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# GENERAL MOTORS CHINA

## 2018 Corporate Social Responsibility Report

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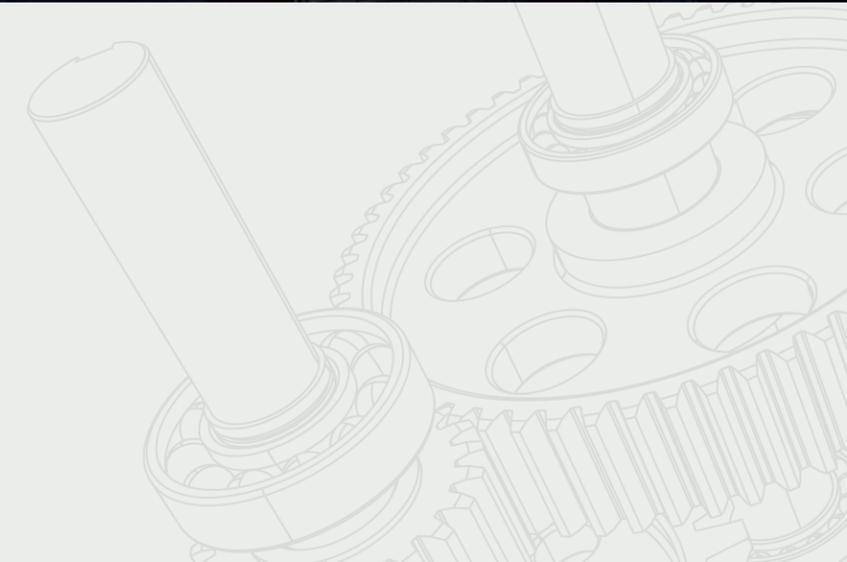


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“ For years, we have said that the auto industry is experiencing more change today than in the past 50 years. That pace of change is only accelerating. With the right team, technology, resources and scale to achieve our vision of zero crashes, zero emissions and zero congestion, I believe the only thing that can stop us is not acting quickly enough. Disruption creates uncertainty, but it also creates vast possibilities that will lead to a better world. ”

Mary Barra, General Motors  
Chairman and CEO



# Leadership Message

## Corporate Social Responsibility is Synonymous with Our Business Strategy in China at General Motors

What role does corporate social responsibility (CSR) play in GM China's business strategy?

General Motors has made corporate social responsibility a key part of our strategy for doing business around the world, including China – our largest market. We have found that we can do well by doing good. In addition, it is what our customers and neighbors expect from us. Our CSR focus is safety, sustainability and education. Working on our own and through partnerships with outstanding organizations, we are helping to make our community a safer, better and more sustainable place.

How is GM moving toward its vision of zero crashes, zero emissions and zero congestion in China?

GM's vision is global and so are our achievements. We are among the exponents in introducing new energy vehicles (NEVs), as part of our environmental solutions.

GM is on track to deliver 10 NEV models in China between 2016 and 2020, and will double the number of NEVs available from 2021 through 2023. We are also introducing GM's latest technologies, such as Super Cruise™ – the industry's first true hands-free driver assistance system for the highway. As a leader in vehicle to everything (V2X) technology, GM is working with partners across industries to drive safety and traffic efficiency.

China is an important part of GM's global operations. Our joint ventures' business spectrum includes manufacturing, sales, engineering, design, service and more. By leveraging our local and global resources, as well as our partnerships, we are transforming the automotive industry. This is taking us closer to realizing our vision step by step.



How do employee volunteers support GM China activities?

Our employees have long been active participants in many of GM China's CSR activities. To encourage them to give back under the GM banner, every employee is allowed one day off per year for doing volunteering to contribute to society. In 2018, GM employees in Shanghai, Beijing and Guangzhou volunteered more than 1,600 hours of their time to assist with activities such as refurbishing residences and schools through Habitat for Humanity, sharing knowledge of safety in and around vehicles with kindergarten students through the Safe Kids Safe Ride program, and teaching children in Qinghai province through the Village Kindergarten program. These programs are promoting worthy causes. CSR will therefore remain a cornerstone of our business.

Have your joint ventures and brands followed GM's commitment to safety, sustainability, education and giving back to the community?

The CSR spirit has spread across the GM family in China. All of our joint ventures are doing their own programs to benefit the environment, education and community. They include Cadillac's Drive Sand Campaign and the Little Populus Plan, which are protecting the environment along the G7 Expressway in northern China, and the Chevrolet Red Chalk Education Program, which is dispatching teachers to disadvantaged rural communities. Our SAIC-GM-Wuling joint venture has supported education through grants to underprivileged students and programs helping left-behind children. We want to deliver positive messages through these programs and call for greater attention to help out with the issues they promote.

How are you applying your CSR principles to support your employees?

The foundation of our success and continued growth is a strong base of employees. We have made safety a priority to cultivate safety awareness and a safety culture among all staff. GM is an advocate in promoting the diversity of our workforce, earning us the Women Leadership Innovation Award for female inclusion and advancement at the Women-Reform-Leadership Forum hosted by Shanghai Daily. Our focus on the professional and personal development of all of our team members has helped GM China to receive coveted Top Employer China certification from the Top Employers Institute for four consecutive years. In addition, we have gotten our partners engaged through programs such as the GM China Green Supply Chain Project, which is reducing our suppliers' energy use and greenhouse gas emissions, and as a bonus generating cost savings for them.



Matt Tsien, GM Executive Vice President and President of GM China.

# 2018 Highlights



**15**  new and refreshed models

GM announced its plan to introduce 15 new and refreshed models in 2018 with its joint ventures in China, focusing on segments with the strongest consumer demand

JAN

The SAIC-GM Battery Assembly Plant officially opened in Shanghai, enhancing our local electric vehicle capability

APR

Cadillac introduced Super Cruise™ – the industry's first true hands-free driver assistance technology for the highway – in China at the 2018 Asia Consumer Electronics Show (CES Asia 2018) in Shanghai

The China-New Car Assessment Program (C-NCAP) named the Chevrolet Equinox SUV the 2018 Safe Car of the Year

GM mapped out its electrification path in China in support of its vision of a future of zero emissions, doubling its number of new energy vehicle models by 2023

JUN

GM China supported the Village Kindergarten program for the third consecutive year. Employee volunteers taught students in Ledu, Qinghai, and GM donated kitchens to schools to enable students to enjoy hot lunches

SAIC-GM-Wuling announced the launch of its second electric vehicle, the Baojun E200

SEP

GM showcased cutting-edge technologies and innovative concepts that support its global vision of zero crashes, zero emissions and zero congestion at the 2018 China International Import Expo (CIIE) in Shanghai

GM participated in the first multi-industry demonstration of cellular vehicle to everything (C-V2X) interoperability, which included chipset makers, software providers and vehicle manufacturers

NOV

FEB

SAIC-GM-Wuling announced that the Baojun E100 electric vehicle, initially offered only in Liuzhou, would be available in more cities throughout Guangxi

MAY

GM China began cooperation with Habitat for Humanity to help people in need to refurbish residences and schools

JUL

The Buick GL6 received the maximum C-NCAP 5-Star Safety Rating

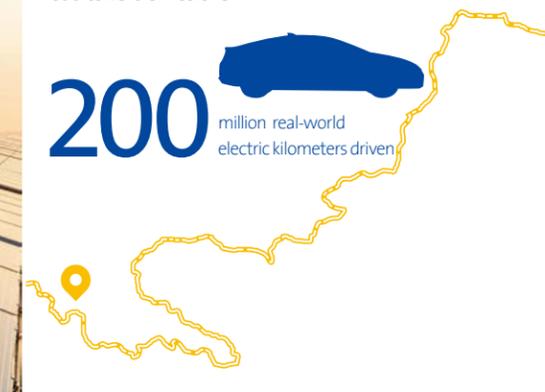
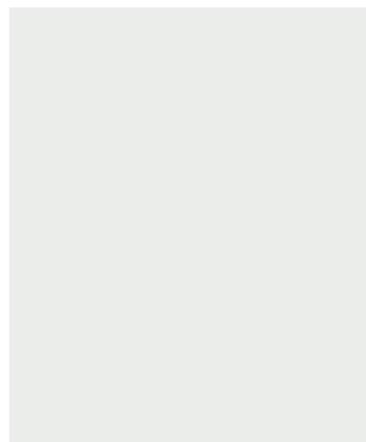
OCT

The Safe Kids Safe Ride program initiated by GM and Safe Kids Worldwide-China became the first program hosted by Guangzhou Child Safety Centers, benefiting students at nearly 2,000 kindergartens in Guangzhou

DEC

GM China and its SAIC-GM and SAIC-GM-Wuling joint ventures were awarded 2019 Top Employer China certification by the Top Employers Institute

By the end of December, GM's electric vehicle customers in China had exceeded 200 million real-world electric kilometers driven, setting a new milestone on the road to zero emissions



# SUSTAINABLE VISION

## Creating a Future of Zero Crashes, Zero Emissions and Zero Congestion

GM envisions a future of zero crashes, zero emissions and zero congestion. We are focusing on safety, sustainability, education and the community. We are blending global insights with local market expertise to stretch the boundaries of what is possible for our customers in the midst of the ongoing transportation revolution.

