

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of General Motors Company

### Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of General Motors Company and subsidiaries (the Company) as of December 31, 2025 and 2024, the related consolidated income statements and consolidated statements of comprehensive income, cash flows and equity for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated January 27, 2026 expressed an unqualified opinion thereon.

### Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

### Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

#### **Product warranty and recall campaigns**

##### ***Description of the matter***

As discussed in Note 12 to the financial statements, the liabilities for product warranty and recall campaigns amount to \$13.6 billion at December 31, 2025. The Company accrues for costs related to product warranty at the time of vehicle sale and accrues the estimated cost of recall campaigns when they are probable and estimable.

Auditing these liabilities involved a high degree of subjectivity in evaluating management's estimates due to the size, uncertainties, and potential volatility related to the estimated liabilities. Management's estimates consider historical claims experience, including the nature, frequency, and average cost of claims of each vehicle line or each model year of the vehicle line, and the key assumptions of historical data being predictive of future activity and events, specifically the number of historical periods used and the weighting of historical data in the reserve studies.

***How we addressed the matter in our audit***

We evaluated the design and tested the operating effectiveness of internal controls over the Company's product warranty and recall campaign processes. We tested internal controls over management's review of the valuation models and significant assumptions for product warranty and recall campaigns, including the warranty claims forecasted based on the frequency and average cost per warranty claim for product warranty, and the cost estimates related to recall campaigns. Our audit also included the evaluation of controls that address the completeness and accuracy of the data utilized in the valuation models.

Our audit procedures related to product warranty and recall campaigns also included, among others, evaluating the Company's estimation methodology, the related significant assumptions and underlying data, and performing tests of actual claims and claims analytical procedures to corroborate trends in cost per vehicle. Furthermore, we performed sensitivity analyses to evaluate the significant judgments made by management, including cost estimates to evaluate the impact on reserves from changes in assumptions. We performed analysis over the vehicle lines and model years that had little or no claims experience to ensure the vehicle and model substitutions are comparable. We also involved actuarial specialists to evaluate the methodologies and assumptions, and to test the actuarial calculations used by the Company.

**Retail sales incentives**

***Description of the matter***

As discussed in Note 2 to the financial statements, Automotive net sales and revenue represents the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or providing services, which is net of estimated dealer and customer sales incentives the Company reasonably expects to pay. Provisions for dealer and customer sales incentives are recorded as a reduction to Automotive net sales and revenue at the time of vehicle sale and are included as a component of accrued dealer and customer allowances, claims, and discounts (Note 12).

Auditing the estimate of certain sales incentives, specifically sales incentives for retail sales to end customers (retail sales incentives), involved a high degree of judgment. Significant factors used by the Company in estimating its liability for retail sales incentives include type of program, forecasted sales volume, product mix, and the rate of customer acceptance of incentive programs, all of which are estimated based on historical experience and assumptions concerning future customer behavior and market conditions. The Company's estimation model reflects the best estimate of the total incentive amount that the Company reasonably expects to pay at the time of sale. The estimated cost of incentives is forward-looking, and could be materially affected by future economic and market conditions.

***How we addressed the matter in our audit***

We evaluated the design and tested the operating effectiveness of internal controls over the Company's retail sales incentive process, including management's review of the estimation model, the significant assumptions (e.g., incentive cost per unit and market conditions), and the data inputs used in the model.

Our audit procedures included, among others, the performance of analytical procedures to develop an independent range of the liability for retail sales incentives as of the balance sheet date. Our independent range was developed for comparison to the Company's recorded liability, and is based on historical claims, forecasted spend, and the specific vehicle mix of current dealer stock. In addition, we performed sensitivity analyses over the cost per unit assumption developed by management to evaluate the impact on the liability resulting from a change in the assumption. Lastly, we assessed management's forecasting process by performing quarterly hindsight analyses to assess the adequacy of prior forecasts.

