



AMERICAN AXLE & MANUFACTURING HOLDINGS INC.

SHAREHOLDER OUTREACH FALL 2025

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Forward-Looking Statements



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In this presentation, American Axle & Manufacturing Holdings, Inc. (“AAM”) makes statements concerning its and Dowlais’ expectations, beliefs, plans, objectives, goals, strategies, and future events or performance, including, but not limited to, certain statements related to the ability of AAM and Dowlais to consummate AAM’s business combination with Dowlais (the “Business Combination”) in a timely manner or at all; future capital expenditures, expenses, revenues, economic performance, synergies, financial conditions, market growth, dividend policy, losses and future prospects and business; and management strategies and the expansion and growth of AAM’s and the combined company’s operations. Such statements are “forward-looking” statements within the meaning of the Private Securities Litigation Reform Act of 1995 and relate to trends and events that may affect AAM’s or the combined company’s future financial position and operating results. The terms such as “will,” “may,” “could,” “would,” “plan,” “believe,” “expect,” “anticipate,” “intend,” “project,” “target,” and similar words or expressions, as well as statements in future tense, are intended to identify forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. These forward-looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied by these statements. These risks and uncertainties related to AAM include factors detailed in the reports AAM files with the United States Securities and Exchange Commission (the “SEC”), including those described under “Risk Factors” in its most recent Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q. These forward-looking statements speak only as of the date of this communication. AAM expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in its or Dowlais’ expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Non-GAAP Financial Information

This presentation refers to certain financial measures, including Adjusted EBITDA, Adjusted EBITDA margin, Free Cash Flow, Adjusted Free Cash Flow, and Operational Cash Flow that are not required by, or presented in accordance with, accounting principles generally accepted in the United States, or GAAP. These measures are presented to provide additional useful measurements to review AAM’s operations, provide transparency to investors and enable period-to-period comparability of financial performance. These non-GAAP measures should not be considered a substitute for any GAAP measure. Additionally non-GAAP financial measures as presented by AAM may not be comparable to similarly titled measures reported by other companies.

Outreach Topics



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- AXL Overview and Current Business Profile
- Corporate Governance and Executive Compensation
- Shareholder Feedback and Q&A

AAM is a Leading Global Driveline Supplier



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A global leader in design, engineering and manufacturing of automotive propulsion systems and technologies to support ICE, hybrid, and electric vehicles



\$6.1B 2024 Sales



~19,000 Employees¹



15 Countries



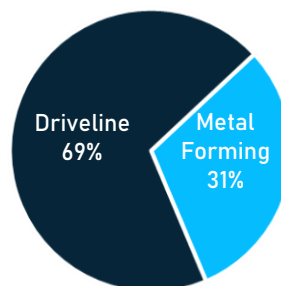
Over 75 Locations



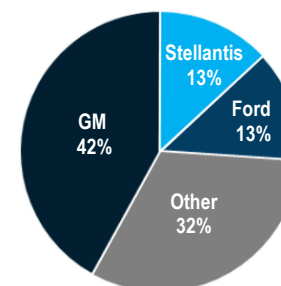
11 Engineering and Tech Centers



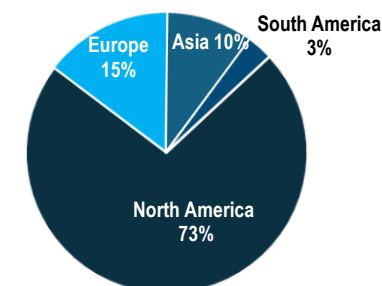
2024 Sales By Business Unit



2024 Sales By Customer



2024 Sales By Geography²



¹Includes temporary and contract employees. ²May not sum to 100% due to rounding

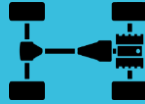
AAM Business Segments



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DRIVELINE

2024 SALES ≈ \$4.25B¹



A Leading
Supplier to
Attractive
North
American
Pick-Up
Truck
Market

- Full-size Pickup Truck and SUV Driveline Systems
- AWD Systems for Crossover Vehicles
- Damped Gears, Viscous Dampers and Rubber Isolation Pulleys
- Pioneer of Disconnecting AWD Systems
- One of the leaders in hybrid and electric driveline solutions

Forged
Components
Provide
Vertical
Integration
Advantage

METAL FORMING

2024 SALES ≈ \$1.87B¹



- Forged Gears & Shafts
- CVT Pulleys
- Powdered Metal Connecting Rods
- Aluminum Valve Bodies
- Machined Helical Gears
- Differential Assemblies
- Strong position in electrified propulsion components

¹Represents AAM net external sales

2025 AAM Highlights



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+ DOWLAIS

- Both AAM and DWL Stockholders approved the combination in July
- AAM completed permanent financing for the transaction in October
- Combination has now been cleared under antitrust laws in nine out of ten jurisdictions
 - Anticipated to close in the first quarter of 2026

Scout

AAM to supply front electric drive units (EDUs) and rear e-Beam axles for the much-anticipated Scout SUV and Pickup Truck.



