



# Strategic and Operational Overview

June 23, 2022



2024 CHEVROLET SILVERADO EV RST

## 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, 2021 and our subsequent quarterly reports on Form 10-Q. Such risks include - but are not limited to - 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; the length and severity of the COVID-19 pandemic; our ability to secure private data, proprietary information, manage risks related to security breaches and other disruptions to networks and systems owned or maintained by us or third parties 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.; changes in local, regional, national or international economic, social or political conditions; and impact and uncertainties related to climate related events and climate change legislation. 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 law, 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 in all of GM's major markets

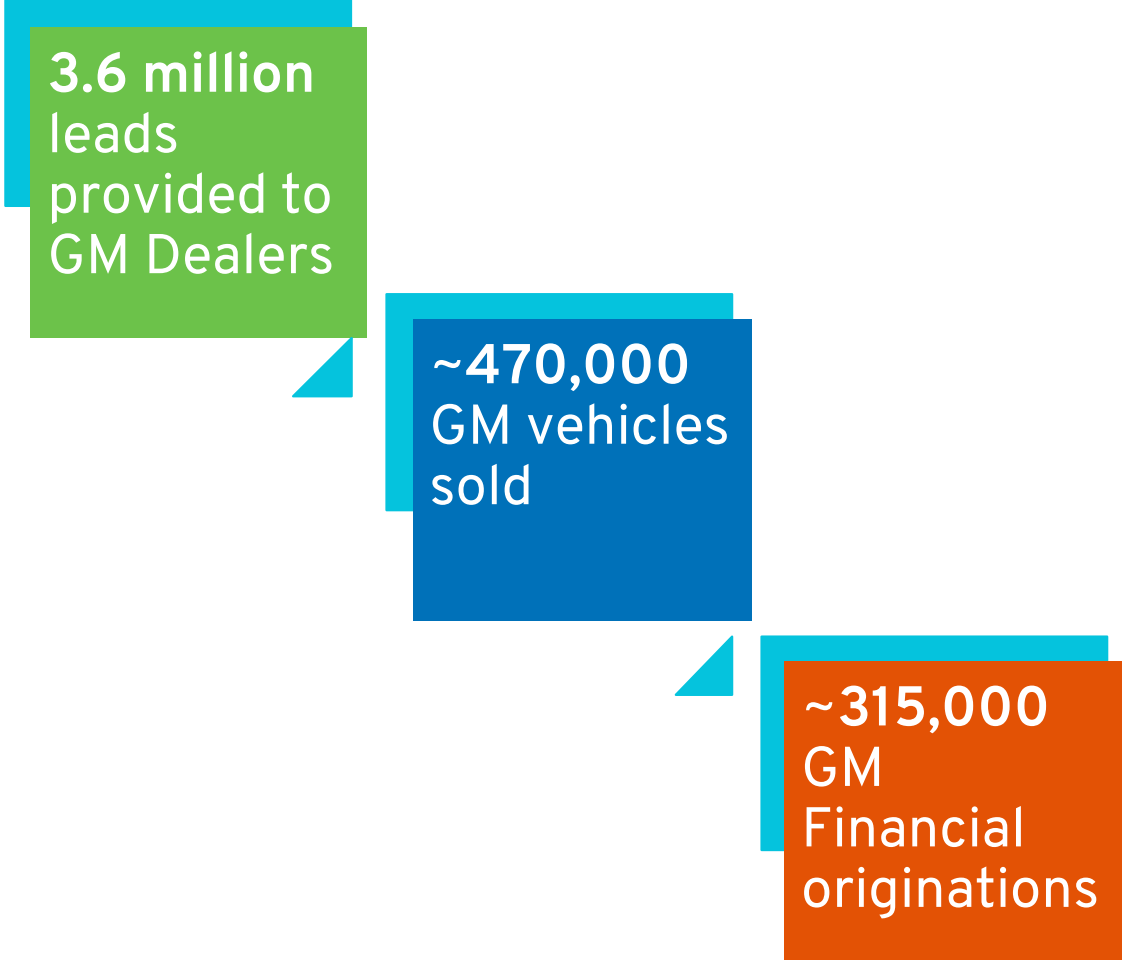
**7 million** retail contracts outstanding

Offering auto finance products to  
**~15,000** dealers worldwide

Earning assets of **\$103.5B**

# Drive Vehicle Sales

- Offer competitive, comprehensive suite of finance products and services to customers and dealers
- Support GM’s go-to-market strategies
  - U.S. retail penetration of 46% in 1Q22; targeting sustainable U.S. retail penetration of 45-50%
  - GM Financial leading floorplan provider to GM dealers with 41% penetration in the U.S.
- Enhance dealer sales through lead generation programs and underwriting depth
- Participate in enterprise strategic initiatives, including financing new Ultium-powered electric vehicles and autonomous fleets as well as offering GM-branded protection products and OnStar Insurance

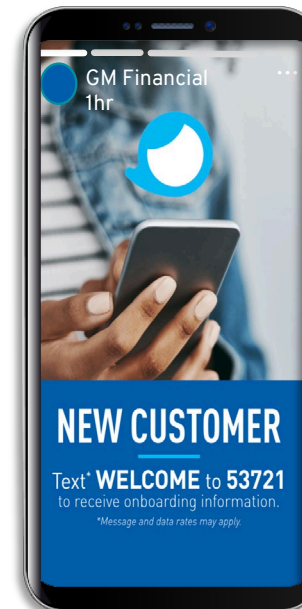


# Enhance Customer Experience and Loyalty

- Strong loyalty supports sales and earnings for GM
- Integrated GM/GM Financial customer relationship management activities
- Customer-centric, multi-channel servicing approach leads to higher customer satisfaction
  - Broad range of customer interaction choices from self-service (e.g., MyAccount, Nanci) to live agent
- Personalized end-of-lease term experience designed to inform customer and increase likelihood of purchasing another GM vehicle
- Introducing Cadillac Financial to enrich customer experience through dedicated concierge service and enhanced MyAccount experience



