WE ARE NOT STATIONARY BY NATURE.

Personal mobility is key to life. And has always been more than simply going from point A to point B—earn a living, get to school, shop for groceries, bond with family, see a show, move belongings, attend a meeting or visit with friends. Mobility delivers benefits for individuals and societies alike by enabling work, community, experiences, opportunity and commerce.
New technologies and thinking such as electrification, autonomous technology, connectivity and sharing services are coming together to create a new era of personal mobility that’s all about choice, convenience, customization, safety, value and sustainability, so that more people have more ways to move forward.
At General Motors, we are working to create a company that all stakeholders value, people aspire to work for and communities are proud to embrace.

We start with a clear understanding of our promise:

- We are committed to safety in everything we do.
- We earn customers for life.
- Our brands inspire passion and loyalty.
- We translate breakthrough technologies into vehicles and experiences that people love.
- We create sustainable solutions to improve the communities in which we live and work.

Environmental stewardship and sustainability are part of our business model and core to our operations. Social and technological changes are rewriting the rules of vehicle use and ownership, and I believe the auto industry is changing more today than it has in the last 50 years. This transformation gives GM an unprecedented opportunity to develop new mobility solutions that lead to a world with zero emissions, zero congestion and zero crashes.

We understand that the vehicles we make and the way we make them impact our environment and communities. We take this responsibility to heart. Today, GM uses less energy and water, generates less waste and emits less carbon to manufacture a vehicle than ever before. Our solar, landfill gas, hydro and waste-to-energy applications make us one of the largest industrial users of renewable energy in the world. Our focus on efficiency also extends to materials and logistics, where we continue to generate significant savings. These are wins for our business, customers and investors, and wins for the environment and communities that surround us.

GM is executing a strategy that builds on the strength of our core business and leverages our technical expertise to lead the future of personal mobility. As always, we continue to put the customer at the center of everything we do. Our goal is to make GM the world’s most valued automotive company, and we are making good progress, as evidenced by GM’s record financial and operating performance and our strong outlook for 2017.

**Enhancing Life’s Journey**

We are committed to our core values of customers, relationships and excellence. We act with integrity, take accountability for results, do what we say we are going to do and do the right thing, even when it is hard.

In 2016, we revamped our global philanthropy and corporate-giving strategy to better reflect and align our priorities as a responsible corporate citizen, specifically focusing on areas where
we believe we can have a direct impact. Around the world, we now focus on expanding and improving science, technology, engineering and math (STEM) education, advancing vehicle and road safety and promoting economic empowerment in the communities where we live and work. For businesses to thrive, we know that communities must flourish.

GM is an industry leader in using technology to solve big problems, improve the planet and enhance peoples’ lives. In 2016, we achieved our 2020 commitment to generate 125 megawatts of clean energy four years ahead of schedule. Building on that success, we announced a plan to source all electrical power for our 350 facilities in 59 countries with renewable energy by 2050 – the only automaker to make such a commitment. 2016 also marked a record year for our landfill-free commitment. We added 23 new sites last year and now have a total of 152 landfill-free sites worldwide — more than any other automaker — including 100 manufacturing sites.

Building a Workplace of Choice

When it comes to the sustainability of our workforce, we are investing in both our current and future employees. We want people to know that if they truly want to make the world a better place, they can make a real difference here.

From boardroom to dealer showroom, we are committed to building a dynamic and diverse team that shares a passion for solving the world’s mobility challenges. And we’re creating a culture, an energy and an attitude that says anything is possible.

Our team has changed rapidly in recent years. Today, 35 percent of our salaried employees have worked at the company less than four years. Many of our new hires come from the same sources that feed the global tech economy. In fact, our applications from Silicon Valley were up more than 100 percent in 2016. Around the world, GM job applications were up more than 24 percent last year.

We recognize growing concerns around the world about the impact of globalization and technology on labor markets, and we are committed to helping our employees acquire and update the skills they need for success in today’s economy.

Around the world, we are dedicated to empowering a diverse and inclusive workplace that values the contributions of all employees. We know that a diverse workforce promotes fresh, innovative thinking that translates into a competitive advantage for GM and winning products for our customers.

Throughout the company, we offer collaborative workplaces and an enterprise-wide commitment to peoples’ life choices. Nearly 3,000 employees took advantage of our tuition assistance programs in 2016, and nearly 800 more participated in our well-established technical and professional education programs. We also believe that fair and equitable pay is an essential element of any successful business model, and we were proud in 2016 to have signed the White House Equal Pay Pledge.

To win in tomorrow’s increasingly sophisticated auto industry, we also have a responsibility to help develop a pool of capable and highly educated potential employees. In 2016, GM filled a position in a STEM role every 26 minutes, and we expect our need for STEM graduates will only continue to grow in the years to come.
Defining the Future of Personal Mobility
Perhaps nothing GM is doing today is more important for society’s long-term future than leading the transformation of personal mobility.

GM leads the industry in vehicle connectivity with more 4G-equipped models than the rest of the industry combined. In 2016, OnStar celebrated its 20th anniversary by surpassing 1.5 billion customer interactions, and the growth rate is astounding. It took 19 years to reach 1 billion customer interactions. Eighteen months later, we hit 1.5 billion, and the pace continues to accelerate.

Another area where we are changing the industry is alternative propulsion, especially electric vehicles. New battery technologies have helped us launch cars like the groundbreaking Chevrolet Bolt EV, which will also serve as our platform for future autonomous vehicle development. We are also working to develop new clean-energy technologies, such as hydrogen fuel cells that hold great potential for land, sea and air applications.

In other areas of the business, technology is becoming available that will make driving dramatically safer and more convenient. From active-safety features such as Adaptive Cruise Control and forward collision alerts to Super Cruise and fully self-driving vehicles, our engineers and technology experts are developing vehicles that meet or exceed the same strict standards for safety and quality that we’ve been building into traditional vehicles for generations.

