

## **GENERAL MOTORS COMPANY BOARD OF DIRECTORS CORPORATE GOVERNANCE GUIDELINES**

### **Introduction**

The Board of Directors (the “Board”) of General Motors Company (the “Company”), acting on the recommendation of its Governance and Corporate Responsibility Committee (“Governance Committee”), has adopted the following Corporate Governance Guidelines to promote the effective functioning of the Board and its committees and to set forth a common set of expectations as to how the Board should perform its functions. These Guidelines are in addition to, and should be interpreted in accordance with, any requirements imposed by federal or Delaware law, the New York Stock Exchange (the “NYSE”), and the Certificate of Incorporation and Bylaws of the Company, each as amended. The Governance Committee periodically reviews these Guidelines in light of evolving circumstances and for consideration of best practices and recommends changes to the Board, as appropriate.

### **Role of the Board of Directors**

The Board is elected by the shareholders to oversee their interest in the long-term sustainable health and the overall success of the business and its financial strength. The Board serves as the ultimate decision-making body of the Company, except for those matters reserved to or shared with the shareholders. The Board selects and oversees the members of senior management, who are charged by the Board with conducting the business of the Company.

The core responsibility of the directors is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its shareholders. Directors must fulfill their responsibilities consistent with their fiduciary duties to the shareholders, in compliance with all applicable laws and regulations. The Board oversees management’s activities in connection with proper safeguarding of the assets of the Company, maintenance of appropriate financial and other internal controls, and compliance with applicable laws and regulations and proper governance.

### **Board Oversight**

#### **1) Management Oversight**

The business of GM is conducted by management under the oversight of the Board. The roles of the Board and management are related, but distinct. GM’s business strategy is developed and implemented under the leadership and direction of the Chief Executive Officer (the “CEO”) by its officers and other employees. The members of the Board act as advisers and counselors to the CEO and senior management.

In performing its general oversight function, the Board reviews and assesses GM’s strategic and business planning as well as management’s approach to addressing significant risks and challenges facing the Company that relate to strategic, operational, financial, legal and compliance, as well as sustainability.

#### **2) Risk Oversight**

The Board, through its Risk and Cybersecurity Committee, oversees risk management at the Company. The Board and its committee assess whether management has an appropriate framework to manage risks and whether that framework is operating effectively. As part of this function, the Board reviews and discusses reports regularly submitted and engages with

management on risk as part of broad strategic and operational discussions.

3) **Environmental, Social and Governance Oversight**

The Board oversees ESG management at the Company. The Board and its committees assess whether management has appropriate mechanisms to oversee the development of ESG initiatives, strategies, policies, and practices related to matters of sustainability and corporate responsibility that may have a material impact on the Company. As part of this function, the Board and its committees review and discuss reports submitted by management with respect to GM's current goals and metrics, as well as significant events, issues and risks that may affect GM's business or financial performance. In performing its ESG oversight function, the Board and its members maintain frequent, active and open communication and discussions with the CEO and the management of GM.

**Selection and Composition of the Board**

4) **Board Membership Criteria**

The Governance Committee is responsible for reviewing with the Board, on an annual basis, the appropriate skills and characteristics required of Board members considering current Board composition, Company strategy and all relevant facts and circumstances at the relevant time. The selection of qualified directors is complex and crucial to GM's long-term success. The Governance Committee and the Board establish different priorities for recruiting new Board members from time to time depending on the Company's needs and the current make-up of the Board. The Board is committed to actively seeking highly qualified women and individuals from minority groups to include in the pool from which Board nominees are selected and includes diverse, qualified candidates in each pool of candidates from which Board nominees are chosen. In every case, however, candidates for election to the Board must be able to make a significant contribution to the Board's discussion and decision making concerning the broad array of complex issues facing the Company. In assessing potential Board candidates, the Governance Committee seeks to consider individuals with a broad range of business experience and backgrounds. Potential Board candidates who satisfy our priorities are further evaluated based upon criteria that includes:

- Their demonstrated global business and social perspective, leadership, and ability to exercise sound judgment;
- Any individual skills, expertise and experience that would complement or expand that of the current directors and enhance the diversity (geographic, gender, age, ethnicity, and sexual orientation) and effectiveness of the Board as a whole;
- Their demonstrated commitment to the highest personal and professional ethical standards, integrity and values of the Company;
- Their ability to take into account and balance the legitimate interests and concerns of all our shareholders and other stakeholders effectively, consistently, and appropriately in reaching decisions; and
- Their ability and willingness to give sufficient time and attention to preparing for and participating fully in Board activities, including enhancing their knowledge of the Company and the global automotive industry.