**For the fifth consecutive year, GM Financial is #1 in manufacturer loyalty**



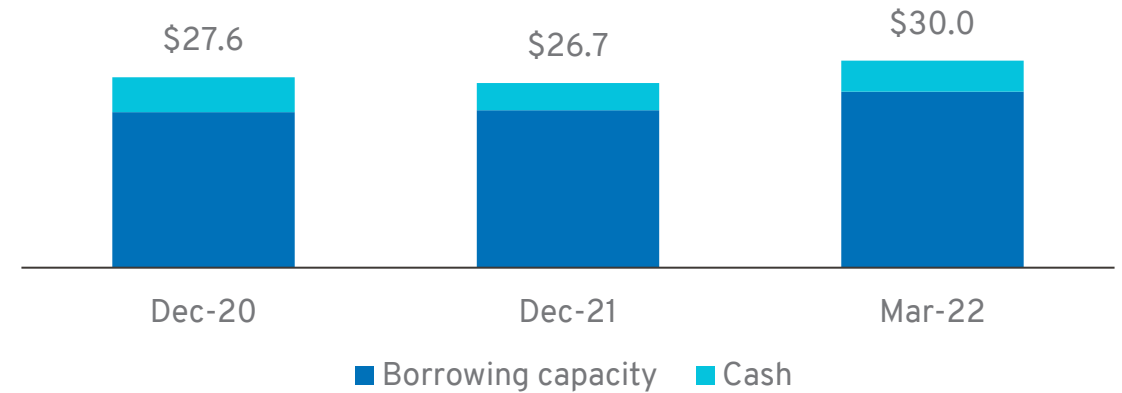
Congratulations on your new vehicle, and welcome to GM Financial! I'm Nanci, your virtual assistant, and I'm here to help 24/7.

Let's get your account set up for quick, easy online payments, access to your statements anytime, important notifications by email or text message, and much more.

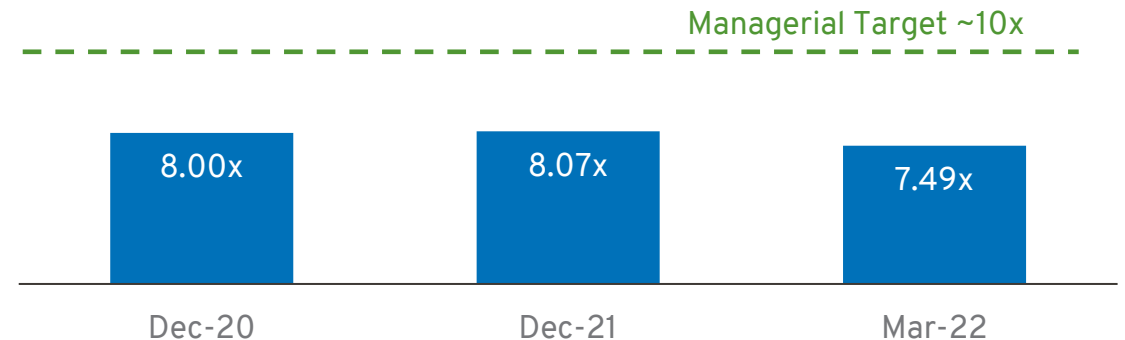
# Provide Support Across Economic Cycles

- 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 of at least 50%
- Sufficient capital and liquidity to support earning asset growth and navigate economic cycles
  - Excess capital of \$5.1B before exceeding Support Agreement leverage ratio limit of 12.0x

Available Liquidity (\$B)



Leverage Ratio<sup>1</sup>

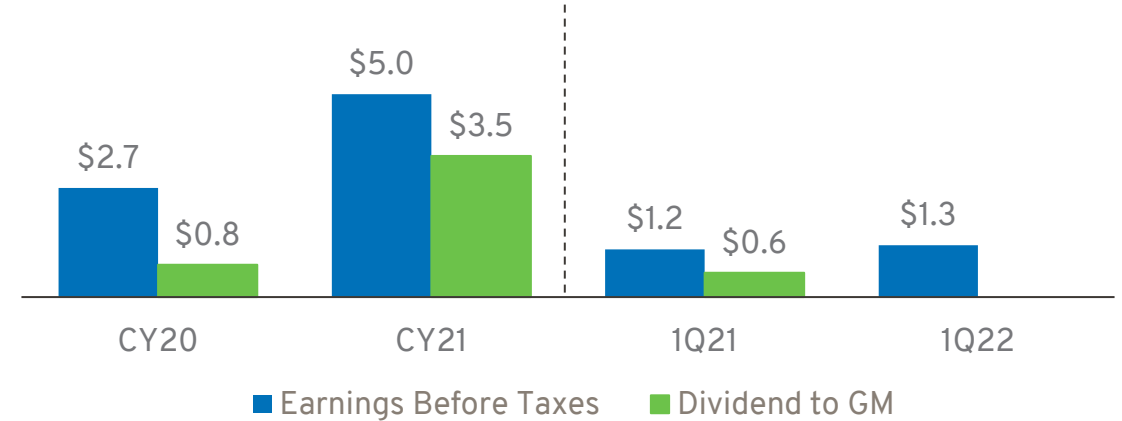


1. Calculated consistent with GM/GM Financial Support Agreement, filed with the Securities and Exchange Commission as an exhibit to our Current Report on Form 8-K dated April 18, 2018

