



GM

GM FINANCIAL

Strategic and Operational Overview

November 5, 2020

2021 GMC Yukon Denali

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, 2019 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 the inception of a lease 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.

The IHS reports, data and information (“IHS Markit Materials”) referenced herein are copyrighted property of IHS Markit Ltd and its subsidiaries (“IHS Markit”) and represent data, research, opinions or viewpoints published by IHS Markit, and are not representations of fact. The IHS Markit Materials speak as of the date of the original publication date thereof and not as of the date of this document. The information and opinions expressed in the IHS Markit Materials are subject to change without notice and IHS Markit has no duty or responsibility to update the IHS Markit materials. Moreover, while the IHS Markit Materials reproduced herein are from sources considered reliable, the accuracy and completeness thereof are not warranted, nor are the opinions and analyses which are based upon it. IHS Markit and R.L. Polk & Co. are trademarks of IHS Markit.

Deliver Strategic and Financial Value to General Motors



Captive Value Proposition



Drive Vehicle Sales



Enhance Customer Experience and Loyalty



Provide Support Across Economic Cycles



Contribute to Enterprise Profitability

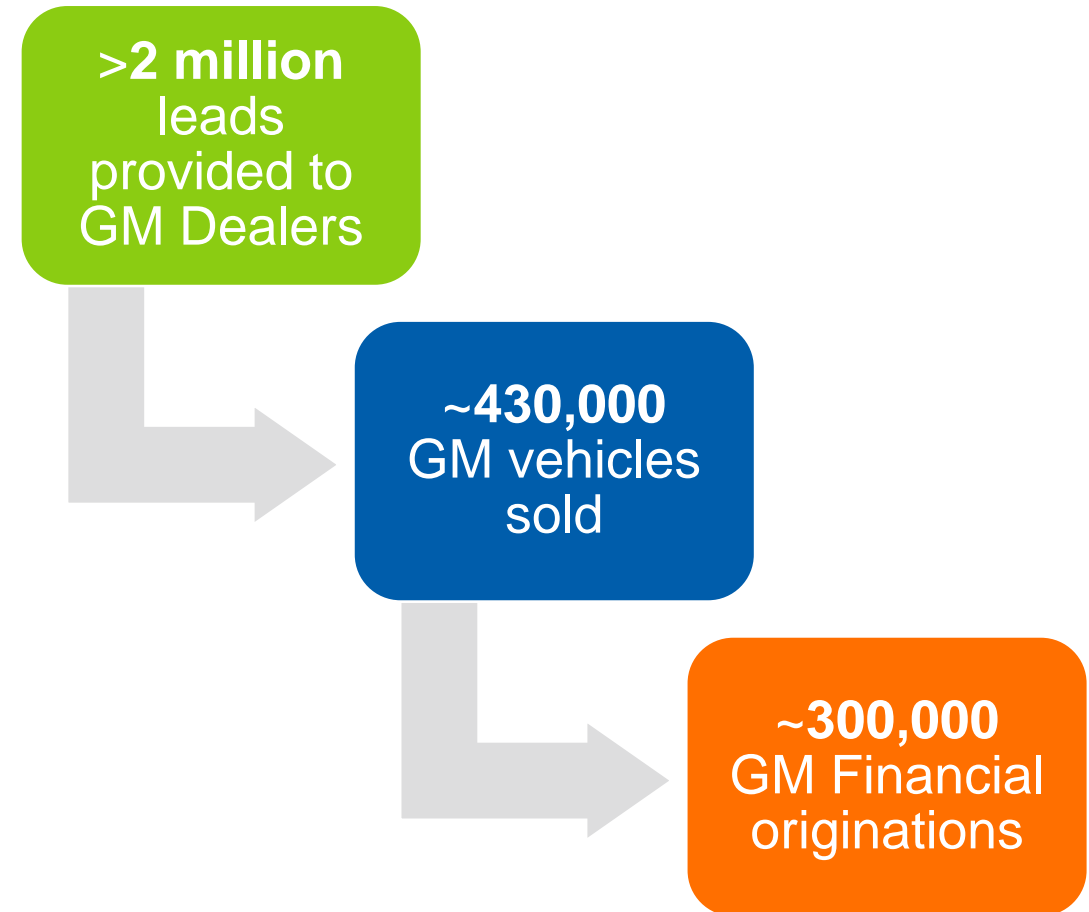


Drive Vehicle Sales

- ✓ Offer competitive, comprehensive suite of finance products and services to customers and dealers
- ✓ Support GM's go-to-market strategies
- ✓ Enhance dealer sales through lead generation programs and underwriting depth
- ✓ Participate in enterprise strategic initiatives (e.g., leasing electric vehicles and financing autonomous fleets)

Q3 2020:

- U.S. retail penetration of 43% driven by GM incentive strategies and strong dealer engagement with GM Financial
- GM Financial now leading floorplan provider to GM dealers with 31% market share in the U.S.