GM is aggressively advancing the development of autonomous vehicles. We believe this technology will fundamentally change the way vehicles are used, and because more than 90 percent of traffic accidents are due to human error, this technology will be a primary enabler for reducing traffic fatalities. We also think we can use this technology to make transportation available to many people without good transportation options today.

Last year, GM acquired San Francisco-based Cruise Automation, a leading Silicon Valley startup in autonomous technology. The Cruise team specializes in developing the software that drives our autonomous vehicles and is responsible for the commercialization of our autonomous-vehicle business. We now have more than 50 autonomous test vehicles operating in San Francisco, Scottsdale and Metro Detroit, with plans to increase the fleet to hundreds of test vehicles by the end of 2017.
Our first application of autonomous technology will be in ridesharing fleets in major cities, and we have been working with the appropriate government agencies to this end. These fleets will give many people the opportunity to experience this truly extraordinary technology.

A fourth area where we are breaking new ground is shared mobility. Last year, we launched our own car-sharing service called Maven, which we are scaling up quickly. Maven now operates a fleet of about 10,000 GM vehicles in 17 U.S. cities, allowing customers to use a mobile app to locate and reserve a vehicle. In Los Angeles, Maven is collaborating with the city’s Sustainable City pLAn to help create smart transportation options that enhance mobility, create jobs and ease parking and congestion. Maven is adding more than 100 Bolt EVs to its Los Angeles fleet, which will be capable of covering 250,000 all-electric miles per month.

This is a new business area for us – one that is allowing us to expand the transportation options we offer our customers, as well as improve our ability to innovate and iterate at the speed of today’s leading technology companies.

**A Different Company**

After three years of record-setting operating performance and a series of bold and decisive actions, we have built strong momentum at GM. In 2017, we continue to accelerate. As always, we are putting the customer at the center of everything we do, as we continue to meet our commitments and deploy our resources to deliver the highest possible returns over the long term.

GM is a more profitable, more disciplined and more focused company. We are also more diverse, more responsive to the needs of our customers and more determined than ever to take our commitment to clean energy and climate resilience mainstream.

I see great opportunities at GM to build not just a better company, but a better world – by delivering transportation solutions that are safer and better, enhancing life’s journey for people around the world.

By living our values and doing what we say we will do, I am confident we will achieve our goals for our customers and shareholders for years to come.

Respectfully,

Mary Barra
Chairman & CEO
2016 KEY ACHIEVEMENTS

228K METRIC TONS
The amount of potential carbon avoided in the atmosphere each year, thanks to our vehicle lightweighting initiatives. To date, 10 models have shed more than 3,600 pounds combined.

40 MILLION
Cumulative miles were logged in the first year of our Maven personal mobility brand, which includes three products: Maven City, Maven Home and Express Drive.

238 MILES
That’s the EPA-estimated range the new Chevy Bolt EV – the 2017 Motor Trend Car of the Year – can drive on a single charge. It’s also affordable.

152 SITES
We now count 52 nonmanufacturing and 100 manufacturing landfill-free sites around the world, meaning we exceeded our 2020 landfill-free target four years early.

24%
Increase in number of global job applicants as a result of strengthened recruiting efforts.

Member of
DOW JONES SUSTAINABILITY INDICES
In collaboration with RobecoSAM for the second consecutive year, GM was the only automaker on the North American Index of this leading global benchmark for corporate sustainability.

*Does not include Austria, due to local laws.
100%*
All GM salaried employees completed certification for our newly updated Code of Conduct, Winning With Integrity, which focuses on the hows and whys of ethical decision making.

100%
After reaching our 2020 renewable energy goal four years early, we have committed to meet all of our global facilities’ electricity needs through renewable energy by 2050.

50+
Autonomous test vehicles are now driving on public roads in San Francisco, California, and Scottsdale, Arizona.

$73 MILLION
Energy cost savings in 2016 as a result of installing 186,000 LED bulbs and fixtures.

$250,000
Our grant to Girls Who Code will help encourage more U.S. middle and high school girls to pursue computer science-related education, underscoring GM’s commitment to science, technology, engineering and math (STEM) education.

60 MODELS
Received the highest overall vehicle score for safety in regional new car assessments around the world in 2016.
We believe the automotive industry is changing more today than it has in the past 50 years. A global population shift toward cities and changing demographics, as well as significant advances in electrification, connectivity and autonomous technology are being realized. We have a generational opportunity to create a world where sustainable transportation is a reality for daily life.

Personal Mobility & Connectivity: A New Way to Get From A to B

The world is clamoring for a different type of relationship with transportation. This presents GM with an opportunity: to transform from being simply an automaker into being a global mobility solutions provider.

Connectivity will enable this future. On-demand car-sharing, autonomous vehicles, greatly improved vehicle safety and more all rely on ubiquitous connectivity. We’re refining the tools to harness the data and analytics that connected cars are generating, and in doing so, we’re helping weave the fabric of a new generation of intelligent vehicles that provide benefits such as greater safety through vehicle-to-vehicle connectivity and decreased congestion through ride sharing and route optimization.

In this emerging reality, GM has established a unique leadership position that draws upon more than 1.5 billion customer
Accelerating the Future of Autonomous Vehicles

The rise of autonomous vehicles will offer major changes to personal mobility and to GM’s core business. We see the autonomous vehicle of the future improving every aspect of mobility and are working hard to make that future a reality in the near term.

Our effort accelerated in early 2016 when we acquired Cruise Automation, adding the company’s deep software talent and autonomous-vehicle expertise to further accelerate our development of autonomous-vehicle technology. Cruise operates within our larger Autonomous Vehicle Development Team and provides us with a unique technology advantage that is unmatched in our industry. This acquisition is helping us achieve our vision to bring our customers greater convenience, lower cost and improved safety for their daily mobility needs.

