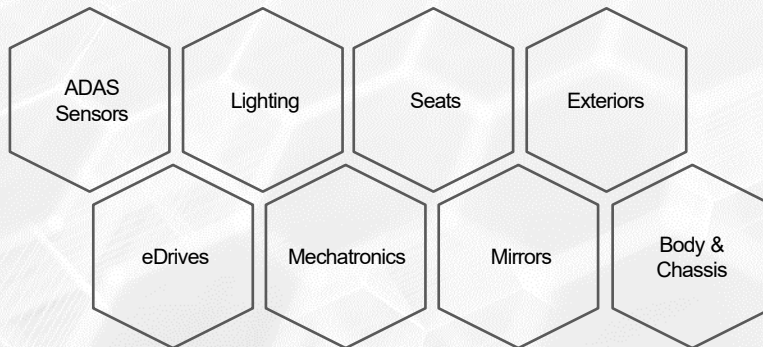
#### COMPLETE VEHICLE



#### MAJOR SYSTEMS / DOMAINS

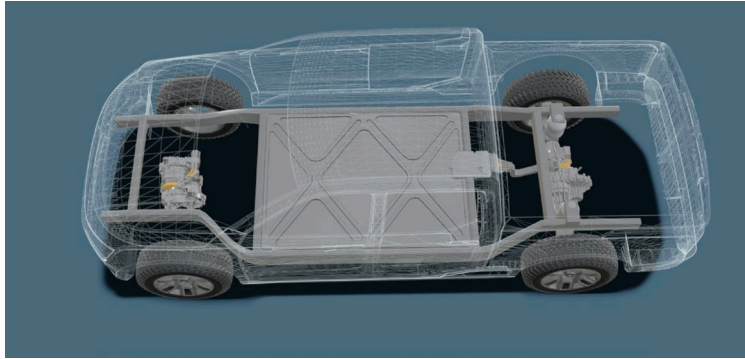


#### PRODUCT SYSTEMS



### PROCESS





## Battery Enclosures

- Contributes to vehicle structure and safety
- Steel, aluminum, and multi-material, including composites
- Business awards for GM Hummer EV and Ford F-150 EV

Structural Opportunities  
Expand with Electrification



## Magna MezzoPanel™

- First-to-market, large-format decorated front integration panel
- Integrates ADAS sensors and lighting
- Features hidden-until-lit functionality
- Awarded program using this core technology
- Enables design distinction for EV front ends

Changing the Face of Electric Vehicles



## SmartAccess™

- Enables unique access experiences
- Easily operated through multiple human-machine interface solutions
- Enhanced safety through non-contact obstacle detection
- Fully customizable

Bridging Mechatronics and  
Electronics to Deliver New Functionality



## Adaptive Beam Lighting

- Glare-free high beam
- Virtual dynamic bending
- Speed-dependent lighting
- Pedestrian detection

Increased Safety and Function  
by Integrating Electronics





## FreeForm™

- Currently launching technology on complete seat program for global OEM
- Three other programs also awarded, including from new entrant OEM, that launch in 2022
- Significant additional customer interest Fully customizable

Provides Endless Design Possibilities





## Smart Dies

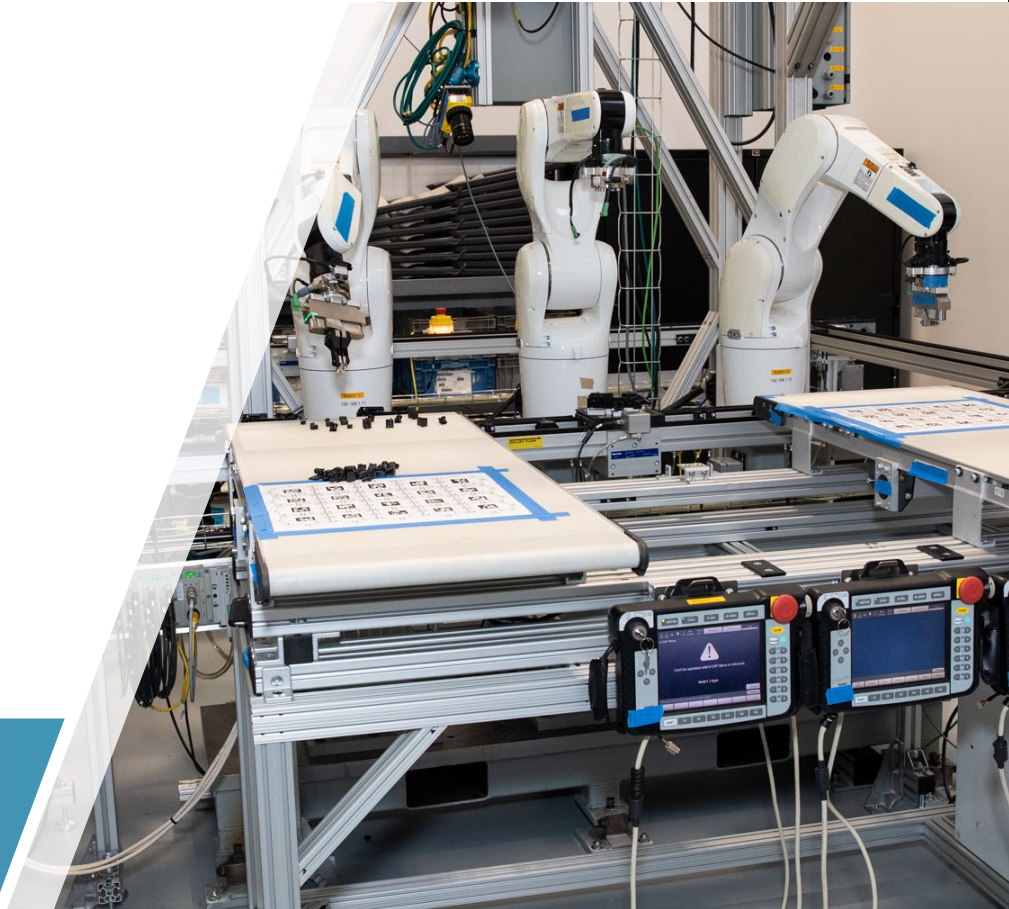
- 5-10% uptime improvement
- Up to 30% reduction in scrap
- 30-50% less hours in inspection

Real-Time Analytics  
for Better Decisions

## Advanced Robotics

- High volume production
- 2D/3D vision systems and trajectory planning with AI
- 50% reduction in floor space
- 10-20% higher operating efficiency

Automation-Enabled Efficiency





## Fenceless Robotics

- Operator and robot freely and safely collaborate
- Doubles payload at 10 times the speed
- Reduced floor space
- Improved operator ergonomics

Human and Robotic Collaboration





## Data Analytics

- Paint color change process optimization
- Implemented in 20 Exteriors manufacturing facilities
- Significant cost savings

Using Data to Minimize  
Waste and Reduce Costs

# Segment Financial Performance

## Sales

(\$Billions)

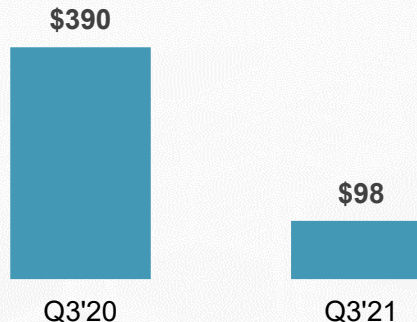
-17%



- Lower global light vehicle production, including impact of semiconductor chip shortage (-)
- Sale of three loss-making Exteriors facilities: \$99M (-)
- End of production of certain programs (-)
- Net customer price concessions (-)
- Launch of new programs (+)
- Foreign currency translation: \$52M (+)

## Adjusted EBIT

(\$Millions)



- Reduced earnings on lower sales (-)
- Negative impact of production disruptions (-)
- Higher production costs, including freight (-)
- Benefit of COVID-19 related government employee support programs in 2020 (-)
- Higher new facility costs (-)
- Net customer price concessions (-)
- Lower employee profit sharing and incentive comp (+)
- Transactional FX gains in 2021 compared to losses in 2020 (+)
- Sale of three loss-making Exteriors facilities (+)