5) **Board Membership Selection and Nomination**

The Board is responsible for selecting its own members and in recommending them for election by the shareholders. The Board delegates the screening process to the Governance Committee with input from the Chair and CEO and other members of the Board, as appropriate. To assist in the identification and evaluation of qualified director candidates, the Governance Committee from time to time engages a search firm. The Governance Committee considers recommendations for Board candidates submitted by shareholders using the same criteria it applies to its evaluation of other candidates. In addition, the Governance Committee is responsible for evaluating each incumbent director as part of its annual process for recommending director nominees to the Board. In determining whether to recommend a director for re-election, the Governance Committee considers relevant factors including the director's history of attendance and participation in meetings, other contributions to the activities of the Board, the results of Board self-evaluations, and any potential or actual conflicts of interest. Final approval of a candidate is determined by the full Board.

Directors are elected at the annual meeting of shareholders for a one-year term, to serve until the next annual meeting. Between annual shareholder meetings, the Board may elect directors to serve until the next annual meeting.

6) **Majority Voting in Board Elections**

GM's Bylaws provide that, in uncontested elections (*i.e.*, those in which the number of nominees does not exceed the number of directors to be elected), nominees must receive a majority of the votes cast. The Bylaws further provide that before any incumbent director can be nominated by the Board for reelection by majority vote, he or she must submit an irrevocable resignation that will become effective if he or she does not receive more than 50% of the votes cast and the Board accepts their resignation. For more information, the Company Bylaws can be found on the at [investor.gm.com/resources](http://investor.gm.com/resources).

Within 90 days after receipt of the certified shareholder vote, the Governance Committee and the Board will consider the unsuccessful incumbent's tendered resignation in light of the best interests of GM and its shareholders. In determining whether to accept the resignation and whether a new candidate should be appointed to the Board as a replacement, the Governance Committee and the Board may consider any factors they determine appropriate and relevant to the best interest of GM and its shareholders. In any event, however, the Board will accept the resignation of an unsuccessful incumbent unless it finds a compelling reason to reject it. Compelling reasons for rejecting a resignation might include, without limitation: the stated or apparent reasons why shareholders voted against the director; alternatives for addressing the reason for the "against" votes; and the consequences of their leaving the Board, such as the loss of a financial expert from the Audit Committee, a decrease in the number of independent directors, a failure to satisfy stock exchange listing requirements, a default or breach under any loan covenants or an obligation to make a significant payment under an executive employment contract or other agreement.

An unsuccessful incumbent should not participate in deliberations or voting of the Governance Committee or the Board of Directors with regard to the acceptance of their resignation. If every member of the Governance Committee is an unsuccessful incumbent, the independent directors (as determined under Section 2.10 of the Bylaws and Guideline 10) who are not unsuccessful incumbents will appoint a Board committee comprised of independent directors to make recommendations to the Board with regard to the resignations of unsuccessful incumbents. If

three or fewer directors have been elected by a majority of votes cast at a meeting with majority voting, however, all members of the Governance Committee and of the Board may participate in deliberations and actions with regard to the resignations of the unsuccessful incumbents.

If all directors are unsuccessful incumbents following an election and no nominees are elected, the incumbent Board will nominate a new slate of directors and, within 180 days after the certification of the shareholder vote, hold a special meeting for the purpose of electing a Board of Directors. In such circumstances, the incumbent Board will continue to serve until new directors are elected and qualified.

