



GM FINANCIAL

Strategic and Operational Overview

March 29, 2021

Cadillac Lyriq




Safe Harbor Statement

This presentation contains several “forward-looking statements.” Forward-looking statements are those that use words such as “believe,” “expect,” “intend,” “plan,” “may,” “likely,” “should,” “estimate,” “continue,” “future” or “anticipate” and other comparable expressions. These words indicate future events and trends. Forward-looking statements are our current views with respect to future events and financial performance. These forward-looking statements are subject to many assumptions, risks and uncertainties that could cause actual results to differ significantly from historical results or from those anticipated by us. The most significant risks are detailed from time to time in our filings and reports with the Securities and Exchange Commission, including our annual report on Form 10-K for the year ended December 31, 2020 and our subsequent quarterly reports on Form 10-Q. Such risks include - but are not limited to - the length and severity of the COVID-19 pandemic; GM's ability to sell new vehicles that we finance in the markets we serve; dealers' effectiveness in marketing our financial products to consumers; the viability of GM-franchised dealers that are commercial loan customers; the sufficiency, availability and cost of sources of financing, including credit facilities, securitization programs and secured and unsecured debt issuances; the adequacy of our underwriting criteria for loans and leases and the level of net charge-offs, delinquencies and prepayments on the loans and leases we purchase or originate; our ability to effectively manage capital or liquidity consistent with evolving business or operational needs, risk management standards and regulatory or supervisory requirements; the adequacy of our allowance for loan losses on our finance receivables; our ability to maintain and expand our market share due to competition in the automotive finance industry from a large number of banks, credit unions, independent finance companies and other captive automotive finance subsidiaries; changes in the automotive industry that result in a change in demand for vehicles and related vehicle financing; the effect, interpretation or application of new or existing laws, regulations, court decisions and accounting pronouncements; adverse determinations with respect to the application of existing laws, or the results of any audits from tax authorities, as well as changes in tax laws and regulations, supervision, enforcement and licensing across various jurisdictions; the prices at which used vehicles are sold in the wholesale auction markets; vehicle return rates, our ability to estimate residual value at lease inception and the residual value performance on vehicles we lease; interest rate fluctuations and certain related derivatives exposure; our joint ventures in China, which we cannot operate solely for our benefit and over which we have limited control; changes in the determination of LIBOR and other benchmark rates; our ability to secure private customer and employee data or our proprietary information, manage risks related to security breaches and other disruptions to our networks and systems and comply with enterprise data regulations in all key market regions; foreign currency exchange rate fluctuations and other risks applicable to our operations outside of the U.S.; and changes in local, regional, national or international economic, social or political conditions. If one or more of these risks or uncertainties materialize, or if underlying assumptions prove incorrect, our actual results may vary materially from those expected, estimated or projected. It is advisable not to place undue reliance on any forward-looking statements. We undertake no obligation to, and do not, publicly update or revise any forward-looking statements, except as required by federal securities laws, whether as a result of new information, future events or otherwise.

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Deliver Strategic and Financial Value to General Motors

