Steve Carlisle Community Update



This is a good time for a second Community Update, following my January 28th communication setting out our two year timeline for product and investment decisions in Oshawa. A great deal of positive work has happened since then and I think it's useful to share some of that information.

First, on February 12th, we announced that GM is investing a further \$560,000,000 in our CAMI Assembly Plant in Ingersoll to support the production of the next generation Chevrolet Equinox. This is a vote of confidence in Canada and it is a tribute to our outstanding employees and the positive work accomplished by

working together with our partners over the past several years. Our Ingersoll plant is humming on three shifts as we work to

meet the strong demand we are seeing in the North American crossover segment.

Our St. Catharines Engine and Transmission plant is also working around the clock supplying award winning quality powertrains for our assembly plants in Canada and across North America. On February 25th, I had the pleasure of addressing a group of almost 100 GM plant managers from all across North America who came to St. Catharines to share learnings and see first-hand why our Canadian quality is top rate.

I am also pleased to report we have made strides on our work with partners regarding future plans for Oshawa Assembly. Much work is still to be done as we have both short and longer term challenges to tackle in Oshawa and we are now well engaged with our union and government partners. We have outstanding strengths in Oshawa. Several, like our leading flexible manufacturing capability, robotics and paint shop are in place with thanks to the support we have received from our government partners. We have a strong Canadian-based supply chain and our amazing Oshawa employees continue to deliver industry-leading quality and productivity.

In past weeks we have stepped up our discussions with our government partners and we are engaging very constructively with our Unifor union partners. Unifor's leadership recently met with our senior leadership in Detroit and offered a number of constructive suggestions. One example was calling out a multi-million dollar cost reduction opportunity related to the very high percentage of our Oshawa plant workers who are ready and eligible for retirement and pension. We will continue to work with the union to examine a range of opportunities to further enhance the cost competitiveness of the Oshawa plant and work through more near-term market ups and downs. The challenges before us are clear and we understand them well, but by working together constructively, I believe we have a great opportunity to build a positive future in this great community.

We are also looking to the future with our new GM cars and trucks and the amazing technology advancements that our customers are going to enjoy over the coming decade as we enter the decade of the "connected car".



Stephen K. Carlisle President and Managing Director General Motors Canada

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At the Canadian International Auto Show in Toronto I had the privilege to unveil two new Chevrolet electric cars - the next generation Chevy Volt (the Volt is Canada's top selling electric vehicle) and the all new Chevy Bolt EV concept. The Bolt is designed to have a 300 km battery range, and feature amazing "connected car" technologies that not only make it a powerful wifi hot spot, but the ability to park itself and return to pick you up when summoned on your smartphone. We also announced in February that GM's next generation pure electric vehicle, based on the Bolt EV Concept, will go into production and be available across Canada.

New technology is the future of our industry and it's what our customers crave. At our GM Engineering facility in Oshawa, the only one of its kind in Canada, we already have an important role in designing the future of greener and more wirelessly connected vehicles. We also work closely with universities all across Canada to help develop breakthrough technologies we will commercialize. Stay tuned for more positive news in Oshawa in this exciting area too.

Finally, I am proud to say we have just reported our 8th successive month of sales growth, outpacing the industry in Canada, and in 2015, we've grown share. So let's keep focusing on the upside!

Stephen K. Carlisle President and Managing Director General Motors Canada