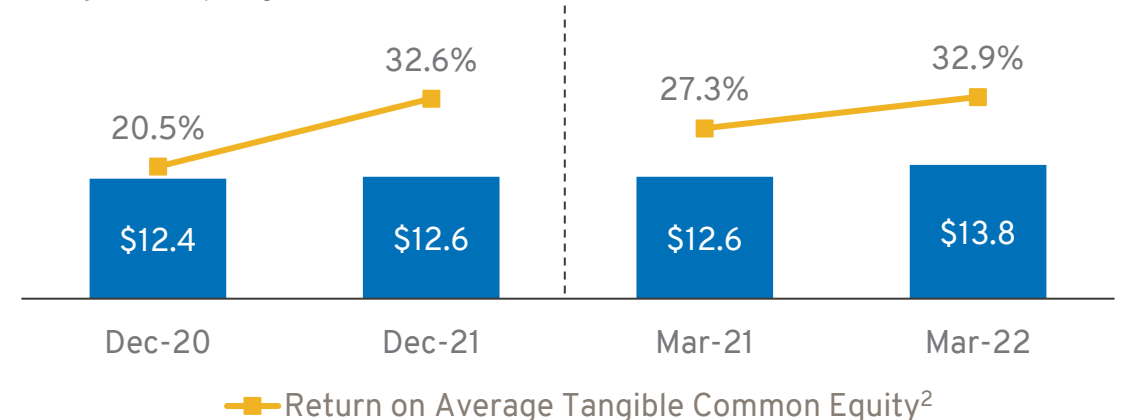
# Contribute to Enterprise Profitability

- 1Q22 earnings driven by high used vehicle prices, strong credit performance, and lower cost of funds
  - CY22 earnings expected to be \$3.5-4.0B
- Dividend to GM will be lower in CY22 vs. CY21 as we continue path to steady state
  - Timing and size of dividend governed by business and economic conditions, our financial condition, earnings, liquidity requirements, and managerial leverage target ensuring capital to support balance sheet growth
  - CY22 dividend expected to exceed CY20 level
- Standalone return on average tangible common equity above target range of low to mid-teens due to strong earnings

Earnings Before Taxes & Dividends (\$B)



Tangible Equity (\$B)<sup>1</sup>

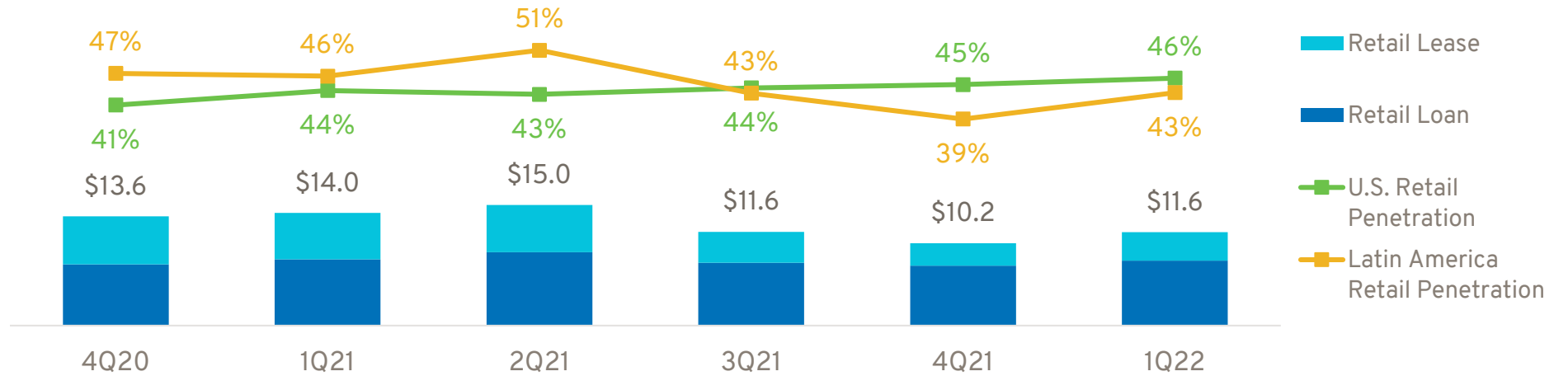


1. Total shareholders' equity less goodwill

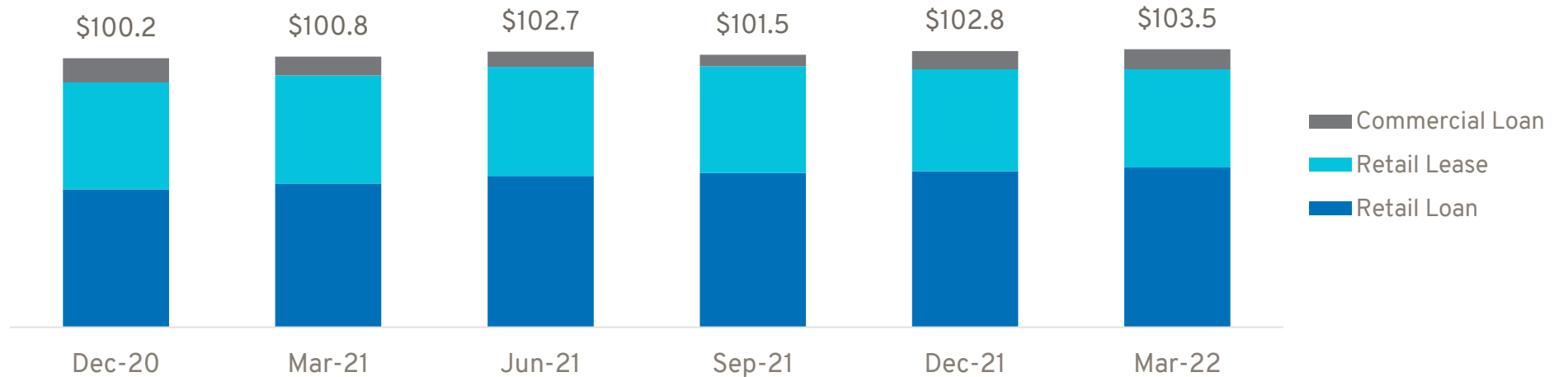
2. Defined as net income attributable to common shareholder for the trailing four quarters divided by average tangible common equity for the same period; see Slide 20 for reconciliation to the most directly comparable GAAP measure

