

Resolved, the shareholders of General Motors Company (“GM”) request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by GM used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. Description of management’s decision making process and the Board’s oversight for making payments described above.

For purposes of this proposal, a “grassroots lobbying communication” is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. “Indirect lobbying” is lobbying engaged in by a trade association or other organization of which GM is a member.

Both “direct and indirect lobbying” and “grassroots lobbying communications” include efforts at the local, state and federal levels.

The report shall be presented to the Governance and Corporate Responsibility Committee and posted on GM’s website.

Supporting Statement

We encourage transparency in the use of GM’s corporate funds to influence legislation and regulation, both directly and indirectly. Investors participating in the Climate Action 100+, representing \$32 trillion in assets under management, seek enhanced disclosure regarding alignment with the Paris agreement by GM and other companies.

GM spent \$71,495,000 from 2010 – 2017 on federal lobbying (opensecrets.org). This figure does not include state lobbying expenditures in the 49 states where GM lobbies but disclosure is uneven or absent (<https://publicintegrity.org/state-politics/amid-federal-gridlock-lobbying-rises-in-the-states/>). For example, GM spent \$2,756,602 on lobbying in California from 2010 – 2017. GM’s lobbying over fuel efficiency standards has attracted considerable media scrutiny (<https://nexusmedianews.com/the-stunning-hypocrisy-of-u-s-automakers-9024d5a52698>).

GM belongs to the Business Roundtable, which lobbies against the right of shareholders to file resolutions, and is also a member of the Alliance of Automobile Manufacturers, which spent over \$15.5 million on lobbying for 2016 and 2017. GM does not disclose its memberships in, or payments to, trade associations, or the amounts used for lobbying. GM discloses trade association payments used for political contributions, but not payments used for lobbying. This leaves a serious disclosure gap, as trade associations generally spend far more on lobbying than on political contributions.

We are concerned that GM’s lack of lobbying disclosure presents significant reputational risk when it contradicts the company’s public positions. For example, GM states that it believes climate change is real and is committed to reducing greenhouse gas emissions, yet the Alliance of Automobile Manufacturers has questioned climate science and lobbied to weaken fuel standards, which will severely hamper the ability to meet climate goals (<http://theconversation.com/when-corporations-take-credit-for-green-deeds-their-lobbying-may-tell-another-story-98988>). As shareholders, we believe that companies should ensure there is alignment between their own positions and their lobbying, including through trade associations.