Captive Value Proposition



Operations cover **~90%** of GM's
worldwide sales

>6.5 million retail contracts
outstanding

Offering auto finance products to
15,000 dealers worldwide

Earning assets of **\$100.2B**



Drive Vehicle
Sales



Enhance Customer
Experience and
Loyalty



Provide Support
Across Economic
Cycles

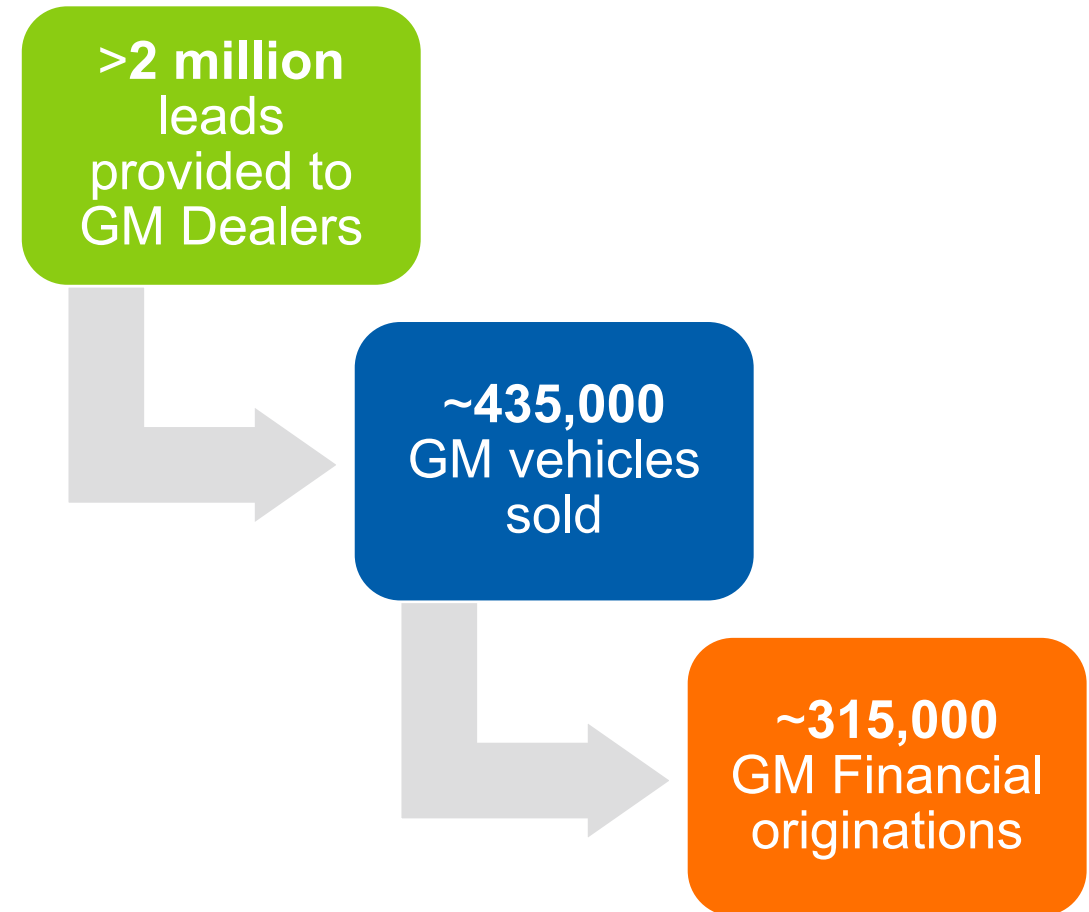


Contribute to
Enterprise
Profitability



Drive Vehicle Sales

- ✓ Offer competitive, comprehensive suite of finance products and services to customers and dealers
- ✓ Support GM's go-to-market strategies
 - CY 2020 U.S. retail penetration of 45% up year-over-year driven by stronger dealer engagement with GM Financial and increased incentive program participation
 - GM Financial leading floorplan provider to GM dealers with 33% market share in the U.S.
- ✓ Enhance dealer sales through lead generation programs and underwriting depth
- ✓ Participate in enterprise strategic initiatives (e.g., leasing electric vehicles and financing autonomous fleets)



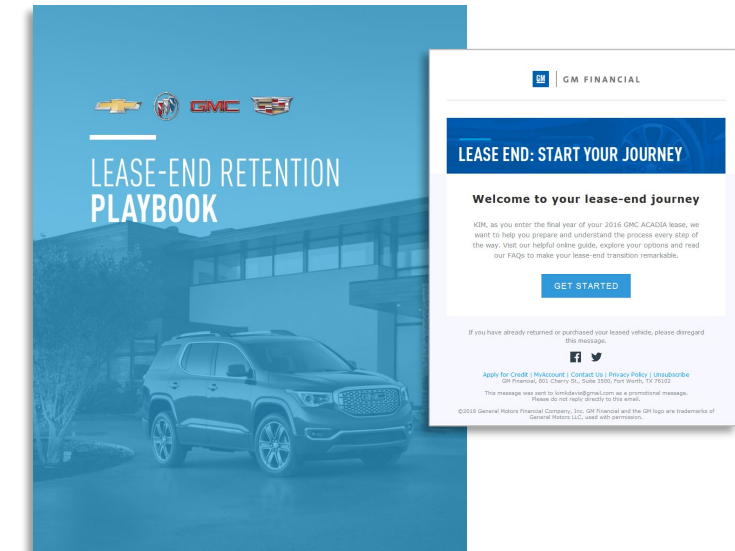
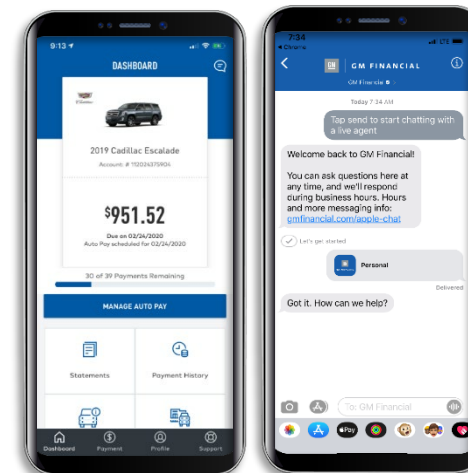
Enhance Customer Experience and Loyalty



- ✓ Strong loyalty supports sales and earnings for GM
- ✓ Integrated GM/GM Financial customer relationship management activities
- ✓ Customer-centric, multi-channel servicing approach leads to high customer satisfaction
 - Leveraging AI-powered technology with target of 50% of consumer messages being addressed by Nanci (chatbot)
- ✓ Personalized end-of-lease term experience designed to inform customer and increase likelihood of purchasing another GM vehicle



GM Financial is #1 in manufacturer loyalty¹



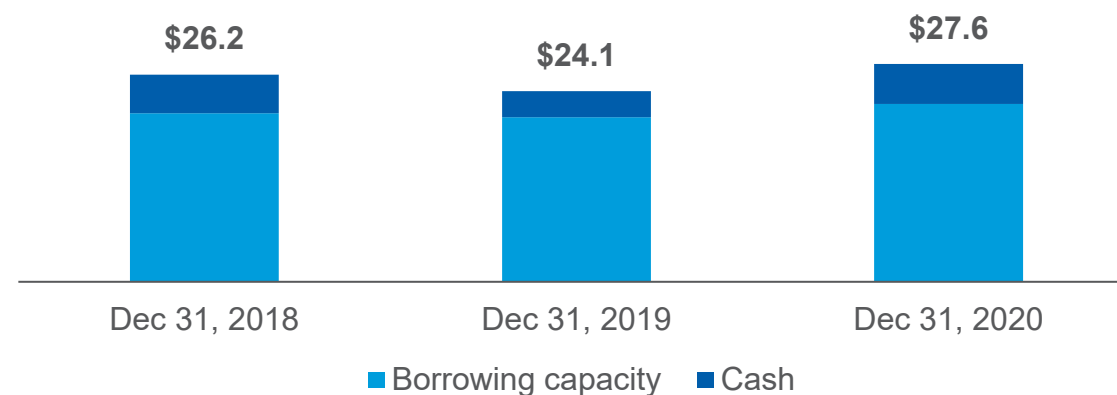
1. Based on CY 2019 IHS Markit Return to Market Manufacturer Loyalty. Data based on disposal methodology and GM custom segmentation in the U.S.

