

Notes for a speech

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Bombardier Inc.

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Check against delivery

Thank you, Pierre. Good morning, everyone.

It's a privilege and an honour for me to be here today and to speak to you for the first time as President and Chief Executive Officer of Bombardier.

First, I'd like to thank Pierre and the Board of Directors for giving me the opportunity to lead this outstanding company that represents Quebec innovation all over the world.

I've always had considerable passion for Bombardier's high technology products, for the creativity of its craftsmen and its impact all over the world. Today, I'm just happy that I've been given the opportunity to reshape this Quebec flagship, and help it take flight so it can once again be a great symbol of pride for all of us.

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This morning, I'll share some of my thoughts and observations from the past 11 weeks since I rejoined Bombardier. I'll also highlight our key priorities for the near-term as we continue to manage through the COVID-19 crisis and look beyond to the future.

But first, I think it is important that I start by saying that I fully recognize and appreciate that Bombardier's recent financial performance has disappointed shareholders.

While much progress has been made to streamline and focus the business, we have not met our financial targets and your expectations. Moreover, repeated program delays and technical challenges have tarnished our reputation for operational excellence. And, we understand that our performance has shaken the confidence of many stakeholders.

This is unacceptable. Especially for a company with such a long and distinguished history as Bombardier. So I have given the clear message inside the company that we must again become predictable in our performance. And that we must move with urgency to restore our reputation and culture around operational excellence.

Our recent performance has not been up to par, and I understand the disappointment of our shareholders.

Our mandate is clear: to make Bombardier a strong, reliable and sustainable company. And it starts by setting clear priorities, being transparent about the challenges we face, and delivering stable and predictable performance quarter after quarter.

With our product portfolio and our thousands of talented and passionate employees, who are determined to be part of a winning team, I am confident that we can achieve this goal.

Obviously, it will be our actions - not our words - that will shape your opinion and your confidence in our future.

But the good news is that, after only a few months, I have already had the opportunity to see in our employees all the talent, determination and intensity necessary to transform our objectives into tangible results.

Current Situation (managing COVID-19)

Turning now to the issue that I'm sure is top-of-mind for everyone listening today; the impact of the COVID-19 pandemic on Bombardier.

As I shared with investors and analysts, during our first quarter earnings call, the COVID-19 pandemic has created significant challenges around the world, for our communities, for our customers and for our company.

It's clear that we are facing a new reality, and it's critical that we embrace this new reality very quickly. This means making some hard decisions and changing the way we operate, and how we move forward. And, this is exactly what we are doing.

You'll recall that when the crisis began to unfold, we acted swiftly to protect the health and safety of our employees; to support government mandates to slow the spread of the virus; and to service our customers to the best of our ability. We also managed our operations to reduce costs, preserve cash and ensure sufficient liquidity.

I'm very proud of the way the entire Bombardier team has, and continues, to respond to the crisis.

There were many great examples of leadership across the company. And, I would like to highlight and recognize just a few starting with the Bombardier site leaders and team members who worked tirelessly to ensure that we had the right procedures and safeguards in place to protect our employees around the world as we resumed operations over the past few weeks.

This included implementing remote work wherever possible; developing best-in-class safety and cleaning protocols in our plants, service centers and other facilities. And, for employees personally affected, we've made additional support available to allow them to take care of themselves and their families.

I am very proud of the Bombardier employees who supported our customers and our community despite the pandemic. I am talking about our colleagues in the field who ensure that public transit systems remain operational. I am also talking about our employees who work to provide first responders with the protective equipment they need.

This includes:

- The production of more than 40 000 protective visors;
- Supporting the manufacturing of close to 30,000 respirators
- The donation of thousands of personal protective equipment to our governments,
- The use of our fleet of business aircraft for humanitarian and medical transport; and
- Donations of more than \$600,000 from our philanthropic arm, the J-A Bombardier Foundation, for medical research and to support our most vulnerable communities.

Going, in just a few days, from the manufacturing of trains and business aircraft to the assembly of essential protective equipment for our healthcare workers demonstrates the capability and commitment of our employees.

Much has changed at Bombardier over the past five years, but the passion and dedication of our employees to each other, to our customers and to our communities is stronger than ever.

My First 11 weeks

Since re-joining Bombardier, my primary focus has been on managing the business through the crisis and the resumption of operations. This includes daily leadership calls, an intense focus on managing costs and cashflows, as well as regular communications with customers and key suppliers, confirming orders and resetting delivery schedules.

Setting Priorities

I've also had the opportunity to meet with the top leaders across the business and to set six clear priorities for the immediate and near-term future.

These priorities include:

First, continuing to proactively manage our businesses through the COVID-19 crisis to ensure our company's long-term sustainability.

I spoke earlier about the actions we've taken to keep our people and customers safe. We're also being proactive in ensuring we have sufficient liquidity to navigate the crisis.

Our second priority is to make our rail business predictable by being consistent in our performance.

Third, we need to align Bombardier Aviation's production with market demand – first to manage through the crisis – and then to be a more profitable and a steadier cash-flow generating business.

Today, there is still uncertainty as to how long the pandemic will last or how quickly our end markets will recover. However, it's clear the short-term will be challenging. And, Bombardier, like everyone else in the aerospace industry, has been forced to adjust production rates and make difficult workforce reductions.

These decisions are among the hardest a CEO has to make. They are never taken lightly. In this case, they were absolutely necessary given the impact COVID-19 has had on our market.

Longer-term, with our Global 7500 and the entry into service of the Global 6500 and Global 5500, Bombardier is well positioned. And, when the crisis dissipates, we'll look to play offense, which includes driving business aviation aftermarket growth opportunities – **our fourth priority**.

Our **fifth** priority is to complete our aerospace divestitures and the sale of Bombardier Transportation to address our balance sheet challenges.

We are making good progress here. We closed the sale of the CRJ program on June 1st. We are working diligently with Spirit on closing the sale of our aerostructures business. The proceeds from these divestitures, and our other actions, will provide a bridge to the Alstom transaction; which remains very much on track to our original timeline.

And finally, our **sixth priority** is to set the foundation for long-term success by defining a clear vision for our company and resetting our culture.

More specifically, I want Bombardier's culture to be defined as shown on this chart. An organization that is people and customer-centric; that values performance; operational excellence and team spirit. A company that is always transparent and authentic at every level.

With clear priorities and a healthy culture, we will navigate through the current crisis and make Bombardier a more profitable and predictable company with a healthier balance sheet. This is how we will redefine winning, going forward.

Closing

Again, our goal is not to simply emerge from the COVID-19 pandemic. But rather, to rebuild a stronger more predictable organization capable of delivering strong financial performance and value to shareholders.

At the same time, the manner in which we deliver our results will continue to be as important as the results we achieve. And, I want to reaffirm (as set forth in our recently published Activity Report) our commitment to maintaining the highest ethical standards; to providing a people-centric, diverse, inclusive and healthy workplace; and to demonstrating environmental leadership in our products, supply chain and operations.

While the current environment is very challenging, I'm optimistic about our future and excited to be leading a Company with such a strong product portfolio and so many great people.

I can assure you that the entire team is working hard to achieve the priorities I outlined and to make this company of yours more valuable. And, I look forward to updating you on a regular basis as to our progress.

Thank you again for joining us this morning, and for your interest in Bombardier.

To conclude, I can assure you that we understand your disappointment. But I am convinced, above all, that we will rebuild this Quebec flagship so that we will all be proud of our company once again.

I wish you and your loved ones health and safety for the days and weeks to come.

Thank you!

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