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FCA US Facilities in Ohio and Michigan Reach Silver Status in World Class Manufacturing

- Awards bring total number of silver plants in North America to nine
- Designation recognizes continued progress toward becoming World Class

June 25, 2018, Auburn Hills, Mich. - Two FCA US facilities have joined the ranks of silver designated plants in the Company's World Class Manufacturing (WCM) methodology. <u>Toledo (Ohio) Machining</u> and <u>Sterling Stamping</u> (Sterling Heights, Michigan) were recognized for their efforts in expanding the implementation of WCM principles, becoming the eighth and ninth plants, respectively, to reach this milestone.

WCM, the FCA production methodology that focuses on eliminating waste, increasing productivity, and improving quality and safety in a systematic and organized way, was first implemented by Fiat in 2006 and introduced to Chrysler Group as part of the alliance between the two companies in June 2009. WCM principles are applied to all aspects of the plant organization, from quality to maintenance, cost control to logistics, all with the goal of continuous improvement. WCM also engages the workforce to provide and implement suggestions on how to improve their jobs and their plants, promoting a sense of ownership.

Toledo Machining and Sterling Stamping were awarded silver following two-day audits last week during which they earned a minimum of 60 points in 10 technical and 10 managerial pillars. Employees at both plants demonstrated clear WCM know-how and competence through employee-conducted pillar presentations and a review of projects that have been expanded across the shop floor.

"I want to congratulate the 3,400 employees at Toledo Machining and Sterling Stamping for working tirelessly to achieve silver status," said Brian Harlow, Vice President – Manufacturing, FCA North America. "Becoming a silver plant requires extraordinary commitment, endless dedication and a laser focus. These employees faced the demands and rigors of WCM head on, using the tools and the knowledge they have gained to implement the changes that make their facilities deserving of the silver designation. These two awards demonstrate that the pace toward becoming world class across our North American manufacturing footprint is accelerating."

The achievement of WCM award levels, as confirmed through independent audits, recognizes the long-term commitment of the workforce to making significant changes that can secure the future of a facility. Awarded plants also have a role in accelerating the implementation of WCM throughout the organization as coaches and mentors.

During an audit, zero to five points are awarded for each of the 10 technical pillars, which include safety, workplace organization, logistics and the environment, and for each of the 10 managerial pillars, such as management commitment, clarity of objectives, allocation of people, motivation of operators and commitment of the organization. A score of 80 would indicate World Class.

Along with Toledo Machining and Sterling Stamping, seven other FCA North American facilities have been designated silver plants. They are Windsor (Ontario) Assembly Plant, Dundee (Michigan) Engine Plant, Toledo (Ohio) Assembly Complex, Saltillo (Mexico) South Engine Plant, Mack Avenue (Detroit) Engine Plant, Saltillo (Mexico) Van Assembly Plant and Warren (Michigan) Stamping. Windsor Assembly was the first plant to reach silver status, an honor they received in March 2014.

In addition to the nine silver plants, there are currently 11 facilities that hold the WCM bronze designation:

• Saltillo (Mexico) Truck Assembly

- Trenton (Michigan) Engine Complex
- Indiana Transmission Plant II (Kokomo, Indiana)
- Kokomo (Indiana) Transmission Plant
- Kokomo (Indiana) Casting
- Toluca (Mexico) Assembly
- Brampton (Ontario) Assembly
- Tipton (Indiana) Transmission
- Belvidere (Illinois) Assembly Plant
- Indiana Transmission Plant I (Kokomo, Indiana)
- Warren (Michigan) Truck

About Toledo Machining Plant

Awarded bronze status in September 2016, the 1.2 million square-foot facility in Perrysburg, Ohio, has been making automotive components since 1966. Currently, Toledo Machining produces steering columns for a variety of FCA vehicles and torque converters for the four-, five-, six-, eight- and nine-speed transmissions. Since 2011, the Company has invested more than \$90 million to upgrade the plant. Toledo Machining employs nearly 900 people. The plant was awarded bronze status in September 2016.

About Sterling Stamping

The largest stamping plant in the world, Sterling Stamping ships to customers in the U.S., Canada and Mexico. The plant provides stampings and assemblies, including hoods, roofs, liftgates, side apertures, fenders and floor pans for the Dodge Grand Caravan and Dodge Durango, Chrysler Pacifica, Jeep® Grand Cherokee and Jeep Cherokee, and Ram Truck. In July 2015, the Company invested \$166 million to add three new press lines to support increased product demand, bringing the total number of major stamping press lines to 26. In operation since 1965, the plant employs nearly 2,300 people.

About FCA US LLC

FCA US LLC is a North American automaker based in Auburn Hills, Michigan. It designs, manufactures, and sells or distributes vehicles under the Chrysler, Dodge, Jeep®, Ram, FIAT and Alfa Romeo brands, as well as the SRT performance designation. The Company also distributes Mopar and Alfa Romeo parts and accessories. FCA US is building upon the historic foundations of Chrysler Corp., established in 1925 by industry visionary Walter P. Chrysler and Fabbrica Italiana Automobili Torino (F.I.A.T.), founded in Italy in 1899 by pioneering entrepreneurs, including Giovanni Agnelli. FCA US is a member of the Fiat Chrysler Automobiles N.V. (FCA) family of companies. (NYSE: FCAU/ MTA: FCA).

FCA is an international automotive group listed on the New York Stock Exchange under the symbol "FCAU" and on the Mercato Telematico Azionario under the symbol "FCA."

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