Within four business days after the resignation is accepted or rejected, the Company will file a report with the U.S. Securities and Exchange Commission on Form 8-K in which it will publicly disclose its decision and set forth in reasonable detail the rationale relied upon by the Board in making that decision.

7) **Director Orientation and Continuing Education**

All new Directors must participate in the Company's director orientation program, which generally commences promptly after the meeting at which a new director is elected. The Governance Committee oversees an orientation process developed by management to familiarize new directors with the Company's business and strategic plans, significant financial matters, core values including ethics, compliance programs, corporate governance and sustainability practices, and other key policies and practices through a review of background material, meetings with senior management, and visits to GM facilities.

The Board also recognizes the importance of continuing education for its directors and is committed to provide such education in order to improve both Board and committee performance. Director continuing education may be provided in a variety of different forms including: external or internal education programs, presentations or briefings on particular topics, educational materials, meetings with key management and visits to GM facilities, dealers and auto shows. It is the responsibility of the Governance Committee to advise the directors about their continuing education on subjects that would assist them in discharging their duties, including leading corporate governance and automotive industry issues. Directors are encouraged to attend, at GM's expense, continuing education programs sponsored by educational and other institutions.

**Board Functioning**

8) **Selection of the Chair of the Board and Role of Lead Director**

The Board should be free to choose the Chair of the Board, consistent with the best interests of the Company at a given time, based on the circumstances of the Company and the individuals on the Board at that time. Therefore, the Board does not have any policy whether or not the role of the Chair and CEO should be separate or combined and, if separate, whether the Chair should be an employee or a non-employee director.

If the Chair is not an independent director, the independent directors will elect a Lead Director from among the independent directors serving on the Board. The Lead Director shall be elected on an annual basis by a majority of independent directors. The Lead Director will have the duties assigned by the Board, which may include, but are not limited to:

- Presiding at all meetings of the Board at which the Chair is not present, including executive sessions of non-management directors, and advising the Chair of any actions taken;
- Providing leadership to the Board if circumstances arise in which the role of the Chair may be, or may be perceived to be, in conflict, and responding to any reported conflicts of interest, or potential conflicts of interest, arising for any director;
- Calling executive sessions (and if necessary special meetings) of the non-management and independent directors and communicating with the Chair after each executive session to provide feedback and also to effectuate the decisions and recommendations of the independent directors;
- Leading the non-management directors in the annual evaluation of the performance of the CEO and communicating that evaluation to the CEO; and, overseeing the process for CEO succession;
- Advising on the scope, quality, quantity and timeliness of the flow of information between management and the Board and approving Board meeting agendas and materials recommended by the Chair and sent to the Board;
- Approving Board meeting schedules to assure that there is sufficient time for discussion of all agenda items;
- Serving as liaison, when requested to do so by non-management directors, between non-management directors and the Chair (although all non-management directors have direct and complete access to the Chair as well, at any time that they deem necessary or appropriate);
- Interviewing, along with the Chair of the GCRC, all Board candidates, and making recommendations to the GCRC and the Board;
- Being available to advise the chairs of the committees of the Board in fulfilling their designated roles and responsibilities to the Board; and
- Being available, if requested by major shareholders, for consultation and communication.

9) **Size of the Board**

In accordance with the Company's Bylaws, the Board sets the number of directors from time to time by resolution adopted by a majority of the Board. The size of the Board is reassessed at least annually by the Governance Committee to determine if a different number would be more effective. If any of the Board's nominees is unable to serve as a director, or if any director leaves the Board between annual meetings of shareholders, the Board may reduce the number of directors by resolution or elect a replacement director upon the recommendation of the Governance Committee.

10) **Mix of Management and Independent Directors**

The Board believes that as a matter of policy, there should be a substantial majority of

independent directors on the GM Board. The Board believes that management should encourage senior managers to understand that Board membership is not necessary or a prerequisite to any higher management position in the Company. Senior executives other than the CEO currently attend Board meetings on a regular basis at the invitation of the Chair even though they are not members of the Board.