Enhance Customer Experience and Loyalty



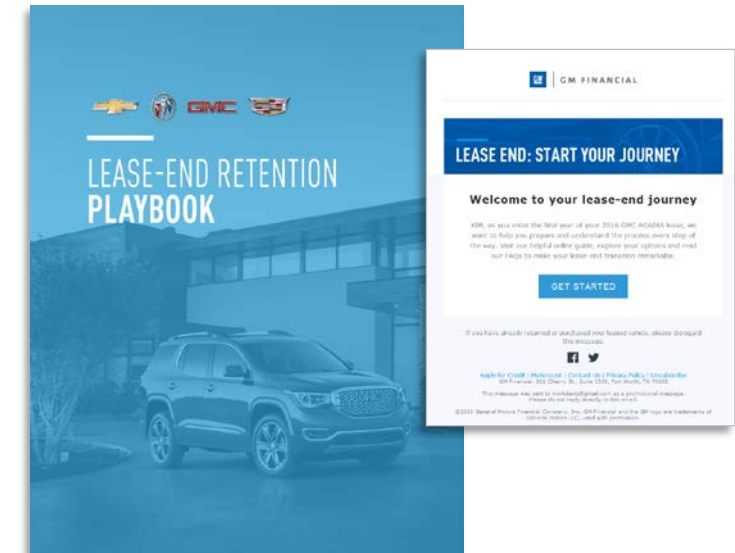
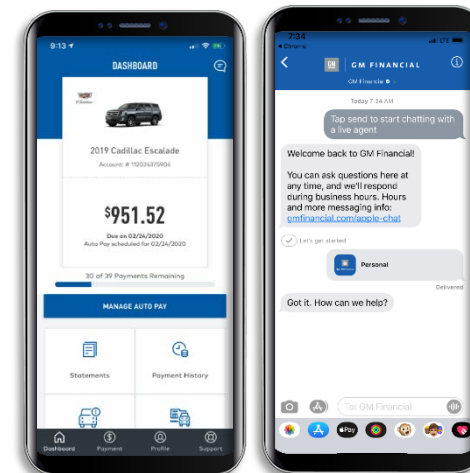
- ✓ Strong loyalty supports sales and earnings for GM
- ✓ Integrated GM/GM Financial customer relationship management activities
- ✓ Customer-centric, multi-channel servicing approach leads to high customer satisfaction
- ✓ Personalized end-of-lease term experience designed to inform customer and increase likelihood of purchasing another GM vehicle

Q3 2020:

- Leveraged AI-powered technology with approximately 50% of consumer messages addressed by chat bot (Nanci)
- Online Credit Application volume up year-over-year with customers shopping online due to COVID-19
- Customer payment deferral requests returned to normal levels



For the fourth consecutive year, 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.



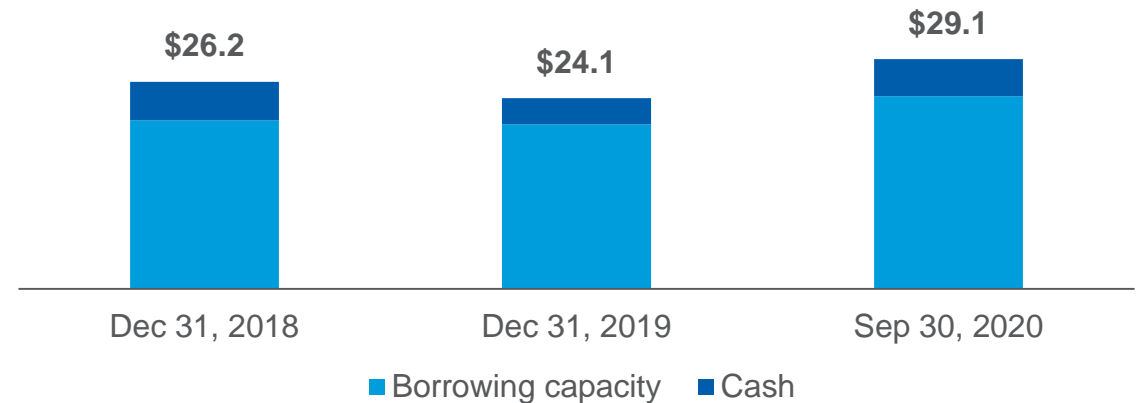
Provide Support Across Economic Cycles

- ✓ 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

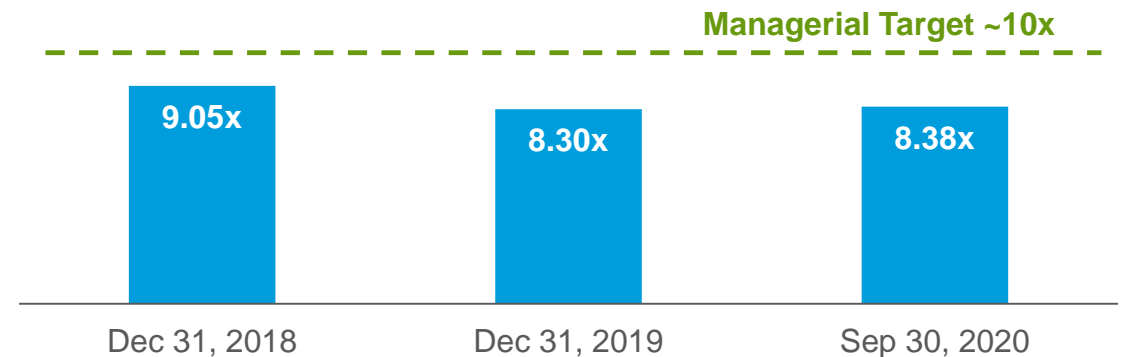
Q3 2020:

- Liquidity increase driven by timing of capital market issuances
- Capital sufficient to absorb \$3.1B 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