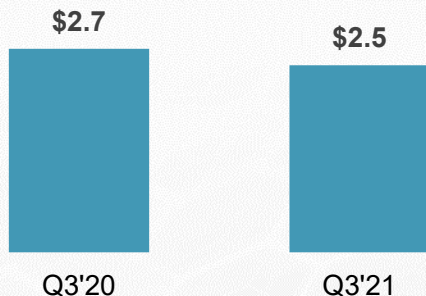


# Segment Financial Performance

## Sales

(\$Billions)

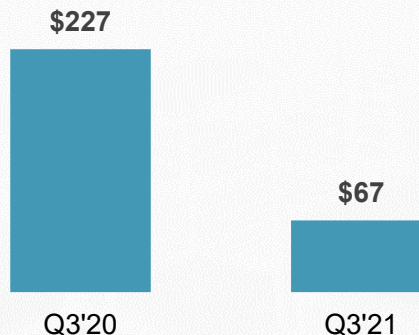
-8%



- Lower global light vehicle production, including impact of semiconductor chip shortage (-)
- Net customer price concessions (-)
- Business combinations during 2021: \$189M (+)
- Foreign currency translation: \$44M (+)
- Launch of new programs (+)

## Adjusted EBIT

(\$Millions)



- Reduced earnings on lower sales (-)
- Negative impact of production disruptions (-)
- Higher production costs, including freight and commodities (-)
- Higher electrification spending (-)
- Benefit of COVID-19 related government employee support programs in 2020 (-)
- Net customer price concessions (-)
- Lower net warranty costs: \$34M (+)
- Lower net application engineering costs in ADAS (+)

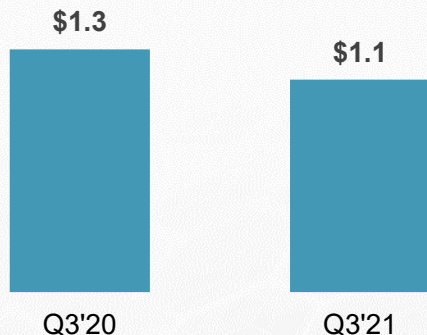


# Segment Financial Performance

## Sales

(\$Billions)

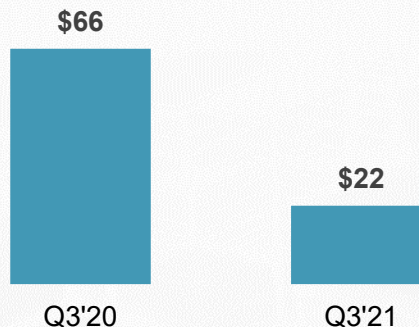
-12%



- Lower global light vehicle production, including impact of semiconductor chip shortage (-)
- Net customer price concessions (-)
- Launch of new programs (+)
- Acquisition of Hongli in China: \$102M (+)
- Foreign currency translation: \$8M (+)

## Adjusted EBIT

(\$Millions)

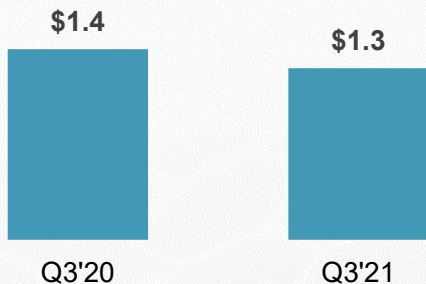


- Reduced earnings on lower sales (-)
- Negative impact of production disruptions (-)
- Higher production costs, including freight (-)
- Benefit of COVID-19 related government employee support programs in 2020 (-)
- Net customer price concessions (-)
- Cost savings and operational efficiencies including as a result of implemented restructuring actions (+)
- Productivity and efficiency improvements at certain underperforming facilities (+)

# Segment Financial Performance

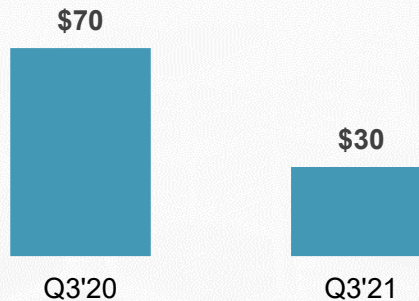
## Sales (\$Billions)