### Zero Crashes

About 1.25 million people die each year as a result of traffic crashes around the world, according to the World Health Organization. Autonomous driving technology can help reduce traffic accidents caused by human error and improve driving safety.

Successful, widespread deployment of autonomous vehicles will require the integration of technology, talent and manufacturing expertise. General Motors believes this seamless integration is the safest way to develop autonomous vehicles.

To get to the future of zero crashes, we are pursuing both a revolutionary path with state-of-the-art autonomous vehicles and an evolutionary path with technologies such as Super Cruise™.



Achieving a future of zero crashes will enable people to drive safely.

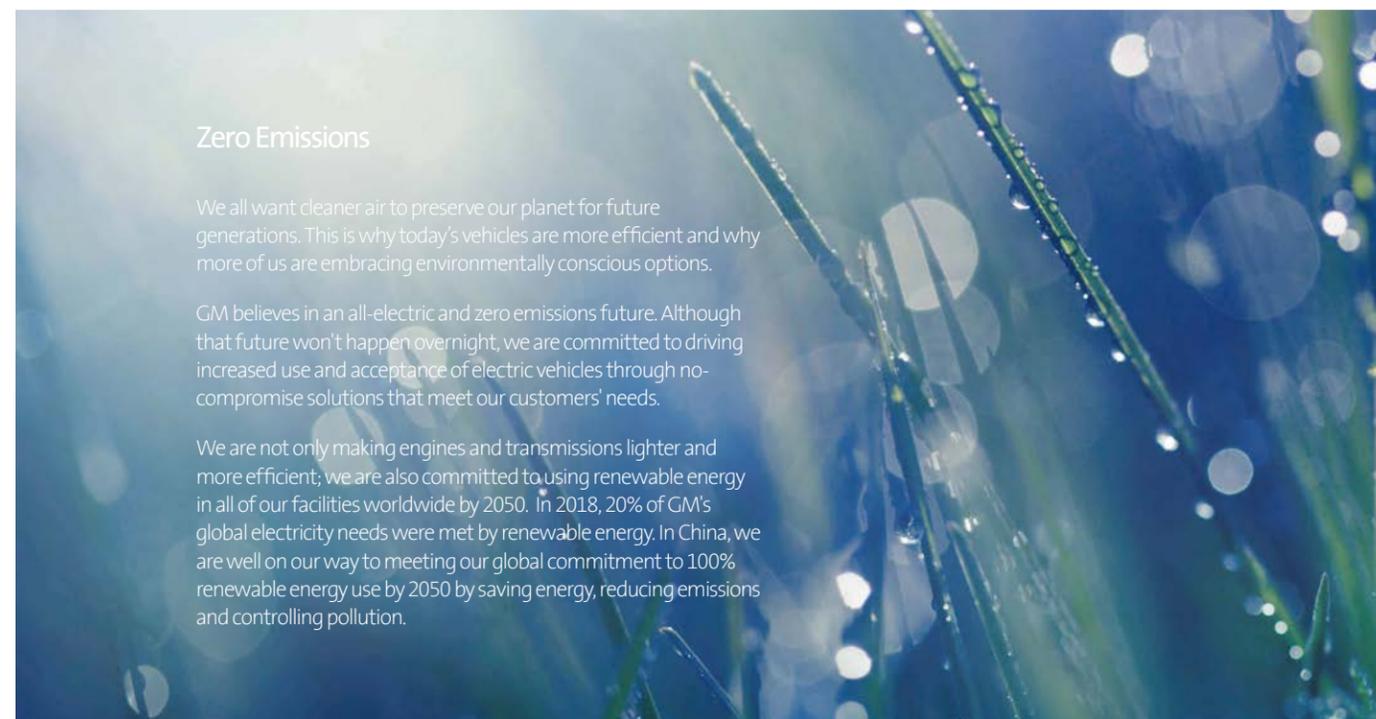


### Zero Emissions

We all want cleaner air to preserve our planet for future generations. This is why today's vehicles are more efficient and why more of us are embracing environmentally conscious options.

GM believes in an all-electric and zero emissions future. Although that future won't happen overnight, we are committed to driving increased use and acceptance of electric vehicles through no-compromise solutions that meet our customers' needs.

We are not only making engines and transmissions lighter and more efficient; we are also committed to using renewable energy in all of our facilities worldwide by 2050. In 2018, 20% of GM's global electricity needs were met by renewable energy. In China, we are well on our way to meeting our global commitment to 100% renewable energy use by 2050 by saving energy, reducing emissions and controlling pollution.



Achieving a future of zero emissions will enable people to enjoy a cleaner environment.

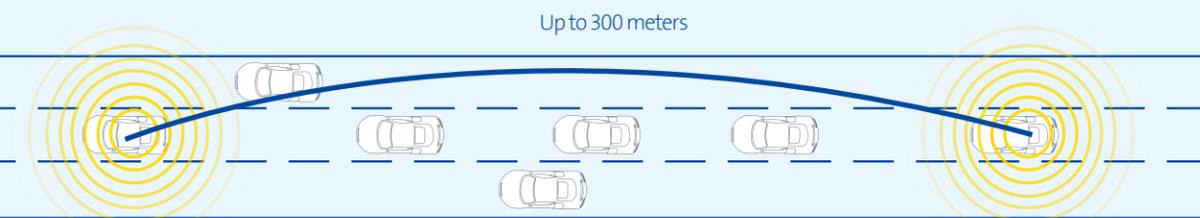
### Zero Congestion

We are deploying connected vehicle technology to improve traffic, reduce congestion, and cut people's commuting time and cost. GM is a leader in vehicle to everything (V2X) development and deployment. Through V2X technology, vehicles can "communicate" with one another and with the infrastructure to avoid congestion and crashes.

GM has been at the forefront of driving V2X deployment in China, working with local partners and sharing our achievements. In 2016, GM became one of the first vehicle manufacturers to demonstrate the interoperability of V2X applications in the country. In 2017, GM successfully demonstrated its vehicle to infrastructure (V2I) capability on public roads in Shanghai. In 2018, GM participated in the first multi-industry demonstration of cellular connected vehicle to everything (C-V2X) communications application interoperability among different chipset makers, software providers and vehicle manufacturers.



Achieving a future of zero congestion will enable people to save time.



- Location
- Speed
- Orientation
- Traffic condition

# Sustainable Growth

Innovate Now: Seeing Things Not as They Are But as They Could Be



“Innovation is happening everywhere at General Motors. We are evolving and innovating new technologies.”

Pamela Fletcher, Vice President of GM Global Innovation and Research & Development Laboratories

GM puts the customer at the center of everything we do. We regard consumer demand as a fountain of innovation in our product development. By encouraging and developing innovation leveraging internal and external resources, GM provides innovative products and experiences. Safety, the environment and sustainability are always taken into consideration.

Consumers are already involved when the product is at the concept stage. We present product concepts in the form of images or digital models, gather feedback from potential target customers, and gradually improve designs according to their preferences. When our designs become actual products, we keep the lines of communication open to continuously improve our products and further meet our customers' needs.

In the new experience-based consumer era, promoting the service experience is another important aspect of our innovation. For example, we are continuously innovating ways to promote and popularize new energy vehicles (NEVs) to accelerate the realization of our zero emissions vision while providing more convenient services. Our SAIC-GM-Wuling joint venture launched one-stop service at the Baojun New Energy Experience Store in Liuzhou, Guangxi. Those who purchase a Baojun electric vehicle at the store can apply for a license plate next to the store, significantly improving the delivery experience and encouraging consumers to embrace NEVs.