# Operating Metrics

## Origination Volume (\$B)



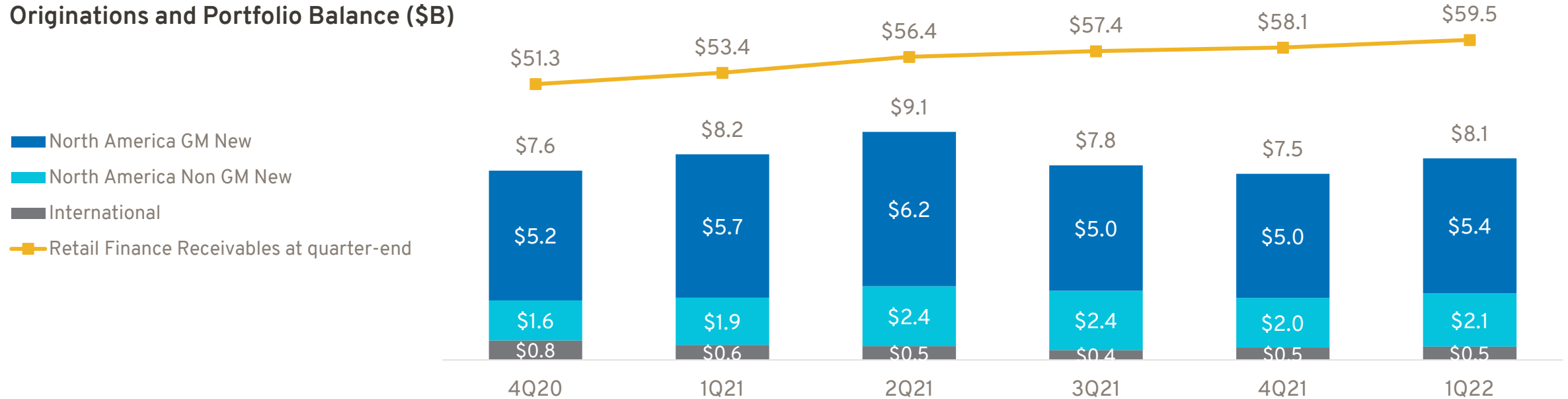
## Ending Earning Assets (\$B)





# Retail Loan

## Originations and Portfolio Balance (\$B)



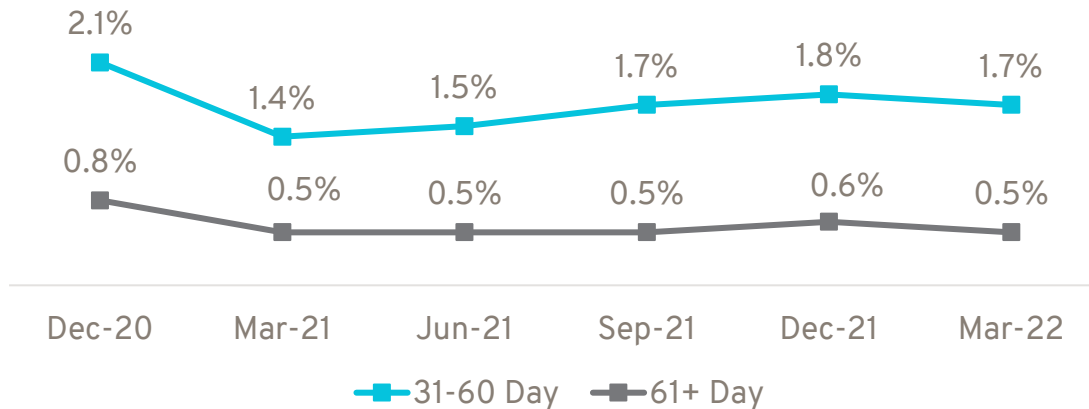
U.S. Retail Loan Share <sup>1</sup>	35.3%	38.3%	37.3%	41.0%	46.7%	44.2%
U.S. Weighted Avg. FICO Score at Origination	726	724	721	729	740	743
Prime share of portfolio (680+)	64.0%	64.8%	65.6%	66.5%	67.9%	69.0%

- North America originations flat YoY in 1Q22 due to constrained new vehicle supply driving lower GM retail sales, offset by higher U.S. retail loan share and an increase in average loan amount

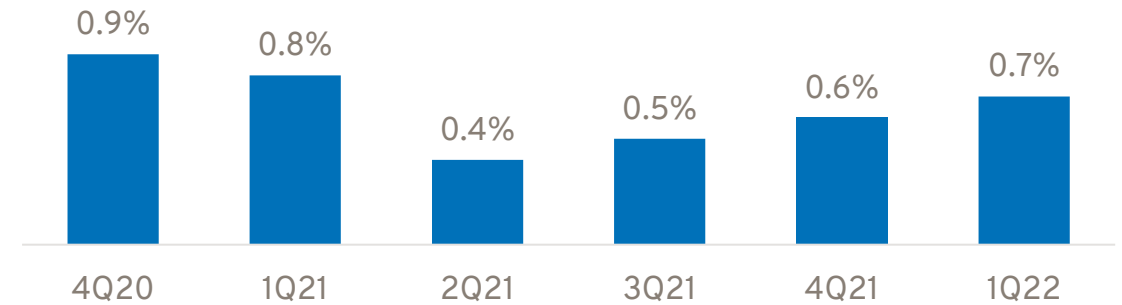
1. Source: J.D. Power and Associates' Power Information Network