-10%



- Lower vehicle assembly volumes, including impact of semiconductor chip shortage (-4K units)
- Higher euro: \$13M (+)

## Adjusted EBIT (\$Millions)

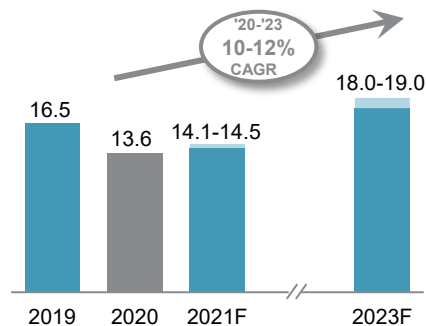


- \$45M provision on engineering service contracts with the automotive unit of Evergrande (-)
- Lower earnings due to lower assembly volumes, net of contractual fixed cost recoveries on certain programs (-)
- Net customer price concessions (-)
- Higher margins on engineering programs (+)

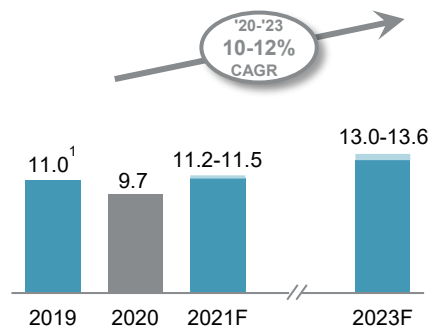
# Segment Sales & Adjusted EBIT Margin %

SALES<sup>2</sup> (\$B)

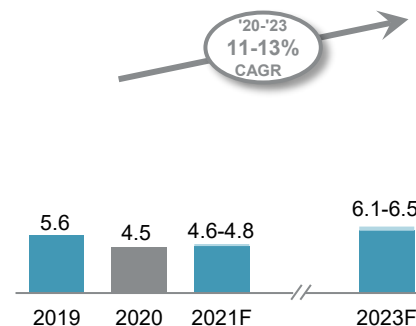
## BODY EXTERIORS & STRUCTURES



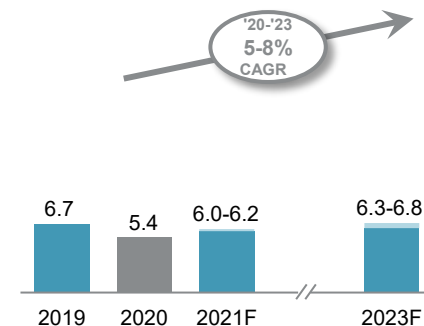
## POWER & VISION



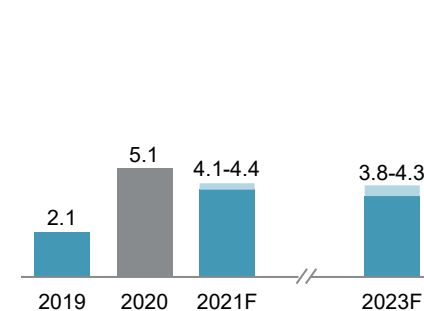
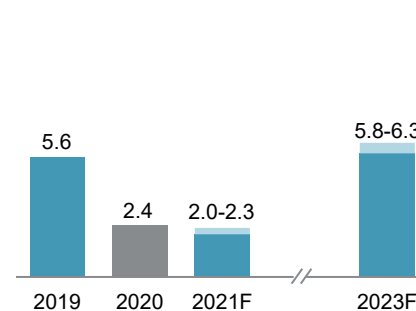
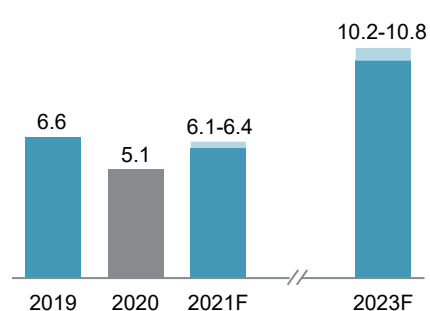
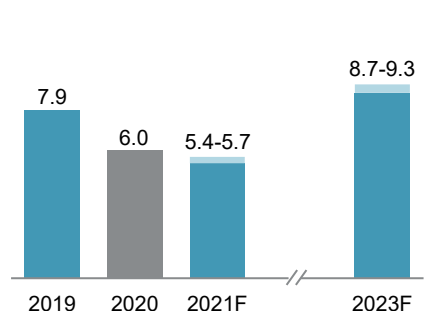
## SEATING SYSTEMS