In June, we began testing autonomous Chevrolet Bolt EVs on public roads and real-world conditions in San Francisco and Scottsdale, Arizona. We now have more than 50 autonomous test vehicles in these two cities, as well as in metro Detroit. Our tests, especially in San Francisco, allow us to operate under extremely dynamic, dense and congested conditions, so we can ensure that the car can handle the rigors of city driving.

Beginning in early 2017, we began producing the next generation of autonomous test vehicles at our Orion Township, Michigan, assembly plant. There, workers will build test fleet Bolt EVs equipped with fully autonomous technology. The new equipment will include LIDAR, cameras, sensors and other hardware designed to provide system safety, leveraging GM’s proven manufacturing quality standards.

We anticipate providing the Chevy Bolt EV as our first fully autonomous vehicle available for the public to use through an on-demand ride sharing network. We are aggressively developing the technology and are committed to delivering it to the public when it meets our high standards for safety, quality and performance.

Also in 2017, we will bring an advanced driver-assist technology called “Super Cruise” to market. This new feature, which will be offered on the Cadillac CT6, provides customers with a driving experience that works with Adaptive Cruise Control to provide hands-off automatic lane centering on limited-access highways. The system is designed to increase driver safety, convenience and reduce stress both in bumper-to-bumper traffic and on long road trips.
Services for the Shared Economy

Shared mobility plays an increasingly important role in how the world travels from one destination to the next. At GM, we believe shared mobility complements the traditional owner-driver business model. Our global scale, dealer network, customer knowledge, fleet management and OnStar connectivity expertise make us ideally suited to converting shared mobility services into business opportunities. From a business standpoint, car-sharing puts GM in front of large demographic groups, including college students, millennials and older people moving back into cities, who may not be as familiar with GM brands and models. In early 2016, we launched Maven, our new personal mobility brand that provides frictionless and seamless access to transportation, with three products that offer highly personalized, mobility-on-demand services.

**Maven City**
Our car-sharing service uses the smartphone as its primary interface and requires no membership fee to use a vehicle.

**Maven Home**
An exclusive car-sharing program for residential communities. Approved participants have 24/7 access to a variety of vehicles, conveniently parked in residential community parking garages.

**Express Drive**
A partnership with Lyft, in which we buy back vehicles at auction and rent this fleet on a short-term basis to Lyft drivers who either don’t want to use their own car or whose personal vehicles don’t qualify for Lyft service.

**Maven Pro**
Our corporate car-sharing solution offers companies a campus solution for managing vehicle fleets. Employees use a smartphone app to access a pool of company-owned vehicles.
We are committed to find and implement solutions to reduce the CO2 emissions of our global vehicle fleet, which represents 77 percent of our annual carbon footprint. Developing fuel-efficient vehicles that deliver on our long history of quality also saves our customers money over the life of their purchase.

Advancing Efficient Fundamentals

Even as the world shifts to embrace electric vehicles – and we develop products like the Chevy Bolt EV to meet that market demand – gasoline is likely to remain the primary vehicle fuel for the foreseeable future. Efficient Fundamentals is our strategy to apply leading-edge CO2 improvements to products that rely on the traditional internal combustion engine, which represents about 96 percent of our portfolio today. We’re attacking the challenge at the most fundamental engineering levels, such as vehicle weight, vehicle drag, engine downsizing, transmission and engine efficiency.

Reducing vehicle mass by 10 percent improves fuel efficiency by about 5 percent, and our lightweighting advances can be seen in some of our best-selling models. More efficient designs, lighter materials and proprietary manufacturing techniques also help GM eliminate billions of dollars in material costs. Our global mixed-materials strategy allows us to incorporate the most appropriate materials and techniques for each part of the vehicle to maximize performance and minimize weight.
Greater engine efficiency comes from technologies like downsizing, turbocharging, "stop-start" technology, direct injection, variable valve timing and cylinder deactivation that maximize usable power and performance characteristics important to our customers. We will build and deploy more than 2.2 million vehicles across 27 models and five brands that make use of these advances by the end of the 2017 model year.

Our strategy also encompasses automatic transmission technology, where more gears help increase fuel economy. In 2016, we unveiled new 9-speed and 10-speed automatic transmissions. We plan to deploy the 9-speed on 10 front-wheel drive models by the end of calendar year 2017 and will have eight rear-wheel drive models with the 10-speed transmission by the end of 2018. We expect these new transmissions will continue to raise the standard of technology, performance and quality for our customers, while also helping drive fuel economy improvements into our future product portfolio.

**LIGHTWEIGHTING**

General Motors Lighter and More Efficient Lineup

2016 marked the year when we cracked the code on EV affordability as we expanded our electric portfolio to include the Chevy Bolt EV. Named the 2017 Motor Trend Car of the Year, the 2017 North America Car of the Year and the 2017 Green Car of the Year, the Bolt EV changes the landscape of EVs to couple affordability and long range, offering an EPA-estimated 238 miles of full electric travel on a single charge.

We designed the Bolt EV from a blank slate with the goal of maximizing efficiency, performance, driver comfort and interior capacity. Our engineers developed an innovative single-pedal steering platform that allows drivers to choose how much energy they regenerate while driving and braking on the fly. We’ve developed a number of connectivity solutions to improve the EV experience, including driving range projections based...
on the weather, time of day, the driving landscape and drivers’ habits, as well as GPS mapping that designs routes to maximize range and provides locations of nearby charging station locations if needed. Each of these innovations will encourage more drivers to reap the benefits of all-electric driving.