11) **Board Definition of What Constitutes Independence for Directors**

At least two-thirds of the Board is comprised of directors who qualify as independent under the Listing Standards of the NYSE. The Governance Committee reviews annually its compliance with Section 2.10 of the Bylaws. The Bylaws define the term “Independent Director” as qualifying as independent within the meaning of Rule 303A.02 of the NYSE Listed Company Manual (or any successor provision).

Prior to each annual meeting of shareholders, the Governance Committee assesses the independence of each director and individual nominated for election to the Board and makes recommendations to the Board as to their independence. As part of this analysis, the Governance Committee must review and conclude whether each director who is not currently an employee of the Company (1) satisfies the quantitative independence criteria incorporated by reference in Section 2.10 of the Bylaws and (2) is free from any qualitative relationship that would interfere with the exercise of independent judgment. For a director to be considered independent, the Board must make an affirmative determination that the director does not have any material relationship with GM other than as a director. In assessing materiality of a director’s relationship to GM, the Board considers all relevant facts and circumstances in making an independence determination, and not merely from the standpoint of the director, but also from that of persons or organizations with which the director has an affiliation.

An independent director must satisfy all of the following criteria:

- During the past three years, the Company has not employed the director, and has not employed (except in a non-executive capacity) any of their immediate family members;
- During any twelve-month period within the last three years, the director has not received more than \$120,000 in direct compensation from the Company other than director fees or other forms of deferred compensation. No immediate family members of the director have received any compensation other than for employment in a non-executive capacity;
- Neither the director nor any immediate family member is a current partner of a firm that is the Company’s internal or external auditor; the director is not an employee of such a firm; the director does not have an immediate family member who is a current employee of such a firm and personally works on the Company’s audit; and neither the director nor an immediate family member was a partner or employee of such a firm and personally worked on the Company’s audit within the last three years;
- During the past three years, neither the director, nor any immediate family members, has been part of an “interlocking directorate” in which an executive officer of the Company serves on the compensation (or equivalent) committee of another company that employs the director; and
- During the past three years, neither the director, nor any immediate family member, has been employed (except, in the case of family members, in a capacity other than as an

executive officer) by a significant supplier or customer of the Company or any affiliate of such supplier or customer. For the purposes of this standard, a supplier or customer is considered significant if its sales to, or purchases from, the Company represent the greater of \$1 million or 2 percent of the Company's or the supplier's or customer's consolidated gross revenues.

In addition to satisfying all of the foregoing requirements, a director or nominee may not be considered independent if he or she has, in the judgment of the Board, any other material relationship with GM other than serving as a director, that would interfere with the exercise of their independent judgment.

Members of the Audit Committee will not be considered independent if they receive, directly or indirectly, any compensation from the Company other than their compensation for service as directors, or are an "affiliated person" of the Company or subsidiary thereof, as such term is defined under Rule 10A-3 of the Securities Exchange Act of 1934. In determining the independence of members of the Executive Compensation Committee, the Board must consider all factors specifically relevant to determining whether they have a relationship to the Company that is material to their ability to be independent from management in connection with the duties of a compensation committee member, including their source of compensation, any consulting, advisory or other compensatory fee paid by the Company to them; and whether they are affiliated with the Company or any subsidiary.

Members of the Executive Compensation Committee will not be considered independent unless they meet the independence standards of Rule 16b-3 under the Securities Exchange Act of 1934 and Section 162(m) under the Internal Revenue Code of 1986.

Each independent director will notify the Chair, as soon as practicable, of any event, situation or condition that may affect the Board's evaluation of their independence.

12) **Former Chief Executive Officer Board Membership**

The Board believes that it is preferable that the CEO and other senior executives of GM not serve on the Board following retirement from GM, other than in the capacity of Executive Chair, if so elected by the Board in accordance with the Bylaws.

13) **Directors Who Change Their Present Job Responsibility**

When a director's principal job responsibility changes substantially during their tenure as a director, that director will tender a letter of resignation to the Chair or the Corporate Secretary. The Governance Committee will review whether the new responsibility, or retirement, of the director is consistent with the Guidelines for Board membership and the specific rationale for originally selecting that individual. The Governance Committee will recommend to the full Board whether to accept the director's resignation based on the factors that it considers relevant, which may include the circumstances of the change in employment and the director's experience with the Board and contributions to the Board's diversity of backgrounds and viewpoints, as well as whether the director was designated for nomination by a shareholder of the Company.