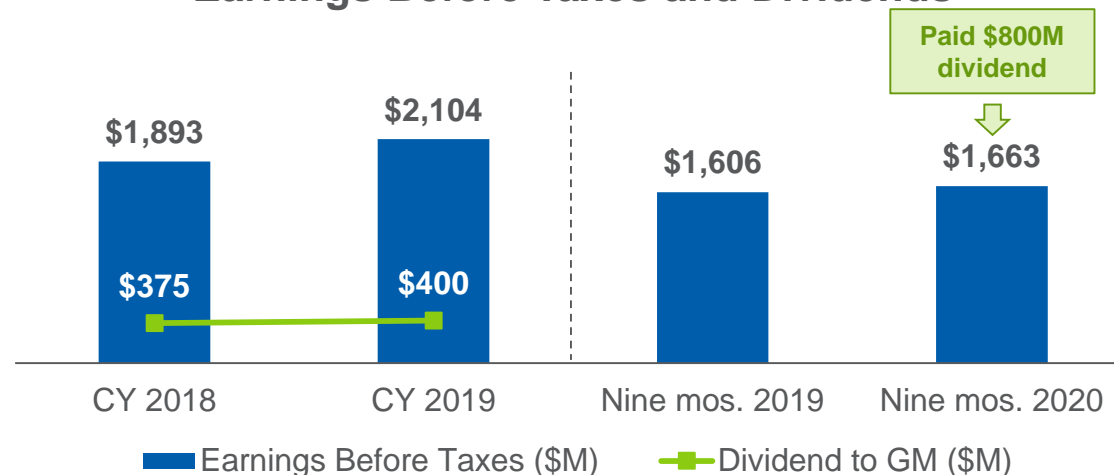


- ✓ Prudent credit and residual management
- ✓ Steady state earnings target of ~\$2.5B annually
- ✓ Paid \$800M dividend to GM in 2020
- ✓ Standalone return on average tangible common equity target of low-mid teens

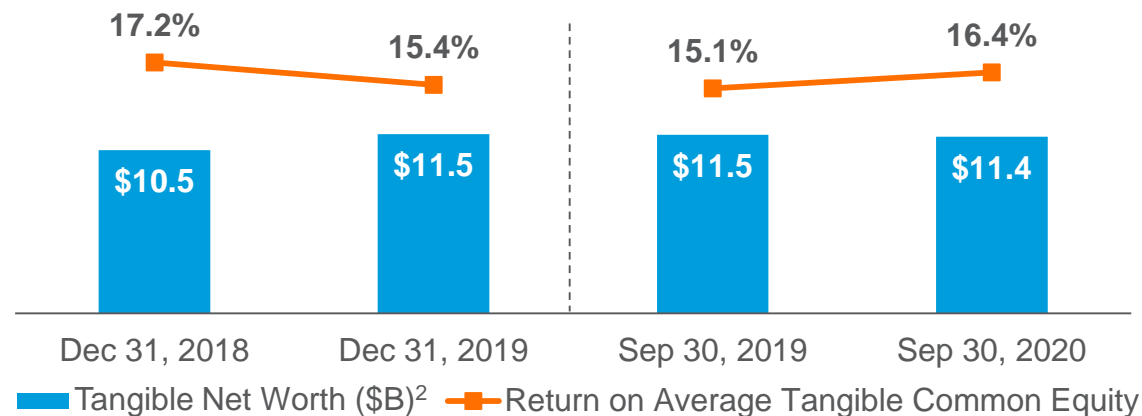
Q3 2020:

- Record quarterly earnings of \$1.2B driven by unusually strong used vehicle prices, reduced provision expense and lower interest expense
- Return on average tangible common equity of 16.4% at the high end of target range

Earnings Before Taxes and Dividends



Return on Average Tangible Common Equity¹

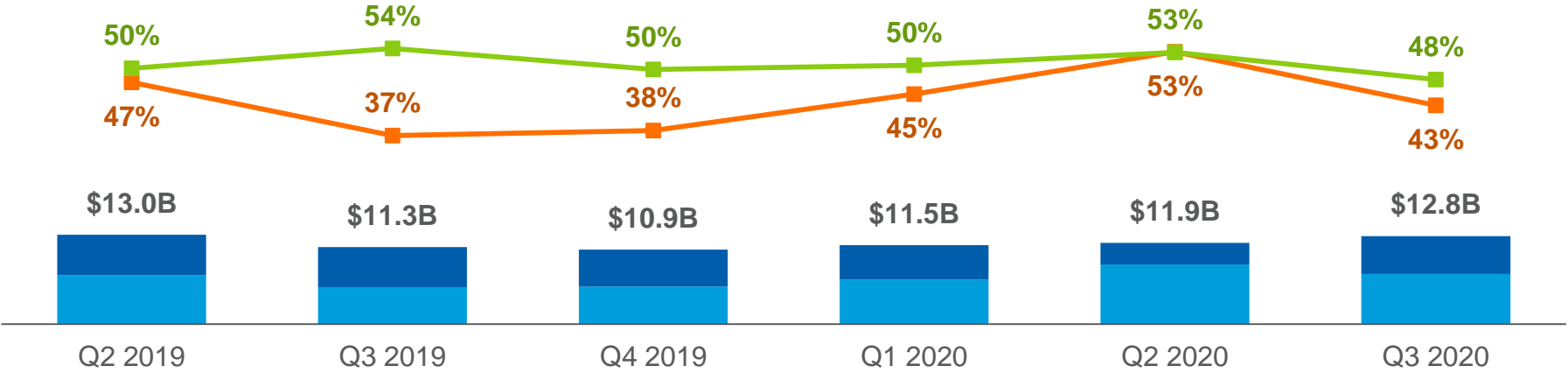


1. Defined as net income attributable to common shareholder for the trailing four quarters divided by average tangible common equity for the same period; see Appendix for reconciliation to the most directly comparable GAAP measure
 2. Total shareholders' equity less goodwill