The innovations and successes we’ve seen with the Bolt EV are the result of the expertise we developed with the Chevy Volt, which in 2016 crossed the 100,000 sales milestone in the U.S. We launched the second-generation Volt in 2015, featuring a 39 percent greater all-electric range, stronger acceleration and a 220-pound lighter body, thanks to our mass-reduction efforts. The Volt propulsion system was recognized for the second year in a row with a WardsAuto 10 Best Engines award.

The Volt and the Bolt EV are part of GM’s growing portfolio of electrified vehicles, which includes our new Chevy Malibu hybrid that builds off the Volt’s two-motor drive unit; the Cadillac CT6 plug-in hybrid electric vehicle (PHEV), which will soon be on sale in the U.S. and China, and the Opel Ampera-e, another EV aimed at the European market.

Fueling the Future

With the ability to refuel in approximately three minutes, fuel cells may be the solution for fast-charging electric vehicles. GM has been working on fuel-cell technology since its inception. The Electrovan, the world’s first hydrogen-powered fuel-cell vehicle, was constructed more than 50 years ago using technology developed by NASA to meet President John F. Kennedy’s 1962 moonshot challenge. Today, we are among the leaders in fuel-cell patents.

We are currently developing fuel-cell technology as a way to propel larger vehicles that travel longer distances at higher speeds. While fuel cells aren’t used for commercial passenger vehicle applications today, further research and economies of scale may someday make the concept a reality. We recently announced the formation of Fuel Cell Manufacturing System, LLC, in partnership with Honda, a 50-50 joint venture to provide both companies with fuel cells for multiple applications in the 2020 timeframe.
To win and keep talent, we must provide a workplace culture that encourages the development of our employees’ full potential, fulfills their long-term individual aspirations and achieves full engagement. We also are mindful that our global customer base is diverse, and our global workforce must possess an equally diverse set of insights, skills and experiences that meet our customers’ needs.

A New Chance with Take 2

One of the biggest obstacles facing women’s careers in the U.S. is the difficulty in taking time off work to raise children or care for family members, only to try to break back into the workforce several years later while facing an experience disadvantage. That’s why in 2016, GM launched our groundbreaking Take 2 project. This 12-week internship is for women and men with technical backgrounds in vehicle engineering, manufacturing engineering or manufacturing operations. The program provides training, professional development and networking opportunities to give them a head start in refreshing their skills, building their professional networks and securing long-term employment after an employment break – all while working on GM engineering programs.
Developing Careers at Every Level

An important way we keep employees engaged is through ongoing talent development. Our development process is available to employees at all levels, from new hires to senior executives. Crucially, this process is not prescriptive. We provide guidance and offer diverse opportunities, while encouraging employees to build skills and gain experiences that interest them most.

We now offer programs in partnership with academic institutions such as Harvard, Stanford and the University of Michigan. These programs bring new perspectives on matters such as creativity and design thinking that are preparing employees for emerging trends in our industry. GM-specific programs like JumpStart for new hires and Crucial Conversations for people leaders remain popular and effective, building both on-the-job competencies and coaching on skills like communication and trust.

Support for Equal Pay

GM has long been a global leader in advocating for women’s equality in the workplace, with women in nearly 28 percent of our top management positions. In 2016, we joined with 28 other forward-thinking businesses in signing the Equal Pay Pledge. The pledge reflects the value we place on gender equity, our commitment to fostering a diverse and welcoming workplace that values the contributions of all employees, and our shared belief that employees’ gender should not factor into compensation decisions. We believe that fair and equitable pay should be an essential element of any successful business model, and we are proud to stand with other companies that share this same value.

As Executive Vice President of Global Manufacturing, Alicia Boler-Davis is responsible for the operations of every GM factory in the world.
An Inclusive Place to Work

GM is among the most diverse automotive employers globally, from the board room to the plant floor. In 2016, half of the members of our Board of Directors were women and/or ethnic minorities, making us a leader among the Fortune 100. In addition, our corporate officers comprise 26 percent women and minorities. Among new hires, we are focusing on women and minorities in STEM disciplines. In 2016, 35 percent of all U.S. hires were minorities, and more than 27 percent of all global hires were women.

Our employee surveys regularly reveal the high value that people at every level of GM place on diversity in the workplace, which is why we have established employee development programs that address both individual and business needs, as well as effective recruitment programs that reach out to diverse populations. Our employee resource groups (ERGs) play a key role in fostering an inclusive place to work. These groups provide a forum for employees to share common concerns and experiences, gain professional development support and engage in local communities. Approximately one-third of GM employees are involved in one of our 12 ERGs.

Diversity and inclusion are integral to building a workplace of choice and supporting business success.
Stronger Recruiting Efforts

The hiring and retention of top talent is an increasingly challenging strategic priority. The current strong economy and heated job market means that the best-qualified candidates are likely entertaining multiple job options. In 2016, U.S. job openings were at their highest levels ever, and unemployment was at its lowest level since 2008. In addition, our growing focus on innovations such as connectivity, autonomous and artificial intelligence requires us to compete not only against other automotive companies, but also leading companies from the technology sector.

As a result, we’ve stepped up our recruitment efforts to ensure that the best and brightest land at GM and stay. In 2016, we:

- Restored recruiting efforts to our own internal talent acquisition teams.
- Launched the Made for More Employee Value Proposition (EVP).
- Increased social media outreach through Facebook, LinkedIn and Twitter.
- Revised all applicant correspondence to reflect new branding.
- Launched Take 2 internship program for parents, caregivers and/or trailing spouses with backgrounds in engineering, manufacturing and other technical areas, who have been out of the job market for more than two years.
- Partnered with SoFi to help eligible U.S. employees refinance student loans, making us the first automotive company to do so.
- Expanded our paid parental leave to include all salaried employees in the U.S., offering mothers, fathers and adoptive parents two weeks of paid leave.