AAM exited our 50% ownership of both Hefei AAM and Liuzhou AAM in China.



Published 2024 Sustainability Report and received over 15 quality performance awards.



Awarded multiple new, replacement and extension programs for both driveline and metal forming products.



AAM successfully completed the divestiture of its commercial vehicle business and related assets in India.



Named Terry Grayson-Caprio and David Walker to the Board of Directors.

Compelling Strategic Combination



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+ DOWLAIS

Creates a leading global driveline and metal forming supplier with significant size and scale

Comprehensive powertrain agnostic product portfolio with leading technology

More diversified customer base with expanded and balanced geographic presence

Compelling industrial logic with ~\$300M of expected synergies

High margins with strong earnings accretion, cash flow and balance sheet

Creates More Robust Business Model Intended To Accelerate Growth And Value Creation For All Stakeholders

AAM Long-Term Value Creation



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Diversification

- Balanced mix of customers and geography.
- Expand our product portfolio, driving opportunities with new OEMs and regions.
- Agnostic to propulsion market changes.



Sales

- Grow above market by leveraging scale and technology.
- Protect and extend the core business.
- Hybrid and electric will further drive expansion into new segments.
- Offer a compelling value proposition to customers.



Financials

- Leverage AAM's Operating Systems to drive top tier EBITDA margin and cash flow generation.
- Enhance balance sheet strength.



Long-Term Focus

- Become a leader in propulsion technologies.
- Increase size and scale through organic and inorganic growth.
- Effective deployment of capital.

The top half of the slide features a complex, abstract pattern of light blue lines on a white background. These lines resemble a circuit board or a network diagram, with various straight, angled, and curved paths intersecting. Some lines end in small dots, and others form loops or branching structures.

Corporate Governance and Compensation Highlights



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Independent and Engaged Board



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Independence

- 10 of 11 directors are independent*
- Lead Independent Director
- Committees consist solely of independent directors (except Executive Committee)
- Independent directors engage in regular executive sessions

Sound Practices

- Stock ownership requirements for directors and executive officers
- Hedging or pledging of AAM stock is prohibited
- Limitations on other board service
- Insider Trading Policy
- Board policy requires inclusion of diverse candidates in board candidate pool
- Nominating/ Corporate Governance Committee oversight of sustainability program, human capital management and succession planning

Accountability

- Proactive shareholder engagement program
- Proxy access by-laws
- Majority vote for directors in uncontested elections
- Candid Board and committee evaluation process
- Commitment to Board refreshment

Risk Management

- Active Board oversight of AAM's overall risk management structure
- AAM has robust risk management processes throughout the Company
- Board committees oversee risks related to their areas of responsibility
- The Board and its committees receive regular updates from management on top enterprise risks and related risk mitigation activities, including artificial intelligence and cybersecurity

36% Ethnic / Racial and Gender Board Diversity

Exec Comp – A Balanced, Long-Term Focus



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- In response to the level of support for our prior year say-on-pay proposal, we leveraged our shareholder outreach efforts and invited 25 of our top shareholders to engage in discussions and elicit feedback on executive compensation and other topics of importance to them
- Our compensation programs are designed to balance short-term performance with long-term growth



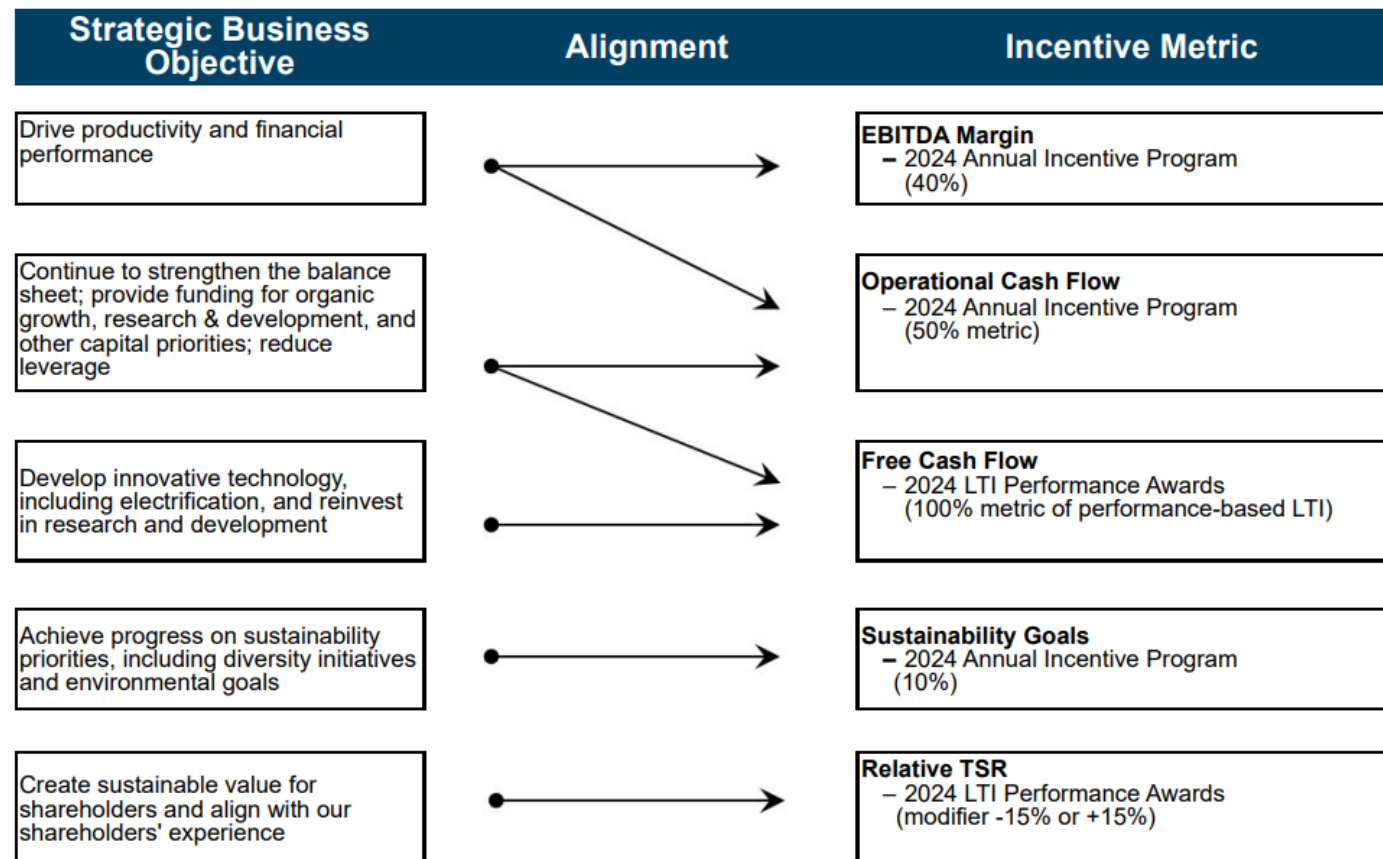
Compensation Linked To Strategic Business Objectives



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AAM's compensation philosophy supports our business strategy and performance, aligns with shareholder interests and pays competitively. Our compensation programs are designed to balance short-term performance and long-term growth. A significant portion of CEO and other NEO pay is performance-based and at risk.

The Compensation Committee annually reviews performance metrics, targets and payouts to ensure they are challenging, stretch goals that drive performance while mitigating risk.



Incentive Metrics Aligned With Strategic Business Objectives

Compensation to Align with Shareholder Interests



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Foundational Practices to Support Shareholder Value

Incentive metrics linked to our strategic business objectives

Robust shareholder engagement program

TSR metric included in our long-term incentive program

Stock ownership requirements

No discretionary incentive payments

Clawback policies

Continual Enhancement to Compensation to Strengthen Alignment With Shareholder Value

2018

- Redesigned annual proxy statement and enhanced disclosures for better understanding and transparency
- Reduced executive retirement benefits by freezing legacy retirement plan and adopted a plan more aligned with market practices

2020

- Allocated 20% of annual incentive program to the achievement of strategic priorities, including sustainability initiatives
- Salary reductions of 30% for executive officers and a 40% reduction in fees for non-employee directors in response to COVID-19

2022

- Increased the emphasis on sustainability objectives by specifically allocating 10% of our annual incentive program to the achievement of sustainability objectives

2023

- Increased performance-based portion of LTI awards to 60% from 50% in 2022
- Eliminated unvested performance shares from counting toward stock ownership requirements

2024

- Increased weighting of the performance-based cash flow metric of the annual incentive program to 50% from 40% to further emphasize the importance of strong cash flow performance

Sustainability Leadership and Oversight



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- Board of Directors and Chairman and CEO: Provide program governance and alignment of sustainability initiatives with overall business strategy
- Policy Committee: Responsible for policymaking and implementation, including determination of material topics.
- Sustainability Program Lead: Responsible for guiding and directing corporate sustainability initiatives.
- Corporate Sustainability Team: Responsible for sustainability-related communication, customer requests and rating agency assessments; works closely with top-level leadership on sustainability strategy, gap analysis and relevant initiatives; supports internal and external stakeholder engagement on sustainability matters.
- ESG Working Group: Leaders from multiple functional departments meet consistently to cover a variety of strategy and planning topics, including sustainability goals, legislation, and rating agency results.



Question and Answer



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Appendix / Supplemental Data



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Additional Disclosures



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Quantified Financial Benefits Statement

This presentation contains statements of estimated cost savings and synergies arising from the Business Combination (together, the “Quantified Financial Benefits Statements”).

Statements of estimated cost savings and synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to in the Quantified Financial Benefits Statements may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. No statement in the Quantified Financial Benefits Statements, or this presentation generally, should be construed as a profit forecast or interpreted to mean that the combined company’s earnings in the first full year following the date on which the Combination becomes effective, or in any subsequent period, would necessarily match or be greater than or be less than those of AAM or Dowlais for the relevant preceding financial period or any other period. For the purposes of Rule 28 of the UK Takeover Code, the Quantified Financial Benefits Statements contained in this presentation is the responsibility of AAM and the AAM Directors.

A copy of the Qualified Financial Benefits Statements, the basis of belief, principal assumptions and sources of information in respect of any quantified financial benefits statement are set out in appendix 6 of the Rule 2.7 announcement made by AAM and Dowlais on January 29, 2025.

Publication on website

A copy of this presentation will be made available (subject to certain disclaimers) on AAM’s website (at <https://www.aam.com/investors>) by no later than noon London time on the business day following the date of this presentation. Neither the contents of this website nor the content of any other website accessible from hyperlinks on such websites is incorporated into, or forms part of, this presentation.

Reconciliation of Non-GAAP Measures



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In addition to the results reported in accordance with accounting principles generally accepted in the United States of America (GAAP) included within this presentation, we have provided certain information, which includes non-GAAP financial measures. Such information is reconciled to its closest GAAP measure in accordance with Securities and Exchange Commission rules and is included in the following slides.

Certain of the forward-looking financial measures included in this presentation are provided on a non-GAAP basis. A reconciliation of non-GAAP forward-looking financial measures to the most directly comparable forward-looking financial measures calculated and presented in accordance with GAAP has been provided. The amounts in these reconciliations are based on our current estimates and actual results may differ materially from these forward-looking estimates for many reasons, including potential event driven transactional and other non-core operating items and their related effects in any future period, the magnitude of which may be significant.

Definition of Non-GAAP Measures



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EBITDA and Adjusted EBITDA

We define EBITDA to be earnings before interest expense, income taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA excluding the impact of restructuring and acquisition-related costs, debt refinancing and redemption costs, gains or losses on equity securities, pension curtailment and settlement charges, impairment charges and non-recurring items. We believe that EBITDA and Adjusted EBITDA are meaningful measures of performance as they are commonly utilized by management and investors to analyze operating performance and entity valuation. Our management, the investment community and the banking institutions routinely use EBITDA and Adjusted EBITDA, together with other measures, to measure our operating performance relative to other Tier 1 automotive suppliers. We also use Segment Adjusted EBITDA as the measure of earnings to assess the performance of each segment and determine the resources to be allocated to the segments. EBITDA and Adjusted EBITDA are also key metrics used in our calculation of incentive compensation. EBITDA and Adjusted EBITDA should not be construed as income from operations, net income or cash flow from operating activities as determined under GAAP. Other companies may calculate EBITDA and Adjusted EBITDA differently.

Free Cash Flow and Adjusted Free Cash Flow

We define free cash flow to be net cash provided by operating activities less capital expenditures net of proceeds from the sale of property, plant and equipment and government grants. Adjusted free cash flow is defined as free cash flow excluding the impact of cash payments for restructuring and acquisition-related costs and cash payments related to the Malvern fire, including payments for capital expenditures, net of recoveries. We believe free cash flow and Adjusted free cash flow are meaningful measures as they are commonly utilized by management and investors to assess our ability to generate cash flow from business operations to repay debt and return capital to our stockholders. Free cash flow and Adjusted free cash flow are also key metrics used in our calculation of incentive compensation. Other companies may calculate free cash flow and Adjusted free cash flow differently.

Operational Cash Flow

We define operational cash flow to be Adjusted EBITDA less purchase of property, plant and equipment plus proceeds from sales of property, plant, and equipment. Operational cash flow was selected to focus management on our annual cash flow target achievement to reduce debt and on the capital intensity of our business profile.



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