Operating Metrics

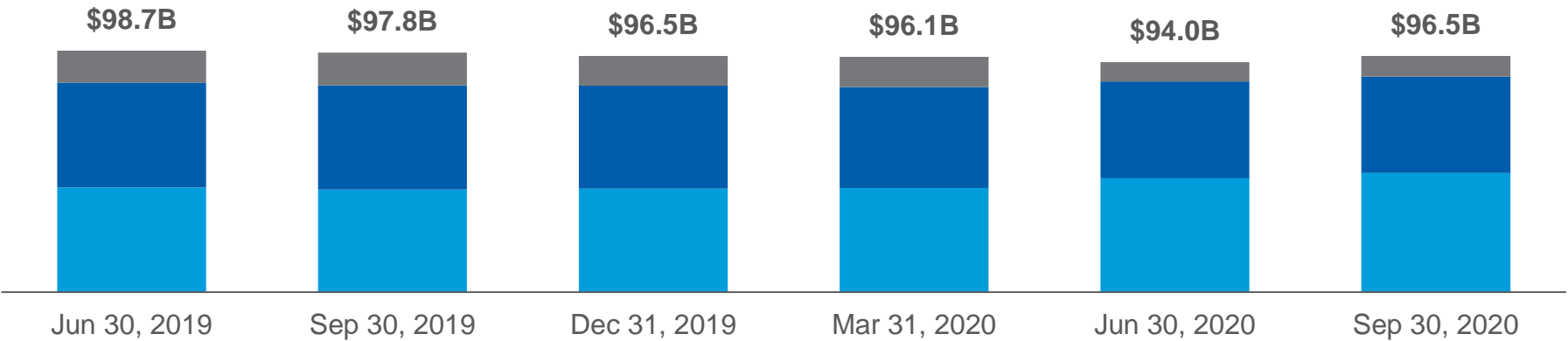
- Retail Lease
- Retail Loan
- GM Financial as % of GM U.S. Retail Sales
- GM Financial as % of GM Latin America Retail Sales

Origination Volume



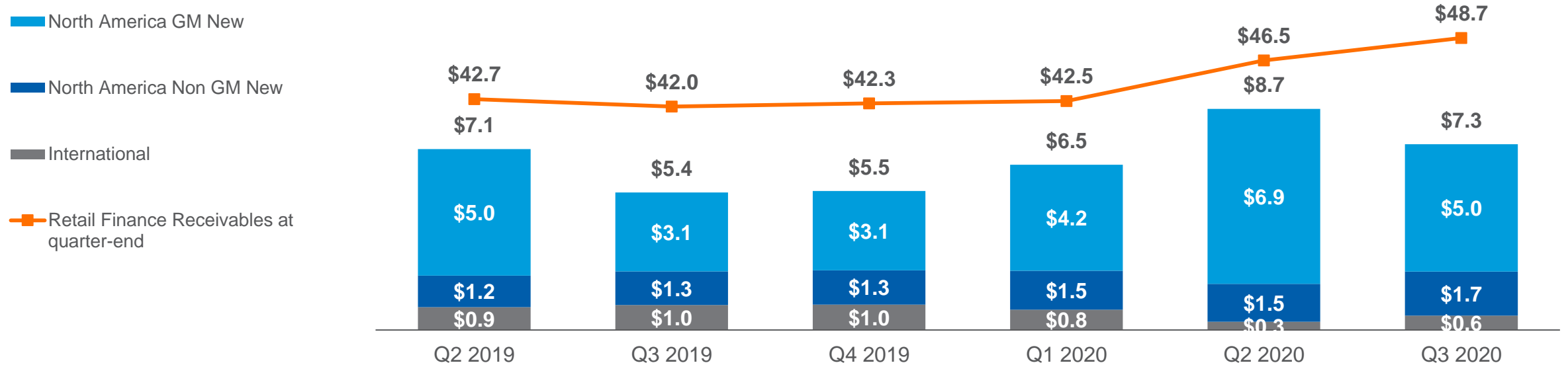
Ending Earning Assets

- Commercial Loan
- Retail Lease
- Retail Loan



Retail Loan

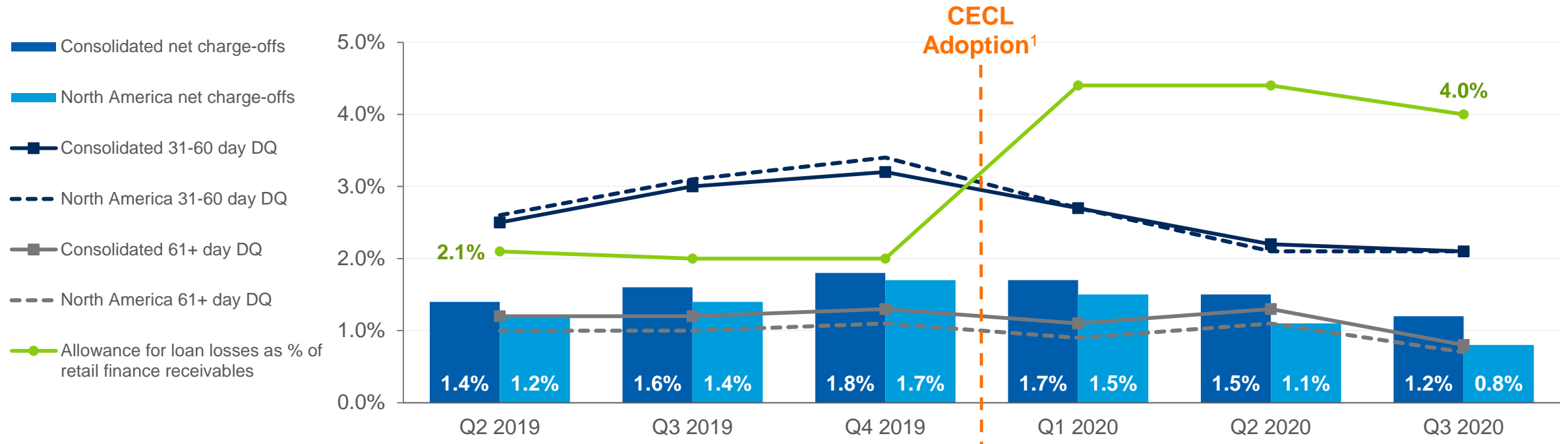
Originations and Portfolio Balance (\$B)



U.S. Weighted Avg. FICO Score at Origination	729	702	694	707	748	728
Outstanding Contracts (000s)	2,678	2,661	2,657	2,692	2,749	2,783

- Retail loan originations and weighted average FICO at origination driven by type of incentive programs offered and penetration of GM retail sales
 - Q3 2020 originations and weighted average FICO declined compared to Q2 2020 due to pullback on 0% interest rate financing offers
- International originations increased from Q2 2020 as industry sales rebounded alongside economies reopening

Retail Loan Credit Performance

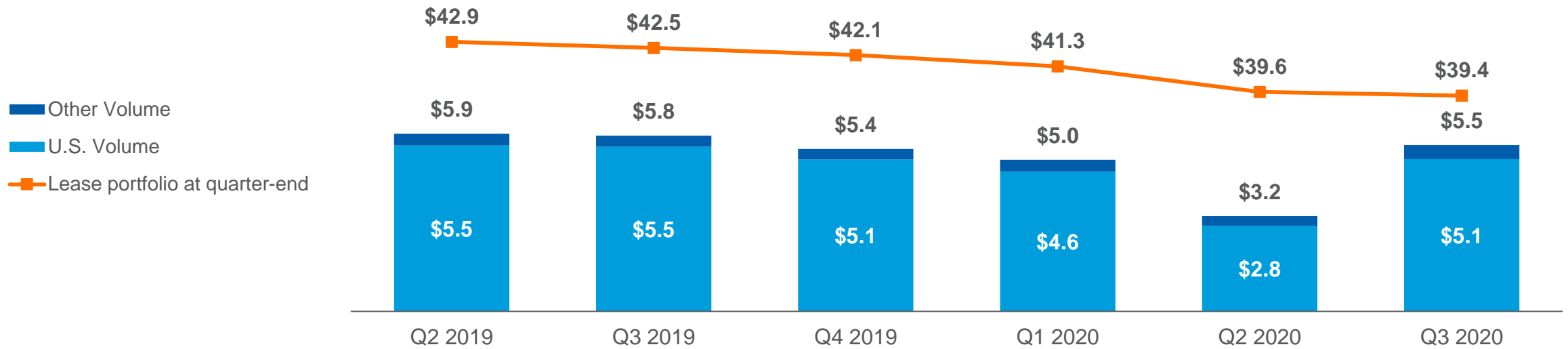


- Net charge-offs and delinquency rates in U.S. better than pre-COVID expectations due to ongoing effect of government support programs, change in consumer spending behavior and economy reopening
- Improved outlook for 2020 consolidated annual net charge-offs to be slightly lower than 2019 (1.6%) versus previous estimate of 2.0-2.5% due to resilient credit performance and better recovery rates on repossessed vehicles
- CY 2021 annual net charge-offs expected to be higher than 2020 due to ongoing effects of job losses on consumer credit

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)