Jessica Moreno, a Vehicle-to-Vehicle Security Credential Management program manager, is helping to shape the technology cars use to talk to each other when avoiding crashes and other unwanted situations on the road.

2016 Workplace Awards

» Best Place to Work for LGBT Equality, Human Rights Campaign
» Best for Vets: Employers 2016 Ratings, Military Times
» 50 Best Companies for Latinas to Work, Latina Style
» 2016 Top STEM Workplaces, Winds of Change and the American Indian Science and Engineering Society
» Top 50 Employers (#3), Minority Engineer
» Top 50 Employers (#31), Women Engineer
» Top 50 Employers (#14) CAREERS & the disABLED
» Top 50 Employers (#4), Workforce Diversity
» 2020 Honor Roll, 2020 Women on Boards
» Top 100 Employers, GM Canada
» DiversityInc. Top 50

(Left) GM Flint employees react to the announcement of the new $877 million body shop investment at Flint Assembly.

(Right) As part of our veteran recruitment efforts in the U.S., we work with “Hiring Our Heroes” to help find jobs for returning veterans and their spouses.
There are very few companies that operate at GM’s level globally. That scale gives us enormous influence to innovate in the areas of environmental and social excellence. Moreover, when we reduce our operational impact, we operate more efficiently. Efficient operations translate into lower cost structures and higher levels of quality, both of which ultimately benefit our customers.

Moving Beyond Coal to Meet our Renewable Energy Commitments

For the first time ever, GM is not generating any on-site coal emissions to power our operations. When we switched our boilers at the Oshawa, Ontario, Canada, and Wentzville, Missouri, facilities from coal to natural gas, shut down our coal-fired boiler at Detroit-Hamtramck and purchased steam from renewable sources, we eliminated the last of our coal-based emissions. This action underscores our dedication to using less energy across all of our operations. Conserving energy will speed our progress toward our renewable energy goals, while saving GM money and providing cleaner air in our communities. We continue to find ways to cut energy use each year; in 2016 alone, our energy conservation efforts saved us $73 million in energy costs.
Building a More Circular Economy

Our track record for meaningful waste reduction is well established. Efforts in this area not only reduce our own environmental impacts, but increasingly help contribute to a circular economy, one in which materials that would have become waste in the past are put back to work serving another purpose.

In 2016, we launched our Do Your Part program, which empowers employees and communities to connect their individual actions to broader social and environmental causes. This connection includes Flint, Michigan, which is dealing with a water and health crisis since high levels of lead were discovered in the city’s drinking water. Our team wanted to create a project to recycle the millions of plastic water bottles that have been delivered to Flint.

In 2016 alone, we took in more than 4 million used water bottles – 2 million from Flint, and the rest from six GM facilities around Michigan. We worked with a number of suppliers to process the plastic – washing, flaking, converting to resin and then to fibers – and created three unique fleece products, two of which are used within GM. One creates a noise-reducing insulation that covers the V6 engine of our Chevy Equinox, while the other is used in air-filtration components for 10 GM facilities.

As part of this project, we partnered with two community organizations to recycle these bottles into new opportunities. The N.E.W. Life Center in Flint is training at-risk individuals to make air filter panels from the recycled bottles and provides other job-training skills as they complete the program. The Empowerment Plan in Detroit gives jobs as seamstresses to previously homeless women. GM provided enough recycled plastic fleece for these women to sew 6,500 coats that transform into sleeping bags, which are provided free to people in need. The nonprofit provides job training and skill development to help these women find long-term, sustainable work.

GM seamstress Jessica West sews insulation made from recycled water bottles, which will line 6,500 coats to be donated to those in need.
A 100% Renewable Future

In 2016, we were excited to achieve our 2020 commitment to generate 125 megawatts of clean energy four years ahead of schedule, with 199 megawatts at 31 facilities. Building on that success, we amplified our efforts by committing to meet 100 percent of our electrical power needs through renewable energy by 2050. That means that the power needs of 350 GM facilities in 59 countries, from our assembly lines to our corporate offices to our customer care centers, will be met with solar, wind and other zero-emission energy sources.

To meet our renewable energy goal, we will continue to improve the energy efficiency of our operations while transitioning to clean sources for power. Power purchase agreements not only provide us with clean energy, but also support the development of large-scale renewable energy projects around the world and demonstrate our commitment to marketplace advocacy. GM is one of 88 companies that made the RE100 Pledge as of year-end 2016, and is the only North American automaker to do so.

Waste Reduction Goal: Achieved

The automotive industry is a material resource-intensive industry, which makes waste minimization an important mission for us and an area where we are making notable progress. 2016 marked a record year for our landfill-free commitments: We added 23 new sites for a total of 152 landfill-free sites worldwide. With this addition, we now count 52 nonmanufacturing and 100 manufacturing sites, which means we have exceeded our 2020 landfill-free target four years early.

These results reflect our efforts to optimize our resource efficiency so that we generate less waste, maximize the use of the materials we require, and repurpose and recycle wherever we can. Altogether, we recycle or reuse approximately 2.5 million metric tons of byproducts a year. In recent years, we generated over $1 billion in revenue and savings from recycling and reuse activities. This number is growing smaller, however, as we reduce total waste through engineering and manufacturing efficiency improvements.
Managing Water-Related Risks

We recognize water is a local issue. That’s why our water management policy starts at the facility level, where conservation and stewardship strategies can be aligned with local resources and regulations. Though we identify only eight GM facilities to be in water-stressed areas, we give special consideration to water treatment at these locations. Minimizing water use and withdrawals allows plants to minimize the stress they place on local water sources, lessening the risk of depletion in times of drought. In 2016, we completed several innovative projects that will help us further reduce our water footprint, while also saving significant money, from installing low-flow showers and faucets to adopting a process at our Brazil engine plant to remove effluents from wastewater using wetland plants and soil.