GM adheres to the principle of open innovation in research and development. We seek opportunities from inside and outside the company - including suppliers, scientific research institutions and startups - to develop technologies that will have a positive impact on our company, our customers and our world.

**"Open Innovation" was initiated by Prof. Henry Chesborough from the University of California, Berkeley.**

We firmly believe that technological change and innovation will drive future mobility. We have never stopped exploring innovative technology research and development.

The GM China Advanced Technical Center (ATC) in Shanghai is not only one of the largest GM research centers in the world, but also the most comprehensive and advanced facility of its kind in China. As a member of GM's global R&D, engineering and advanced design mobility network, the ATC is developing solutions for GM on a domestic and global basis while supporting the company's vision.

The GM China Science Lab is an important part of the ATC. It is carrying out advanced technology research and development, with a focus on four areas: advanced materials and manufacturing, battery design and fabrication, intelligent connected vehicles, and advanced propulsion systems. It is supporting GM China's development of electrification, connectivity, autonomous driving and vehicle sharing.

Another GM facility in Shanghai, the Pan Asia Technical Automotive Center (PATAC) joint venture, has a full-scale vehicle and powertrain development capability. It also provides world-class automotive engineering services, including design, development, testing and validation.

We attach great importance to cultivating an innovation culture internally, ensuring every seed carrying innovative ideas can take root and grow in a nourishing environment.

The GM China Science Lab acts like a startup, generating and commercializing innovative ideas. Each researcher is given the opportunity to develop, verify and commercialize technologies.



GM China Science Lab

**100%** have Master degrees

**60%** have doctoral degrees

Over **70** inventions - each researcher had an average of 1.5 inventions in 2018

Energy Conservation and Emission Reduction



Through open innovation, we have applied third-generation advanced high-strength steel to GM products, reducing the weight of key parts by 20% and saving energy, reducing emissions and in turn protecting the environment.

Safety is GM's Overriding Priority

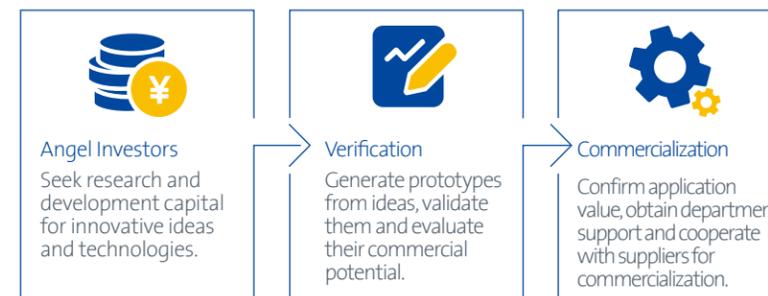


Through open innovation, we developed a new cast aluminum alloy called HuCrAlloy®, which has high strength and elasticity, and applied it to improve the safety of body parts.

Zero Crashes and Zero Congestion



Through open innovation, we have teamed up with several institutions and other companies. They include Chang'an Auto and Tsinghua University, which we worked with to release the first standard designed for the vehicle to everything (V2X) application layer in China.



# Sustainable Growth

## Products, Technology and Experience



GM has introduced a variety of electrified vehicles in China, including the Baojun E100 and E200 electric vehicles, the Buick VELITE 5 extended-range electric vehicle, the Buick VELITE 6 electric vehicle and the Cadillac CT6 Plug-In. GM's electric vehicle customers reached 200 million real-world electric kilometers driven by the end of 2018. GM is on track to meet our commitment to deliver 10 NEVs in China between 2016 and 2020. We will go one step further and double that number over the following three years.

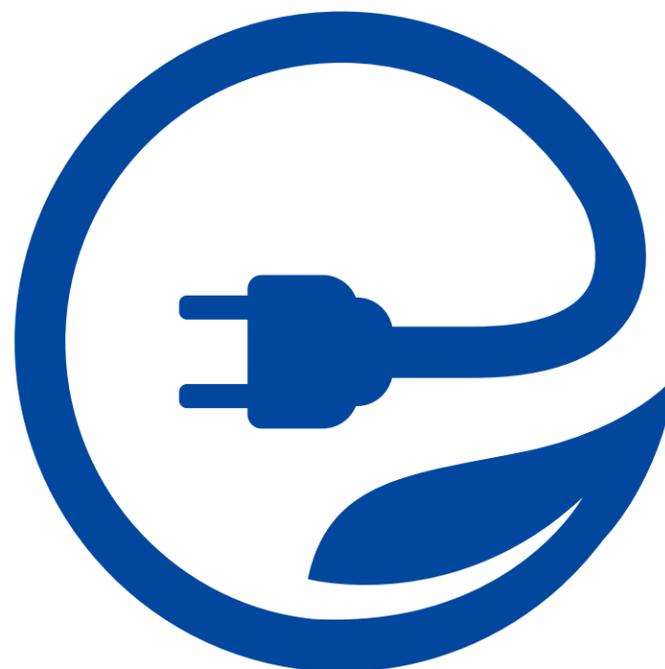
While we are growing our electric vehicle fleet, we are also pushing the boundaries of engineering to improve fuel efficiency throughout our vehicle portfolio. Research shows that the fuel economy of a vehicle will improve by 6% to 8% with every 10% reduction in body weight. For NEVs, lighter weight leads to longer driving range.

The all-new Buick Excelle has a high-strength, lightweight body design. About 65% of the body is made of high-strength steel, but the body weighs only 239 kilograms, giving it an advantage in its segment.

The Cadillac XT4 comes with GM's all-new 2.0T engine and an optimized engine structure, reducing the weight of the engine 14% compared with the previous-generation engine.

In addition to reducing weight, we are boosting vehicle efficiency through improved aerodynamics and industry-first engine management technology.

The Chevrolet Malibu XL was the first vehicle equipped with GM's 2.0T intelligent variable-cylinder turbocharged engine in China. The engine uses Active Fuel Management (AFM) along with variable valve lift and timing, which work together to shift driving modes and conserve fuel in different situations. This maximizes driving performance and fuel efficiency.



The SAIC-GM Battery Assembly Plant in Shanghai began operation in 2018. It is supplying batteries for NEVs, as GM grows its electric vehicle lineup in China.

In 2018, SAIC-GM launched the Shi Xing NEV sharing platform to meet users' daily demand for personal mobility with low emissions. Sixty Buick VELITE 5 extended-range electric vehicles were launched on the platform, with the first phase open to employees at SAIC-GM's Shanghai and Wuhan bases.

Through the platform, employees can use the VELITE 5 to travel to and from the company's local facilities and local airports and railway stations for business trips. They can also use the VELITE 5 for daily commutes and other personal trips. Last year, more than 7,500 SAIC-GM employees in the two cities registered to use the platform, driving the vehicles over 2 million kilometers.

Equipped with GM's latest intelligent electric drive system, the VELITE 5 offers up to 768 kilometers of range in extended-range mode. Its prioritized pure electric driving mode provides 116 kilometers of range. The VELITE 5 is the first hybrid vehicle manufactured in China with fuel consumption below 1.0 liter/100 kilometers. Its average fuel economy performance is as low as 0.9 liter/100 kilometers.

The VELITE 6 electric vehicle debuted in 2018 and joined the Shi Xing NEV sharing platform in April 2019. It has a combined electric driving range of 301 kilometers in the city.



# Sustainable Growth

## Driving Industry Development

The sustainable growth of the automotive industry requires cooperation across industries. GM attaches importance to the success of our industry partners, continues to cultivate industry talent and actively promotes the transformation of the automotive industry.

“ We leverage the resources of our partners, actively promote the research and development and commercialization of new technologies, provide ongoing help to local parts manufacturers to improve their core competitiveness, and share our technological innovations.

The automotive industry is undergoing unprecedented change. Industry participants need to work together to achieve win-win results.

Jeff Wang, Site Leader of the GM China Science Lab

In 2018, Hu Bin from the GM China Science Lab developed two high-performance cast aluminum alloys. Through cooperation with suppliers on such innovations, we improve their core competitiveness in producing high-quality parts and jointly create maximum economic value.

We value the power of sharing knowledge and continue to offer suggestions for the sustainable development of the automotive industry.



Participate in setting industry standards and promote the testing and verification of standards.



Participate in industry conferences and share cutting-edge industry concepts and technologies.



Participate in the expert evaluation of major national projects, providing expert opinions and suggestions.