Provide Support Across Economic Cycles

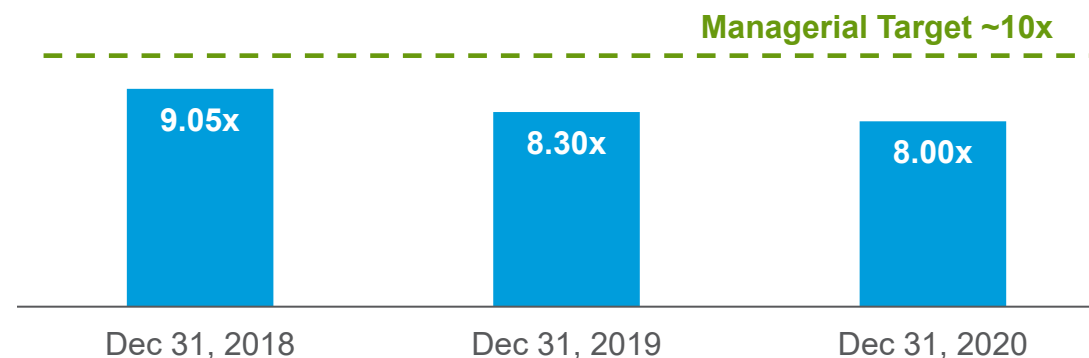


- ✓ Liquidity in excess of target to support at least six months of cash needs without access to capital markets
- ✓ Leverage ratio managed within target of ~10x
- ✓ Commitment to investment grade rating; diversified funding plan with unsecured debt mix ~50%
- ✓ Leadership team experienced at navigating through multiple economic cycles
 - Sufficient capital to absorb \$3.7B of losses covering significant deterioration of used vehicle prices and credit losses without exceeding Support Agreement leverage ratio limit of 11.5x

Available Liquidity (\$B)



Leverage Ratio¹



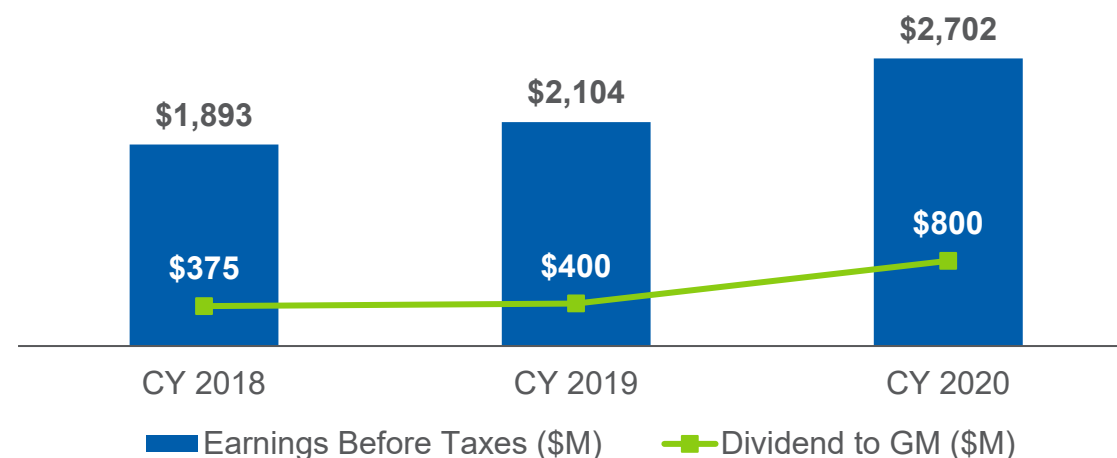
1. Calculated consistent with GM/GM Financial Support Agreement, filed with the Securities and Exchange Commission as an exhibit to our Current Report on Form 8-K dated April 18, 2018

Contribute to Enterprise Profitability

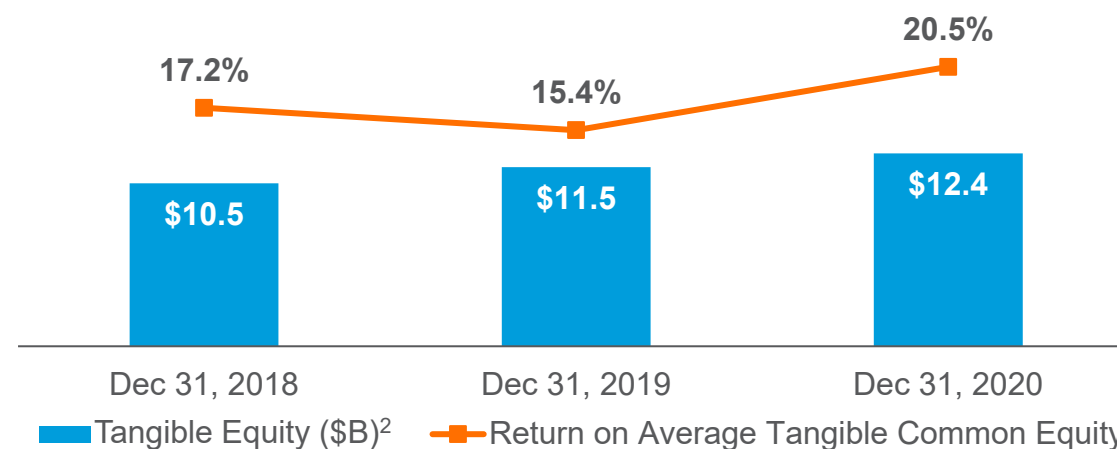


- ✓ **Prudent credit and residual management**
- ✓ **Steady state earnings target of ~\$2.5B annually**
 - 2020 earnings of \$2.7B driven by strong used vehicle prices, better-than-expected credit performance and lower interest costs
 - 2021 earnings expected to be in the mid-two billion dollar range
- ✓ **Paid \$800M dividend to GM in 2020**
- ✓ **Standalone return on average tangible common equity target of low-mid teens**
 - Above high end of target range through December 31, 2020 primarily due to record earnings