Our corporate water stewardship strategy is intended to build on such local water conservation efforts and help us maximize the full potential value of responsible water management. GM’s commitment to water management is also reflected in our transparency and disclosure efforts through CDP’s water program, which we joined in 2014 to improve engagement of our supply chain in water use globally.
Reduce Energy Intensity by 20 Percent
(MWh/vehicle)

Our facilities have reduced energy intensity by 16 percent since 2010 in part due to our leadership in a number of external energy management programs.

Reduce Carbon Intensity by 20 Percent
(metric tons CO2e/vehicle)

A 16 percent reduction in carbon intensity since 2010 by our facilities has closely tracked with improvements in energy efficiency.

Increase Renewable Energy to 125MW
(MW)

Our renewable energy portfolio has more than tripled since 2010. In 2016, we surpassed our renewable energy goal four years early and set a new goal to meet 100 percent of the electrical needs of our global operations with renewable energy by 2050. Commitment achieved in 2016.

Reduce Water Intensity by 15 Percent
(M3/vehicle)

While we manage water at the local facility level, our global operational footprint has reduced water intensity by 12 percent since 2010.
Reduce Waste Intensity by 40 Percent* (kg/vehicle)

As we have increased the number of landfill-free sites around the world, we have been able to decrease our waste intensity by nearly 27 percent since 2010.

Reduce VOC Emissions by 10 Percent (kg/vehicle)

Since 2010, we have lowered our VOC emissions by 24 percent, well ahead of our 2020 goal.
Commitment achieved in 2013.

Reach 150 Landfill-Free Sites

We added 23 new landfill-free sites in 2016 to help us achieve our 2020 landfill-free target four years ahead of schedule. With this momentum, we will continue to work toward our aspiration to become a zero-waste company.

Establish a Wildlife Habitat Certification (or equivalent) at each GM manufacturing site where feasible by 2020.

We are working to improve wildlife habitats by having a Wildlife Habitat Certification (or equivalent) at each GM manufacturing site where feasible by 2020.

100%

Promote and engage community outreach on environmental and energy issues by completing an outreach activity at all plants on an annual basis.

*2015 value updated, reflecting an increase due to previously under-reported sand generation from Foundry Activities. Effective 2016, GM modified its definition of beneficial reuse to include byproduct used for landfill construction or cover to meet landfill engineering requirements where it replaces sourcing new (or virgin) material, which aligns with external stakeholder practices.
Our purpose is to earn customers for life. That’s why we put customers at the center of everything we do. It’s a commitment that is the right thing to do for our customers and our business: a single percentage point improvement in U.S. sales retention is equivalent to selling about 25,000 vehicles.

Earning Customers for Life

Customer satisfaction speaks to what we believe as a company. As a business, our objective is to provide our customers with quality and safe products and services. Today, we are more focused on this responsibility than at any other time in our history. The goal is to satisfy our customers to a level where they are not only loyal to our brands, but also recommend them to others.

This total focus on customers defines how we develop, engineer and manufacture our vehicles to ensure top quality and durability, starting with product development. We harness customer feedback from every global market to help shape every aspect of our product experience, using our GM Compass customer survey to gather preferences on a variety of issues.

We are focused on delivering the highest levels of product quality by cultivating a culture of excellence and holding our operations to rigorous internal and external standard certifications. Beyond product quality, our Customer Assistance Center is dedicated to responding to customer concerns at any time. We measure customer satisfaction primarily through our Net Promoter Score, which indicates how likely a customer is to recommend our products.
Recognizing Customer Service Excellence

Each year, we celebrate Customer Service Week, which recognizes all the work it takes to provide high-level service to GM customers and dealers everywhere. Customer Service Week offers us a chance to say thank you to our contact center advisors, to take a moment to think about the role we all play in taking care of our customers, and to acknowledge how seriously our employees take their responsibility to build lasting relationships with our customers.

Every three months, we present the I CARE Culture Award at our All-Employee Meetings for individuals or teams who exhibit the qualities that will help us win by putting the customer first in everything they do. Winners have made an exceptional effort to do something that improves our customers’ ownership experience.

For example, in 2016, Vipin Pal, an aftersales parts engineer from GM India, took home top honors for his outstanding service in tracking down a replacement cooling part for a 15-year-old Opel vehicle that had long since been discontinued in India. Because of the car’s great sentimental value – it was a gift to our customer from his religious leader – Vipin made every effort to replace the part, and thrilled the customer when his vehicle was repaired in less than two weeks. Employees like Vipin showcase our dedication to doing the right thing for our customers, every time.

Another recognition program is aimed at our Global Connected Customer Experience (GCCX) team. Now in its second year, the GCCX Connections Awards is a peer-nominated employee recognition program. All GCCX direct and indirect active employees are invited to nominate fellow employees, which totaled nearly 100 nominations globally in 2016. The criteria focused on helping GM meet business goals by exhibiting GM values and living the GCCX promise to “connect customers to reimagined mobility experiences that people love.” Each of the seven awards given was aligned with the GM Strategic Priorities and GCCX Values.

CHEVROLET IS THE MOST AWARDED CAR COMPANY THREE YEARS IN A ROW, BASED ON RECOGNIZED INDUSTRY AWARDS FOR 2014–2016 YEAR-END TOTALS.
Dealer Chat Amplified

As consumer shopping preferences evolve, GM must offer shopping and communication tools that are convenient and meet their needs. Dealer Chat GM, launched in 2016, is one way we’re doing this. Through this program, customers browsing on dealer websites receive 24/7 support from a team of trained GM advisors who can answer questions about product information, inventory and incentives, as well as scheduling test drives and service appointments. Dealers subscribe to the service and, in return, increase customer satisfaction and sales leads.

The service launched with about 400 GM dealer subscribers. Just seven months after launch in August, the GCCX Dealer Chat team had more than 850 dealer subscribers and had reached a milestone of 100,000 customers engaged through webchats. "Dealer Chat GM is one example of how GM is making it easier for consumers to get the information they need and also contributing to GM’s bottom line," says Michael Bojarczyk, senior manager, GCCX Marketing Support. “Our team puts the customer at the center of all we do, delivering strong business results, and we intend to build on this early momentum.”

GM BRANDS EARNED MORE SEGMENT AWARDS THAN ANY OTHER AUTOMAKER IN KEY J.D. POWER STUDIES.

U.S. VEHICLE DEPENDABILITY
8 Award-recognized models (a)

U.S. VEHICLE INITIAL QUALITY
7 Award-recognized models (b)

U.S. AUTOMOTIVE PERFORMANCE, EXECUTION AND LAYOUT
6 Award-recognized models (c)

- (a) Buick Enclave, Buick LaCrosse, Buick Verano, Chevrolet Camaro, Chevrolet Equinox, Chevrolet Malibu, Chevrolet Silverado HD and GMC Yukon
- (b) Buick Cascada, Chevrolet Equinox, Chevrolet Silverado HD, Chevrolet Silverado LD, Chevrolet Spark, Chevrolet Tahoe and GMC Terrain
- (c) Chevrolet Sonic, Chevrolet Camaro, Chevrolet Colorado, Chevrolet Tahoe, Buick Cascada and GMC Sierra HD
Safety and quality form the foundation on which our business is built. Our customers depend on our vehicles and technologies to safely and reliably transport them and their families on life’s journeys. Appreciating our customers and working each day to earn their loyalty is what drives us to make better and safer cars, trucks and crossovers.

Innovative Technologies to Address Societal Issues

Our pursuit of industry leadership in vehicle safety continues to be underscored by the introduction of new advanced technologies, many of which have been developed to address the behavioral side of safety. The 2017 all-new GMC Acadia, for instance, includes a new standard feature called Rear Seat Reminder. According to the National Highway Traffic Safety Administration, heatstroke is the leading cause of non-crash, vehicle-related fatalities for children ages 14 and younger.

Although Rear Seat Reminder does not detect the presence of a child in the rear seat, the feature was developed to audibly and visually remind drivers to check the rear seat if either of the rear doors has been opened and closed 10 minutes prior to turning the vehicle on or while the engine is running. Given the potential for this technology to make a difference, we are rolling it out across 16 Buick, Cadillac, Chevrolet and GMC models in the 2017 and 2018 model year.
We are also working to use the leading technologies embedded in GM vehicles to help keep teens and their passengers safe. The 2016 Chevy Malibu pioneered the Teen Driver system, which provides parents with a teaching tool to help encourage safe driving habits for their kids, even when the parents are not in the car with them. Chevrolet is expanding Teen Driver to more than 60 percent of 2017 Chevy vehicles sold. The system also will be available in Cadillac, Buick and GMC models beginning in May 2017.

For drivers of any age, we also are focused on developing and implementing new technology to help encourage seat belt usage and help address impaired driving. Seat Belt Assurance System is a seat belt interlock that prevents the vehicle from being shifted out of park until the driver and detected front seat passenger are buckled up. This feature is available on a limited number of fleet vehicles. It is being evaluated as a pilot to determine customer acceptance and the effect it may have on increasing seat belt use.

Global Deployment of Advanced Safety Technologies
(Number of models with these technologies available or as standard equipment)

<table>
<thead>
<tr>
<th>Safety Feature</th>
<th>Models Available</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forward Collision Alert</td>
<td>61</td>
</tr>
<tr>
<td>Full-Speed-Range Adaptive Cruise Control</td>
<td>24</td>
</tr>
<tr>
<td>Safety Alert Seat</td>
<td>23</td>
</tr>
<tr>
<td>Front Pedestrian Braking</td>
<td>4</td>
</tr>
<tr>
<td>Side Blind Zone Alert</td>
<td>40</td>
</tr>
<tr>
<td>Lane-Keep Assist</td>
<td>27</td>
</tr>
<tr>
<td>Rear Cross-Traffic Alert</td>
<td>39</td>
</tr>
<tr>
<td>Forward Automatic Braking*</td>
<td>26</td>
</tr>
<tr>
<td>Lane Departure Warning</td>
<td>58</td>
</tr>
<tr>
<td>Surround Vision</td>
<td>6</td>
</tr>
</tbody>
</table>

*Also includes Low-Speed Forward Automatic Braking.
Helping to Manage Distracted Driving

The National Highway Traffic Safety Administration estimates that distracted driving kills nine people and injures more than 1,071 more every single day. This is why designing systems to help drivers manage distraction by keeping their hands on the wheel and eyes on the road is a priority. We strive to integrate hands-free technologies within our vehicles, such as phone controls embedded in steering wheels, MyLink with Bluetooth connectivity and voice-controlled OnStar commands. In 2016 we integrated Apple CarPlay™ and Android Auto capability across our portfolio, facilitating hands-free dialing, texting and app use.

Our engineers take great care to position and size both controls and displays in ways that ease access and streamline the steps required for drivers to complete a task. We encourage our customers to pair their mobile devices with their vehicles and to take advantage of the voice recognition features whenever possible. In addition, our infotainment systems utilize guidelines developed by the Auto Alliance, the NHTSA and our own Guiding Principles. We support reasonable limits on the use of hand-held devices while driving.

As we work to develop the technology for tomorrow’s connected vehicles, we also must learn how today’s technologies are impacting driver behavior. We partnered with the Virginia Tech Transportation Institute and Purdue University to identify the ways that technology – specifically smartphones and increasingly complex computer interfaces within vehicles – create competition for drivers’ visual attention.