Talent is the root of innovation and vitality in the automotive industry. GM attaches great importance to the cultivation and development of future talent. We help disadvantaged middle school and university students continue their education through the Shanghai Sunrise Foundation. We also established the General Motors China - Shanghai Jiao Tong University Scholarship to help students who have demonstrated academic excellence and integrity. The GM China Science Lab is a state-authorized postdoctoral enterprise site. We will continue to cooperate with universities and other institutions to train advanced scientific research and industry talent.

Our commitment extends to design. Over the years, the GM China Advanced Design Studio has been giving industrial design lectures at universities across China, communicating with young creative design talent and learning from them at the same time. GM China hopes to inspire more outstanding young people to work in the fields of design, science, technology, engineering and mathematics to enrich the talent pool in the automotive industry.

In 2018, the GM China Advanced Design Studio joined the 6th Vehicle Design Competition, a year-long program hosted by the Society of Automotive Engineers (SAE). It targeted university students in China who study fine arts and design. GM China Advanced Design Studio representatives visited universities to select candidates and provide instruction to competition participants. With the mentorship of the design team, two competition participants were the champion and first runner-up in the competition in the SAE Vehicle Design Competition.



GM China Advanced Design Studio team members with winning designs in the 6<sup>th</sup> Vehicle Design Competition.

# On the Spot

## Optimizing Our Facilities

GM's vision of zero emissions goes beyond the products and services offered to consumers. It also factors in our responsibility to the community, the environment and natural resources. We strictly abide by local environmental protection laws and regulations, and integrate energy saving, pollution reduction and conservation into every decision we make and every process we operate.

GM requires its manufacturing facilities in China to reduce energy consumption by 1% annually. We are on the way to achieving our goal of generating or sourcing all electrical power for our operations with 100% renewable energy by 2050 globally via optimizing sustainable facility design, energy management systems and the Internet of Things.

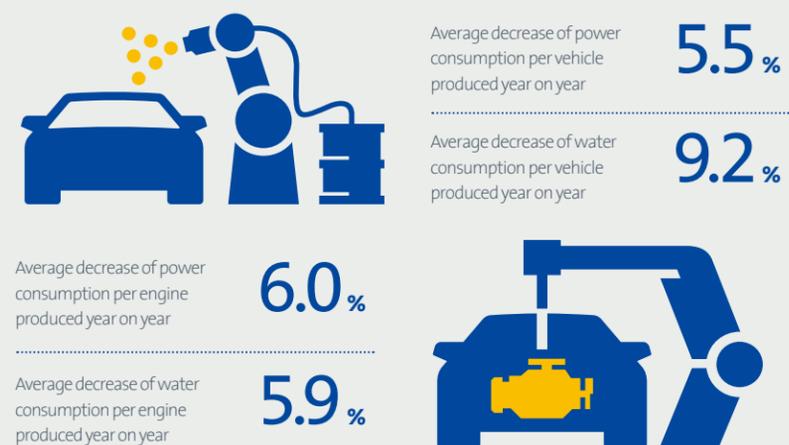
Hu Bin, Senior Manager of GM China Sustainable Workplaces

Many of our manufacturing operations are already using clean energy and adopting green production techniques and energy-saving solutions. We work closely with our joint ventures to share best practices, develop systematic standards, conduct evaluations and organize forums on themes such as lean manufacturing.

In 2018, GM China teamed up with global experts and its joint ventures to launch the Energy Treasure Hunt. They unearthed 54 energy-saving opportunities at the GM Campus and joint venture manufacturing sites. Through the intelligent management of lighting and air conditioning, optimization of equipment warm-up and start-up times, timely repair of compressed gas leaks and proper management of compressors, we significantly reduced carbon emissions in our facilities and production processes. These energy-saving measures were expected to generate savings of approximately RMB 13.4 million.



### Energy consumption performance of GM's manufacturing plants in China in 2018



SAIC-GM's Cadillac plant was named the 2018 China Manufacturing Factory of the Year at the 2018 China Manufacturing Factory of the Year & China Operation Excellence Awards Ceremony jointly sponsored by A.T. Kearney and Auto Business Review. The Shanghai-based facility was selected for its world-class production technology and processes, as well as its adoption of lean manufacturing and supply chain management.



Eleven GM facilities in China received Leadership in Energy and Environmental Design (LEED) certification. LEED certification is one of the most recognized green building rating systems in the world. Its goal is to support the design and construction of buildings that reduce or eliminate their impact on the environment and promote sustainable design and construction practices.

Cadillac House in Shanghai was awarded LEED Platinum Certification, which is the highest recognition of sustainability. Solar power provides a source of green energy for the building.

Cadillac House in Shanghai.

### 8 landfill-free facilities

The landfill-free program was created to encourage GM facilities to avoid sending waste to landfills by reusing, recycling or converting waste for energy in our daily operations. We currently have more than 130 landfill-free facilities worldwide. Eight are in China, including the GM Campus in Shanghai.



The diversity of species keeps the world alive and is the basis for ecosystem functions and ecosystem services that are critical to human well-being. GM attaches great importance to the preservation of biodiversity. Five of our sites in China have been certified by the Wildlife Habitat Council (WHC), with three receiving Gold Certification. The WHC's Conservation Certification program provides a structure for cooperative efforts among management, employees and community members to create, conserve and restore wildlife habitats on corporate lands.

Year	Certified Facility
2017	GM Campus in Shanghai (Gold Certification)
2017	SAIC-GM-Wuling's Baojun plant (Gold Certification)
2017	SAIC-GM-Wuling's Chongqing plant
2018	SAIC-GM/PATAC Guangde Proving Ground (Gold Certification)
2018	SAIC-GM-Wuling's Hexi plant



# On the Spot

## Committed to Safety in Everything We Do

Safety is a part of GM's strategy. We create a safety-driven corporate culture around the world. GM's safety vision is: Live Values that Return People Home Safely. EVERY Person. EVERY Site. EVERY Day. Our ultimate goal is to achieve zero injuries.

Safety is the cornerstone of corporate social responsibility, our fundamental commitment to consumers, and the overriding priority in our decision making and daily operations. GM China is forging a safety commitment in five different dimensions: culture, knowledge, systems, data and risk mitigation.



### Building a Safety Culture

We are committed to safety in everything we do. We carry out leadership training for management. We integrate GM's "It's On Me" behavior into our commitment to safety. Employees are encouraged to actively engage in safety management, leveraging multiple safety reporting platforms and tools. Every year, Global Safety Week is carried out around the world.

During 2018 Global Safety Week in China, GM effectively shared safety knowledge through interactive and safety management activities. By promoting employee Safety Heroes, the entire company was encouraged to embody "It's On Me."



Global Safety Week at GM China

“ We set up the Safety Review Board in China to achieve a healthy and injury-free workplace. Its members include management and employee representatives from different departments. The Safety Review Board aggressively drives safety policies to protect employees, create a safety culture to win together and live values that return people home safely. EVERY person. EVERY site. EVERY day. ”

Maria Mora Vinueza, Chairman of the GM Campus Review Board



### Strengthen Knowledge and Capability

We work with our joint ventures to build a strong safety culture from strategy to daily operation. In 2018, we provided a variety of occupational health and safety training programs to SAIC-GM and SAIC-GM-Wuling and carried out safety knowledge sharing and discussions.

### Mitigate Risk

Strong hazard and risk awareness skills are critical for ensuring safety. GM carries out risk reduction by using safety pre-audits so that safety and risks can be considered in every operation. GM has built a three-layer defensive approach to reducing risk across our facilities: safety system program implementation on site, validation of the programs, and independent third-party audits under the GM audit service. This ensures safety compliance and risk control. In 2018, led by GM's safety experts, we offered several theoretical and practical training sessions focusing on risk mitigation.

### Optimize the Safety System

We optimize our safety system by setting short-term and long-term safety targets. We establish and operate a safety system at all manufacturing sites for occupational health and safety that is in line with GM's global safety system and standards. In 2018, we carried out a cross-functional cooperation review with SAIC-GM-Wuling to develop five high-risk standards leveraging GM's global standards: Safety Contractor Management, Lifting and Rigging, Fall Hazard Control, Hazard Energy Control and Electrical Safety.