14) **Limits on Outside Board Memberships**

The Company values the experience directors bring from service on other boards and other activities in which they participate, but recognizes that those boards and activities may also present demands on a director's time and availability. It is the expectation of the Board that every

member have sufficient time to commit to preparation for and attendance at Board and committee meetings. Therefore, it is the sense of the Board that non-employee directors should not serve on more than four other boards of publicly traded companies (excluding non-profits and subsidiaries) unless the Board determines that such service will not impair the ability of such director to effectively perform their obligations as a director of the Company. In addition, members of the Audit Committee may serve on no more than three audit committees of publicly traded companies (excluding non-profits and subsidiaries), including the GM Audit Committee, unless the Board determines that such simultaneous service would not impair the ability of such member to effectively serve on the Company's Audit Committee. Directors should advise the Chair of the Board, the Lead Director or the Chair of the Governance Committee in advance of (i) accepting an invitation to serve on another board of directors or any audit committee of a public company board of directors, or (ii) undertaking significant commitments involving affiliation with other businesses or governmental units. In addition, the Governance Committee conducts an annual review of director commitment levels, and affirms that all directors are able to comply with the Company's expectations on a director's time and availability.

In general, management directors may not serve on the board of more than one other public company or for-profit entity and must obtain the approval of the Governance Committee prior to accepting an invitation to serve on an outside board.

15) **Meeting Attendance**

Directors are expected to attend meetings of the Board, committees on which they serve, the Annual Meeting of Shareholders and any special meetings. In addition, it is expected that directors attend all regularly scheduled meetings in person unless the meeting is conducted by teleconference. Any director who for two consecutive years has attended fewer than 75 percent of the total of all meetings of the Board and committees of which such director is a voting member, will not be re-nominated for election at the annual meeting in the next succeeding calendar year, unless the Board determines that the re-nomination is in the best interests of the Company.

16) **Retirement Age and Term Limits**

It is the general policy of the Board that non-employee directors or non-employee director nominees will not stand for election after reaching age 72. However, the Board recognizes that due to increases in life expectancy and retirement age standards, from time to time it may reject offers from directors age 72 or older not to stand for re-election.

The Board does not believe it should establish term limits. While term limits could help ensure that there are fresh ideas and viewpoints available to the Board, they hold the disadvantage of losing the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, provide an increasing contribution to the Board over time.

As an alternative to strict term limits, the Governance Committee considers each director's individual performance and contributions annually.

17) **Board Compensation**

Only non-employee directors receive fees for serving on the Board. The Governance Committee annually reviews compensation (including benefits) for non-employee directors and makes recommendations to the full Board as to the form and amount of compensation. It is appropriate for the management of the Company to report once a year to the Governance Committee the



status of GM Board compensation in comparison to compensation paid to directors at peer companies having similar size, scope and complexity. Directors are reimbursed for reasonable travel expenses incurred in connection with their duties as directors.

18) **Stock Ownership of Non-Employee Directors**

The Board believes that it is important for each director to have a financial stake in the Company to help align the director's interests with those of the Company's shareholders. Each non-employee director is required to own beneficially Common Stock of the Company, \$0.01 par value (or common stock equivalents held under the General Motors Company Deferred Compensation Plan for Non-Employee Directors. The specific stock ownership requirements are found in the Non-Employee Director Stock Ownership Policy. Under this policy, non-employee directors are prohibited from selling any GM securities or derivatives of GM securities while they are members of the Board. (This prohibition does not apply to any GM securities or derivatives acquired by a director in compensation for previous service as an employee of GM.) Ownership guidelines are reviewed each year to ensure they continue to be effective in aligning directors' and shareholders' interests.