Earnings Before Taxes and Dividends



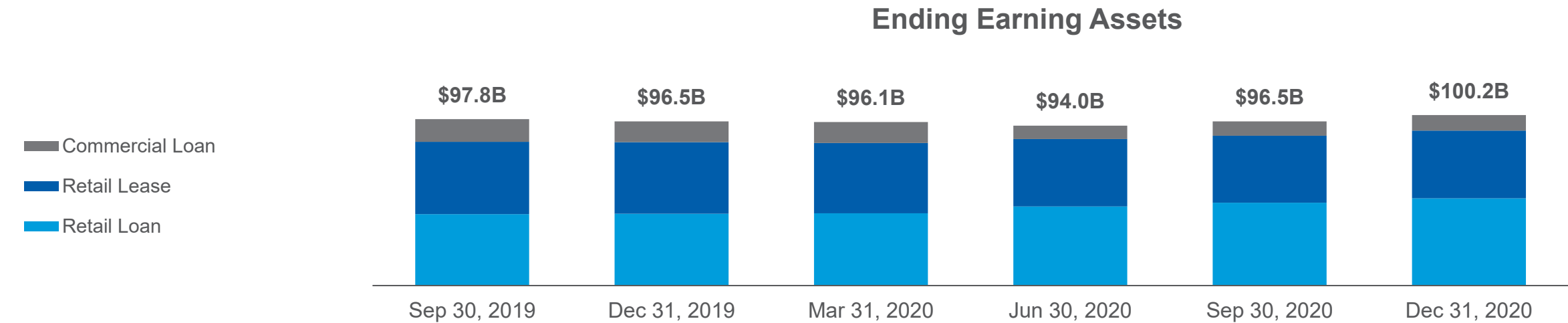
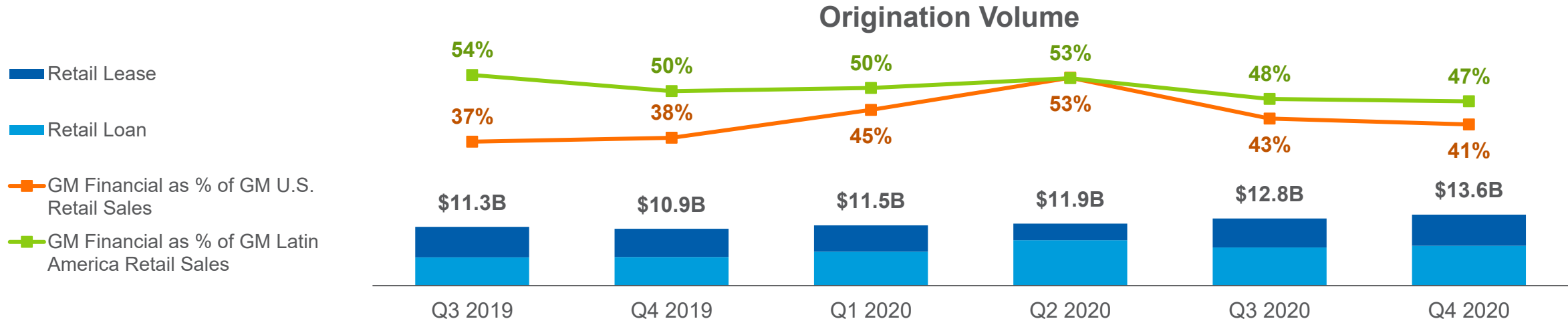
Return on Average Tangible Common Equity¹



1. Defined as net income attributable to common shareholder for the trailing four quarters divided by average tangible common equity for the same period; see Appendix for reconciliation to the most directly comparable GAAP measure

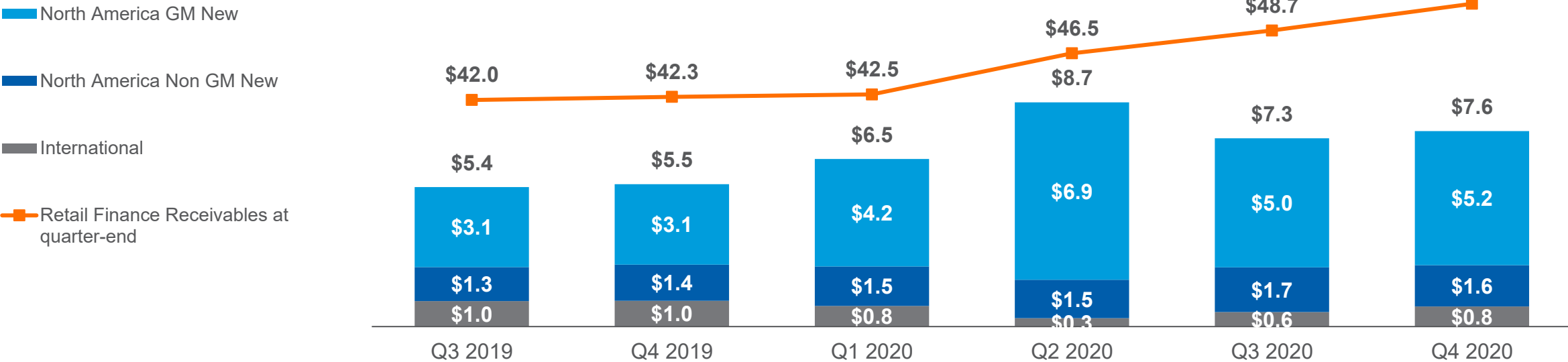
2. Total shareholders' equity less goodwill

Operating Metrics



Retail Loan

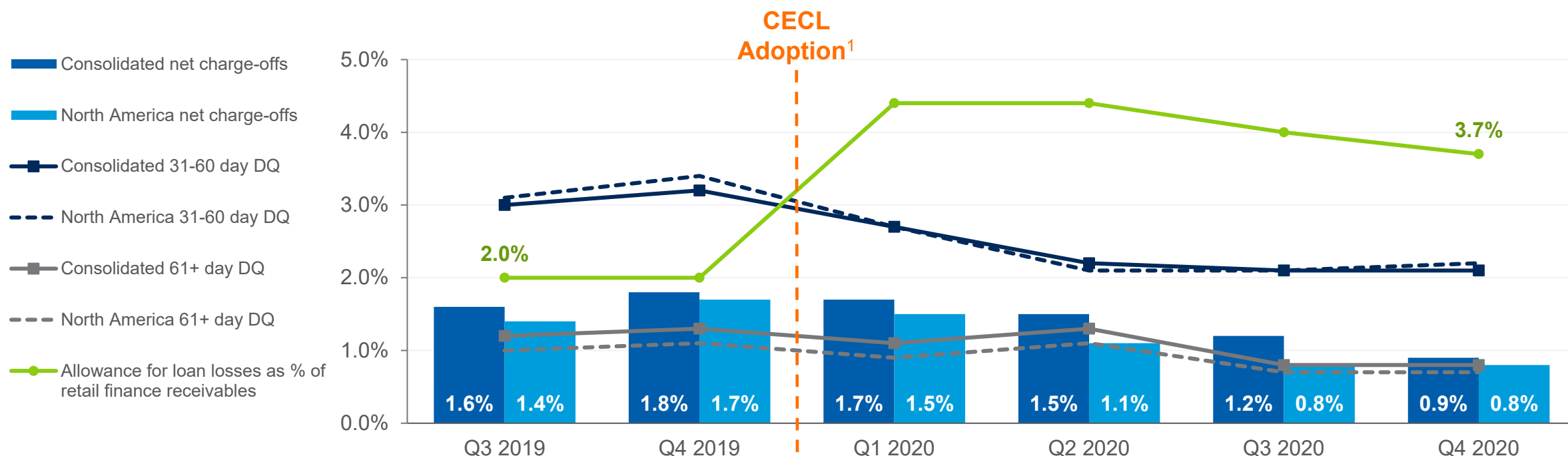
Originations and Portfolio Balance (\$B)



U.S. Weighted Avg. FICO Score at Origination	702	694	707	748	728	726
Outstanding Contracts (000s)	2,661	2,657	2,692	2,749	2,783	2,825

- Retail loan originations and weighted average FICO at origination driven by type of incentive programs offered and penetration of GM retail sales**
 - North America GM New originations increased in Q4 2020 compared to Q3 2019 driven by higher (1) GM sales, (2) GM Financial retail loan share, and (3) higher average loan amount financed

Retail Loan Credit Performance

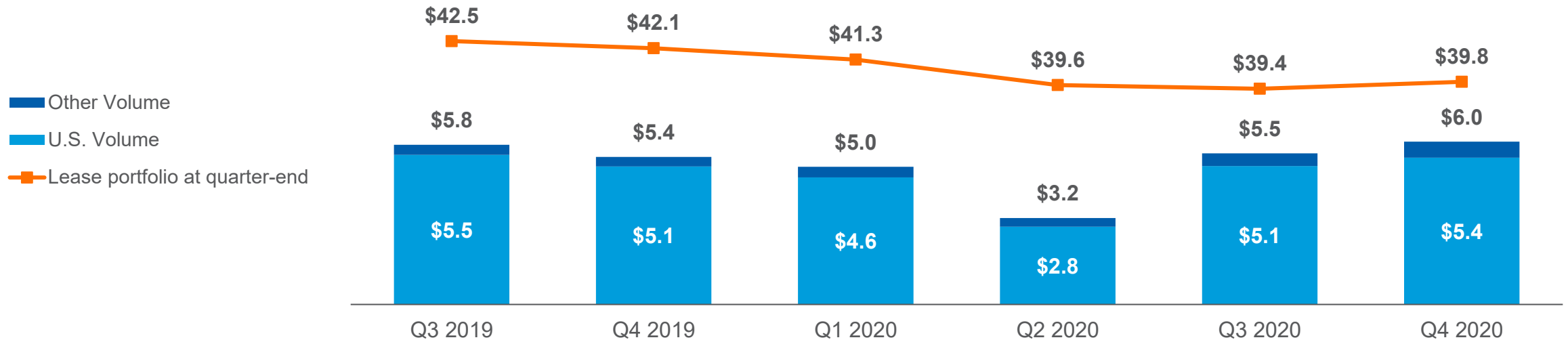


- **Delinquency rates and net charge-offs positively impacted by government support programs and changes in consumer spending behavior**
 - Payment rates higher across all FICO tiers in Q4 2020 compared to Q4 2019, including deferred accounts
 - Recovery rates on repossessed vehicles improved compared to Q4 2019 due to strong used vehicle prices
- **CY 2021 delinquency and net charge-offs expected to normalize starting in the second half of 2021 due to the expiration of government support programs**
 - Potential tailwinds from continued government stimulus programs and successful vaccine roll out could result in better-than-expected performance in 2021

1. Effective January 1, 2020, adopted current expected credit loss (CECL) model resulting in a one-time increase of \$801M to the allowance for loan losses on the existing portfolio

Retail Lease

Originations and Portfolio Balance (\$B)



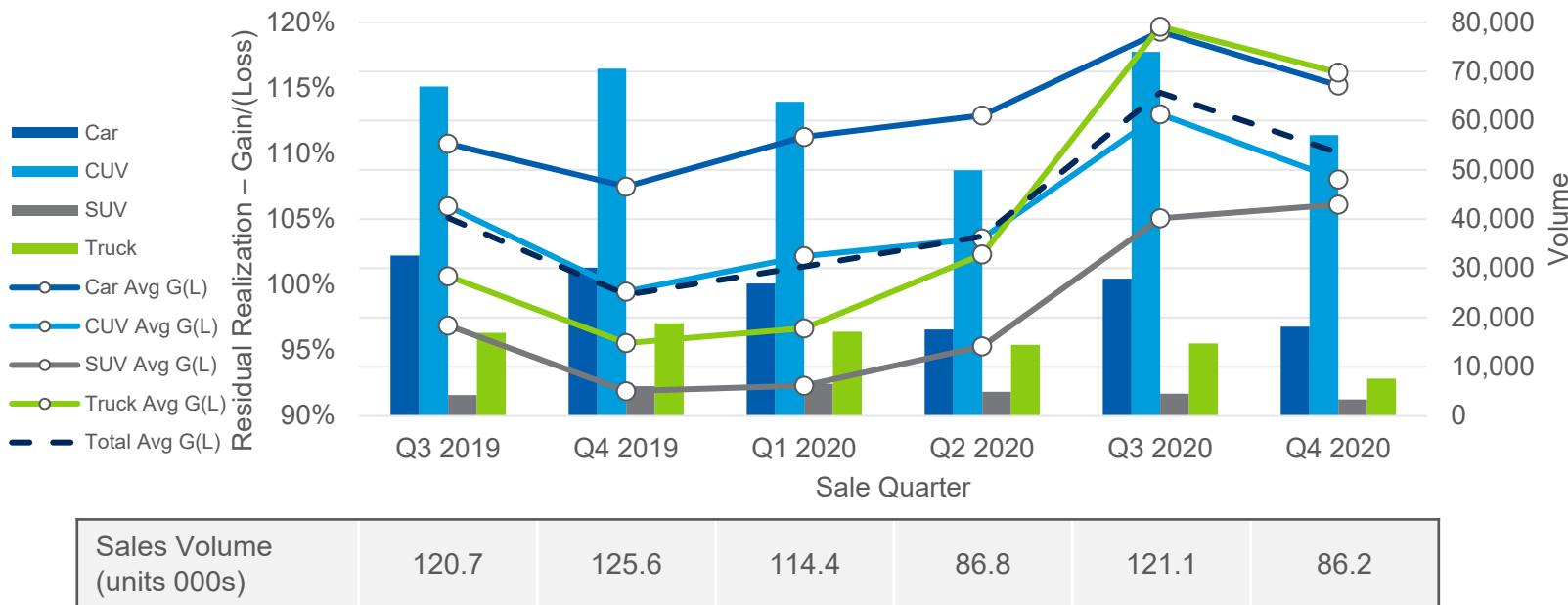
GM Type of U.S. Sale – Lease ¹	23%	24%	23%	18%	21%	21%
U.S. Weighted Avg. FICO Score at Origination	775	776	776	778	778	778
Total Return Rate	72%	77%	76%	78%	57%	58%
Outstanding Contracts (000s)	1,638	1,606	1,585	1,528	1,495	1,471

- U.S. lease originations up in Q4 2020 compared to Q4 2019 due to higher GM sales and average lease amount financed, offsetting a lower lease mix as a percentage of overall retail sales

1. Lease as a percentage of GM U.S. retail sales mix (Source: J.D. Power and Associates' Power Information Network PIN)

U.S. Residual Value

U.S. GMF Gross Proceeds vs. ALG Residuals at Origination¹
Q3 2019 – Q4 2020 Sales
(Avg % Per Unit²)

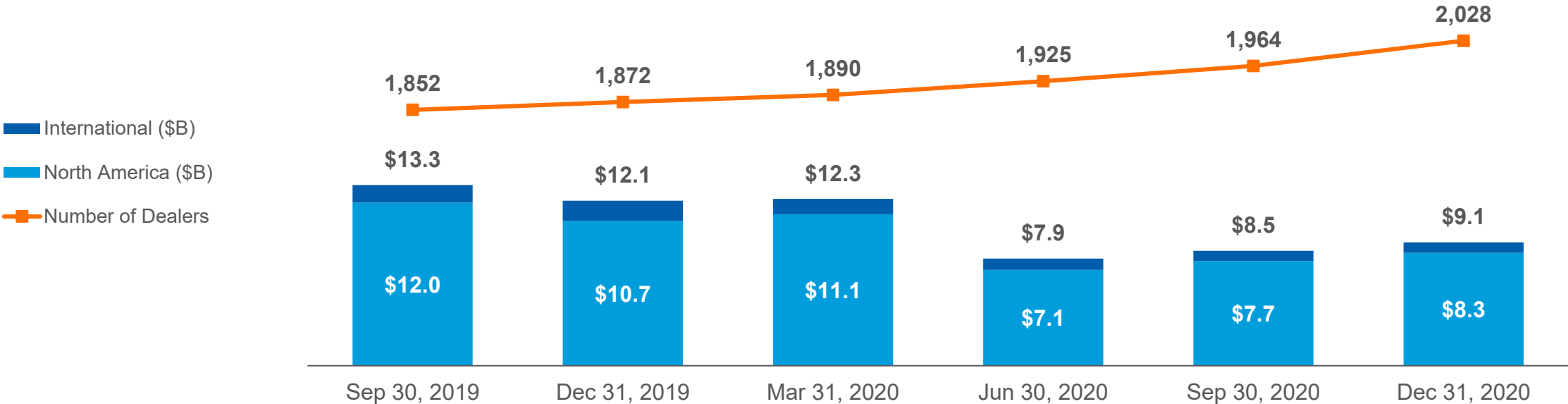


- Used vehicle prices increased approximately 3% in 2020 compared to 2019, primarily due to low new vehicle inventory, largely driven by the suspension of manufacturing operations as a result of the COVID-19 pandemic, creating strong demand for used vehicles
- In 2021, we expect used vehicle prices to decline by an amount in the low single digits on a percentage basis as compared to 2020 levels as supply and demand dynamics normalize

1. Based on average condition ALG residual with mileage modifications
2. Reflects average gain/(loss) per unit on vehicles returned to GM Financial and sold in the period

Commercial Loan

Commercial Finance Receivables Portfolio

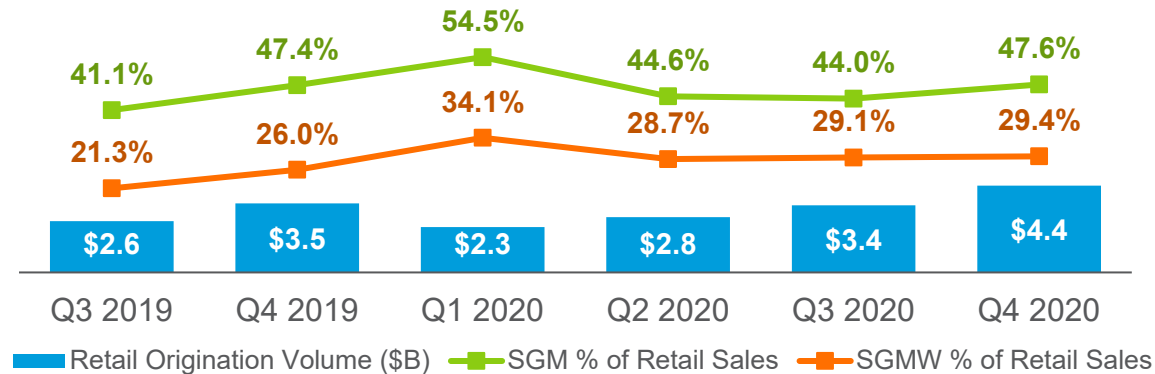


U.S. Wholesale Dealer Penetration	28.1%	28.8%	29.4%	30.3%	31.4%	32.9%
U.S. Floorplan Dealers	1,238	1,262	1,290	1,330	1,378	1,434

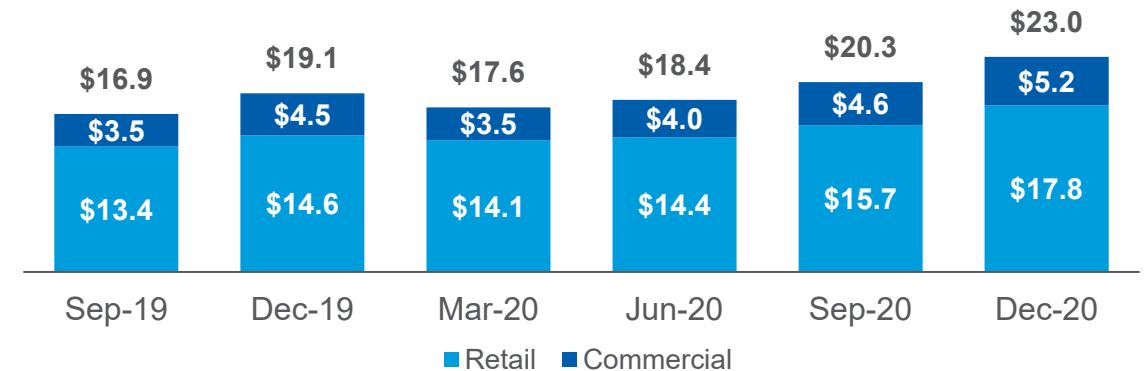
- Outstanding receivables up from September 30, 2020 due to floorplan dealer growth and slight increase in floorplan inventory, though balances remain lower year-over-year
- Dealer health remains stable, benefiting from improving auto sales and higher margins

China Joint Ventures

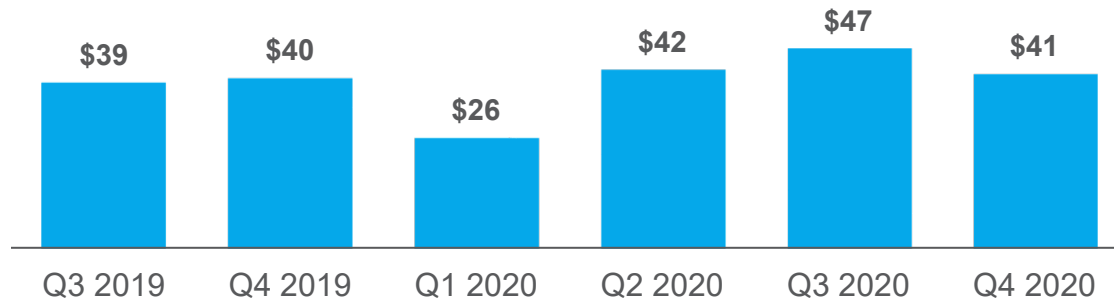
Origination Volume



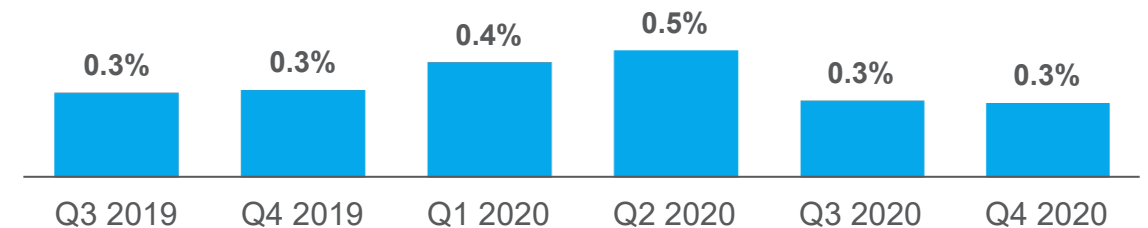
Ending Earning Assets (\$B)



Equity Income (\$M)



Net Charge-offs on Loans

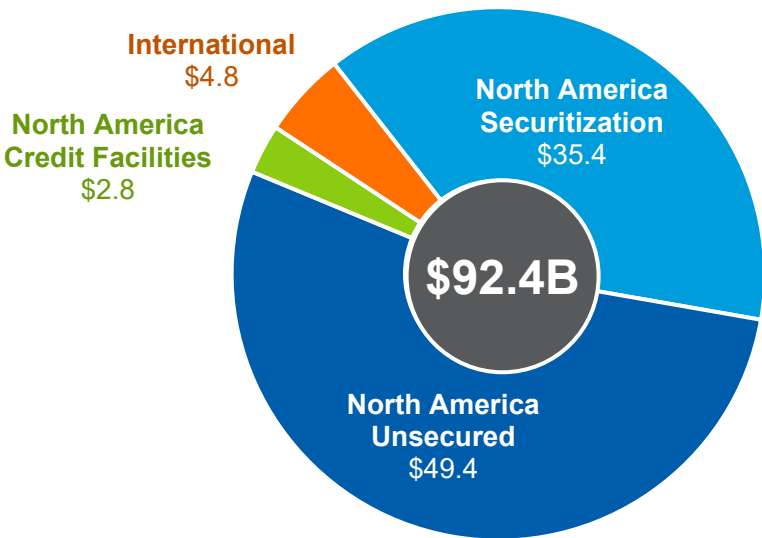


- Originations increased in Q4 2020 compared to Q3 2020 and Q4 2019, and net charge-off rate returned to pre-pandemic levels due to economic recovery
- SGMW penetration growth driven by enhanced collaboration with AutoCo

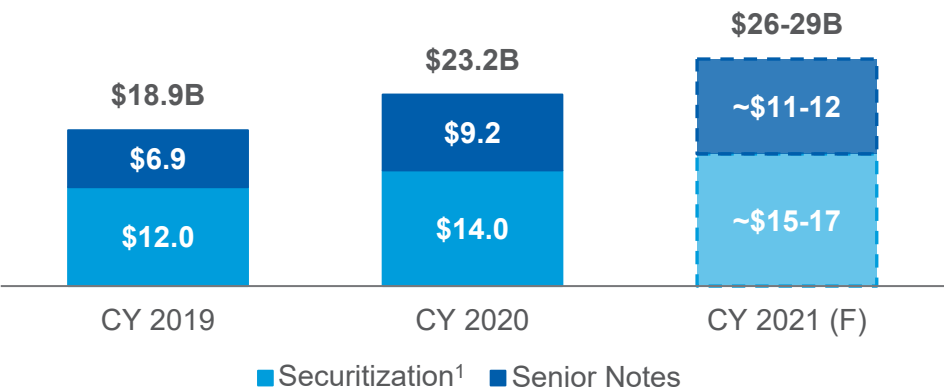
Global Funding Platform

- Strategy to fund locally with flexibility to issue globally to support U.S. balance sheet
- Unsecured debt mix 57% at December 31, 2020, above 50% target
- Issued \$4.5B through public debt capital markets in the quarter
 - \$3.7B across all securitization platforms and \$0.8B SOFR-based senior notes in the U.S.
- Subsequent to year-end, issued \$4.5B in public debt
 - \$2.9B in senior unsecured notes, \$2.5B in the U.S. and \$0.4B in Canada
 - \$1.6B to fund U.S. prime loan ABS platform
- Committed credit facilities of \$26.7B provided by 27 banks

Total Debt Outstanding
December 31, 2020



Public Debt Issuances



1. Includes Rule 144a transactions

Financial Support from GM

- **Support Agreement between GM and GM Financial solidifies GM Financial as core component of GM's business and strengthens ability to support GM's strategy**
- **Requires 100% voting ownership of GM Financial by GM as long as GM Financial has unsecured debt securities outstanding**
- **Augments GM Financial's liquidity position through \$1.0B junior subordinated unsecured credit line from GM, and exclusive access to \$2.0B, 364-day tranche of GM's Revolving Credit Facility**
- **Establishes leverage limits and provides capital support if needed**
 - Leverage limits (Net Earning Assets divided by Adjusted Equity; including any amount outstanding on the Junior Subordinated Revolving Credit Facility) above the thresholds triggers funding request from GM Financial to GM¹

Leverage limit of 11.5x at December 31, 2020; increases to 12.0x when Net Earning Assets exceed \$100B

1. Measured at each calendar quarter

Committed to Investment Grade

- GM targeting performance consistent with “A” ratings criteria
- GM Financial ratings aligned with GM’s rating; currently investment grade with all agencies
- Investment grade rating critical for captive strategy execution

Current Ratings	GM			GM Financial			
	Company Rating	Bond Rating	Outlook	Company Rating	Bond Rating	ST Rating	Outlook
DBRS Morningstar	BBB	N/A	Negative	BBB	BBB	R-2 (middle)	Negative
Fitch	BBB-	BBB-	Stable	BBB-	BBB-	F-3	Stable
Moody’s	I.G.	Baa3	Stable	Baa3	Baa3	P-3	Stable
Standard and Poor’s	BBB	BBB	Negative	BBB	BBB	A-2	Negative

General Motors Sustainability

Committed to enterprise-wide integration of ESG principles

Environment



Social



Governance



- **Strategy to deliver safer, simpler and more sustainable transportation solutions in a world with zero crashes, zero emissions and zero congestion**
 - Environmental focus on sustainable materials, zero waste, carbon, energy and water
 - By 2035, aspire to eliminate tailpipe emissions from new light-duty vehicles globally
- **Sharp focus on philanthropic investments that create smart, safe and sustainable communities around the world**
 - Framework allowing GM to measure positive social change aligned to business objectives
 - Goals of STEM education, vehicle and road safety and community development aligned to UN Sustainable Development Goals
 - Inclusion Advisory Board comprised of internal and external leaders to further advance diversity and inclusion in the workplace
- **Led by an independent and diverse Board of Directors committed to sound corporate governance structure and policies that create long-term value**

GM SUSTAINABILITY REPORT

For more information, visit www.gmsustainability.com



Key Strengths

Strategic Interdependence with GM

- General Motors' global captive finance company covering ~90% of worldwide sales
- Comprehensive suite of product offerings for consumers and dealers
- Collaborative go-to-market strategies with GM
- Customer experience strategy focused on leading manufacturer loyalty and customer retention levels

Solid Global Funding Platform

- Enterprise commitment to investment grade rating
- Diversified funding platform supported by long-standing bank partnerships; committed credit facilities from 27 banks
- Well-established ABS and unsecured debt issuance programs

Strong Balance Sheet and Financial Performance

- Appropriate liquidity and strong balance sheet provide support across economic cycles
- Substantial excess capital to absorb credit and residual losses without exceeding Support Agreement leverage ratio limit
- Solid profitability and return on average tangible common equity leading to increasing dividends to GM

Experienced and Seasoned Management Team

- Leadership team experienced at managing through economic cycles
- Average of 20+ years in the automotive finance industry

Appendix

Return on Average Common Equity

	Years Ended		
	Dec 31, 2018	Dec 31, 2019	Dec 31, 2020
Net income attributable to common shareholder	\$1,504	\$1,477	\$1,911
Average equity	11,049	12,270	12,120
Less: average preferred equity	(1,136)	(1,477)	(1,628)
Average common equity	9,913	10,793	10,492
Less: average goodwill	(1,192)	(1,186)	(1,172)
Average tangible common equity	\$8,721	\$9,607	\$9,320
Return on average common equity	15.2%	13.7%	18.2%
Return on average tangible common equity ¹	17.2%	15.4%	20.5%

1. Defined as net income attributable to common shareholder for the trailing four quarters divided by average tangible common equity for the same period



GM

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2021 Chevrolet Camaro LS & LT