

Chevy Team

- Before we get going, I want to say how grateful we are for the safety and well-being of our Dealer partners, your extended teams, and our customers, who found themselves in the path of Hurricane Ida . . .

- We're putting together a hurricane relief response to demonstrate, as we always do, that Chevy cares

- Now, when we were together last, we talked about the voluntary expansion of the Bolt EV recall...

- And we were planning for an all-dealer call last Friday...

- But we weren't ready ... and the last thing I want to do is waste your time ...

Since then, I've talked to a lot of you

I listened and essentially, it comes down to 4 key pain points

First, is lifting the
stop-sale... so you can get back to selling

Second, is securing defect-free batteries from LG - so we can replace battery modules and get people back on the road

The next pain point, is addressing customer concerns about parking only outside

And the final pain point, is solving for reduced range at the low and high end

So here is what we know today

- We are working closely with LG, pretty much around the clock, and have our engineering teams embedded at their plants here in Michigan.

- The teams have been disassembling battery packs to better understand where the problems are in the LG manufacturing process, including looking at data that may help narrow the manufacturing timeframe.

- One thing I want to make clear: we will only begin replacing battery modules when we're confident in the safety of LG's product and the repair process.

- So, we need to finish testing and validating before we can move to the next step with LG.

- We've also been working closely with our manufacturing, supply chain, and logistics teams, so that when LG does ramp up battery cell production, we will have a comprehensive process in place to get replacement modules to you.
- Now, we know Bolt EV owners care about how much range they can get from their vehicles and the need for convenient charging.
- That's why our engineering teams are working on potential software solutions that may relieve some of the pain points – mainly the need to park outside after charging.
- This would be an interim software solution to give customers a bit more freedom, while they wait for final battery module replacement.
- Now, we know it may be tough for you to provide courtesy transportation or rental vehicles to Bolt EV owners impacted by this recall
- That's why we are finalizing an agreement with a national supplier.
Of course we will reimburse you at our current rates
- Look for more to come on this very soon.
- We've added over 150 customer care advisors to help answer owner questions and expedite buy backs
- And today, we're launching a new Chevy Bolt EV Recall website that includes frequently asked questions ... that will be updated as new information becomes available
- From a production perspective, Orion Assembly remains down this week, as we previously announced
- We will assess the situation again next week and make any necessary schedule adjustments at that time.
- We know this is a difficult situation for everyone, so we truly appreciate your partnership as we work through this.
- I wish I had more answers and a timeline of specific next steps to share with you today, but we just aren't there yet.
- So bottom line is as I learn more I will let you know immediately
- While we're together, let's unpack some of the opportunities that come with September...

- Inventory is going to continue to be really tight but there is some goodness, starting with Truck Month
- It gives us a traffic-driving hook across the entire Chevy Truck lineup, not just Silverado
- ... but even more important right now, with the accessory focus, it's a profit play, driving more gross profit per unit
- Together, with the Accessories team and the ADIs, we identified and stocked the top-selling accessories
- And created good-better-best packages to help customers "make it their own"
- When we ran the play last year, it led to record accessory sales – so we're hoping for more of the same
- Now, we're also adding to our list of you asked, we did.
- The Council, during our call last week, asked us to extend the expiration of the GM iMR match funds – so we're doing just that through the end of December
- You also asked for some help with rewarding, recognizing, and ultimately retaining your sales teams...
- So, we're making some adjustments to the SFE Sales Consultant grid this month, as you can see here ... to help them earn earlier and earn more
- And we're bringing back Chevy Elite Leaders in October, to recognize the best-of-the-best in Las Vegas
- For those 2021 Silverados that are being remixed to the 2022 model year...
- We did put together a simple process - giving you a \$500 credit - if you had a sold customer order for one of these units
- ... so, keep the feedback coming!
- Now, there is one thing that we can all look forward to this month ...
- And that's the reveal of the first-ever Silverado ZR2 – our new flagship off-road truck
- So, mark your calendar – September 9th, at 3:30 eastern time, for the first look and this important moment in Silverado history

- As always, hit me back and let me know what you think ...
- Good luck and good selling