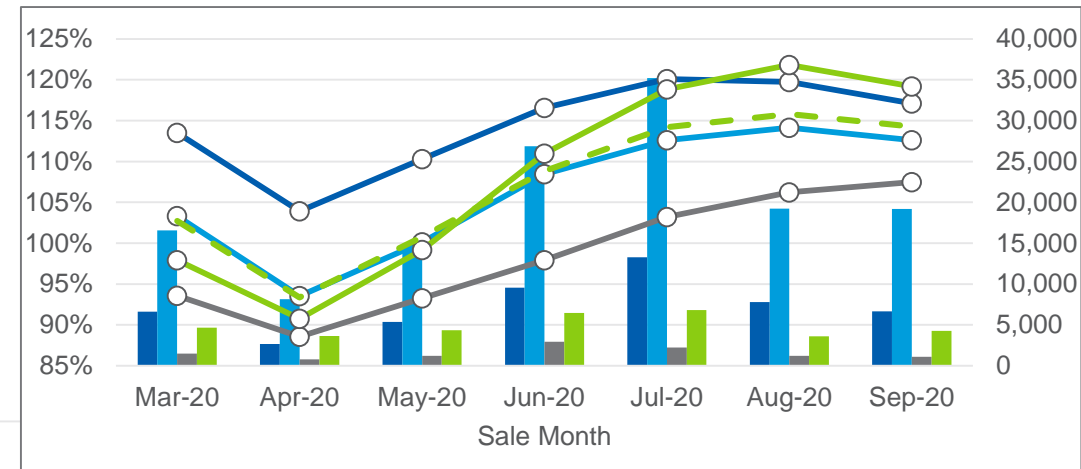
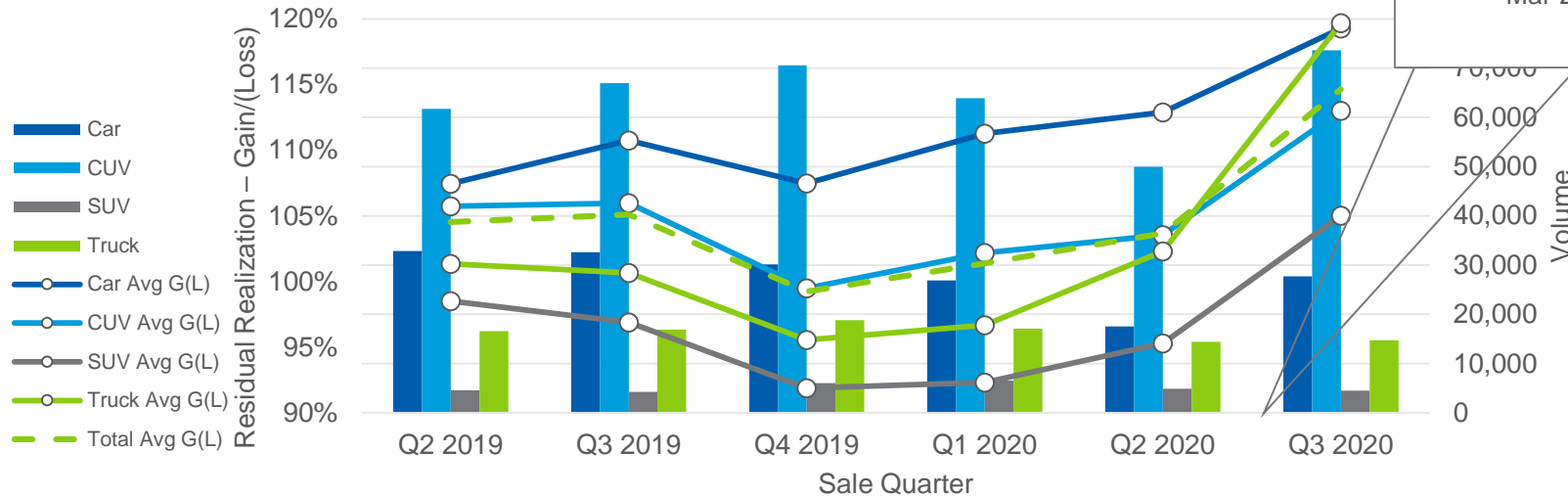
GM Type of U.S. Sale – Lease ¹	24%	23%	24%	23%	18%	21%
U.S. Weighted Avg. FICO Score at Origination	774	775	776	776	778	778
Total Return Rate	75%	72%	77%	76%	78%	57%
Outstanding Contracts (000s)	1,668	1,638	1,606	1,585	1,528	1,495

- Originations increased compared to Q2 2020 as dealerships reopened and end-of-term processing normalized
- High credit quality portfolio with 99.4% of operating leases current at September 30, 2020
- Return rate declined in Q3 2020 due to higher vehicle purchases at the end-of-term driven by record used vehicle prices; expect to slowly return to normal levels as prices decline from peak

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
Q2 2019 – Q3 2020 Sales
(Avg % Per Unit²)



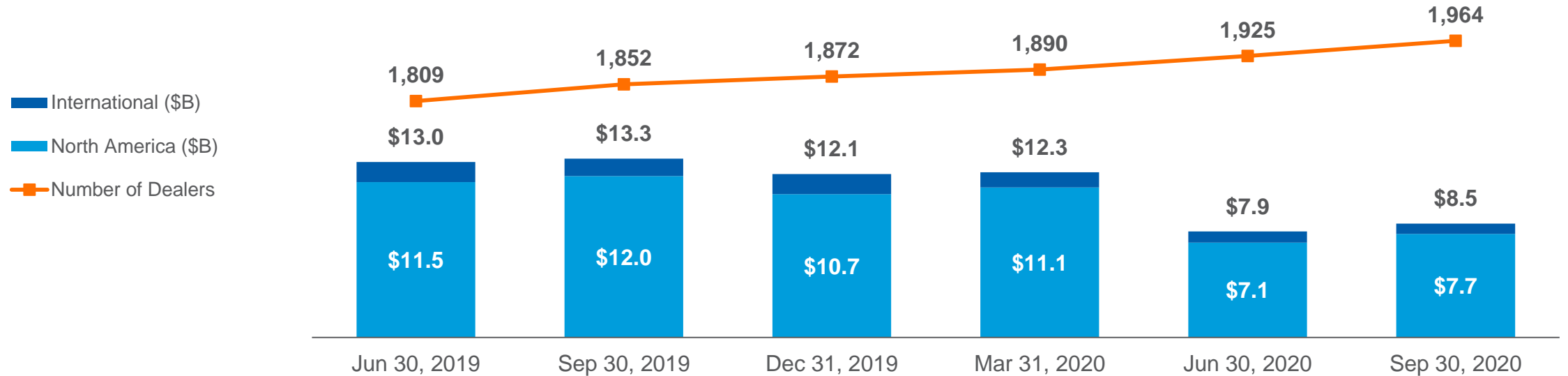
U.S. Sales Volume (units 000s)	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
	115.9	120.7	125.6	114.4	86.9	121.5