# Retail Loan Credit Performance

## Delinquency Rates



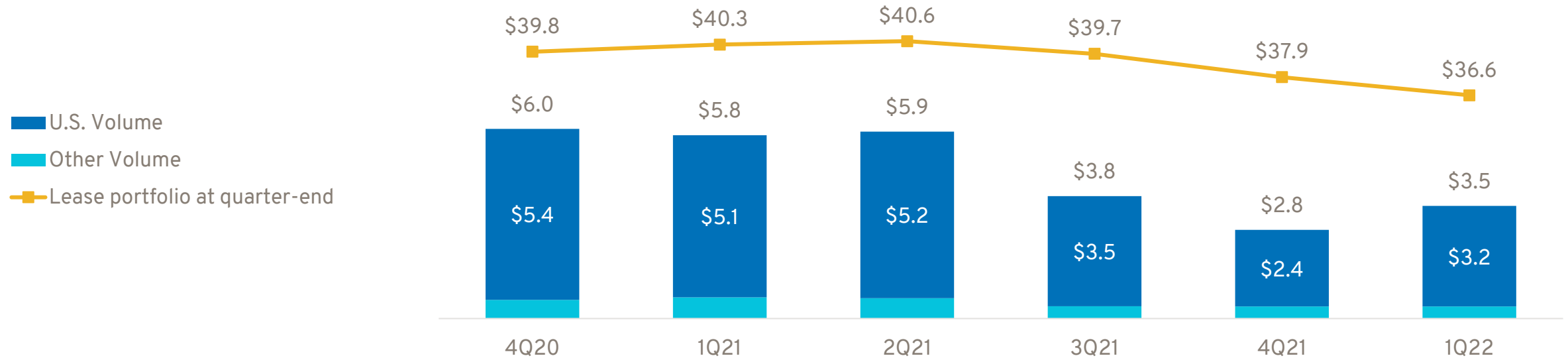
## Annualized Net Charge-offs



- Annualized retail net charge-offs continued lower than historical levels due to favorable labor markets, strong household balance sheets, and improved recovery rates on repossessed vehicles
- Credit metrics expected to increase from current levels, but may remain below pre-pandemic levels due to continuing portfolio shift to higher credit mix

# Retail Lease

## Originations and Portfolio Balance (\$B)



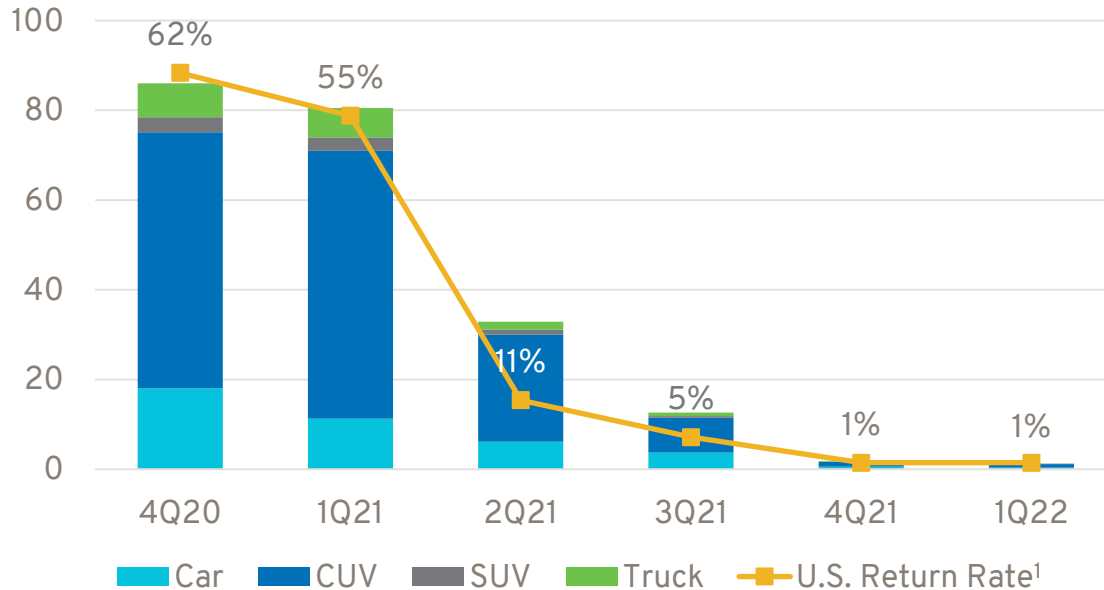
GM Type of U.S. Sale - Lease <sup>1</sup>	20.9%	20.1%	19.2%	16.5%	15.0%	17.0%
U.S. Weighted Avg. FICO Score at Origination	778	776	775	773	775	777

- U.S. lease originations decreased YoY due to supply-constrained lower industry sales and incentive levels, resulting in lower lease sales mix

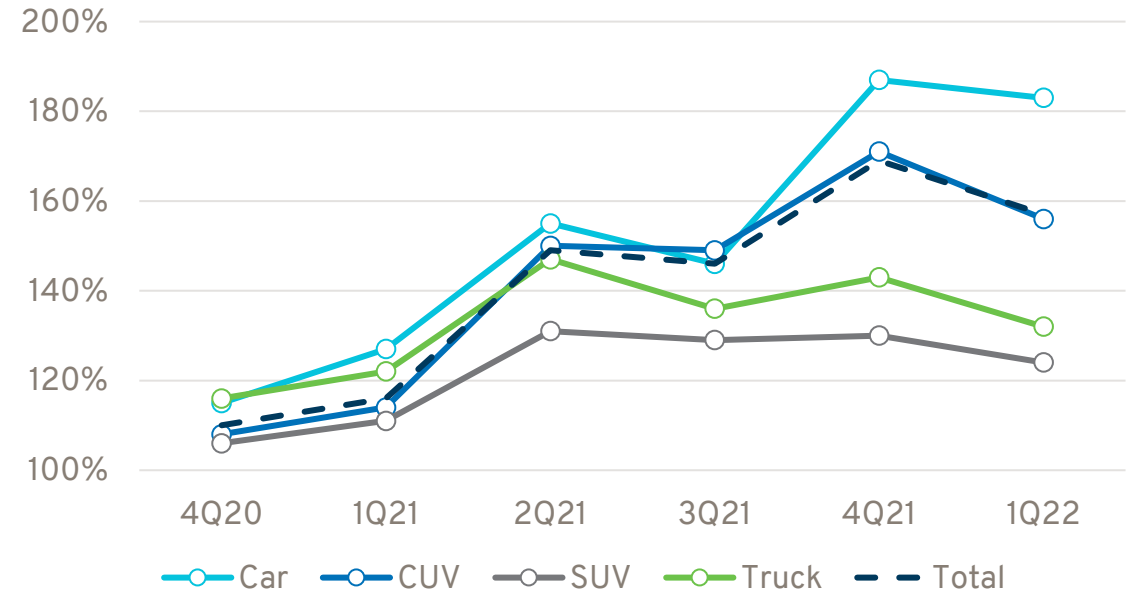
1. Lease as a percentage of GM U.S. retail sales mix (Source: J.D. Power and Associates' Power Information Network)

# GM Financial Used Vehicle Trends

U.S. Off-Lease Sales Volume (units, 000)



U.S. GMF Gross Proceeds vs. ALG Residuals at Origination<sup>2</sup>  
(Avg % per Unit<sup>3</sup>)

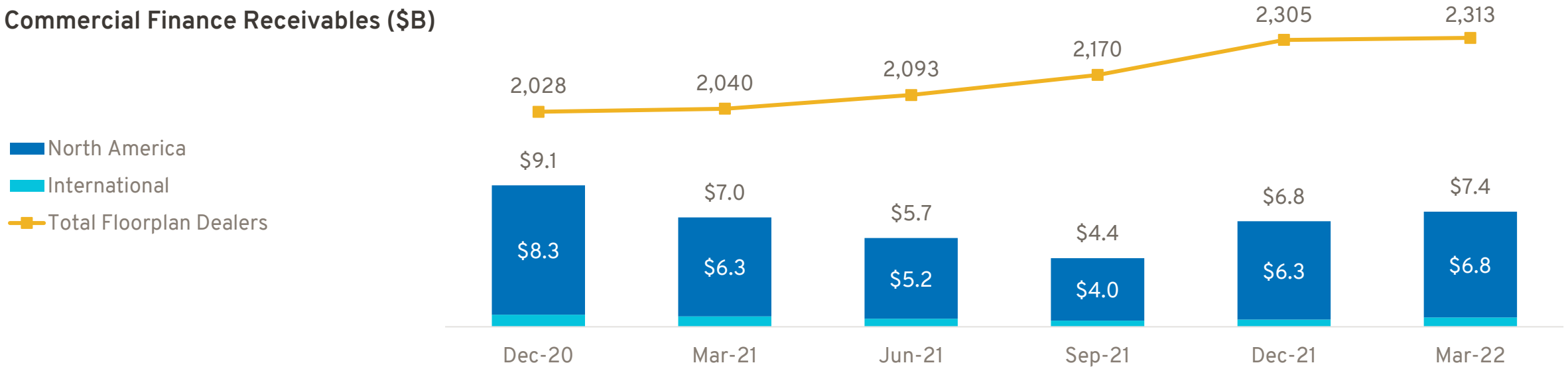


- Used vehicle prices remained elevated in 1Q due to low new vehicle inventory
- GM Financial off-lease sales volume and return rate at historic lows
  - Nearly all off-lease vehicles in 1Q purchased at contract residual value which, although above book value, was generally lower than current wholesale prices
- Expect used vehicle prices to decrease for remainder of 2022 relative to 2021, but remain above pre-pandemic levels primarily due to sustained low new vehicle inventory

1. Based on leases terminated in the period  
 2. Based on average condition Automotive Lease Guide (ALG) residual with mileage modifications  
 3. Reflects average per unit gain/(loss) on vehicles returned to GMF and sold in the period

# Commercial Loan

## Commercial Finance Receivables (\$B)

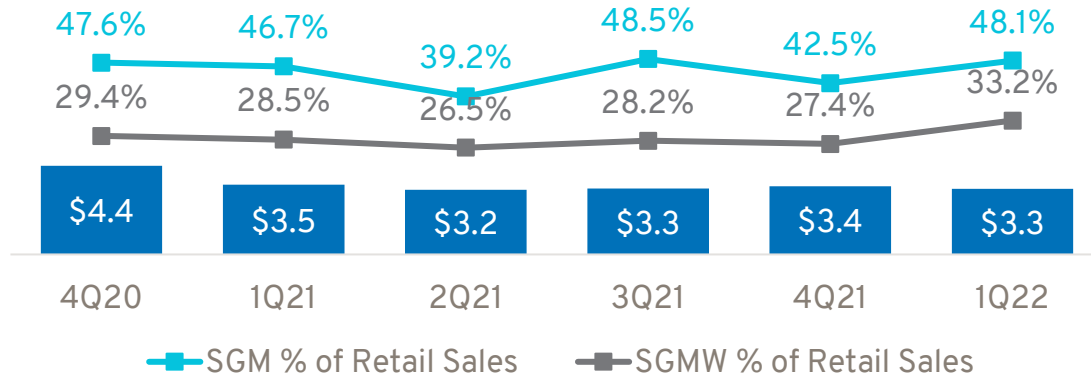


U.S. Wholesale Dealer Penetration	32.9%	33.9%	35.9%	37.7%	40.0%	41.0%
U.S. Floorplan Dealers	1,434	1,480	1,558	1,635	1,728	1,764