**Valuation of GM Financial equipment on operating leases**

***Description of the matter***

GM Financial has recorded investments in vehicles leased to retail customers under operating leases. As discussed in Note 2 to the financial statements, at the beginning of the lease, management establishes an expected residual value for each vehicle at the end of the lease term. During the term of a lease, management periodically evaluates the estimated residual value and may adjust the value downward or upward. The Company's estimated residual value of leased vehicles at the end of lease term was \$25.0 billion as of December 31, 2025.

Auditing management's estimate of the residual value of leased vehicles involved a high degree of judgment. Management's estimate is based, in part, on third-party data which considers inputs including recent auction values and assumptions regarding the expected future volume of leased vehicles that will be returned to the Company, used vehicle prices, manufacturer incentive programs and fuel prices. Realization of the residual values is dependent on the future ability to market the vehicles under future prevailing market conditions.

***How we addressed the matter in our audit***

We evaluated the design and tested the operating effectiveness of the Company's controls over the lease residual estimation process, including controls over management's review of residual value estimates obtained from the Company's third-party provider and other significant assumptions.

Our procedures also included, among others, independently recalculating depreciation related to equipment on operating leases and performing sensitivity analyses related to significant assumptions. We also performed hindsight analyses to assess the propriety of management's estimate of residual values, as well as tested the completeness and accuracy of data from underlying systems, data warehouses and third parties that are used in the estimation models.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2017.

Detroit, Michigan  
January 27, 2026

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of General Motors Company

### Opinion on Internal Control Over Financial Reporting

We have audited General Motors Company and subsidiaries' internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, General Motors Company and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2025 and 2024, the related consolidated income statements and consolidated statements of comprehensive income, cash flows, and equity for each of the three years in the period ended December 31, 2025, and the related notes and our report dated January 27, 2026 expressed an unqualified opinion thereon.

### Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

### Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Detroit, Michigan  
January 27, 2026

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**Item 8. Financial Statements and Supplementary Data**
**CONSOLIDATED INCOME STATEMENTS**  
**(In millions, except per share amounts)**

	Years Ended December 31,		
	2025	2024	2023
<b>Net sales and revenue</b>			
Automotive	\$ 167,971	\$ 171,606	\$ 157,658
GM Financial	17,048	15,836	14,184
Total net sales and revenue (Note 3)	<u>185,019</u>	<u>187,442</u>	<u>171,842</u>
<b>Costs and expenses</b>			
Automotive and other cost of sales	159,128	151,065	141,330
GM Financial interest, operating, and other expenses	14,295	12,972	11,374
Automotive and other selling, general, and administrative expense	8,687	10,621	9,840
Total costs and expenses	<u>182,110</u>	<u>174,658</u>	<u>162,544</u>
Operating income (loss)	2,909	12,784	9,298
Automotive interest expense	727	846	911
Interest income and other non-operating income, net (Note 19)	1,535	1,257	1,537
Equity income (loss) (Note 8)	(600)	(4,675)	480
Income (loss) before income taxes	3,117	8,519	10,403
Income tax expense (benefit) (Note 17)	338	2,556	563
<b>Net income (loss)</b>	<u>2,780</u>	<u>5,963</u>	<u>9,840</u>
Net loss (income) attributable to noncontrolling interests	(83)	45	287
<b>Net income (loss) attributable to stockholders</b>	<u>\$ 2,697</u>	<u>\$ 6,008</u>	<u>\$ 10,127</u>
<b>Net income (loss) attributable to common stockholders</b>	\$ 3,180	\$ 7,189	\$ 10,022
<b>Earnings per share (Note 21)</b>			
Basic earnings per common share	\$ 3.33	\$ 6.45	\$ 7.35
Weighted-average common shares outstanding – basic	955	1,115	1,364
Diluted earnings per common share	\$ 3.27	\$ 6.37	\$ 7.32
Weighted-average common shares outstanding – diluted	973	1,129	1,369

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**(In millions)**

	Years Ended December 31,		
	2025	2024	2023
<b>Net income (loss)</b>	\$ 2,780	\$ 5,963	\$ 9,840
<b>Other comprehensive income (loss), net of tax (Note 20)</b>			
Foreign currency translation adjustments and other	459	(1,218)	457
Defined benefit plans	339	(4)	(2,814)
Unrealized gain (loss) on hedges	155	85	1
Other comprehensive income (loss), net of tax	<u>953</u>	<u>(1,137)</u>	<u>(2,355)</u>
<b>Comprehensive income (loss)</b>	3,733	4,826	7,485
Comprehensive loss (income) attributable to noncontrolling interests	(126)	176	297
<b>Comprehensive income (loss) attributable to stockholders</b>	<u>\$ 3,607</u>	<u>\$ 5,002</u>	<u>\$ 7,781</u>

Reference should be made to the notes to consolidated financial statements.  
Amounts may not add due to rounding.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(In millions, except per share amounts)

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Note 4)	\$ 20,945	\$ 19,872
Marketable debt securities (Note 4)	6,724	7,265
Accounts and notes receivable, net of allowance of \$244 and \$313	13,054	12,827
GM Financial receivables, net of allowance of \$1,168 and \$991 (Note 5; Note 11)	45,266	46,362
Inventories (Note 6)	14,467	14,564
Other current assets (Note 4; Note 11)	8,312	7,655
<b>Total current assets</b>	<u>108,767</u>	<u>108,545</u>
<b>Non-current Assets</b>		
GM Financial receivables, net of allowance of \$1,557 and \$1,467 (Note 5; Note 11)	44,384	46,474
Equity in net assets of nonconsolidated affiliates (Note 8)	5,681	7,102
Property, net (Note 9)	51,683	51,904
Goodwill and intangible assets, net (Note 10)	4,366	4,551
Equipment on operating leases, net (Note 7; Note 11)	33,686	31,586
Deferred income taxes (Note 17)	22,960	21,254
Other assets (Note 4; Note 11; Note 15)	9,756	8,346
<b>Total non-current assets</b>	<u>172,517</u>	<u>171,216</u>
<b>Total Assets</b>	<u>\$ 281,284</u>	<u>\$ 279,761</u>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable (principally trade)	\$ 23,919	\$ 25,680
Short-term debt and current portion of long-term debt (Note 13)		
Automotive	656	2,141
GM Financial (Note 11)	35,012	37,291
Accrued liabilities (Note 12)	33,754	31,154
<b>Total current liabilities</b>	<u>93,342</u>	<u>96,265</u>
<b>Non-current Liabilities</b>		
Long-term debt (Note 13)		
Automotive	15,591	13,327
GM Financial (Note 11)	79,018	76,973
Postretirement benefits other than pensions (Note 15)	4,025	3,990
Pensions (Note 15)	4,988	5,779
Other liabilities (Note 12)	21,151	17,836
<b>Total non-current liabilities</b>	<u>124,775</u>	<u>117,906</u>
<b>Total Liabilities</b>	<u>218,116</u>	<u>214,171</u>
Commitments, contingencies, and uncertainties (Note 16)		
<b>Equity (Note 20)</b>		
Common stock, \$0.01 par value	9	10
Additional paid-in capital	19,928	20,843
Retained earnings	51,524	53,472
Accumulated other comprehensive loss	(10,343)	(11,253)
<b>Total stockholders' equity</b>	<u>61,119</u>	<u>63,072</u>
Noncontrolling interests	2,049	2,518
<b>Total Equity</b>	<u>63,168</u>	<u>65,590</u>
<b>Total Liabilities and Equity</b>	<u>\$ 281,284</u>	<u>\$ 279,761</u>

Reference should be made to the notes to consolidated financial statements.  
Amounts may not add due to rounding.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In millions)

	Years Ended December 31,		
	2025	2024	2023
<b>Cash flows from operating activities</b>			
Net income (loss)	\$ 2,780	\$ 5,963	\$ 9,840
Depreciation and impairment of Equipment on operating leases, net	4,942	4,844	4,904
Depreciation, amortization, and impairment charges on Property, net	9,646	7,545	6,984
Foreign currency remeasurement and transaction (gains) losses	363	(321)	349
Undistributed earnings and impairment of nonconsolidated affiliates, net	1,785	4,118	245
Pension contributions and OPEB payments	(539)	(1,518)	(1,100)
Pension and OPEB (income) expense, net	29	89	90
Provision (benefit) for deferred taxes	(1,249)	1,368	(1,041)
Change in other operating assets and liabilities (Note 24)	9,056	(1,529)	1,822
Other operating activities	54	(433)	(1,163)
<b>Net cash provided by (used in) operating activities</b>	<b>26,867</b>	<b>20,129</b>	<b>20,930</b>
<b>Cash flows from investing activities</b>			
Expenditures for property	(9,303)	(10,830)	(10,970)
Available-for-sale marketable securities, acquisitions	(2,339)	(3,986)	(4,429)
Available-for-sale marketable securities, liquidations	3,012	4,331	9,345
Purchases of finance receivables	(36,745)	(36,348)	(35,379)
Principal collections and recoveries on finance receivables	35,109	31,784	28,346
Proceeds from sale of finance receivables (Note 5)	2,005	—	—
Purchases of leased vehicles	(15,793)	(15,279)	(13,640)
Proceeds from termination of leased vehicles	10,095	10,892	13,033
Other investing activities	(2,175)	(1,081)	(969)
<b>Net cash provided by (used in) investing activities</b>	<b>(16,134)</b>	<b>(20,517)</b>	<b>(14,663)</b>
<b>Cash flows from financing activities</b>			
Net increase (decrease) in short-term debt	(312)	128	(156)
Proceeds from issuance of debt (original maturities greater than three months)	43,191	53,435	50,963
Payments on debt (original maturities greater than three months)	(45,591)	(43,399)	(44,675)
Payments to purchase common stock (Note 20)	(6,012)	(7,064)	(11,115)
Issuance (redemption) of subsidiary stock (Note 20)	(29)	(101)	—
Dividends paid	(657)	(653)	(597)
Other financing activities	(180)	(407)	(774)
<b>Net cash provided by (used in) financing activities</b>	<b>(9,590)</b>	<b>1,938</b>	<b>(6,353)</b>
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	177	(503)	54
Net increase (decrease) in cash, cash equivalents, and restricted cash	1,320	1,047	(31)
<b>Cash, cash equivalents, and restricted cash at beginning of period</b>	<b>22,964</b>	<b>21,917</b>	<b>21,948</b>
<b>Cash, cash equivalents, and restricted cash at end of period</b>	<b>\$ 24,284</b>	<b>\$ 22,964</b>	<b>\$ 21,917</b>
<b>Significant Non-cash Investing and Financing Activity</b>			
Non-cash property additions	\$ 3,859	\$ 3,864	\$ 6,013
Non-cash Ultium loan receivable reduction	\$ 390	\$ —	\$ —

Reference should be made to the notes to consolidated financial statements.  
Amounts may not add due to rounding.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF EQUITY**  
(In millions)

	Common Stockholders'				Noncontrolling Interests	Total Equity	Noncontrolling Interest Cruise Stock Incentive Awards (Temporary Equity)
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss			
<b>Balance at January 1, 2023</b>	\$ 14	\$ 26,428	\$49,251	\$ (7,901)	\$ 4,135	\$ 71,927	\$ 357
Net income (loss)	—	—	10,127	—	(287)	9,840	—
Other comprehensive income (loss)	—	—	—	(2,346)	(9)	(2,355)	—
Purchase of common stock (Note 20)	(2)	(7,686)	(3,426)	—	—	(11,115)	—
Stock based compensation	—	259	(6)	—	—	253	24
Cash dividends paid on common stock	—	—	(477)	—	—	(477)	—
Dividends to noncontrolling interests	—	—	—	—	(120)	(120)	—
Other	—	129	(77)	—	185	237	(263)
<b>Balance at December 31, 2023</b>	12	19,130	55,391	(10,247)	3,903	68,189	118
Net income (loss)	—	—	6,008	—	(45)	5,963	—
Other comprehensive income (loss)	—	—	—	(1,006)	(131)	(1,137)	—
Issuance (redemption) of subsidiary stock (Note 20)	—	973	—	—	(1,074)	(101)	—
Purchase of common stock (Note 20)	(2)	245	(7,307)	—	—	(7,064)	—
Stock based compensation	—	552	(9)	—	—	543	—
Cash dividends paid on common stock	—	—	(530)	—	—	(530)	—
Dividends to noncontrolling interests	—	—	—	—	(123)	(123)	—
Other	—	(57)	(80)	—	(13)	(150)	(118)
<b>Balance at December 31, 2024</b>	10	20,843	53,472	(11,253)	2,518	65,590	—
Net income (loss)	—	—	2,697	—	83	2,780	—
Other comprehensive income (loss)	—	—	—	911	43	953	—
Issuance (redemption) of subsidiary stock (Note 20)	—	538	—	—	(567)	(29)	—
Purchase of common stock (Note 20)	(1)	(1,969)	(4,043)	—	—	(6,012)	—
Stock based compensation	—	541	(10)	—	—	531	—
Cash dividends paid on common stock	—	—	(538)	—	—	(538)	—
Dividends to noncontrolling interests	—	—	—	—	(119)	(119)	—
Other	—	(25)	(53)	—	91	13	—
<b>Balance at December 31, 2025</b>	\$ 9	\$ 19,928	\$51,524	\$ (10,343)	\$ 2,049	\$ 63,168	\$ —

Reference should be made to the notes to consolidated financial statements.  
Amounts may not add due to rounding.

## GENERAL MOTORS COMPANY AND SUBSIDIARIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

#### Note 1. Nature of Operations and Basis of Presentation

General Motors Company was incorporated as a Delaware corporation in 2009. We design, build, and sell trucks, crossovers, cars, and automobile parts, and provide software-enabled services and subscriptions worldwide. We also provide automotive financing services through GM Financial. We analyze the results of our operations through the following segments: GMNA, GMI, and GM Financial. In December 2024, we announced that we will no longer fund Cruise's robotaxi development work and in February 2025, began to wind down the Cruise robotaxi operations and combined the GM and Cruise autonomous technical efforts in our GMNA segment to focus on autonomous technology for personal vehicles. Corporate includes certain centrally recorded income and costs such as interest, income taxes, corporate expenditures, and certain revenues and expenses that are not part of a reportable segment. The consolidated financial statements are prepared in conformity with U.S. GAAP. Except for per share amounts or as otherwise specified, amounts presented within tables are stated in millions. Certain columns and rows may not add due to rounding.

Throughout this report, we refer to General Motors Company and its consolidated subsidiaries in a simplified manner and on a collective basis, using words like "we," "our," "us," and "the Company." This drafting style is suggested by the SEC and is not meant to indicate that General Motors Company, the publicly traded parent company, or any particular subsidiary of the parent company, owns or operates any particular asset, business, or property. The operations and businesses described in this report are owned and operated by distinct subsidiaries of General Motors Company.

**Principles of Consolidation** We consolidate entities that we control due to ownership of a majority voting interest and we consolidate variable interest entities (VIEs) when we are the primary beneficiary. All intercompany balances and transactions are eliminated in consolidation. Our share of earnings or losses of nonconsolidated affiliates is included in our consolidated operating results using the equity method of accounting when we are able to exercise significant influence over the operating and financial decisions of the affiliate.

**Use of Estimates in the Preparation of the Financial Statements** Accounting estimates are an integral part of the consolidated financial statements. These estimates require the use of judgments and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses in the periods presented. We believe that the accounting estimates employed are appropriate and the resulting balances are reasonable; however, due to the inherent uncertainties in making estimates, actual results could differ from the original estimates, requiring adjustments to these balances in future periods.

**GM Financial** The amounts presented for GM Financial are adjusted to reflect the impact on GM Financial's deferred tax positions and provision for income taxes resulting from the inclusion of GM Financial in our consolidated tax returns and to eliminate the effect of transactions between GM Financial and the other members of the consolidated group. Accordingly, the amounts presented will differ from those presented by GM Financial on a stand-alone basis.

#### Note 2. Significant Accounting Policies

The accounting policies that follow are utilized by our automotive, automotive financing, and Cruise operations, unless otherwise indicated.

##### Revenue Recognition

**Automotive** Automotive net sales and revenue represents the amount of consideration to which we expect to be entitled in exchange for vehicle, parts, accessories, services, and other sales. The consideration recognized represents the amount received, typically shortly after the sale to a customer, net of estimated dealer and customer sales incentives we reasonably expect to pay. Significant factors in determining our estimates of incentives include forecasted sales volume, product mix, and the rate of customer acceptance of incentive programs, all of which are estimated based on historical experience and assumptions concerning future customer behavior and market conditions. Subsequent adjustments to incentive estimates are possible as facts and circumstances change over time. A portion of the consideration received is deferred for separate performance obligations, such as software-enabled services and subscriptions, vehicle connectivity, customer rewards programs, maintenance, and extended warranty, that will be provided to our customers at a future date. Taxes assessed by various government entities, such as sales, use, and value-added taxes, collected at the time of the vehicle sale are excluded from Automotive net sales and revenue. Costs for shipping and handling activities that occur after control of the vehicle transfers to the dealer are recognized at the time of sale and presented in Automotive and other cost of sales.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

*Vehicle, Parts, and Accessories* For the majority of vehicle and accessories sales, our customers obtain control and we recognize revenue when the vehicle transfers to the dealer, which typically occurs either when the vehicle is released to the carrier responsible for transporting it to a dealer or upon delivery to a dealer. Revenue, net of estimated returns, is recognized on the sale of parts upon delivery to the customer. When our customers have a right to return eligible parts and accessories, we consider the returns in our estimation of the transaction price.

Typically, transfers to daily rental companies are accounted for as sales, with revenue recognized at the time of transfer. We defer revenue for remarketing obligations, record a residual value guarantee, and reflect a liability for amounts expected to be paid once the remarketing services are complete at the time of sale and recognize deferred revenue in earnings upon completion of the remarketing service.

*Used Vehicles* Proceeds from the auction of vehicles utilized by our employees are recognized in Automotive net sales and revenue upon transfer of control of the vehicle to the customer, and the related vehicle carrying value is recognized in Automotive and other cost of sales.

*Services and Other* Services and other revenue primarily consists of revenue from vehicle-related service arrangements and after-sale services such as OnStar, Super Cruise, vehicle connectivity, maintenance, and extended service warranties. For those service arrangements that are bundled with a vehicle sale, a portion of the revenue from the sale is allocated to the service component and recognized as deferred revenue within Accrued liabilities or Other liabilities. We recognize revenue for bundled services and services sold separately as services are performed, typically over a period of up to eight years.

*Automotive Financing - GM Financial* Finance charge income earned on finance receivables is recognized using the effective interest method. Fees and commissions received (including manufacturer subvention) and direct costs of originating loans are generally deferred and amortized over the term of the related finance receivables using the effective interest method and are removed from the consolidated balance sheets when the related finance receivables are fully charged off or paid in full. Accrual of finance charge income on retail finance receivables is generally suspended on accounts that are more than 60 days delinquent, accounts in bankruptcy, and accounts in repossession. Payments received on nonaccrual loans are first applied to any fees due, then to any interest due, and then any remaining amounts are applied to principal. Interest accrual generally resumes once an account has received payments bringing the delinquency status to less than 60 days past due. Accrual of finance charge income on commercial finance receivables is generally suspended on accounts that are more than 90 days delinquent, upon receipt of a bankruptcy notice from a borrower, or where reasonable doubt exists about the full collectability of contractually agreed upon principal and interest. Payments received on nonaccrual loans are first applied to principal. Interest accrual resumes once an account has received payments bringing the account fully current and collection of contractual principal and interest is reasonably assured (including amounts previously charged off).

Income from operating lease assets, which includes lease origination fees, net of lease origination costs, is recorded as operating lease revenue on a straight-line basis over the term of the lease agreement. Gains or losses realized upon disposition of off-lease assets including any payments received from lessees upon lease termination, are included in GM Financial interest, operating, and other expenses.

**Advertising and Promotion Expenditures** Advertising and promotion expenditures, which are expensed as incurred in Automotive and other selling, general, and administrative expense, were \$3.1 billion, \$3.3 billion, and \$3.6 billion in the years ended December 31, 2025, 2024, and 2023.

**Research and Development Expenditures** Research and development expenditures, which are expensed as incurred in Automotive and other cost of sales, were \$8.5 billion, \$9.2 billion, and \$9.9 billion in the years ended December 31, 2025, 2024, and 2023. These expenditures include cost sharing payments and fees we receive when we enter into cost sharing arrangements with third parties or nonconsolidated affiliates for product-related research, engineering, design, and development activities and use of intellectual property.

**Cash Equivalents and Restricted Cash** Cash equivalents are defined as short-term, highly-liquid investments with original maturities of 90 days or less. Certain operating agreements require us to post cash as collateral. Cash and cash equivalents subject to contractual restrictions and not readily available are classified as restricted cash. Restricted cash is invested in accordance with the terms of the underlying agreements and include amounts related to various deposits, escrows, and other cash collateral. Restricted cash is included in Other current assets and Other assets in the consolidated balance sheets.

## GENERAL MOTORS COMPANY AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

**Fair Value Measurements** A three-level valuation hierarchy, based upon observable and unobservable inputs, is used for fair value measurements. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions based on the best evidence available. These two types of inputs create the following fair value hierarchy: Level 1 – Quoted prices for identical instruments in active markets; Level 2 – Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations whose significant inputs are observable; and Level 3 – Instruments whose significant inputs are unobservable.

**Marketable Debt Securities** We generally classify marketable debt securities as available-for-sale. Various factors, including turnover of holdings and investment guidelines, are considered in determining the classification of securities. Available-for-sale debt securities are recorded at fair value with non-credit related unrealized gains and losses recorded in Accumulated other comprehensive loss until realized. Credit losses are recorded in Interest income and other non-operating income, net. An evaluation is made quarterly to determine if any portion of unrealized losses recorded in Accumulated other comprehensive loss needs to be reclassified. Non-credit related unrealized losses are reclassified to Interest income and other non-operating income, net if we intend to sell the security or it is more likely than not that we will be required to sell the security before the recovery of the unrealized loss.

We determine realized gains and losses for all debt securities using the specific identification method and measure the fair value of our marketable debt securities using a market approach where identical or comparable prices are available and an income approach in other cases. If quoted market prices are not available, fair values of securities are determined using prices from a pricing service, pricing models, quoted prices of securities with similar characteristics, or discounted cash flow models. These prices represent non-binding quotes. Our pricing service utilizes industry-standard pricing models that consider various inputs. We review our pricing service quarterly and believe the prices received from our pricing service are a reliable representation of exit prices.

**Accounts and Notes Receivable** