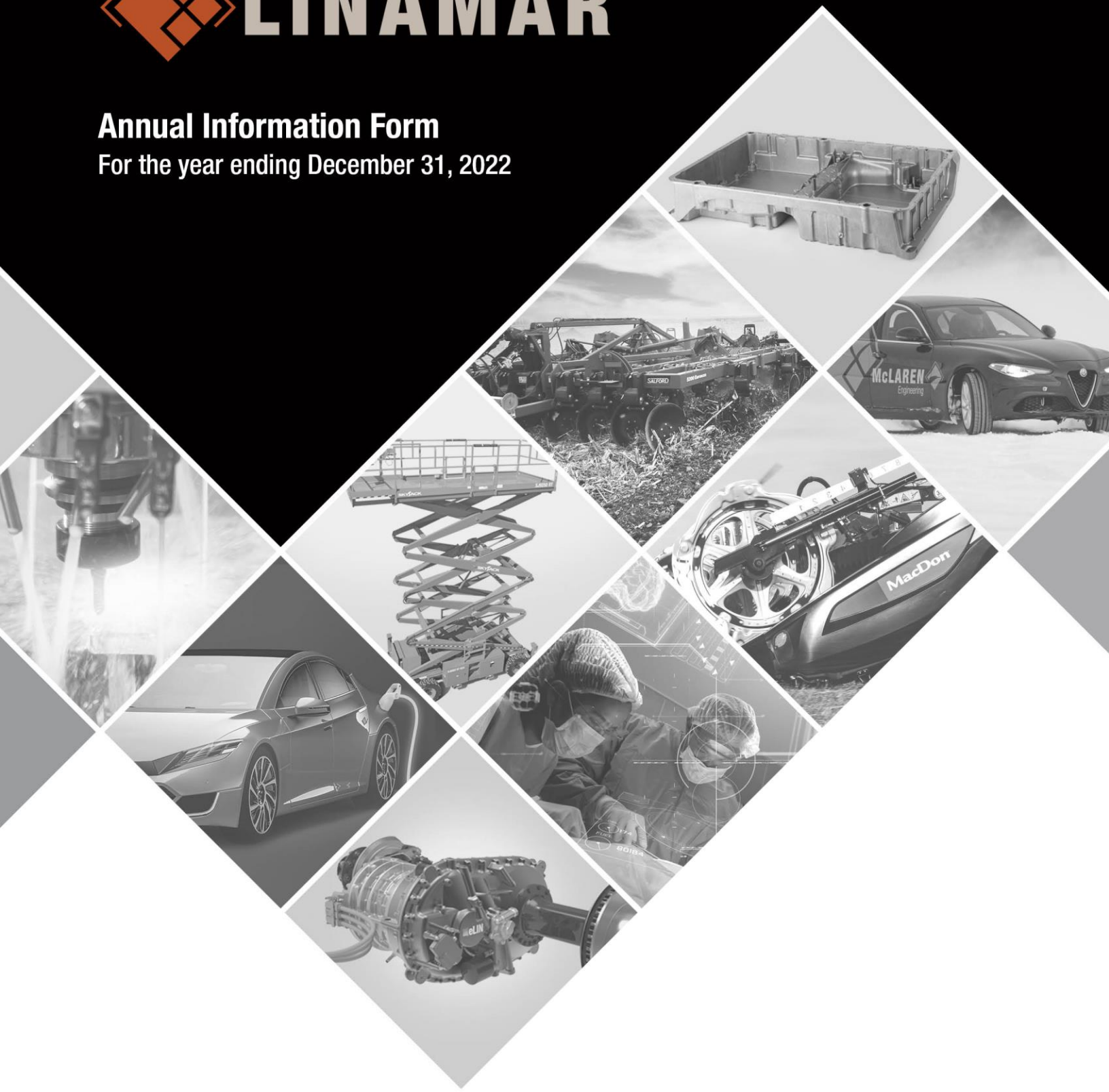
LINAMAR

Annual Information Form

For the year ending December 31, 2022



LINAMAR

eLIN McLAREN Engineering LINAMAR | MedTech SKYJACK MacDon SALFORD

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Dated March 27, 2023

About this AIF

Unless indicated otherwise, the information in this Annual Information Form ("AIF") is given as of December 31, 2022.

This AIF contains forward-looking information. Please refer to Appendix 1 for more guidance in this regard. Unless otherwise indicated, in this AIF all references to "$" are to Canadian dollars.

Unless the context requires otherwise, the terms "Linamar", "Company", "we", "us", and "our" used herein refer to Linamar Corporation and its subsidiaries.

1. Corporate Structure

1.1 Name and Incorporation

Linamar was incorporated pursuant to the *Business Corporations Act* (Ontario) on August 17, 1966 and is governed by Articles of Amalgamation dated January 1, 2020. The common shares of the Company are listed and posted for trading on the Toronto Stock Exchange under the trading symbol "LNR". The Company's registered and head office is located at 287 Speedvale Avenue West, Guelph, Ontario, N1H 1C5.

Linamar has subdivided its outstanding common shares several times since incorporation, most recently by Articles of Amendment dated May 1, 1998, when it subdivided each of its issued and outstanding common shares into three issued and outstanding common shares. Linamar has also undertaken various amalgamations with one or more of its wholly owned subsidiaries since incorporation.

For a summary of the principal subsidiaries of the Company as of December 31, 2022, please refer to Appendix 2.

2. General Development of the Business

2.1 Overview

Linamar is an advanced manufacturing company where the intersection of leading technology and deep manufacturing expertise creates solutions that power vehicles, motion, work, and lives. Linamar has 27,905 employees in 66 manufacturing locations, 14 research and development centres and 28 sales offices in 17 countries in North and South America, Europe and Asia which generated sales of approximately $7.9 billion in 2022.

The Company is comprised of two operating segments: the Industrial segment and the Mobility segment. The Mobility segment operates as a leading Tier 1 supplier to the automotive industry, while the Industrial segment is comprised of three market-facing brands that manufacture access and agricultural equipment. The Company's financial reporting is organized by its reportable operating segments. Please refer to Section 3 for a detailed description of each segment.

Despite the Company's roots in automotive and industrial manufacturing, our growth and trajectory will continue to be guided by the Linamar 2100 plan. Linamar 2100 is a strategic roadmap that outlines six key markets that have underlying technology and macroeconomic fundamentals that will drive a sustainable, diversified business globally: mobility, food, infrastructure, medical technology, power, and water.

In 2022, the Company's five largest customers (Ford, GM, Stellantis, Volkswagen, and ZF Group) accounted for 52.01% of its consolidated revenue.

2.2 Three-Year History and Significant Acquisitions

Over the last three years, Linamar has continued to grow its business. Although the disruptions and adverse conditions caused by the COVID-19 pandemic have influenced Linamar's financial results, the Company has experienced a steady increase of revenue between 2020 ($5.8 billion), 2021 ($6.5 billion), and 2022 ($7.9 billion). Throughout this period, Linamar has maintained a healthy balance sheet, allowing it to maintain the flexibility necessary to pursue its growth strategy. The Company continues to pursue business opportunities that will further develop its product and process technology, market or customer diversification, and its capabilities overall.

The following subsections summarize certain key developments to the Company's business, operations, and management over the previous three years.

2.2.1 2020 Activity

Linamar performed well as it navigated the global COVID-19 pandemic.

On March 18, 2020, the Company announced the renewal of a normal course issuer bid (a "NCIB") to purchase up to 10% of the Company's public float of common shares until March 19, 2021. During this period, the Company did not repurchase or cancel any common shares under the NCIB.

On May 13, 2020, Lisa Forwell was appointed to the Company's Board of Directors to replace William Harrison following his retirement.

In November 2020, the Company entered into an agreement to issue, on a private placement basis, EUR 320 million principal amount of notes bearing interest at an annual rate of 1.37% and maturing on January 31, 2031 (the "2031 Notes"). The Company received EUR 320 million in funding through the 2031 Notes.

2.2.2 2021 Activity

Linamar fortified its balance sheet and market position as the global economy began its recovery from the impacts of the COVID-19 pandemic.

On May 3, 2021, Linamar entered a strategic alliance with Ballard Power Systems ("Ballard") for the co-development and sale of fuel cell powertrains and components for class 1 and 2 vehicles, weighing up to 5-tons, in North America and Europe.

In June 2021, Linamar and Exro Technologies Inc. outlined a project whereby the parties agreed to jointly develop advanced eAxle utilizing Coil Driver technologies to improve cost and performance of Linamar's eAxle product line.

On September 28, 2021, Linamar announced an exclusive manufacturing and licensing agreement with eMatrix Energy Systems, Inc. ("eMatrix"), a developer of modular battery pack technology. As part of the arrangement, Linamar also made a strategic investment in eMatrix's business.

On November 26, 2021, Linamar announced TSX approval of a new NCIB, under which Linamar is authorized to purchase up to 10% of the Company's public float of common shares until November 29, 2022. During this period, the Company repurchased and cancelled an aggregate of 3,972,540 common shares.

2.2.3 2022 Activity

In January 2022, Frank Hasenfratz, Linamar's founder and Executive Chair, regrettably passed away. Jim Jarrell, the Company's President and COO, was appointed to the Board of Directors seat vacated with the passing of Mr. Hasenfratz. Linda Hasenfratz, the Company's CEO and member of its Board of Directors, was appointed to the Executive Chair position.

On March 31, 2022, Linamar announced the acquisition of GF Casting Solutions' ("GF") 50% interest in GF Linamar LLC, a joint venture established between GF and Linamar in 2015.

On April 27, 2022, Linamar announced the acquisition of the Salford Group of Companies ("Salford") for an adjusted purchase price of approximately $245.2 million. This transaction closed on June 3, 2022.

On May 19, 2022, Linamar announced the creation of Linamar MedTech, a new division, focused on delivering manufacturing solutions for medical devices and precision medical components. Linamar MedTech plans to leverage the Company's resources and deep manufacturing expertise to supply high-quality and cost-effective solutions to the medical components market. Linamar MedTech's financial results are currently reported under the Mobility segment.

On November 22, 2022, Linamar announced the renewal and extension of its bank credit facility, with a maximum principal amount of $1,175M. Further details concerning Linamar's current bank credit facility are located at Section 3.3.4 below.

2.3 Forecast for 2023

The 2023 market outlook for the core industries in which Linamar operates is largely positive. The underlying market demand was strong in 2022, however supply chain disruptions, semi-conductor shortages and other constraints limited our ability to meet that demand. Although these challenges are expected to persist in 2023, they have abated to some degree and are expected to continue to improve moving forward. According to industry experts, global light vehicle production is expected to grow by approximately 4%, with the three core regions of North America, Europe and Asia/Pacific each expected to see

positive growth. Strong market growth is also expected in the access and materials handling industry, with anticipated market year-over-year increases of near double digits in North America, Europe and Asia. The agriculture machinery market outlook in North America and Europe remains positive.

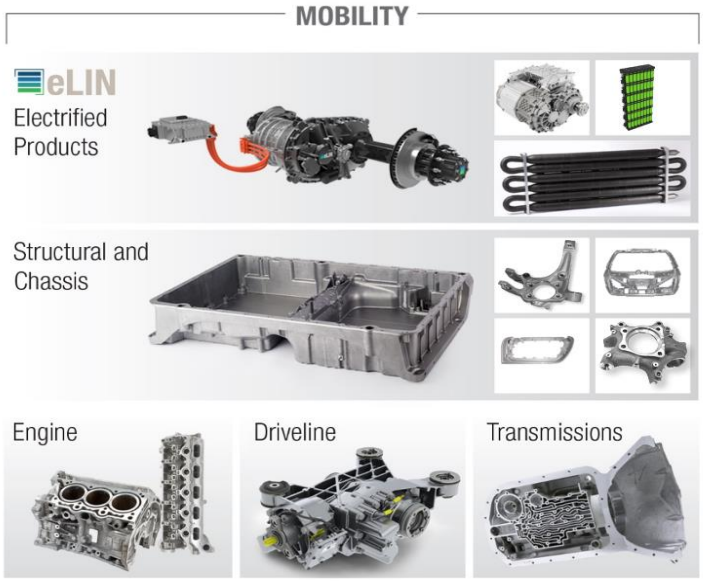
3. Description of the Company's Business Segments

The following section describes the general business of each operating segment of the Company. Business information that is common to both segments is described jointly in Section 3.3. This information should be read in conjunction with the risk factors applicable to the Company's business, which are incorporated by reference at Section 4 of this AIF.

3.1 Mobility Segment

The Mobility segment operates primarily as a leading Tier 1 supplier to the automotive industry. The Mobility segment derives revenues primarily from the collaborative design, development and manufacture of precision metallic components, modules and systems for global vehicle and power generation markets.

The Mobility segment manufactures precision-machined components and assemblies that have traditionally been used in Internal Combustion Engines (ICE) vehicles including highly efficient transmissions, engines, and driveline systems. Additionally, the Mobility segment's portfolio now also offers a wide range of products for New Energy Vehicles (NEV). This includes Battery Electric Vehicles (BEV), Hybrid Electric Vehicles (HEV), and Fuel-Cell Electric Vehicles (FCEV). Linamar's vertically integrated operations combine expertise in light metal casting.



The Mobility segment has 56 manufacturing locations, 6 R&D centers, 10 sales offices and operates in 12 countries in North America, Europe, and Asia.

The principal customers of the Mobility segment are OEMs and their suppliers, including Ford, GM, Volkswagen and Stellantis, among others. This segment operates globally and serves automotive OEM and commercial vehicle customers.

On May 19, 2022, Linamar announced the creation of Linamar MedTech, a new division, focused on delivering manufacturing solutions for medical devices and precision medical components. Linamar MedTech plans to leverage the Company's resources and deep manufacturing expertise to supply high-quality and cost-effective solutions to the medical components market. Linamar MedTech is the natural next step by Linamar to further diversify its operations to include the strategic industries outlined in the Linamar 2100 vision. Linamar MedTech's financial results are currently reported under the Mobility segment.

Sales for the Mobility segment increased by approximately $936.7 million, or 18.5%, to $6.0 billion in 2022, compared with $5.1 billion in 2021. The sales increase was due to:

- Increased sales related to launching programs and increased volumes for certain programs that the Company has significant business with;
- Increased pricing related to cost recovery partially offsetting the associated raw material and utilities; and
- Increased sales related to the acquisition of the remaining 50% interest of GF Linamar LLC now known as LLM Mills River;

And were partially offset by:

- An unfavourable impact on sales from the changes in foreign exchange rates.

A table showing the total operating revenues that the Mobility segment contributed to for the years ended December 31, 2022 and 2021 can be found under the subsection "Segmented Information" of Linamar's 2022 Annual Report. A copy of the Annual Report can be accessed on SEDAR at www.sedar.com.

3.1.1 Principal Markets and Sales

A significant portion of the Mobility segment's manufacturing operations relate to the automotive industry. The Mobility Segment is subdivided into three regional groups: North America, Europe, and Asia Pacific. Each group primarily supports automotive customer programs in their respective region and maintains vertically integrated operations that combine expertise in light metal casting, forging, machining and assembly for both the global electrified (NEV) and traditionally powered (ICE) vehicle markets.

Companies which supply directly to automotive OEMs, and which may be involved in the design, engineering, manufacture, and quality control testing are generally referred to in the automotive industry as "Tier 1" suppliers. Tier 1 suppliers (including Linamar) may be awarded longer-term purchase orders by OEMs as a result of their involvement in the development of components with the OEMs. Many components are now being manufactured and assembled into assemblies, modules, or systems by Tier 1 suppliers, which OEMs then purchase and install into their vehicles or vehicle propulsion systems.

Tier 1 suppliers, like Linamar, generally have the capability to supply these components, assemblies, modules, or systems to the OEMs on a just-in-time basis, which helps OEMs reduce or otherwise manage inventory levels. In producing assemblies, modules, or systems for OEMs, Tier 1 suppliers may rely on other suppliers for some components or parts. Depending on their level of sophistication in respect of engineering, manufacturing, and other relevant skills, these suppliers are generally referred to as either "Tier 2" or "Tier 3" suppliers. Linamar distributes its products to its customers through a combination of internal and external logistics resources. The lifecycle for the products Linamar typically produces for the Mobility markets tend to run for five to ten years.

Linamar anticipates significant opportunities for growth as OEMs redirect their capital spending to the development of electrification, autonomy, and other advanced technologies, resulting in an outsourcing of a greater portion of their supply of complex components, assemblies, modules and systems.

Linamar usually receives contracts to produce a particular part for multiple model years. Firm orders from automotive customers are usually only created when Linamar receives a release under such a contract, authorizing it to produce and deliver specific quantities of the product. Such releases are generally issued for planning, raw material, and production purposes over a three-to-four-month period in advance of anticipated delivery dates. The actual number of parts produced by the Company under any specific contract in any given year is dependent upon the number of vehicles produced by the OEM of the specific model or model type in which the part is incorporated. OEM production levels of a particular vehicle model or engine or transmission type may vary significantly from OEM estimates and such production may be delayed or cancelled, sometimes with little compensation to Linamar. Although OEMs are not usually contractually committed to using a particular manufacturer to supply a product throughout the time the OEM requires such product, the cost of changing suppliers can often be prohibitively expensive. It has been Linamar's experience that, once it has received a commercial production order to produce a part for a particular vehicle model or model type, it will ordinarily continue to produce the part throughout the time the OEM utilizes such part for that vehicle.

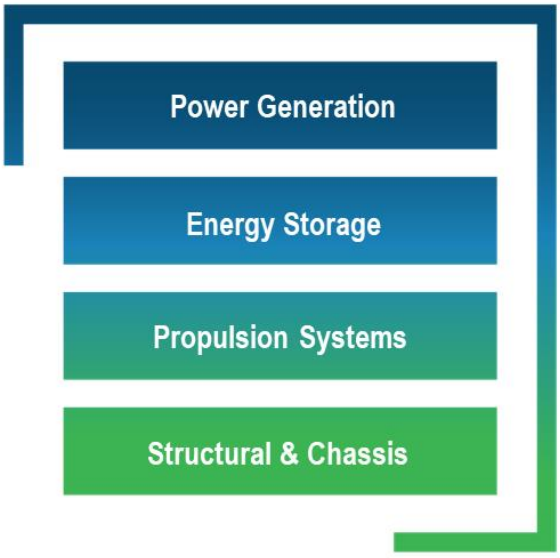
3.1.2 Production

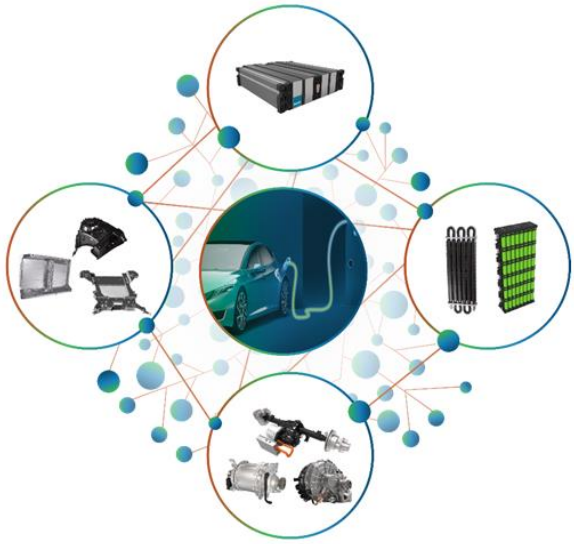
The principal facilities utilized by the Mobility Segment generally range in size from 70,000 to 150,000 square feet and usually operate at or near 90 to 95% of production capacity. Most of Linamar's existing manufacturing facilities can be adapted to a variety of manufacturing processes without significant capital expenditures, other than for new equipment. Importantly, Linamar focuses on utilizing flexible, modular Computer Numerical Control ("CNC") programmable machines to tool up its programs. This means that equipment can be easily retooled at low cost for another program as required to meet changing customer capacity requirements. As a corollary, production lines are scalable to match customer demand as it might increase or decrease, allowing the Company to reallocate equipment to new programs, shifting what are normally fixed costs and allowing growth even in times when limited capital spend is necessary.

Vertically integrated forging and light metals casting operations are an exception to this concept. Forging and casting equipment is not as flexible as CNC machining equipment in that it requires more facility infrastructure that is fixed in nature. Product specific tooling is set up on the equipment and run in scheduled batches, depending on the volume required by the customer. Numerous programs can be tooled to run on individual forging or casting equipment lines, but those fixed costs are not as easily reallocated should customer order volumes quickly decrease.

Linamar's newest facilities continued to execute on launching critical new vehicle programs. Linamar Power Systems (the Wuxi 2 Plant) in China continued its ramp up the EV eAxle program which first launched in 2021 for the Chinese market. This program is now in full-scale production. This is our first major EV systems program in China and a great demonstrator program for a region that will be a world leading EV market. The Linamar Technology Hungary plant has also launched its EV eAxle program in the summer of 2021 and is now also in regular production. In India, Linamar's first local plant situated in Pune had outgrown its current footprint. With new business launching in that location, the local operations team moved into a new larger site that accommodates their growing backlog.

Broadly, the strategy for Linamar Mobility Segment is to continue to leverage the benefits offered by vertically integrated solutions in forging, light metal casting, machining, and assembly to global auto and commercial vehicle OEMs. This is across all vehicle propulsion system technology types. This is accomplished with the aim to increase our content per vehicle by providing product offerings in the traditional ICE propulsion systems while also expanding the portfolio for increase content potential in NEVs. Linamar created a dedicated product solutions group called "eLIN" in 2021 to solely focus efforts in electrification. The eLIN portfolio consists of four broad full-engineered product system categories: power generation, energy storage, propulsion systems and structural & chassis.





3.1.3 Quality Control

Linamar has identified and pursues quality control as a key driver of its business. The precise nature of metallic component machining and the demands of the automotive industry dictate that Linamar have a premium Quality Management Systems ("QMS") in place. Below are a few elements of the QMS at Linamar:

- Registration to ISO/TS 16949 (a global automotive supply standard);
- Certification to specific customer OEM supplier standards;
- Statistical Process Control; and
- 2D/QR code part marking/traceability.

Linamar also performs ongoing machine, process and gauge capability studies to ensure that quality and productivity are maintained or improved where possible. The Company has traditionally experienced a very low level of warranty claims. As Linamar becomes more involved in the design of products, however, it is possible that in the future the number of such claims may rise.

3.1.4 Our Industry

Linamar's primary market, the global automotive industry, is capital intensive and highly competitive notwithstanding the high barriers to entry. Linamar's competition often comes from its own customers' internal manufacturing operations, who frequently weigh the benefits of manufacturing a product themselves against purchasing it from a supplier. As indicated above, OEMs have often favoured outsourcing production to suppliers, focusing instead on investment in advanced technology and vehicle assembly. This has been a positive tailwind trend for Linamar over the past several decades.

Linamar also competes with other large Tier 1 global suppliers who engineer and manufacture similar products and systems. Although there are companies who offer comparable offerings to Linamar and are noteworthy competitors on a product-by-product basis, there are few who have the extensive product range and diversified manufacturing capabilities that Linamar possesses, which is a distinct competitive advantage. Within the automotive sector, the proportion of suppliers that solely manufacture vehicle parts to more diversified suppliers continues to decline.

Since the 2008 financial crisis, the supply base of automotive OEMs has been rationalized and reduced. This trend continues as both technological advancements in vehicles and challenges associated with the COVID-19 pandemic hamper smaller companies without the appropriate scale, global footprint or financial capacity. Suppliers with close ties to OEM customers, a global footprint, and a track record of quality performance stand to benefit from this trend. This dynamic can create high barriers to entry for companies who are not already well-established. This is especially true given the trend of global platforms and architectures. Automotive OEM architectures are now common across all geographic regions to achieve greater economies of scale. The OEMs want suppliers whose footprint can match their regional needs. Linamar is well positioned for this trend given the ability to launch new business in North America, Europe and Asia. This trend is expected to continue.

Consolidation and the need to have greater capabilities and offer more comprehensive solutions is also a key driver behind Linamar's focus on vertical integration. Linamar's vertical integration in forgings, castings, as well as traditional machining and assembly enable the company to address market trends in light-weighting and noise vibration harshness, bringing increased technical advantages to its OEM customers.

As the automotive industry continues to evolve, Linamar expects that OEMs will require their suppliers to demonstrate more than the well-established criteria of global scale, competitive cost, just-in-time delivery, and quality and launch management. Rather, increased importance will be placed on a supplier's competitive ability to invest in new technologies, innovate, and bring new products to market.

3.1.5 Research and Development

Linamar's research and development activities encompass process, product, and material development.

The Mobility segment has six development centres and receives support from Linamar's iHub, an incubator for new technologies and products. The development centres are subdivided into three regional groups that align with the Company's operational structure: North America, Europe, and Asia Pacific.

The Mobility Segment also benefits from the design, development, and testing services delivered by McLaren Performance Technologies Inc. ("McLaren"), Linamar's in-house engineering centre. McLaren is historically known for its expertise in the engine area but has gained extensive knowledge in electrified powertrains, transmission, and driveline systems. McLaren has had significant successes in electrifying products, including: developing e-axles for light vehicles and commercial vehicles, continued development of hydrogen fuel storage tanks, expansion into battery structures and EV subframes. McLaren is involved in other electrification initiatives in our Skyjack business, a strategic alliance with Ballard Power Systems for the development of fuel cell electric vehicle propulsion systems, and our advanced development project with Exro Technologies leveraging their unique inverter technology with Linamar's eAxle and gear box.

To help manage the Company's growing number of electrification initiatives, we announced the formation of the eLIN Product Solutions Division ("eLIN") in 2021. eLIN focuses on leveraging exciting electrification opportunities for Linamar's products in its Mobility and Industrial segments. eLIN develops solutions for electrified products in four key areas: power generation, energy storage, propulsion systems, and structural & chassis offerings. eLIN is necessary to accelerate and deliver competitive electrified solutions to the markets Linamar operates in both today and in the future.

Linamar's iHub is the innovation centre for Linamar MedTech. The iHub maintains ISO 12485 certification, the management system standard that ensures an organization meets the regulatory requirements specific to the design, manufacture, assembly, and distribution of medical devices. The iHub technology and future accelerator site is where our public COVID-19 response efforts were focused, with a rapid launch and ramp up of full ventilator assembly production, as well as related components. Since opening, the iHub has gained two years of launch and full production experience for medical device products and has become a showcase operation to promote Linamar's ever-expanding set of capabilities.

3.1.6 Engineering and Design

Linamar aims to be involved as early as possible in the OEM's design and development process, which requires a high degree of cooperation and transparency between the OEM and its supplier. As a result, it has been the Company's experience that early involvement by a supplier in the development cycle of a program can often increase the probability of obtaining orders for commercial production of the components, modules or systems. To support this effort and meet these goals, Linamar strives to maintain its technical and engineering staff equal to approximately 25% of its workforce.

It has become increasingly common for OEMs to identify a supplier as the source for a component, module or system during the product design phase, provided the supplier meets various price, service and quality standards. When a supplier is pre-sourced in this manner, the OEM and supplier cooperate on design, product and process engineering and establish the selling price and other relevant considerations through a negotiation process.

Linamar recognizes that in order to remain a Tier 1 supplier, it must maintain its ability to provide complete engineering, development, prototype, testing and production capabilities. As of December 31, 2022, McLaren employed a total of 228 engineering and design staff. In addition to McLaren, there are 1,931 more engineering and design staff employed by Linamar worldwide. The technical expertise of the Company continues to play a key factor in creating new opportunities for future sales as OEMs seek advanced technologies and solutions for their future powertrain applications. In addition to McLaren, the company created eLIN in 2021, which provides engineering and design support specific to electrified products (described in Section 3.1.5 above).

Linamar is recognized as a full-service supplier for not only products within the eLIN portfolio (such as eAxles or battery pack modules) but also within its advanced driveline solutions, including power transfer units and rear drive units.

Although Linamar prefers to involve itself in product design, certain customers might decide to retain engineering responsibility for certain products and programs. OEMs, particularly in North America, provide varying levels of engineering

specifications to suppliers when sourcing parts, components, modules, or systems. In some instances, the OEMs will provide basic functional parameters and the supplier will be expected to take total responsibility for engineering and the related technologies. These projects typically involve a greater investment by Linamar in engineering and related costs and may, depending on the value added and other factors, yield a higher margin than other projects. At the other extreme, OEMs may retain complete engineering control and require that the supplier manufacture the particular product to the OEM's specifications. In between these two extremes are projects where OEMs provide functional and space parameters and certain specifications to the supplier, but the engineering responsibility remains a cooperative effort between the OEM and the supplier.

3.1.7 Operating Philosophy

Linamar is organized along product/process and geographic lines in order to maximize customer satisfaction, efficiency and operational results. The Company is structured into individual operating groups each led by a Group President reporting to our President and Chief Operating Officer. In addition, the Company also utilizes a functional structure to reinforce standardization and its policies uniformly across the organization. Currently the Company utilizes nine global functional areas: corporate development, manufacturing and product launch, purchasing and supplier quality, finance, IT, human resources, sales, innovation, and quality. Each area specializes in providing technical expertise, standard operating policies, and shared best practices across all Linamar operations.

Linamar's operating structure resembles a matrix management organization. This structure allows for entrepreneurialism, accountability, lean structure, and responsiveness within each individual operating group. Wherever possible, the responsibility to make decisions and be responsive to customers, employees and suppliers lies at the operational level.

Linamar supports this accountability structure by providing operating groups with standardization support, best practices implementation, and technical expert-based guidance from each of its functional support groups. These groups support risk balancing by maintaining and implementing a Global Operating System across all facilities. The groups also ensure continuous improvement with philosophies like the "CAT" (Cost Attack Teams) and "PAT" (Paper Attack Teams) which help drive the organization to be uncomplacent and remain competitive.

3.1.8 Components

All suppliers to Linamar are required to meet certain quality, cost, and delivery expectations as outlined in the Linamar Supplier Quality Management guidelines.

Given that our primary business is machining and assembly, our operational teams need to procure a high quantity of raw components, typically for forgings or castings. Purchased components include steel forgings, aluminum die castings, iron castings, rubber components such as seal or gaskets, electronics, wire harnesses, pumps, and motors. Our key purchased raw material inputs are steel and aluminium, primarily for our forging and casting operations respectively. Whenever possible, we attempt to purchase these materials and components from regional suppliers close to our own operations. However, factors such as price, quality, transportation costs, duties, tariffs, and delivery have an impact on the decision to source from certain suppliers within the region. Where applicable, the Company makes every effort to obtain forged and cast components through vertically integrated means.

In the automotive supply industry, procurement of raw components is often left to the discretion of the Tier 1 supplier. However, due to certain cost, quality or design considerations, there are instances where the OEM customer will specify that raw components be purchased from their selected Tier 2 supplier.

Sourcing and supplier selection decisions are based on a competitive quote basis with the successful supplier offering the best combination of quality, cost, delivery, etc. Metallic component pricing can fluctuate with base steel and aluminum market indices. OEM customer contract terms typically specify the metal market adjustments that pricing is indexed to. Fluctuations with the indices are adjusted and reconciled on a quarterly basis. Cost inflation throughout the most recent calendar year as a result of post-pandemic global supply chain issues precipitated pricing changes beyond typical metals market indices. Such inflationary pressures on component purchases were a key factor in the required customer pricing adjustments that were pursued throughout 2022.

3.1.9 Intellectual Property

Linamar uses its patents, trademarks and copyrights in its manufacturing businesses, and both licenses to third parties, and is licensed to use third party, intellectual property. The Company's intellectual property rights are an important asset, but the loss of any particular right would not have a material effect on its business.

3.1.10 Trends

Linamar is impacted by various economic, industry and technological trends, including trends related to production volumes, fuel economy/emissions, electrification, autonomous vehicles, ridesharing, outsourcing and supply base rationalization, and emerging market growth.

Automotive production levels can be a contributing factor impacting the Company's results. In 2022, global light vehicle production increased 6% due to recovery from the COVID-19 pandemic, though growth was slowed due to ongoing COVID-19 pandemic issues and supply disruptions related to semiconductor availability. Growth is expected to continue in 2023 with an increase in global light vehicle production of approximately 4%. Longer term, growth is expected to average 2% per year with global light vehicle production growing from 81.7M units in 2021 to 96.5M by 2029, an increase of more than 14 million units. (The foregoing estimates are according to industry forecasting service IHSMarkit, January 2023.)

Electrification is currently the most prevalent trend within the global automotive industry, driven by a combination of regulatory changes and OEM assessment of consumer preferences. Linamar expects the demand for BEV, HEV and FCEV to continue its rapid global growth. As a world leader in the development and production of electrified gearboxes, and an array of production ready eAxle systems for both light-duty and commercial vehicle applications, Linamar is well-positioned to take advantage of this trend through the eLIN Product Solutions Group. A thorough industry analysis completed with Linamar's own views, in conjunction with industry experts, including IHS Markit, predicts a pure BEV market penetration of approximately 44% in 2030 and close to 50% by 2040. Although this trend may be perceived by some as a threat to Linamar's core business, Linamar has significantly increased the level of New Business Wins relating to electrified content in recent years. This has been made possible through the expansion of the eLIN portfolio, including eAxle systems and related componentry, as well as structural & chassis light-weight castings, among other factors. Linamar continues to see a technology shift as an opportunity and is well-positioned to make a transition within the market.

Another technological and social trend expected to influence the auto industry in the future is the combination of autonomous vehicles and ride-sharing or hailing services. Although both factors could have a significant impact on consumer and societal behaviours, we expect that these trends will have a somewhat muted impact on overall vehicle production levels. The expected impact of these factors is that overall vehicles in operation will achieve better asset utilization and require less ownership, which would be a negative impact to vehicle production volumes. Offsetting that, however, is the assumption that these trends might enable vehicle ownership and use for new consumer segments such as seniors and youth. Additionally, the overall life of vehicles may be reduced due to the increased usage. Both of these factors are expected to have a positive effect on production volumes.

OEM outsourcing of Linamar's propulsion products and modules still presents a significant opportunity for the Company over the next 10-20 years. The availability of capital and selective investment will necessitate the future outsourcing of non-core operations such as machining and powertrain assembly work. Today, this is primarily done in-house by the OEMs and large Tier 1s and is expected to continue to gradually migrate to capable suppliers such as Linamar, who are well-positioned to manufacture these components, modules and systems. The vehicle powertrain is one of the last areas of the vehicle to still be done in-house. Linamar has benefited from this trend over the past several years and expects this trend to continue. Given the requirements of significant capital and R&D investments in technologies such as electrification, autonomous and mobility services, Linamar expects traditional powertrain outsourcing to accelerate over this timeframe as OEMs make decisions about where their investment dollars are best spent. In some instances – particularly first generation NEVs – the entire systems have been outsourced, while in others the design, development, and manufacturing has remained in-house with the OEM. This dynamic could potentially offset parts of the longer-term outsourcing trend discussed above. It is expected that once new NEV technologies and a reshaped supply chain structure are established, OEMs will continue to rely on their supply bases for these systems. Linamar is well-positioned to take advantage of this long-term growth now having a total of five manufacturing facilities in China.

Each OEMs ability to outsource production may also be impacted by labour and collective bargaining arrangements with their respective employees, which may require that certain levels of production be completed by its own workforce.

3.2 Industrial Segment

The Industrial Segment is comprised primarily of three market-facing brands: Skyjack, MacDon, and most recently Salford (each, an "Industrial OpCo"). Skyjack manufactures aerial work platforms ("AWPs") and other forms of access equipment. MacDon focuses on the production of leading harvest equipment, including combine draper headers and self-propelled windrowers. Salford manufactures high-quality tillage and precision application equipment.

The Industrial Segment has 10 manufacturing locations, 7 R&D centers and 18 sales offices in 11 countries in North and South America, Europe, Australia and Asia.

The Industrial segment's product sales increased by approximately $444.6 million, or 30.3%, to $1.9 billion in 2022 compared with $1.5 billion in 2021. The sales increase was due to:

- Additional access equipment sales primarily due to increased market volumes in addition to market share growth in access equipment for certain targeted products and regions;
- Increased sales related to the acquisition of Salford;
- An increase in agricultural sales from market growth further improved by global market share growth in all core products;
- Increased pricing to help relieve increased supply chain costs; and
- A favourable impact on sales from the changes in foreign exchange rates.

A table showing the total operating revenues that the Industrial segment contributed to total operating revenues for the years ended December 31, 2022 and 2021 can be found under the subsection "Segmented Information" of Linamar's 2022 Annual Report. A copy of the Annual Report can be accessed on SEDAR at www.sedar.com.

3.2.1 Skyjack

Skyjack began manufacturing AWPs in 1985. Skyjack later became a publicly traded company until 2000, when it was acquired by Linamar. Skyjack designs, manufactures, and sells scissor lifts (both compact and rough terrain), vertical mast lifts, booms (telescopic and articulating), and telehandlers.

Skyjack's products are recognized internationally in the AWP market for their intuitive design, reliable operation, and dependability. Skyjack competes with the largest AWP producers in the world. In each of its principal markets, Skyjack offers most of the same forms of equipment offered by its main competitors. Skyjack's products focus on providing the best combination of machine performance, machine reliability, cost of ownership and product support. Skyjack offers a high-quality product that is simple to use and tailored to the individual customer's requirements. Due to its low cost of ownership and competitive positioning in the market, their products are an attractive choice for customers.

Skyjack's products are sold primarily to construction equipment rental companies, who in turn rent the equipment to end-users such as contractors and home builders. In 2022 Skyjack was organizationally realigned into three geographic and market-orientated regions: the Americas; Europe, Africa, Middle East; and Asia Pacific. Although each region has its own unique characteristics and dynamics, in general there are three types of rental companies: a small number of national or international consolidators with significant fleets of diversified equipment, regional rental companies with multiple locations, and a large number of single-facility companies that often service rural areas. Skyjack sells to each type of customer directly.

The AWP market can experience sales cycles that correspond with general increases and decreases of construction and economic activity, which often influences the capital expenditure decisions of Skyjack's larger rental company customers. The COVID-19 pandemic and resulting governmental actions, including lockdowns, workplace restrictions, and labour and materials shortages, caused a general contraction of the construction industry in 2020 and parts of 2021. In 2022, the construction industry experienced a general surge in economic activity resulting in an expansion of the AWP market. However, the COVID-19 pandemic's lingering negative affect on the global supply chain and labour availability continues to impact Skyjack's ability to meet that demand.

Skyjack's operations include fabrication, welding, painting and assembly of its products. Skyjack has historically manufactured its products at two sites based in Guelph, Canada, with some European production occurring at the legacy Linamar industrial facility in Oroshaza, Hungary. Recently, however, Skyjack commenced operations at new manufacturing facilities in Ramos Arizpe, Mexico, which are still being expanded to meet growing market demand for Skyjack's products. Additionally, Skyjack recently started producing equipment within an existing Linamar Mobility site in Tianjin, China. A permanent Tianjin, China Skyjack factory is currently under construction and is scheduled to be completed in 2023. Once complete, that facility will primarily serve the domestic Chinese market for AWPs.

As of December 31, 2022, Skyjack employed over 200 engineering and design staff in innovation, design, testing and validation, product safety and manufacturing groups. These teams contribute to the continuous augmentation of Skyjack's product lineup, which recently introduced a micro electric scissor lift with that is ideal for accessing tight spaces. Skyjack continues to prioritize the electrification of its products as the AWP industry trends toward cleaner, emissions-free power sources.

Skyjack leverages the engineering resources located in its Canadian facilities to facilitate regional design and development operations across its production facilities globally. Skyjack also benefits from specialized engineering resources provided by Linamar, including the iHub, for the development of systems and technologies that are essential to future of Skyjack's products, including the development of a centralized centre of hydraulic expertise and enhanced machining software. Skyjack also receives resources to pursue innovation that is inline with industry trends, such as sustainability and interoperability with other products.

3.2.2 MacDon and Salford

Linamar Agriculture is primarily comprised of MacDon and Salford. Each company focuses on manufacturing of "short-line" agricultural equipment products: specialized agriculture equipment that is often used in conjunction with multipurpose vehicles (ex. tractors and combines) manufactured by "full-line" manufacturers (ex. CNH Industrial and John Deere). The focus of full-line manufacturers on widely used and often adaptable products (combines, tractors, sprayers, seeding equipment) provides opportunity for short-line producers like MacDon and Salford to produce more specialized, regional equipment needs.

As short-line manufacturers, MacDon and Salford design, manufacture, market, and sell products that complement and enhance the capabilities of tractors and other "full-line" products. MacDon, for example, is best known for its combine draper header, a harvesting implement that can be adapted to be used on most major combine brands.

MacDon and Salford sell their products primarily to agriculture equipment dealers, who in turn resell the products to farmers. Both MacDon and Salford's equipment is primarily targeted to larger-scale or commercial farming operations as opposed to small hobby farms or rural estate customers. Although MacDon and Salford each manufacture products for full-line manufacturers on a white-label basis, the loss of any particular supply contract would not have a material effect on Linamar's business.

The market for agriculture equipment is cyclical and is often tied to the sales of large equipment, such as combines and tractors. Since 2016, industry volumes have seen modest improvements, with more significant growth in 2021 and 2022 driven by an increase in commodity prices. Supply chain disruptions and limited availability of labour and inputs could continue to limit producers' ability to meet increased demand. Other factors impacting the agricultural market include weather, crop yields, net farm income, stock to use ratios, commodity pricing levels on items such as corn, soybeans, wheat and to a lesser extent livestock and milk.

Currently, the most dominant trend in the agriculture industry is the adoption of precision technology to provide the optimum utilization of resources, improved productivity, and improve environmental sustainability. The industry has many new entrants in this area as well as the existing companies who look to adapt current solutions with enhancing technologies. MacDon and Salford are each developing products and adding technology to existing products to capitalize on this trend.

1. *MacDon*

MacDon is a harvesting equipment specialist acquired by Linamar in early 2018 in an effort to increase its presence in the Food and Agriculture market. MacDon has been in existence for approximately 75 years. With operations based in Winnipeg,

Canada, MacDon is an OEM brand name that is synonymous globally with broad acre agriculture harvesting performance and quality. The company has a long history of bringing market leading technology and innovations to the market. Its products include combine grain header attachments, like the FlexDraper, self-propelled windrowers, pick-up headers, and hay products. MacDon also sells combine corn header attachments that are produced in Linamar's facility located in Oroshaza, Hungary. The Company plans to grow its agricultural platform to expand its product offerings and increase penetration in both new and underserved global markets. Today, MacDon sells its products through an extensive wholesale dealer & distributor network across the globe who in turn retails the equipment to end user farmer owner/operators.

MacDon manufactures all of its products in Winnipeg, Canada and receives support from a research and development facility located in Wisconsin, USA. MacDon's operations include fabrication, welding, painting and assembly of OEM-branded products which they distribute to the marketplace.

MacDon controls a number of subsidiaries worldwide that provide regional sales and service support.

MacDon and Salford each compete directly in the regions that they operate with other short-line manufacturers that make similar specialized products. MacDon distinguishes themselves by offering innovative products, along with exceptional service and product support to their customers, with the goal of making harvesting easier and more productive for farmers.

In 2022, MacDon continued its engineering product-led offensive by launching its FD2 Series FlexDraper. The 2-Series succeeds the 1-Series that was first introduced in 2018. The FD2 has more capacity, speed, and flexibility than its predecessor model. MacDon expects that the strong demand for the FD2 will continue to drive increased sales in North America, Europe, Australia and other jurisdictions.

2. Salford

Salford was acquired by Linamar in June 2022 and is the most recent addition to the Linamar Industrial Segment. This acquisition is a by-product of Linamar's ongoing agriculture growth and diversification strategy that was initiated with the MacDon acquisition.

The group office and former headquarters is located in Salford, Ontario. Salford's operations are divided between facilities located exclusively in North America. In addition to two manufacturing sites in Ontario, Salford operates facilities in Iowa, Georgia, and Manitoba. Salford's operations include fabrication, welding, painting and assembly of OEM-branded products which they distribute to the marketplace.

Salford is a global leader in the manufacturing of tillage and crop nutrition (fertilizer application) equipment. Salford products are highly engineered and focused on innovation and durability, designed to enhance soil productivity and yield potential in the growing precision agriculture market. Tillage products aid in seed bed preparation, meaning it is in used at pre-planting, at the beginning of the farming season and at the end of the season, after the harvest is completed. Application equipment is utilized to deliver fertilizer to apply crop 'nutrients' to soil. Both product lines are utilized by farmers directly or by commercial farm supply operators with the goal to increase crop yields.

3.2.3 General Industrial OpCo Practices and Trends

Each Industrial OpCo has a dedicated department to purchase tooling, equipment, and production materials from a variety of sources that are required for their specific products. Although the Industrial OpCos each produce different types of equipment, there are certain key components and raw materials that are common to most of the Industrial OpCos, including steel weldments, wiring harnesses, control boxes/joysticks, pumps, motors and tires. While each Industrial OpCo may purchase these inputs from separate sources, the Industrial Segment attempts to leverage the purchasing power of each of its brands in order to secure better pricing or terms.

Each of the Industrial OpCos uses its patents, trademarks and/or copyrights in its manufacturing processes, and may license such rights to third parties, and occasionally is licensed to use third party intellectual property. These intellectual property rights are an important asset, but the loss of any particular right would not have a material effect on Linamar's business. Each of the Industrial OpCo's relies on other intangible property to conduct its business, including product-specific know-how, market knowledge, and trade secrets.

The Industrial OpCos are required to develop and retain skilled workforces for their operations. Many of the employees of these companies possess specialized skills and training of their respective industries in order to design, manufacture, market, and sell competitive products. Certain essential roles include, mechanical engineers, software engineers, and welders. Global labour shortages caused by the COVID-19 pandemic have made hiring and retaining such skilled workers extremely competitive.

3.3 General Company Information

The following sections describe Company information or trends that are either common to both segments or apply generally to our business.

3.3.1 Employees

At December 31, 2022, the Company had 27,905 employees worldwide working mainly in the following countries and reportable operating segments:

By Country	Approximate No. of Employees
Canada	13,360
Germany	2,527
Hungary	3,122
France	1,005
Mexico	2,878
Spain	351
United Kingdom	545
Bulgaria	660
United States	1,857
Asia Pacific	1,541
(Other)	59
By Reportable Operating Segment	**Approximate No. of Employees**
Industrial Segment	4,853
Mobility Segment	22,132

The Company strives to maintain good relationships with its employees and has a history of resolving labour issues amicably. All facilities have regular employee meetings to keep employees informed of changes within the Company. The Company utilizes a "balanced scorecard" incentive program as part of a program the Company refers to as its "Stepping Stool of Success". This program monitors how each separate facility is performing against key measurables in the three areas of customer satisfaction, employee satisfaction and financial satisfaction. This program links the compensation of all employees to the achievement of specific goals and provides feedback on successes and areas for improvement.

Employees working in certain facilities located in Mexico, France, Germany, Hungary, Spain, and China are covered by labour contracts. No employees working in Canada, the United States, Northern Ireland, India or Bulgaria are subject to a collective agreement.

3.3.2 Credit Facilities

On December 31, 2022, the Company's cash and cash equivalents were $860.5 million. On December 31, 2022, the Company's syndicated revolving facilities had available credit of $462.5 million.

In November 2020, the Company entered into an agreement to issue, on a private placement basis, EUR 320 million principal amount of notes bearing interest at an annual rate of 1.37% and maturing on January 31, 2031 (the "2031 Notes").

In January 2021, the Company received EUR 320 million in funding through the 2031 Notes. The Company applied the proceeds of the 2031 Notes, as well as a portion of the available surplus cash and proceeds drawn from its revolving credit facility towards the repayment of USD denominated debt, a portion of which came due in January 2021. The USD cross currency interest rate swap contract associated with the USD denominated debt matured and settled at the same time. The EUR cross currency interest rate swap contract matured and also settled in January 2021, ending the associated investment hedge. For more information, please see the Company's consolidated financial statements for the year ended December 31, 2022.

In November 2022, the Company signed the Sixth Amended and Restated Credit Agreement ("Credit Agreement"). The credit facility offered under the Credit Agreement is a revolving credit facility ("Facility") for a principal amount of $1,175 million. The Credit Agreement is scheduled to mature on November 22, 2026. The Facility is unsecured and guaranteed by certain subsidiaries of the Company. The Credit Agreement requires the Company to maintain certain financial ratios and imposes limitations on specific activities. The Company is in compliance with all financial covenants under the Credit Agreement as of the date hereof. The terms and conditions of the Credit Agreement are largely consistent with Linamar's previous credit facilities.

3.3.3 Government Grants

For a listing of material government grants, subsidies and borrowings received by the company in 2022, please refer to Notes 9 and 16 of the Company's 2022 Audited Financial Statements.

3.3.4 Contingencies

Linamar is involved in certain lawsuits and claims. As of the date hereof, none of the lawsuits involving Linamar include a claim for damages against Linamar that exceeds 10% of the current assets of the Company. Management is of the opinion that the Company will not incur any additional material liability from such lawsuits and claims other than the amounts already provided for in the Company's financial statements for the year ended December 31, 2022.

3.3.5 Focus on Sustainability

Linamar is dedicated to being an effective partner for its communities by operating in an environmentally and socially responsible manner. Linamar believes that responsible management in this regard creates positive outcomes for all of our stakeholders. To measure our progress in this regard, Linamar releases a Sustainability Report annually, which identify the guiding principles underpinning Linamar's commitment to ESG, and the steps we've taken to accomplish those goals. To view Linamar's full Sustainability report, please visit our website at www.linamar.com.

Key aspects of our sustainability practices are summarized below.

Environmental Matters and Climate Change

Linamar has adopted an Environmental Policy Statement which serves as a roadmap for addressing environmental risk and climate change concerns. For example, each Linamar facility is encouraged to achieve ISO 14001 certification, which establishes a set of criteria for an environmental management system. To date, approximately 70% of Linamar's facilities are certified based on this global environmental standard.

Linamar has committed to being a net zero emissions organization – including the operation of our facilities, our supply base, and the products we supply – by 2050. Following a review of generally accepted sustainability practices, Linamar's management has also committed to moving toward the adoption of the Sustainability Accounting Standards Board ("SASB") standards for annual public disclosures pertaining to environmental management.

To manage these initiatives, Linamar has established a Sustainability Council, tasked with undertaking enhanced data collection and aggregation for reporting, and gathering increased resources focused on sustainability efforts. This is an extensive exercise for a global company of Linamar's size and operational scale. The establishment of these underlying global data gathering and verification systems has been the limiting factor in full Sustainability CO2 emissions reporting to date. In the 2022 Corporate Sustainability Report to be published spring of 2023, Linamar expects to publish its global greenhouse gas emissions details in a standardized climate disclosure related format.

Linamar's highest level of management is responsible for ensuring Linamar meets its environmental commitments. Significant environmental and process safety issues are reviewed by the HRCG Committee, which assists the Board of Directors with identifying, evaluating and monitoring applicable laws, regulations, and governance trends that could impact Linamar's business activities and performance.

Diversity, Equity, and Inclusion

We believe the composition of our workforce should reflect the communities we operate in. To address diversity within the Company, Linamar's Board of Directors implemented a Diversity Policy which establishes objectives for diversity at our board and management level.

Linamar's Global Diversity Council is tasked with overseeing diversity initiatives within the company, and reporting issues and data to management. As a result of the Diversity Council's input and leadership Linamar conducted a DEI Survey in 2022. The survey provides a baseline for our organization to allow us to focus on key areas to enhance DEI within the organization.

Linamar's HRGC Committee receives quarterly updates concerning the diversity of its workforce, and in turn makes recommendations to the Board of Directors to ensure compliance with other corporate policies that facilitate diversity, equity, and inclusion, including Linamar's Enterprise Code of Conduct, Global Supplier Diversity Policy, AML & Sanctions Policy, and Employee Code of Conduct.

In 2022, Linamar completed DEI training for all of its employees with targeted training for leadership on unconscious bias training.

Occupational Safety

Our employees are the core of our business. Safe and healthy employees lead to an optimal work environment and superior performance. We ensure that our policies and processes for employee health and safety meet or exceed legal and regulatory requirements. Linamar's Global Operating System policies encourage all North American facilities to certify to ISO 45001 and encourage global facilities to certify to ISO 45001, while also meeting local standards.

At the management level, health and safety incidents are reported on a regular basis to the HRCG, who is responsible for ensuring their resolution. Health and safety objectives are set every year and are used to form part of management's compensation.

Linamar's global total injury frequency rate is 3.97 versus an industry rate of 6.73.[1] This is more than 41% lower than the average industry rate. Linamar has also mandated that all plants be registered under the ISO 45001 (formerly OHSAS 18001). As of December 31, 2022, 63/65 (97%) of global locations (excluding corporate support locations and locations added through inorganic growth in 2022) have achieved ISO 14001 and 60/65 (93%) have achieved OHSAS 18001/ISO 45001. Follow-up will be undertaken with the sites that have not yet achieved these goals.

3.3.6 Foreign Operations

Each of the Mobility and Industrial segments distribute their products globally, including through non-Canadian subsidiaries. Accordingly, each segment is materially reliant on foreign operations.

4. Risk Factors and Risk Management

The Company's discussion of risk and risk management is contained in the Risk Management section (pages 10-23) of the Company's Management's Discussion and Analysis ("MD&A") for the year ended December 31, 2022, which is incorporated herein by reference. A copy of the MD&A can be accessed on SEDAR at www.sedar.com.

[1] This global total injury frequency rate = (the number of incidences divided by the total productive hours x 200,000) [200,000 represents the number of hours 100 employees work in one year as defined by the Industrial Accident Prevention Association.]

5. Dividends

Since 1995, Linamar has paid quarterly dividends based on performance in prior years and expected performance. In respect to the quarter ended December 31, 2022, the Board of Directors approved an eligible dividend of $0.20 per share on the common shares of the Company, payable on or after April 18, 2023, to shareholders of record on March 31, 2023.

The Company declared cash dividends of $0.36 per share in 2020, $0.68 per share in 2021, and $0.80 per share in 2022.

The payment and amount of future dividends is in the discretion of the Board of Directors and is subject to, among other things, prevailing financial, economic, operating, and other relevant circumstances, including earnings, cash flow, capital requirements and the financial condition of the Company.

6. Description of Capital Structure

6.1 General Description of the Capital Structure

The Company is authorized to issue an unlimited number of common shares and an unlimited number of special shares issuable in series.

The material characteristics of the common shares are: a holder of any common shares (a) shall be entitled to receive notice of, to attend and to vote at all meetings of shareholders and to one vote for each common share held at any such meeting, except meetings at which only holders of a specified class of shares (other than common shares) or a specified series of shares are entitled to vote; (b) shall be entitled, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Company, to receive any dividend if, as and when declared by the Board of Directors of the Company, properly applicable to the payment of dividends in such amounts and payable in such manner as the Board of Directors may from time to time determine; and (c) shall be entitled to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Company, to receive the remaining property of the Company upon dissolution.

The material characteristics of the special shares, as a class, are: the special shares may be issued at any time or from time to time in one or more series, each series to be a fixed number set by the Company's Board of Directors. With respect to each series: (a) the Company's Board of Directors shall determine the designation, rights, privileges, restrictions, conditions and other provisions to be attached to the special shares of each such series; (b) the special shares of each series shall rank on a parity with the special shares of every other series with respect to priority in the payment of dividends and with respect to priority on return of capital, or any other distribution of assets of the Company, in the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary ("liquidation dissolution"); and (c) the special shares of each series shall be entitled to a preference over the junior shares of the Company (as hereinafter defined) with respect to priority in the payment of dividends on liquidation or dissolution, and, the Directors may give the special shares of any series such other preferences over the junior shares, as they see fit. "Junior shares" mean the common shares of the Company and any other shares of the Company that may rank junior to the special shares with respect to priority in the payment of dividends and with respect to priority on a liquidation dissolution.

To date, only common shares of the Company have been issued. As of December 31, 2022, there were 61,528,157 common shares of the Company outstanding. There are no special shares of any series issued or outstanding.

7. Market for Securities

The common shares of the Company are listed and posted for trading on the Toronto Stock Exchange under the trading symbol "LNR".

The price range and total volume of trading of the common shares of Linamar on the Toronto Stock Exchange for the period from January 2022 to December 2022 are as follows:

Month	High Price ($/share)	Low Price ($/share)	Close Price ($/share)	Total Volume
Jan	81.25	65.23	70.45	3,482,133
Feb	71.66	64.21	66.19	2,093,421
Mar	65.94	48.99	55.57	7,448,453
Apr	55.97	47.87	50.88	3,264,739
May	56.24	45.46	55.73	3,845,149
Jun	58.22	52.68	54.54	4,721,230
Jul	58.70	52.35	58.38	2,313,079
Aug	67.15	57.31	62.09	3,102,352
Sep	67.10	52.05	53.81	3,933,322
Oct	58.85	53.11	58.31	2,243,347
Nov	67.90	56.19	66.03	3,068,312
Dec	67.03	58.00	61.30	1,957,410

(1) Closing price on the last trading day of the month.

8. Directors and Officers

8.1 Directors

The following table sets forth information with respect to each of the directors of Linamar. Each director will hold office until the close of the next annual meeting of shareholders of the Company or until his or her successor is elected or appointed. The Board of Directors has established two standing committees, an Audit Committee and a Human Resources and Corporate Governance Committee ("HRCG Committee") and has prescribed their respective responsibilities and mandates. The Audit Committee and the HRGC Committee are both entirely comprised of independent directors.

8.2 Name, Address, Occupation and Security Holdings

Name & Municipality of Residence	Director Since	Other Positions and Offices currently held with the Company	Principal Occupation
Linda Hasenfratz Guelph, Ontario, Canada	1998	Executive Chair & Chief Executive Officer	Chief Executive Officer of the Company
Mark Stoddart Guelph, Ontario, Canada	1999	Chief Technology Officer and Executive Vice President of Sales & Marketing	Chief Technology Officer and Executive Vice President of Sales & Marketing of the Company
Jim Jarrell Guelph, Ontario, Canada	2022	President and Chief Operating Officer	President and Chief Operating Officer
Lisa Forwell[1,2] Oakville, Ontario, Canada	2020	None	Leadership Consulting, Chief Executive Officer of Lisa Forwell Ltd.
Terry Reidel[1,2] Kitchener, Ontario, Canada	2003	None	Retired
Dennis Grimm[1,2] Kitchener, Ontario, Canada	2014	None	Retired

1 Member of Audit Committee

2 Member of Human Resources Corporate and Governance Committee

During the last five years, all of the Company's directors have held the principal occupations noted above.

8.3 Officers

The following table sets forth information with respect to the executive officers of the Company.

Name & Municipality of Residence	Principal Occupation
Linda Hasenfratz Guelph, Ontario, Canada	Chief Executive Officer
Jim Jarrell Guelph, Ontario, Canada	President & Chief Operating Officer
Mark Stoddart Guelph, Ontario, Canada	Chief Technology Officer and Executive Vice President of Sales & Marketing
Roger Fulton Burlington, Ontario, Canada	Executive Vice President, Human Resources, General Counsel and Corporate Secretary
Dale Schneider Guelph, Ontario, Canada	Chief Financial Officer
Ken McDougall Guelph, Ontario, Canada	Group President, Skyjack Inc.
Wenzhang (Henry) Huang Shanghai, China	Group President, Linamar Machining & Assembly, Asia Pacific
Salvatore (Sam) Cocca Northville, Michigan, USA	Group President, Linamar Europe
Sean Congdon Dundas, Ontario, Canada	Group President, Linamar North America

During the last five years, the Company's executive officers have held the principal occupations noted above except for: (i) Mr. McDougall was the Group President, Linamar Machining & Assembly from 2016 until September 2019, and (ii) Mr. Cocca was the Global Vice President of Sales, Business Development and Innovation from 2018 until 2020.

The directors and executive officers of the Company, as a group of 12 persons, beneficially owned or exercised control or direction over a total of 20,524,724 common shares (representing approximately 33.4% of the outstanding shares of the Company as of December 31, 2022).

9. Audit Committee

9.1 Audit Committee Charter

The charter for the Company's Audit Committee (the "Audit Committee") can be found at www.linamar.com/governance.

9.2 Composition of the Audit Committee

The members of the Audit Committee are Terry Reidel, Lisa Forwell and Dennis Grimm. Each member of the Audit Committee is independent and financially literate, within the meaning of National Instrument 52-110 – Audit Committees. For more information, please see the Corporation's Management Information Circular for the annual meeting of shareholders of the Company scheduled for May 17, 2023. A copy of the MIC can be accessed on SEDAR at www.sedar.com.

9.3 Relevant Education and Experience

Mr. Reidel has extensive financial experience. He has been Interim CFO of Princeton Holdings Limited, a financial services company primarily in the Insurance industry since September 2017. He is the retired President and Chief Operating Officer of Kuntz Electroplating Inc., a Kitchener-Waterloo company founded in 1948. Mr. Reidel joined Kuntz in March of 2001 as Vice President- Finance and gained significant experience in the automotive sector, including negotiations with large North American and European OEMs. Prior to joining Kuntz, Mr. Reidel spent 29 years with the accounting firm of Ernst and Young and was Office Managing Partner of their Waterloo Region Office. Mr. Reidel earned his C.A. designation from Queen's University in 1967. Mr. Reidel was also a director on several public boards. Mr. Reidel holds the following designations, FCPA and FCA.