### Manage Employees' Safety

We install ergonomic equipment to reduce factory workers' operating fatigue and utilize robots to handle dangerous manufacturing tasks, carry out a variety of projects in the factory to ensure a healthy and safe working environment, conduct emergency drills at all of our facilities to enhance employees' emergency response capability, and host programs such as the annual GM China Health Week to provide health care knowledge, first aid training and one-on-one medical consultation.

### Manage Data

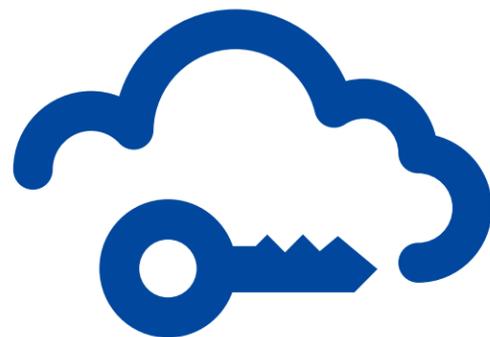
We achieved a major milestone in 2018, minimizing health and safety risks associated with chemical use. All of our operations were in compliance with the Global Harmony System of Chemical Hazard Classification and Labeling (GHS). We enhanced occupational hazard notification, with each site setting occupational hazard notification standards and inventory.

### Manage Contractor Safety

We periodically conduct environment and safety training for contractors to improve their safety awareness. In 2018, we launched the Partner Safety Project to share GM's safety expertise and experience with our contractors, helping them to improve their safety standards. In addition, we conduct regular safety inspections to ensure all of our facilities fully comply with GM's global standards.

# On the Spot

## Addressing New Security Challenges



### Growing Demand for Cybersecurity Management

Cybersecurity is a priority for GM. The continued evolution of connected car technology, the expansion of the vehicle ecosystem and the advent of autonomous driving capabilities have elevated cybersecurity to a higher level of complexity and risk.



### Addressing Cybersecurity at the Top

GM has created a new cybersecurity governance structure. Oversight responsibility for cybersecurity programs and risks now lies with the GM Board of Directors, which created the Cybersecurity Committee. It is in charge of practices, procedures and controls that GM's management team uses to identify, assess and manage the following: key cybersecurity programs and risks; the protection of the confidentiality, integrity and availability of GM electronic information, intellectual property and data; and the protection of the safety and privacy of GM customers, as it relates to connected GM products and the connected ecosystem.

In early 2018, GM's Global Cybersecurity organization was created. It encompasses product and corporate cybersecurity functions across all areas of the business. It provides an enterprise-wide view of cybersecurity risks and threats to augment the company's ability to defend, detect and respond to them. It's a holistic approach with several specific focus areas, including autonomous vehicles and their development, customer smartphone apps, manufacturing automation, and the operations of GM Financial and OnStar. The goal of the Global Cybersecurity organization is to align cybersecurity efforts cross-functionally to achieve harmonization and optimization throughout the company.



### Cybersecurity is a Never-Ending Race

The Global Cybersecurity organization will continue to develop collective strategies for GM's joint ventures and alliances, risk management, governance and policy, company-wide monitoring, physical security, government regulation and data analytics worldwide in an ecosystem that is constantly evolving.

It is a never-ending race to ensure the full protection of our customers, employees and partners around the globe.



# Special Focus

## Green Supply Chain

To achieve our goals, we must engage our entire value chain. Our suppliers are a key part of the value chain and a key force for us to create a future of zero crashes, zero emissions and zero congestion.

By building close long-term partnerships with our suppliers, GM encourages suppliers to take accountability and reduce their impact on the environment by implementing green management, saving energy and reducing emissions.

The GM China Green Supply Chain project reduces suppliers' energy use, raw material consumption and production of waste through training, field trips, energy audits and other support. In 2018, GM China helped 16 suppliers implement 72 environmental protection actions, which included addressing air compressor systems, injection moldings, HVAC systems, power supplies, lighting systems, energy loads, energy management systems, photovoltaic technology, wastewater, solid waste and air pollution.

One thing the program has demonstrated is that corporate social responsibility can positively impact the bottom line. The Green Supply Chain project has not only reduced our suppliers' energy consumption and emissions, but also improved their manufacturing techniques and save their money.



In 2018, we helped Ningbo Lawrence Automotive Interiors Co., Ltd. complete five Green Supply Chain activities focused on improving its manufacturing processes and using innovative technologies. The cost savings and emission reduction were significant. On an annual basis, the supplier saved RMB 480,000 and the equivalent of 272 tons of standard coal, and reduced greenhouse gas emissions by about 2,026 tons, which was equal to the annual greenhouse gas emissions of a Chinese village with 266 people.

By participating in GM China's Green Supply Chain project, we received technical guidance on our energy conservation and emission reduction. We also adopted innovative manufacturing processes that helped us save money and reduced our environmental impact. Most important, we started looking at our company's potential for green production and operations from a strategic perspective, formulating plans and promoting them with our own suppliers. It is very conducive to our long-term development.

Hu Haiting, Manager, Ningbo Lawrence Automotive Interiors Co., Ltd.

In 2018, we completed seven Green Supply Chain activities with Anhui Zhongding Group. They saved RMB 10 million, reduced energy use by the equivalent of 5,416 tons of standard coal and cut greenhouse gas emissions by approximately 25,082 tons during the year.

We have always focused on environmental protection and safety. Inspired by the Green Supply Chain project, we set up a corporate social responsibility department in 2018 to provide organizational guidance and resources for environmental protection and safety. We also started instituting advanced requirements and practices for environmental protection internally. We hope GM will continue to share its corporate social responsibility expertise.

Ye Xiaoming, Facility Manager, Anhui Zhongding Group

### 2018 Green Supply Chain Project Achievements

RMB **25** million

Cost savings by suppliers

**28,000** tons

Water use reduced annually, which is equivalent to the annual water consumption of 140 Chinese families of three

**7,800+** tons

Standard coal energy consumption reduced annually, which is about the annual energy consumption of 7,127 Chinese families of three

**23** tons

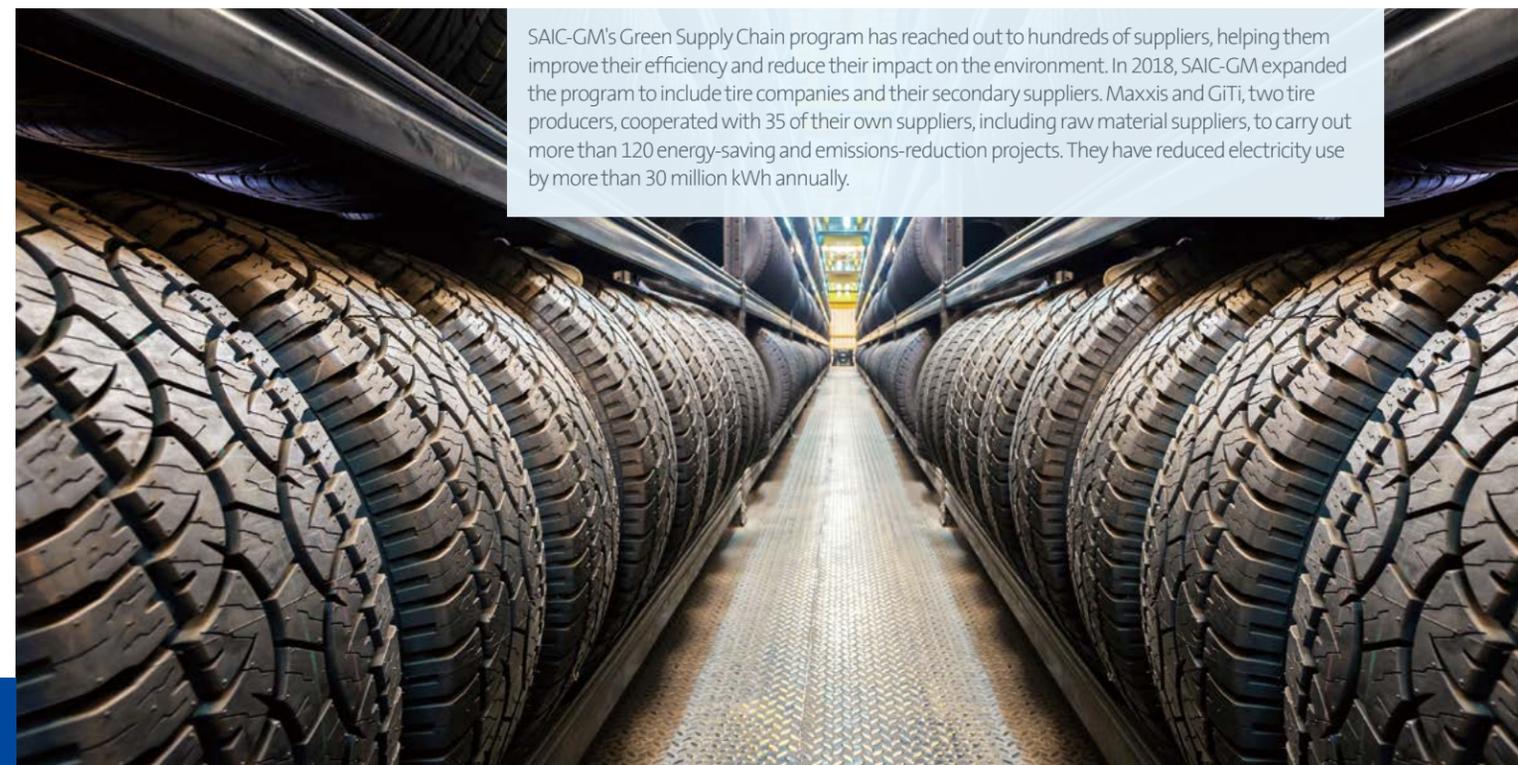
Air pollution emissions reduced annually