- Pricing peaked in August driven by lower new vehicle inventory and strong demand for used vehicles before decreasing in September and October in line with normal seasonal trends
- Given record prices in Q3 2020, used vehicle prices in CY 2020 expected to increase by low single digits on a percentage basis compared to 2019 and previous expectation of a 6-8% decline
 - Industry sources currently expect prices in 2021 to be down by mid-single digits on a percentage basis compared to 2020 due to normalizing new vehicle inventory and rising used vehicle supply due to higher trade-in activity and off-lease vehicles

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

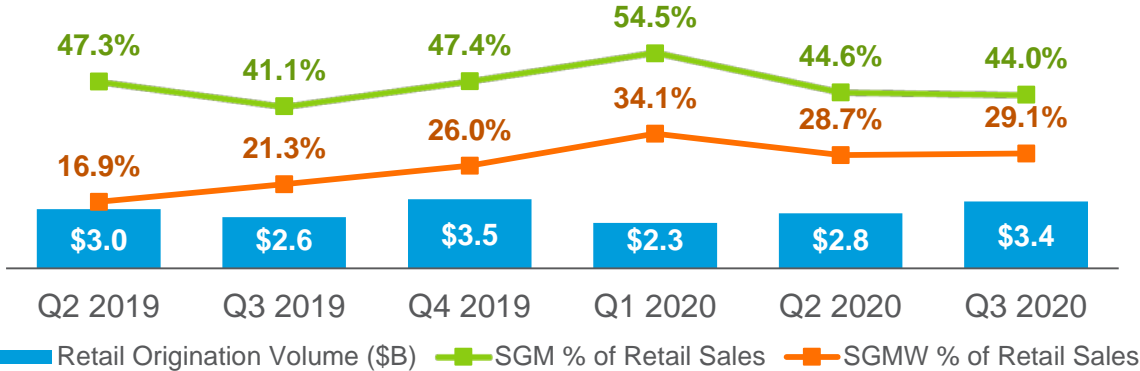


U.S. Wholesale Dealer Penetration	27.0%	28.1%	28.8%	29.4%	30.3%	31.4%
U.S. Floorplan Dealers	1,190	1,238	1,262	1,290	1,330	1,378

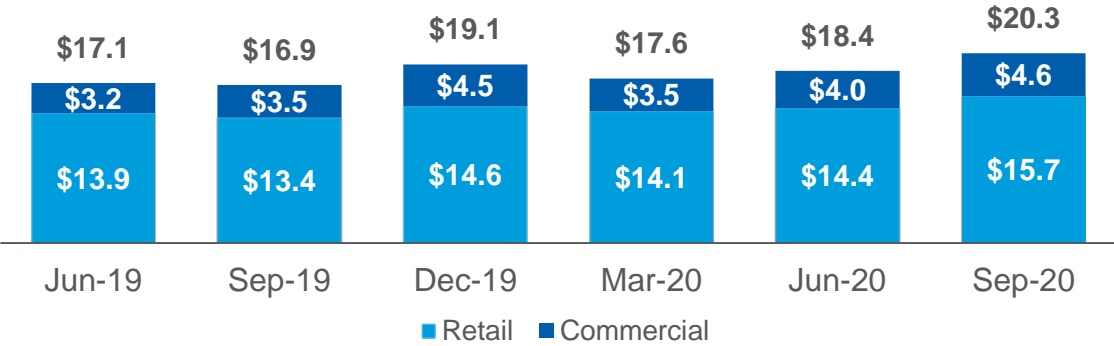
- **Leading provider of floorplan financing for U.S. GM dealers with 31.4% market share**
- **Outstanding receivables balance reflects impact of low new vehicle inventory due to robust demand for new vehicles following resumption of new vehicle manufacturing activity**
- **Dealer health remains stable due to improving auto sales; profitability supported by higher margins on both new and used vehicle sales due to low inventory driving better pricing**