19) **Executive Sessions of Non-Management Directors**

The non-management directors of the Board meet in regular executive session without management present, generally at the end of each regularly scheduled Board meeting. If any non-management directors are not independent, then the independent directors shall schedule an executive session of independent directors at least once per year. The Chair, or the Lead Director if the Chair is not independent, will preside at the executive sessions unless he or she is not present, in which case the independent directors in attendance will designate one of the independent directors to preside.

During these executive sessions, the non-management directors review CEO performance, compensation and succession planning; future Board agendas and the flow of information to directors; the Board's corporate governance matters; and any other matters of importance to the Company or other issues raised by the non-management directors.

20) **Access to Outside Advisors**

The Board, as well as each committee, can select and retain the services of one or more independent outside advisors (financial, legal, compensation, etc.) as it considers appropriate, at the Company's expense.

21) **Assessing the Board's Performance**

The Board conducts a self-evaluation on an annual basis, generally in the fall, to determine whether the Board and its committees are functioning effectively. The Governance Committee, working with the Chair (or the Lead Director if the Chair is not independent), oversees the self-evaluation process of the Board and its committees and reports an assessment of the Board's performance annually to the Board. As part of the evaluation, the Governance Committee invites director input on the contributions and performance of individual directors, including the Chair or Lead Director. The Governance Committee usually reviews the evaluation structure prior to the meeting when the full Board conducts its evaluation during the executive session.

The assessment will focus on the Board's contribution to the Company and specifically focus on areas in which the Board or management believes that the Board or any of its committees could improve. In addition, the Governance Committee utilizes the results of this evaluation process to

determine whether the individuals sitting on the Board bring the skills and expertise appropriate for the Company and how they work as a group. The qualifications and performance of all Board members are considered in connection with re-nomination.

22) **Ethics and Conflicts of Interest**

The Board is committed to upholding the highest legal and ethical conduct in fulfilling its responsibilities. The Board expects all directors, as well as officers and employees, to act ethically at all times and to adhere to the policies set forth in “Winning With Integrity: Our Values and Guidelines for Employee Conduct” (available on the Internet at [www.gm.com/investor](http://www.gm.com/investor), under “Corporate Governance”). The Board will not permit any waiver of any ethics policy for any director or executive officer. If an actual or potential conflict of interest arises for a director, the director will promptly inform the Chair of the Board, Lead Director or Chair of the Governance Committee. If a significant conflict exists and cannot be resolved, the director should resign. All directors must recuse themselves from any discussion or decision affecting their business or personal interests.

23) **Confidentiality**

Directors, like all employees, are required to maintain the confidentiality of information entrusted to them by the Company or any other confidential information about the Company that they receive from any source in their capacity as a director, except when disclosure is legally required or specifically authorized by the Board of Directors. Directors are expected to take all appropriate steps to minimize the risk of disclosure of confidential communications coming to them from the Company as well as confidential discussions and decisions by or among directors and by or among the directors and management. All discussions that occur at meetings of the Board or a Board committee are deemed confidential, except to the extent disclosure may be legally required. Directors may not use confidential information for their benefit or for the benefit of persons or entities outside the Company or in violation of any law or regulation including insider trading laws and regulations. Directors are subject to these obligations with regard to confidential information during and after their service on the Board. For purposes of this guideline, “confidential information” is all non-public information relating to the Company, including, but not limited to, information that could be useful to competitors or otherwise harmful to the Company’s interests or objectives, if disclosed.

24) **Board Interaction with Shareholders and Other Interested Parties**

As a general matter management speaks for GM. If comments from the Board are appropriate, they should, in most circumstances, come from the Chair. If a director is contacted by the media regarding GM matters, he or she should request the media to contact the senior executive responsible for managing communications.

Any shareholder or other interested party who wishes to communicate with the Board as a whole, the non-management directors as a group, any Board committee, the Chair of the Board or the Lead Director (if any) may send a letter by regular or express mail addressed to the Corporate Secretary, General Motors Company, MC 482-C25-A36, 300 Renaissance Center, Detroit, MI 48265.

**Board Relationship to Senior Management**

25) **Regular Attendance of Non-Directors at Board Meetings and Access to Senior Management**

Non-Board members who are in the most senior management positions of the Company will regularly attend Board meetings, at the discretion of the Chair.

Should the Chair want to add additional people as attendees on a regular basis, it is expected that this suggestion would be made to the Board for its concurrence.

Board members have complete access to GM's management.

It is assumed that Board members will use judgment to be sure that this contact is not distracting to the business operation of the Company and that such contact, if in writing, is copied to the Chair or CEO, as appropriate.

The Board expects that there will be frequent opportunities for directors to meet with the CEO and other members of senior management in Board and committee meetings, or in other formal and informal settings.

Furthermore, the Board encourages senior management to, from time to time, bring managers into Board meetings who: (a) can provide additional insight into the items being discussed because of personal involvement in these areas, and/or (b) are managers with future potential that the senior management believes should be given exposure to the Board.

### **Meeting Procedures**

#### **26) Selection of Agenda Items for Board Meetings**

The Chair establishes the agenda for each Board meeting (in consultation with the CEO, if the Chair is not also the CEO). He or she will issue a schedule of agenda subjects to be discussed for the ensuing year early each year (to the degree these can be foreseen) which will be discussed, as appropriate. Each Board member may suggest the inclusion of additional item(s) on the agenda.

### **Board Materials Distributed in Advance**

Information and data that are important to the Board's understanding of the business to be conducted at a Board meeting is distributed in writing to the directors sufficiently in advance of the meeting to permit meaningful review, and directors are expected to thoroughly review the provided materials in advance of each meeting.

### **Committee Matters**

#### **27) Board Committees**

Membership on the Audit, Governance and Executive Compensation Committees consists only of independent directors as defined in Section 2.10 of the Bylaws. From time to time, the Board may want to form a new committee or disband a current committee depending upon the circumstances, regulations or Bylaws.

The Board of Directors confirms that each standing committee has a charter setting forth the purpose, authority and duties of each committee. On an annual basis, each committee reviews its charter and presents any modifications to the Board for approval. All committee charters are available on the Company's website, at [www.gm.com/investor](http://www.gm.com/investor), under "Corporate Governance."

#### **28) Committee Performance Evaluation**

Each Board committee will perform an annual evaluation of its performance, including a review

of its compliance with the committee charter. The purpose of such review is to increase the overall effectiveness of the committee. The three key Committees (Audit, Governance and Executive Compensation) will meet regularly in executive sessions of the independent directors without management.

29) **Assignment and Rotation of Committee Members**

The Governance Committee is responsible, after consultation with the Chair, for recommending assignments of Board members to various committees, giving consideration to the desires, expertise and background of individual Board members and the needs of the Company. Generally, the Board at its first meeting following the Annual Meeting of Shareholders elects the members of each committee.

Consideration should be given to rotating committee members periodically at approximately five-year intervals, but the Board does not believe that such a rotation should be mandated as a policy, since there may be reasons at a given point in time to maintain an individual director's committee membership for a longer period.

Each committee issues a schedule of agenda subjects to be discussed for the ensuing year early each year (to the degree these can be foreseen).

### **Leadership Development**

30) **Formal Evaluation of the Chief Executive Officer**

The independent directors, meeting separately in executive session, annually conduct a formal evaluation of the CEO which is communicated to the CEO by the Chair or, if the Chair is not independent, the Lead Director. The evaluation is based on both qualitative and quantitative factors, including but not limited to: (1) the Company's financial performance; (2) accomplishment of the Company's long-term strategic objectives; and (3) development of the Company's top management team. The evaluation is used by the Executive Compensation Committee in its deliberations when determining the compensation of the CEO.

31) **Succession Planning**

Selecting a CEO and planning for succession is a major responsibility of the Board. At least annually, the Board reviews senior executive succession planning, addressing the policies and principles for CEO succession and performance review, as well as policies regarding succession in the event of emergency or retirement. The Chair, or the Lead Director if the Chair is not independent, assures at least annually that the Board discusses succession planning for the CEO.

32) **Management Development**

The CEO reports annually to the Board on the Company's program for management development. This report is generally given to the Board in conjunction with the Board's review of succession planning.