## COMPLETE VEHICLES



ADJUSTED EBIT MARGIN %<sup>2</sup>



<sup>1</sup> Excluding \$0.4B in sales of Fluid Pressure & Controls (FP&C) business unit sold at end of Q1, 2019

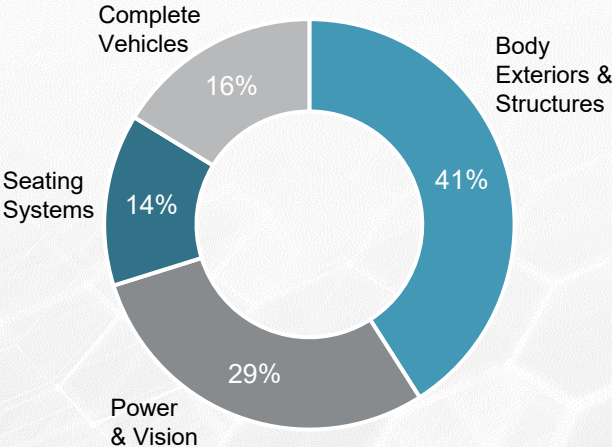
<sup>2</sup> Forward-looking financial information beyond 2021 continues to be based on outlook information and assumptions provided in our outlook press release dated February 19<sup>th</sup>, 2021, and has not been updated.



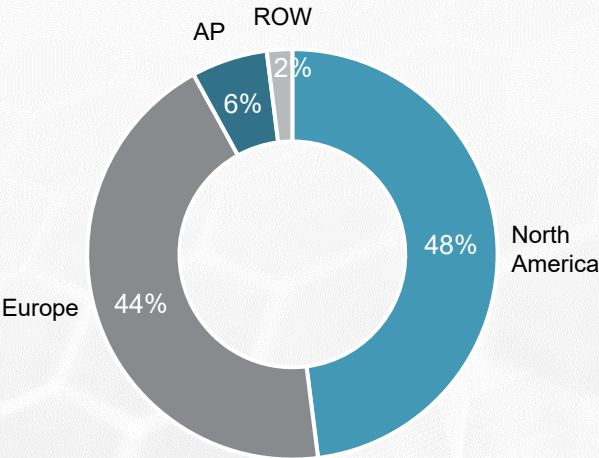
# Magna Segment and Regional Data



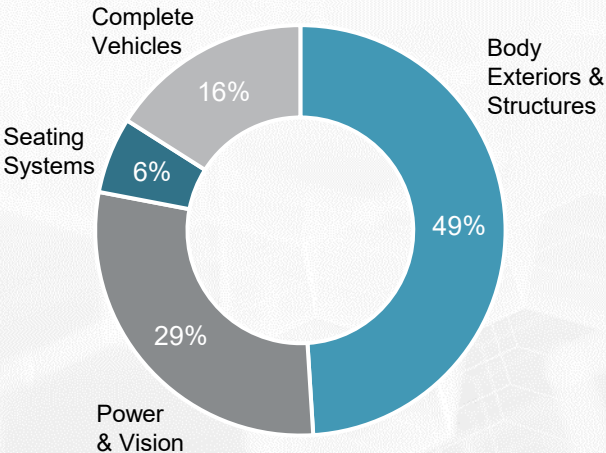
2020 Sales by Segment<sup>1</sup>



2020 Sales by Geography



2020 Adjusted EBIT by Segment<sup>1</sup>



<sup>1</sup> Excluding Corporate segment