**115** tons

Hazardous solid waste reduced annually

**40,000+** tons

Carbon dioxide emissions reduced annually, which is equivalent to the annual greenhouse gas emissions of a town of 5,292 people in China (based on 2012 data) or the impact of planting 362,810 trees (each tree sequesters 111 kg of carbon dioxide per year)



SAIC-GM's Green Supply Chain program has reached out to hundreds of suppliers, helping them improve their efficiency and reduce their impact on the environment. In 2018, SAIC-GM expanded the program to include tire companies and their secondary suppliers. Maxxis and GiTi, two tire producers, cooperated with 35 of their own suppliers, including raw material suppliers, to carry out more than 120 energy-saving and emissions-reduction projects. They have reduced electricity use by more than 30 million kWh annually.

# Working Together for a Sustainable Future

## GM and Our Customers

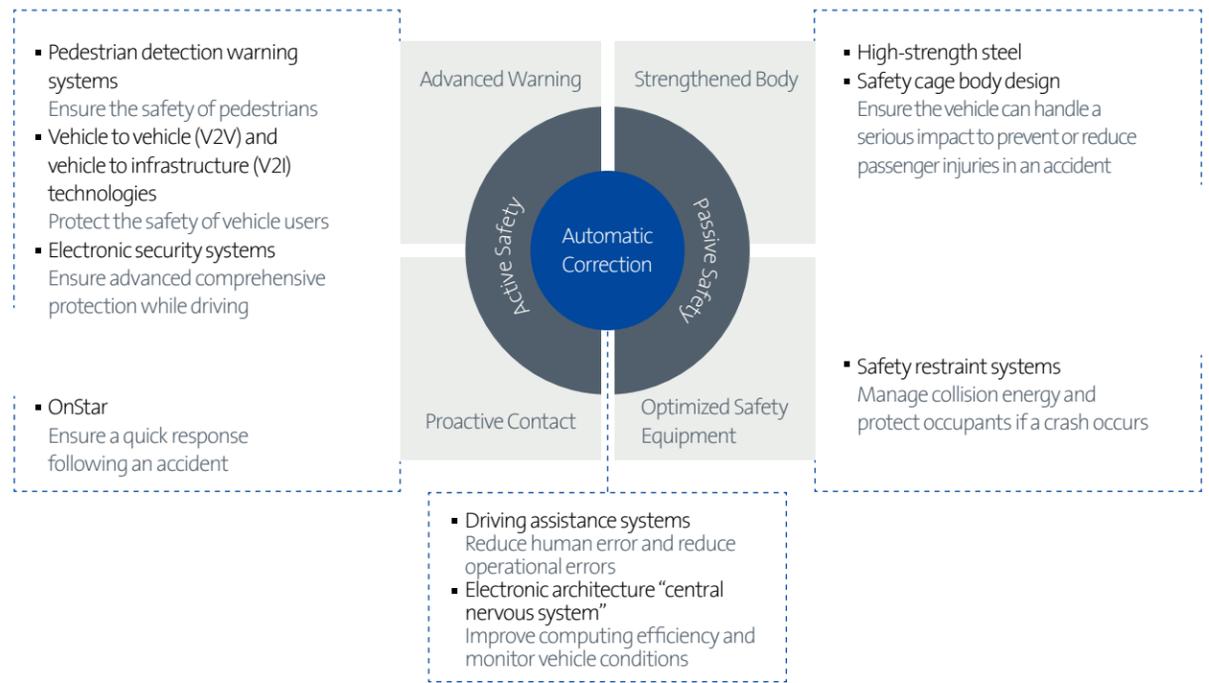
GM puts the customer at the center of everything we do, getting an in-depth understanding of their mobility needs, and combining a global vision with local expertise to provide them our best products and services. Safety and quality are the most fundamental commitments, which we never compromise on.

We strive for excellence in quality management and adopt the most advanced standards for product safety and industry benchmarking in the product design, manufacturing and sales processes. We constantly strive to design, build and sell ever safer and more reliable and durable vehicles.

Four Focus Areas of GM China Quality Management

			
<p>Operation Quality drives discipline, applies lessons learned across operations, and supports migration to the highest performance level of Built in Quality.</p>	<p>Product Development Quality drives discipline and excellence in our product launches.</p>	<p>Quality Strategy and Data drive learning and the application of Voice of the Customer data, and support the development of strategic plans to deliver top-quality product performance.</p>	<p>Operation Excellence works with all functions at GM to deliver continuously higher quality, greater customer satisfaction and faster response to customers.</p>

-  Buick GL8 was first in the China Automobile Health Index issued by the China Automotive Engineering Research Institute (CAERI).
-  J.D. Power 2018 China Vehicle Dependability Study (VDS) Awarded Models: Chevrolet Sail, Baojun 730, Buick GL8.
-  J.D. Power 2018 China Automotive Performance, Execution and Layout (APEAL) Study Awarded Models: Cadillac XT5, Buick GL8.
-  2018 China Automobile Customer Satisfaction Index (CACSI) Awarded Models: Cadillac XT5, Buick Regal, Buick Excelle GX, Buick Envision, Buick GL8, Chevrolet Sail, Chevrolet Malibu, Chevrolet Equinox, Baojun 510, Baojun 530, Baojun 730, Wuling Rong Guang S, Wuling Rong Guang V.



“ We ensure the quality of our products by adopting tracking and sharing tools and best practices. For example, we identify and quickly upgrade safety-related issues by leveraging a special quality safety tracking solution system. We share our learnings with GM’s global team via tools like Global Read Across and add those learnings to a manufacturing database to monitor quality. ”

Han Yizhong, Director of GM China Quality Operations

“ GM is committed to protecting consumers by preventing them from using unauthorized or counterfeit spare parts. With the support of a third-party investigation agency, we cooperate with China’s Customs, Public Security Bureau and Industrial and Commercial Bureau to prohibit counterfeit products from being sold in the aftersales market in China and around the world. ”

Sean Shen, Manager of GM China Vehicle Sales, Service and Marketing

CAREMORE is an aftersales service brand that was launched by SAIC-GM in 2018. It is working with partners and ACDelco to provide high-quality auto parts and standardized, professional and considerate service for peace of mind.

-  Cadillac received the 2018 China's Mainstream Car Market Service Quality Evaluation Index – The Best Transparent Management award for its aftersales service.
-  Cadillac received the 2018 China Automotive Aftersales Service Consumer Experience Excellence Brand award.

**79** raids  
Combated counterfeit and shoddy goods and manufacturers in China in 2018

Over RMB **22 million**  
value of counterfeit products seized



# Working Together for a Sustainable Future

## GM and Our Employees



Attracting and retaining high-level talent is the foundation for maintaining our company's competitiveness. GM is committed to creating a "workplace of choice", cultivating a diverse workforce and encouraging employees to recognize the company's values. Besides offering a pleasant working environment, we provide a wide range of professional and individual training, along with diverse career development opportunities. Employees are encouraged to unleash their full potential and achieve their long-term goals.