Our study compared both hands-on steering and automated steering, both with full-speed, range-adaptive cruise control engaged, and found that drivers tend to split their visual attention between the roadway and secondary tasks by making relatively frequent but brief off-road glances, each of which can increase the likelihood of a collision or other road accident. The study also helped us identify what new technologies will be needed to promote safer operation of future autonomous systems.

Our suite of integrated hands-free technologies, including Apple CarPlay™ and MyLink with Bluetooth connectivity, helps drivers manage distraction by keeping their hands on the wheel and eyes on the road.
Strengthening Neighborhoods

Though the problems that disadvantaged communities and developing economies face can seem daunting, part of the solution rests in our own hands. By engaging at a micro level, in one neighborhood or community, we can make a real and long-lasting difference.

We saw the power of this strategy in 2016, when nearly 2,500 GM employees joined together in our ambitious “Grow Cody Rouge” project in our hometown of Detroit. We spent eight months working with residents of this resource-constrained – but not talent- or passion-constrained – neighborhood to put together a weeklong volunteer effort, listening and responding to the needs of the Cody community and then executing their plan.

Together with community members and our GM Student Corps volunteers, our work included landscaping backyards of elderly civic leaders; cleaning and sprucing up vacant homes, empty lots and streets; and making major upgrades to the playing fields at...
a neighborhood park, including a new soccer field. In total, our week in the Cody Rouge neighborhood totaled more than 16,000 volunteer hours across just over 100 different projects.

This complemented the work of the GM Student Corps team, whose summer-long project was renovating a high school auditorium. This was a huge task that required students to meticulously repair, hand-sand and stain the battered, timeworn stage and every wooden seat. Our GM Student Corps program provides high school students with paid internships and the opportunity to give back to their neighborhoods through community improvement projects they plan and complete. The program unites people of all ages and backgrounds toward a common goal of improving underserved and deeply distressed communities, while helping students develop valuable skills. In 2016, GM retiree and employee volunteers, along with college interns, mentored 130 students.

Promote Vehicle & Road Safety

GM is committed to helping create safer environments in our communities, as well as in our products and operations. Programs that increase awareness of safe practices and encourage responsible driving are a natural and strategic fit for GM in markets around the world. Safe Kids, a GM-sponsored program, is celebrating 20 years of the Buckle Up Program, one of their most important community safety outreach initiatives. In total, GM, the GM Foundation, Chevrolet and OnStar have provided nearly $70 million to Safe Kids to help educate parents and caregivers on the importance of passenger safety, provide child safety seat inspections and donate car seats to families in need.

This partnership has been extended to China, our largest automotive market, with the launch of Safe Kids Safe Ride. The program includes classes on the use of child safety seats, safe driving habits, promotional programs and interactive activities related to increasing children’s road safety knowledge. GM Korea also partners with the Safe Kids organization through a campaign to prevent childhood injuries that may occur as a result of vehicle blind spots.
Empower Girls to Code

In 1995, women made up 37 percent of the computing workforce. Today, that number is lower: 24 percent. The future looks even bleaker, with women comprising less than 18 percent of recent computer science graduates. This trend presents a huge challenge for the U.S. economy and its long-term global competitiveness.

GM is working to change that. Research shows that programs designed specifically to spark and maintain girls’ interest from middle school into the workforce could triple the number of women in the computing workforce in the next 10 years. This is the thinking behind our recent decision to partner with Girls Who Code (GWC), a national nonprofit aiming to close the gender gap in technology. We provided a $250,000 grant to help GWC expand its free after-school programs and further its mission of promoting computer science education and encouraging more U.S. middle and high school girls to pursue technology and engineering.

Women are an untapped resource in many industries. Targeting girls during the middle and high school years, before they lose interest or are discouraged from pursuing science, is key. Programs like Girls Who Code benefit GM, too. As GM is also a tech company, we’re increasingly competing for the best and brightest workers with software engineering skills. We can strengthen and diversify our pipeline of technology-proficient talent by encouraging girls to explore the field.

Preserving Natural Habitats

Our concern for communities extends to the habitats that protect biodiversity worldwide. Specific goals include achieving and improving upon Wildlife Habitat Council (WHC) certification at every GM site; aligning GM’s WHC programs with regional habitat plans, country conservation goals and other relevant issues of concern; and working beyond minimum certification standards.

We work to restore, protect and promote biodiversity, focusing on areas providing tangible business value, such as green infrastructure and landscaping, wetlands, supply chain, pollinators and safe migration, and forestation.

In 2016, we earned the following national awards:

- WHC Corporate Conservation Leadership Award
- Employee Engagement Award and the Formal Learning Project Award for the habitat at our Langley (Vancouver) Parts Distribution Centre
- 2016 North American Bluebird Society Award for Bluebird Conservation
- U.S. Business Council for Sustainable Development
- 2016 Pollinator Partnership Monarch Sustainer of the Year Award
- 2016 Wings Across the Americas award for “Green” Bat Houses for National Forests
CUSTOMER-DRIVEN SUSTAINABILITY

Through the lens of sustainability, we view industry challenges and change as new business opportunities that can drive additional value for our customers. From designing more fuel-efficient vehicles and deploying advanced-safety technologies to being the workplace of choice for employees and the neighbor of choice for communities, we make strategic decisions based on how the outcomes ultimately translate into value for our customers.

We integrate sustainability into our business through GM’s five corporate strategic priorities, using business levers such as technology, corporate governance and operational excellence. This process, illustrated in the graphic above, creates positive benefits for our stakeholders, drives long-term success for GM and enables each employee at every level of our company to help build value for the customer.
Please visit www.gmsustainability.com to read the complete General Motors 2016 Sustainability Report