Ms. Forwell is an engineer with an MBA who brings over twenty years of experience working with established global building materials suppliers and large-scale retailers. She has extensive knowledge in industrial construction materials in both sales and production as well as land rehabilitation. Ms. Forwell is the former CEO of Forwell Ltd. – a large independent aggregate, asphalt concrete materials business. Prior to that she was the President and CEO of Quikcrete Canada – a packaged concrete supplier with sales to large North American retailers including Home Depot and Canadian Tire. Ms. Forwell also served as the Sales and Operations Managers of Lafarge Canada with a focus on environmental engineering operations.

Mr. Grimm is a Chartered Accountant and also has his CPA, FCPA and FCA designations. He attended Waterloo Lutheran University (Wilfred Laurier) and graduated with a Bachelor of Arts degree in History and Political Science. In 1972, he completed an MBA in Accounting and Finance at McMaster University. Mr. Grimm was an active member of the Canadian Institute of Chartered Accountants from 1976-2012 and the American Institute of Certified Public Accountants from 1995-2012. During his career, he was a partner at KPMG in the firm's audit group for 23 years from 1972 to 1995. He then practiced as an audit partner at PwC for 15 years starting in 1995. Of note, he was the Managing Partner of PwC Waterloo Region up to his retirement in 2010 and chaired its Governance Committee. Mr. Grimm does not currently supply services to Linamar and has not done so in the past seven years.

9.4 Pre-Approved Policies and Procedures

All non-audit services to be provided to the Company or its subsidiary entities must be approved by the Audit Committee prior to the auditors providing such services.

9.5 External Auditor Service Fees

For the financial years ended December 31, 2022, and December 31, 2021, the auditors of the Company, PwC charged the following fees to the Company:

Type of service	Fiscal 2022 ($)	Fiscal 2021 ($)
Audit fees	2,407,000	1,800,000
Tax fees	31,000	46,000
All other fees	145,000	-
Total	2,583,000	1,846,000

PwC provides audit and related services as engaged by the Company. The service fees in the above table are calculated on billings and not when the expenses are incurred.

10. Interest of Management and Others in Material Transactions

During the years ended December 31, 2020, 2021, and 2022, no Director, executive officer or principal shareholder of the Corporation, nor any associate or affiliate thereof, has had any material interest, direct or indirect, in any transaction which has materially affected or is reasonably expected to materially affect the Corporation.

11. Shares Held in Escrow or Subject to Contractual Restrictions

The following table sets out the escrowed securities and securities subject to contractual restrictions on transfer as at December 31, 2022.

Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of class
Common Shares	154,695	0.25

Various senior employees receive share grants as part of their compensation. The individual employees have signed contracts with Linamar wherein they agree that the shares that are the subject of the grants are to be held by the employee in escrow. The shares are removed from escrow annually at the rate of 20% of the total amount of the grant on the anniversary date of the grant, commencing on the first anniversary after the grant. Each individual employee has an account with Bank of Montreal or the Royal Bank of Canada where the share grants are held.

12. Transfer Agents and Registrars

The Company's transfer agent and registrar is Computershare Investor Services Inc., located at 100 University Avenue, 8th floor, Toronto, Ontario M5J 2Y1.

13. Interests of Experts

The Corporation's auditor is PricewaterhouseCoopers LLP, Chartered Professional Accountants, and it has prepared an independent auditor's report dated March 8, 2023, in respect of the Corporation's consolidated financial statements with accompanying notes as at December 31, 2021 and December 31, 2022 and for the years ended December 31, 2022 and 2021. PricewaterhouseCoopers LLP has advised the Corporation that it is independent of the Corporation within the meaning of the CPA Code of Professional Conduct of the Chartered Professional Accountants of Ontario.

14. Additional Information

Additional information relating to the Company may be found on SEDAR at www.sedar.com.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, options to purchase securities and interests of management and others in material transactions, will be contained in the Company's management information circular for the annual meeting of shareholders scheduled for May 17, 2023. Additional financial information, including the comparative consolidated financial statements, and management's discussion and analysis of the financial condition and results of operations of the Company is provided in the Company's Annual Report for the year ended December 31, 2022.

The Company will provide to any person, upon request to the Secretary of the Company, a copy of this Annual Information Form, together with a copy of any documents, or the pertinent pages of any document, incorporated by reference herein, a copy of the comparative financial statements of the Company for the year ended December 31, 2022, together with the

accompanying report of the auditors and a copy of any interim financial statements of the Company subsequent to such financial statements, a copy of the Management Information Circular with respect to the most recent meeting of shareholders that involved the election of Directors and one copy of any annual filing instead of the Management Information Circular. The Company may require the payment of a reasonable charge before providing such documents to a person that is not a shareholder. If the securities of the Company are in the course of a distribution pursuant to a short form prospectus or if a preliminary short form prospectus has been filed in respect of a distribution of the Company's securities, the Company will provide to any person (without charge), upon request to the Secretary of the Company, any of the documents referred to above and a copy of any other document not referred to above that is incorporated by reference into the preliminary short form prospectus or the short form prospectus.

APPENDIX 1
Forward-Looking Information

Certain information provided by Linamar in this AIF, a press release, MD&A, and other documents published throughout the year which are not recitation of historical facts may constitute forward-looking statements. The words “may”, “would”, “could”, “will”, “likely”, “estimate”, “believe”, “expect”, “plan”, “forecast” and similar expressions are intended to identify forward-looking statements. Readers are cautioned that such statements are only predictions, and the actual events or results may differ materially. In evaluating such forward-looking statements, readers should specifically consider the various factors that could cause actual events or results to differ materially from those indicated by such forward-looking statements. Such forward-looking information may involve important risks and uncertainties that could materially alter results in the future from those expressed or implied in any forward-looking statements made by, or on behalf of, Linamar. Some of the factors and risks and uncertainties that cause results to differ from current expectations include, but are not limited to, changes in the competitive environment in which Linamar operates, OEM outsourcing and insourcing; sources and availability of raw materials; labour markets and dependence on key personnel; dependence on certain customers and product programs; technological change in the sectors in which the Company operates and by Linamar’s competitors; delays in or operational issues with product launches; foreign currency risk; long-term contracts that are not guaranteed; acquisition and expansion risk; foreign business risk; cyclicality and seasonality; capital and liquidity risk; legal proceedings and insurance coverage; credit risk; emission standards; tax laws; securities laws compliance and corporate governance standards; fluctuations in interest rates; environmental emissions and safety regulations; trade and labour disruptions; world political events; pricing concessions to customers; and governmental, environmental and regulatory policies. The foregoing is not an exhaustive list of the factors that may affect Linamar’s forwarding looking statements. These and other factors should be considered carefully, and readers should not place undue reliance on Linamar’s forward-looking statements. Linamar assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward-looking statements.

APPENDIX 2
Reportable Intercorporate Relationships

The following is a list of the principal subsidiaries of the Company as of December 31, 2022, and their respective jurisdictions of incorporation. The percentages of voting securities owned by the Company, or over which the Company exercises control or direction, are indicated.

Subsidiary	Jurisdiction of Incorporation	Ownership Percentage
Linergy Manufacturing Inc.	Ontario, Canada	100
Linamar Holdings Inc.	Ontario, Canada	100
Skyjack Inc.	Ontario, Canada	100
Skyjack UK Limited	United Kingdom	100
Linamar Light Metals S.A.S.	France	100
Linamar Agriculture Inc.	Manitoba, Canada	100
MacDon Industries Ltd.	Manitoba, Canada	100
Salford Group Inc.	Ontario, Canada	100
McLaren Performance Technologies Inc.	United States	100
Linamar Automotive Systems NL, Inc.	United States	100
Linamar Light Metals-MR, LLC	United States	100
Linamar Forgings Carolina Inc.	United States	100
Linamar North Carolina, Inc.	United States	100
Linamar Hungary Zrt.	Hungary	100
Industrias de Linamar S.A. de C.V.	Germany	100
Linamar Antriebstechnik GmbH	Germany	100
Linamar Powertrain GmbH	Germany	100
Linamar Plettenberg GmbH	Germany	100
Linamar Motorkomponenten GmbH	Germany	100
Linamar Light Metals Ruse EOOD	Bulgaria	100
Linamar (China) Investment Co., Ltd.	China	100
Linamar Automotive Systems (Wuxi) Co., Ltd.	China	100

The table above excludes certain subsidiaries, the assets and revenues of which do not individually exceed 10%, or in the aggregate exceed 20% of the total consolidated assets or total consolidated revenues of the Corporation as of December 31, 2022.