GM regularly conducts its Workplace of Choice survey globally. We partner with Aon Hewitt, one of the leading global human resources consultancies, to listen to employees by getting their feedback on personal development, recognition, teamwork, trust and more. In 2018, the participation rate of the Workplace of Choice survey at GM China was 91% and the employee engagement score was 77%, which was 7 points higher than in the previous survey. GM China met Aon Hewitt's global benchmark, joining other companies whose engagement scores were 77% or above.

**GM WOMEN CHINA organized a series of activities in 2018 to attract, engage, retain and cultivate outstanding women to grow the company's business and create an enterprising culture.**



GM has provided me great support over the past seven years to help me get where I am today as a female leader. I have been able to challenge myself with expanding responsibilities within my core area of expertise and by taking on new roles outside my comfort zone. I have never felt any limitations at GM as a female. Instead, my story with GM is a convincing example of its investment in local female talent.

In July 2012, I started my GM life as a senior analyst, and then rotated to support technology license agreement negotiations. After that, I spent three years at GM's SAIC-GM joint venture. I then took on an overseas assignment in the U.S. for a year. After returning to China, I took on my current role as director of China Strategy for GM.

As a female leader, I share my career story with local female talent like me and advise others not to put any limitations on themselves. Women have demonstrated that they are as capable as men to lead, and sometimes outperform male leaders under certain circumstances. I am looking forward to growing further with GM in China.

Sherry Xie, Director of GM China Strategy

My career at GM started with a summer internship with the GM China Finance team in 2012. I was fortunate and excited that GM offered multiple career development programs to help employees grow personally and professionally. Furthermore, I was amazed to learn that these opportunities were open not only for experienced hires but even for fresh graduates.

Over the past six and a half years, I have had the opportunity to take on meaningful and exciting assignments with an increasing scope of work and responsibility across different geographic locations, such as working on GM's global vehicle family at PATAC in Shanghai and GM's next-generation full-size trucks in Warren, Michigan. I recently repatriated to Shanghai to serve as the finance manager for the China Product Development team supporting SAIC-GM and China strategic portfolio work.

Looking back, it has been rewarding enhancing my technical expertise and professional experience. On a personal level, it has equipped me with skills, knowledge and, most important, confidence in my work. On an interpersonal level, my team and senior management have valued my contributions and have always wanted to help me reach my fullest potential. It has been a privilege to be part of the team!

Yan Kaili, GM China Finance Manager

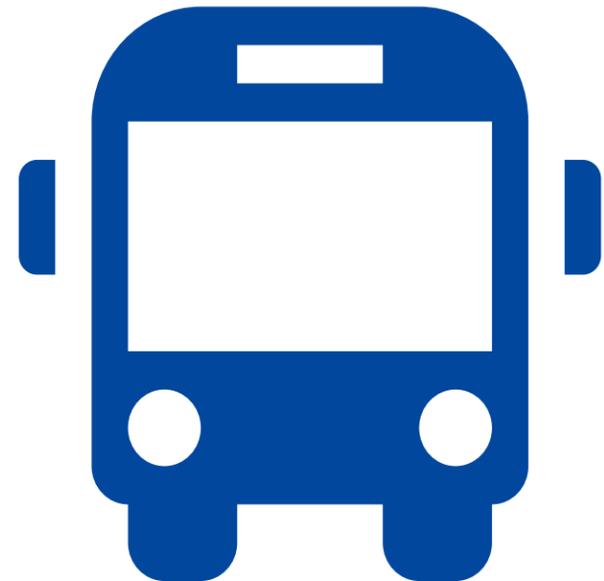
GM is committed to the development of all employees. Whether new hires, senior managers or interns, they can sign up for training programs according to their interests and future development plans. Employees have the opportunity for cross-functional assignments and international personal development assignments to enhance their professional skills. GM has a transparent and fair system for promotions.

On average, **20%** of GM China employees each year receive different types of career development opportunities, including job rotation, promotions, cross-functional or overseas assignments, and assignments at joint ventures

In 2018, the number of employees at GM China who received overseas development opportunities increased by more than

**30%** year over year





“ We not only want to provide a 'workplace of choice' for our employees to grow their talent and unleash their potential. We also want to provide them a pleasant work environment where they can be at their best physically and mentally. This is the starting point for designing our employee benefit programs. ”

Maria Mora Vinueza, Director of GM China Human Resources

GM China provides employees with a wealth of benefits; creates a comfortable, healthy and safe working environment; and encourages employees to seek a balance between work and life. Through a variety of activities, the company helps build employees' greater sense of engagement and pride.

**Health and Well-Being**

- The GM Campus in Shanghai has a football field, basketball court and gym, and offers free fitness classes and professional fitness coaches
- GM provides insurance and reimburses employees for regular physical examinations
- During GM China Health Week, experts and doctors provide consultation and lectures on physical and mental health

**Personal Transportation**

- GM has an employee vehicle purchase program, providing discounts on GM vehicles to employees and their family members
- In 2018, the program expanded its product offerings and pick-up points

**Convenience Services**

- GM Campus facilities include a canteen, coffee shop and travel service, providing convenience to employees
- Free shuttle buses are provided for employees in Shanghai going to work and returning home, with stops across the city, making their commute easier

**Employee Activities**

- A variety of activities are organized to help employees develop professionally and personally, including Family Day, knowledge sharing and Town Hall meetings
- GM ensures smooth two-way communication inside the company to help leaders receive employee feedback



# 广州儿童安全促进中心成立仪式暨安全童乘项目启动



▲ In 2018, GM China teamed up with Safe Kids Worldwide-China and the Guangzhou Child Safety Center to promote the Safe Kids Safe Ride program, which benefited nearly 2,000 kindergartens in Guangzhou.

We are calling for more people to join us to help protect child safety. We firmly believe that spreading the word is one of the best ways. On National Traffic Safety Day in 2018, GM China and Safe Kids Worldwide-China donated Safe Kids Safe Ride teaching kits to the Educational Team on Traffic Ethics in 16 districts of Shanghai. The teaching kits are being used by the organization to educate students.



## Working Together for a Sustainable Future

### GM and Our Community

GM is committed to creating sustainable solutions that improve the communities in which we live and work. We continue to devote ourselves to safety, sustainability and STEM education. We develop programs that factor in China's needs, aiming to do our part to create a sustainable future for humanity.

“ With the number of vehicle users in China at a record level, we have a responsibility to protect all occupants – especially those most vulnerable. We are looking forward to seeing our cooperation with GM duplicated and expanded to other cities in the future to broaden the effectiveness of protecting child safety. ”

Monica Cui, Executive Director of Safe Kids Worldwide-China

### Safety

According to the World Health Organization, 186,300 children die in road traffic accidents every year worldwide – which means that more than 500 children lose their lives prematurely every day on average. In China, about 20,000 individuals below 18 years of age were injured or killed in traffic accidents according to 2013 statistics. This means that at least 30 families on average were involved in child-related road traffic accidents daily.

In 2014, GM and Safe Kids Worldwide-China launched the Safe Kids Safe Ride program to reduce road traffic injuries by raising public awareness of child safety in and around vehicles.

2018 was the fifth year of the Safe Kids Safe Ride program. It has benefited 330,000 children and their parents in more than 4,000 schools in 38 cities across China.



### Education

Education is the driving force of social progress and one of the pillars of GM's corporate social responsibility work. Being rooted in China, together with our joint ventures we are committed to educational programs that cover all education stages. We also provide resources for educators in remote areas, helping them develop their capabilities and thus improve their quality of education. In addition, we work with our joint ventures to call on society to lend a helping hand to people and places in need.

GM has been supporting the China Development Research Foundation's Village Kindergarten program since 2016. It aims to contribute to the long-term development of the language, physical and social skills of children in rural areas. Because of economic and geographic reasons, these children lack access to an early education.

In 2018, GM China volunteers taught courses on music, mathematics, science and other subjects to nearly 140 preschool children at seven kindergartens in Ledu, Qinghai. This was the third consecutive year that our employee volunteers supported the program. They also visited kitchens donated by our company. The kitchens are enabling students to enjoy hot lunches, improving their nutrition.

Through 2018, GM China employee volunteers taught early education courses to more than 470 children in Ledu.

🏆 In 2018, the Village Kindergarten program received the World Innovation Summit for Education Award (WISE Award). WISE is an international initiative aimed at transforming education through innovation. It was established by the Qatar Foundation in 2009.