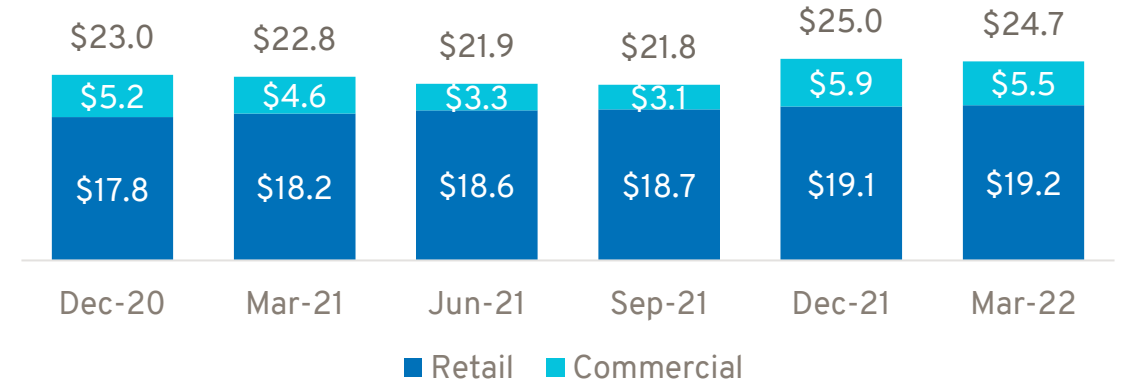
- Leading provider of floorplan financing for U.S. GM dealers with 41% penetration
- Commercial receivables up sequentially driven by incremental new vehicle inventory
- Dealer profitability and liquidity remains strong despite lower sales volume

# China Joint Ventures

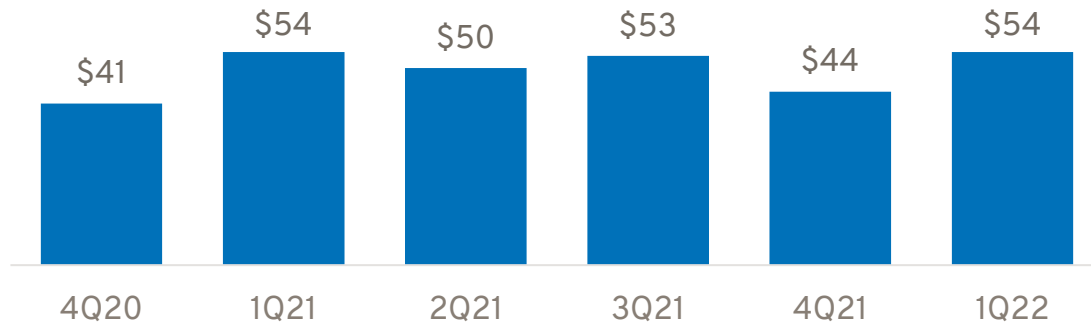
### Originations (\$B)



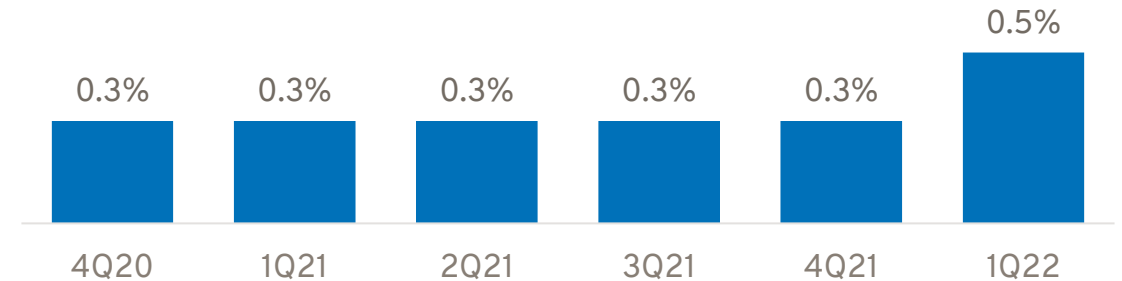
### Ending Earning Assets (\$B)