China Joint Ventures

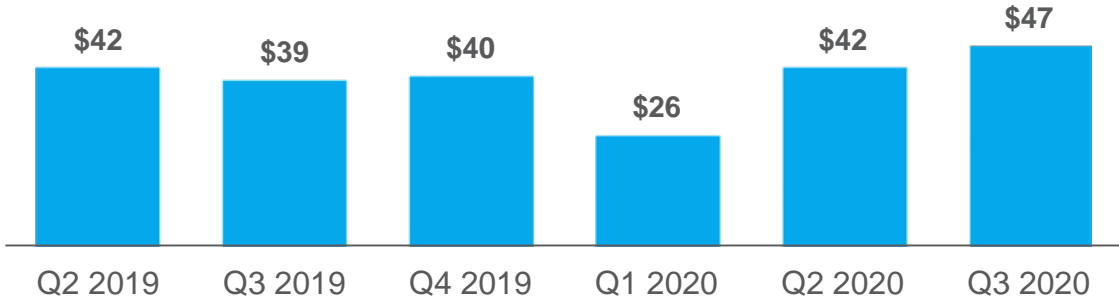
Origination Volume



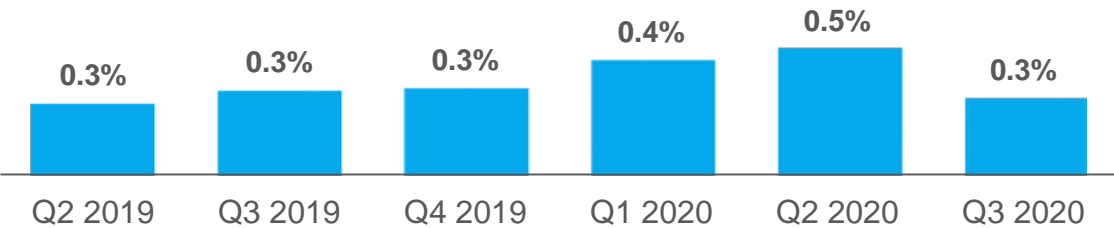
Ending Earning Assets (\$B)



Equity Income (\$M)



Net Charge-offs on Loans

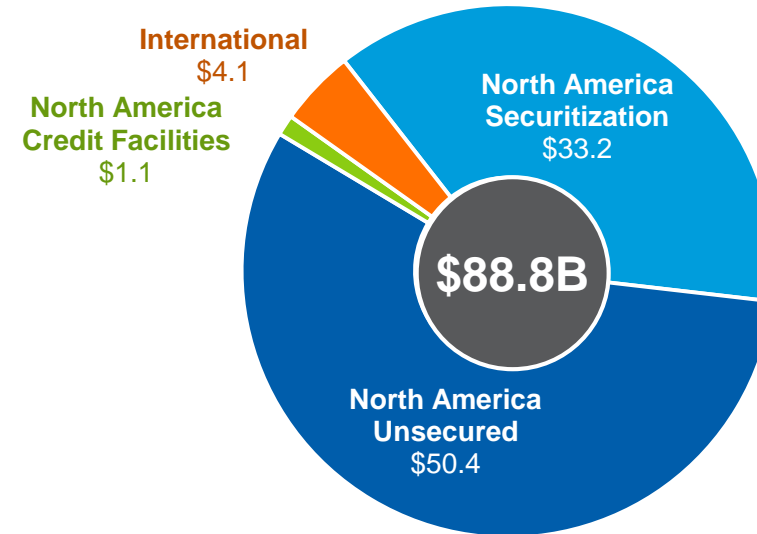


- Q3 2020 equity income up year-over-year and sequentially with asset growth and improved credit performance due to economic recovery post COVID-19

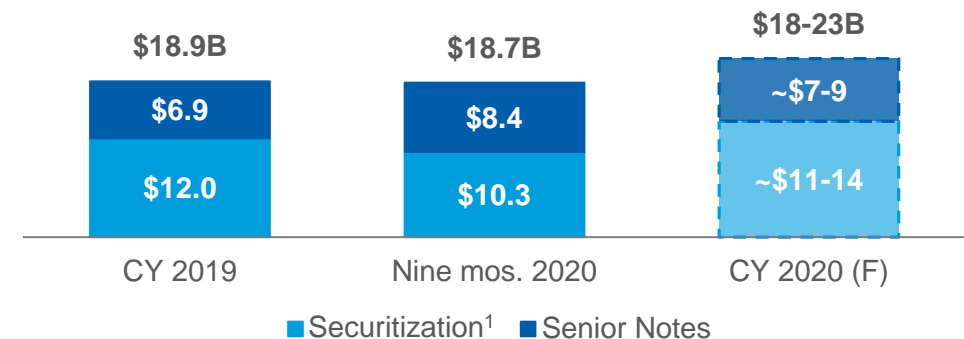
Global Funding Platform

- Strategy to fund locally with flexibility to issue globally to support U.S. balance sheet
- Unsecured debt mix 60% at September 30, 2020, above 50% target
- Issued over \$7.3B through public debt capital markets in the quarter
 - \$4.8B across all U.S. securitization platforms and \$2.5B in U.S. senior notes
 - Subsequent to quarter-end, issued \$2.3B to fund U.S. prime loan and floorplan platforms
- Raised \$0.5B preferred stock in September to complete targeted \$2.0B total outstanding
- Committed credit facilities of \$26.4B provided by 27 banks

Total Debt Outstanding
September 30, 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 September 30, 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	Negative	Baa3	Baa3	P-3	Negative
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
 - Evolution of EV portfolio to reduce carbon impact while using big data to keep drivers safe
- **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 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
- Excess capital to absorb losses of \$3.1B 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

	Four Quarters Ended			
	Dec 31, 2018	Dec 31, 2019	Sep 30, 2019	Sep 30, 2020
Net income attributable to common shareholder	\$1,504	\$1,477	\$1,418	\$1,519
Average equity	11,049	12,270	12,070	11,951
Less: average preferred equity	(1,136)	(1,477)	(1,476)	(1,515)
Average common equity	9,913	10,793	10,594	10,436
Less: average goodwill	(1,192)	(1,186)	(1,187)	(1,175)
Average tangible common equity	\$8,721	\$9,607	\$9,407	\$9,261
Return on average common equity	15.2%	13.7%	13.4%	14.6%
Return on average tangible common equity ¹	17.2%	15.4%	15.1%	16.4%

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 FINANCIAL