## Education

The Chevrolet Red Chalk Education Program was launched by the Chevrolet brand and 21st Century Business Herald in 2006. This CSR program began exploring new ways to support education in 2016. In addition to organizing volunteer educational activities, two new initiatives—the Village Teacher Training Program and Summer Camp—were launched to give rural teachers and children a chance to see the world outside their villages, broaden their horizons and gain new knowledge.

In 2018, Cadillac launched the Little Lion program. This program is jointly supported by GM's luxury brand, the Hu Plus Program and the China Social Entrepreneur Foundation. It helps rural teachers leverage the power of the internet to bring high-quality education to more students in rural areas.

Education is a main pillar of our SAIC-GM-Wuling joint venture's corporate social responsibility work. By the end of 2018, its employees had sponsored more than 684 students and thousands of employees had participated in the Pairing Employees with Students program to closely support students who are in real need. The company and its employees raised funds, donated materials and participated in teaching, supporting secondary school students, special needs children and children left behind in poor areas, to enable them to continue their education.



▲ 3rd Chevrolet Red Chalk Summer Camp.

## Sustainability

GM China and our joint ventures work together to participate in a variety of sustainability projects and actively promote community development.

In 2018, Cadillac teamed up with the China Green Foundation, the China Environmental Protection Foundation and Ant Forest to launch multiple corporate social responsibility projects, including the Drive Sand Campaign and the Little Populus Plan. By using scientific methods and innovative models, this is helping prevent desertification along the G7 Expressway in Xinjiang and Inner Mongolia.



▲ A Cadillac SUV fleet supported the planting of trees to prevent desertification along the G7 Expressway.

## Volunteering

GM is committed to creating a culture of volunteerism and encouraging employees to give back to society. Both the company and our employee volunteers firmly believe in seeing the need, taking the lead and following the heart.



Local children and volunteers supporting the Drive to Green environmental protection platform powered by SAIC-GM planted trees together to prevent desertification.



In 2018, GM volunteers supported Habitat for Humanity in China, refurbishing homes for low-income families and the elderly, repainting a kindergarten's walls and repairing the roof of a nursing home.



GM China volunteers went to Shanghai's Chongming Island and Changxing Island to clean up garbage and help protect the natural environment.



GM employees rolled up their sleeves and planted crabapple trees at the GM Campus in Shanghai to mark 2018 Earth Day.



🏆 GM received the 2018 China Auto Social Responsibility Benchmark Award for its continuous efforts in safety, sustainability and education.

# Corporate Social Responsibility Management

## Corporate Social Responsibility Strategy

## Stakeholder Involvement

### GM's Vision

GM is committed to creating a future of zero crashes, zero emissions and zero congestion. We seek to build a smarter, safer and more sustainable community in China and around the world.

### GM's CSR Approach

Based on our vision, GM is addressing the challenges facing our company and industry because of climate change, technological innovation and community development. Safety, sustainability and education are the three pillars of our corporate social responsibility work in China. At the same time, we are implementing sustainable solutions that improve the communities in which we live and work.

#### Safety

Safety is our top priority. We are focused on safety through our products and services, and are committed to the safety of everyone who interacts with our vehicles.

- Safe Kids Safe Ride program

#### Sustainability

We are committed to reducing the impact of our vehicles and facilities on the environment. We are on a mission to make our industry more sustainable, from the vehicles we sell to the facilities that produce them. We seek to transform transportation by leveraging mobility, manufacturing and our mindset.

- Green Supply Chain project
- Earth Hour
- World Environment Day
- Little Populus Plan and Drive Sand Campaign
- Drive to Green environmental protection public welfare platform
- Support of the Shanghai Chongming Dongtan National Nature Reserve

#### Education

We have a long history of investing in educational initiatives and inspiring students to pursue careers in science, technology, engineering and mathematics (STEM). Our efforts are focused on giving more people access to education—from preschool to university to career.

- Village Kindergarten program
- Chevrolet Red Chalk Education program
- Cadillac's Little Lion program
- Shanghai Jiao Tong University – General Motors China Scholarship program
- Shanghai Sunrise program
- Buick Scholarship Program for Innovative and Entrepreneurial University Students in Shanghai's Songjiang District

#### Communities

We create sustainable solutions that improve the communities in which we live and work.

- Habitat for Humanity
- Great Walker Fund-Raising Trekking
- Giving Tree program

Our success is based on positive interaction with internal and external stakeholders. We value the requests and expectations of our stakeholders, build communication channels accordingly and respond with diverse measures.

Stakeholders	Requests and expectations	Communication methods
Customers	Product innovation	Technology research and development
	Product safety	Customer needs research
	Product quality	Customer communication channels
	Customer service	Customer satisfaction survey
Industry	Information security	
	Industry technology promotion	Postdoctoral cooperation station
	Industry development support	Participation in industry standard development
Suppliers	Industry talent cultivation	University scholarship programs
	Open, fair and equal procurement	Supplier conferences
Employees	Capability enhancement	Supplier training
		Green Supply Chain project
	Salary and benefits	Employee surveys (e.g. Workplace of Choice survey)
	Employee feedback	Multiple two-way communication channels (e.g. Town Hall meetings)
	Workplace safety and health	Safety risk screening system
Community	Career development	Employee training
	Work-life balance	Family Day
	Road traffic safety	Road traffic safety projects
	Environmental protection	Care for the underprivileged
Environment	Public health	Environmental protection programs
		Employee volunteering
	Energy saving	Drive to Green strategy
	Energy-saving technology and research and development	
	Pollution reduction	Energy efficiency management
	Recycling	Waste recycling and utilization
		Green office activities

## Honors and Recognition

### Workplace of Choice

- GM China, SAIC-GM and SAIC-GM-Wuling received 2019 Top Employer China certification.



### Innovative Operation

- Super Cruise™ received the Innovation Honoree award at CES Asia 2018.
- Shanghai OnStar received the Best Connected Service Provider of the Year award.



## About General Motors China

GM has 11 joint ventures, two wholly owned foreign enterprises and more than 58,000 employees in China. GM and its joint ventures sell passenger cars and commercial vehicles under the Cadillac, Buick, Chevrolet, Wuling and Baojun brands.

By integrating our global resources with our local resources, including the expertise of our partners, we have established unmatched capabilities in design, engineering, manufacturing and R&D in China. We have also built an integrated value chain that includes onboard telematics, automotive financing, aftersales and insurance. GM's commitment to working "In China, With China and For China" has not changed. We will continue to introduce high-quality products tailored for China and provide our valued customers in China safer, better and more sustainable future mobility solutions.

In the midst of today's transportation transformation, GM's global vision of a future with zero crashes, zero emissions and zero congestion is addressing the challenges associated with mobility. To get to that future, GM is at the forefront of developing and deploying leading-edge technologies in the areas of alternative propulsion, autonomous driving, connectivity and sharing. China will play an essential role in driving us to the future. GM is committed to not only introducing exciting products to meet consumers' evolving needs, but also bringing the best electrification solutions and advanced technologies to benefit our customers in China.

### Outstanding Corporate Citizen

- GM received the Environmental Protection Award of the Year and SAIC-GM received the Corporate Responsibility Award of the Year from Sina.
- GM China received the 2018 China Excellent Responsibility Enterprise Award from Jiemian and Cai Lian She.
- GM won the Golden Bee Corporate Social Responsibility Leadership Enterprise award.
- GM received the 2018 China Auto Social Responsibility Benchmark Award at the 2018 Yixuan Award Ceremony and the 6th China Auto Company Social Responsibility Forum.
- GM China received the Women Leadership Innovation Award at the 2018 Women-Reform-Leadership Forum hosted by Shanghai Daily.
- SAIC-GM was ranked first on the 2018 Yicai · Corporate Social Responsibility List for the 10th consecutive year and took home the Outstanding Corporate Award.
- SAIC-GM received the Corporate Responsibility Award of the Year and the Most Innovative CSR Award from Southern Publishing & Media Co., Ltd. and New Weekly.
- The GM Safe Kids Safe Ride program received the Best Social Contribution Award at the 3rd CSR China Education Awards in 2018.
- The Chevrolet Red Chalk Education Program was named the 2018 Recommended Case for Poverty Alleviation jointly launched by People's Daily and the China Foundation for Poverty Alleviation.
- OnStar received the Top 100 Quality Integrity Benchmark Enterprise of Product Quality Complaint Center of the General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China.