### Equity Income (\$M)



### Annualized Retail Net Charge-offs

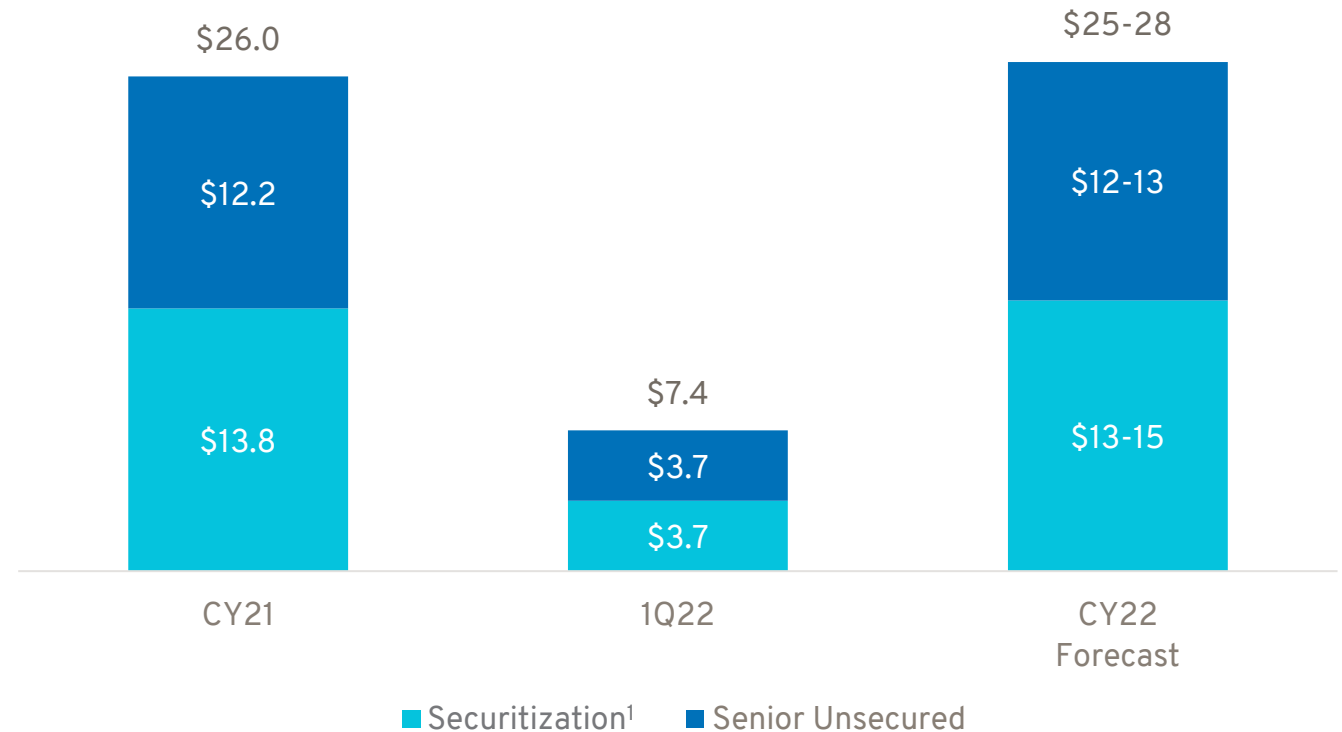


- Earning assets remain near record levels as retail penetration growth offsets industry headwinds; SGMW retail penetration benefiting from joint campaign activity with OEM
- Annualized retail net charge-offs expected to remain elevated through 2Q22 as COVID-19 lockdowns persist, impacting customer payment and field collection abilities

# Global Funding Platform

- Committed credit facilities of \$26.8B provided by 27 banks at March 31, 2022
- Unsecured debt mix 60% at March 31, 2022, above 50% target
- Issued \$8.8B in public and private debt securities in 1Q22
  - \$5.1B in public and private securitization funding
  - \$3.7B in senior unsecured notes
- Subsequent to quarter-end, issued \$3.9B in public secured and unsecured debt
- Expect consistent issuance cadence across platforms in 2022

Public Debt Issuances (\$B)



1. Includes Rule 144a transactions

# 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 (high)	N/A	Stable	BBB (high)	BBB (high)	R-2 (high)	Stable
Fitch	BBB-	BBB-	Positive	BBB-	BBB-	F-3	Positive
Moody’s	I.G.	Baa3	Stable	Baa3	Baa3	P-3	Stable
Standard and Poor’s	BBB	BBB	Stable	BBB	BBB	A-2	Stable



# Key Strengths

## Strategic Interdependence with GM

- Global captive finance company with operations in all of GM's major markets
- Comprehensive suite of product offerings for consumers and dealers
- Collaborative go-to-market strategies with GM
- Customer experience focused on manufacturer loyalty and customer retention

## Solid Global Funding Platform

- Enterprise commitment to investment grade rating
- Diversified funding platform supported by long-standing bank partnerships
- Well-established ABS and unsecured debt issuance programs

## Strong Balance Sheet and Financial Performance

- Ample liquidity and strong balance sheet provide support across economic cycles
- Substantial excess capital before exceeding Support Agreement leverage ratio limit
- Strong track record of profitability and return on average tangible common equity

## Experienced and Seasoned Management Team

- Leadership team experienced at managing through economic cycles
- Prudent credit and residual value management
- Average of 25+ years in the automotive finance industry

# General Motors Sustainability

## ESG is Fully Integrated with Our Business Strategy

- GM's strategy is to deliver safe and responsible transportation solutions for our customers
- Our vision is a world with zero crashes, zero emissions and zero congestion and we are working to become the most inclusive company in the world
- By 2035, GM plans to eliminate tailpipe emissions for new light-duty vehicles and offer all-electric heavy-duty vehicles
- 100% renewable energy to power all our U.S. facilities by 2025 and globally by 2035

For more information on our progress, initiatives and commitments as we transform our industry, visit: <https://www.gmsustainability.com/>

### RECOGNITIONS



Member of  
**Dow Jones  
Sustainability Indices**  
Powered by the S&P Global CSA

# Return on Average Common Equity

(\$M)	Four quarters ended		
	Dec-20	Dec-21	Mar-22
Net income attributable to common shareholder	\$1,911	\$3,670	\$3,754
Average equity	12,120	14,387	14,556
Less: average preferred equity	(1,628)	(1,969)	(1,969)
Average common equity	10,492	12,418	12,587
Less: average goodwill	(1,172)	(1,171)	(1,171)
Average tangible common equity	\$9,320	\$11,247	\$11,415
Return on average common equity	18.2%	29.6%	29.8%
Return on average tangible common equity <sup>1</sup>	20.5%	32.6%	32.9%

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



For more information,  
visit the Investor Center at  
[gmfinancial.com](https://gmfinancial.com)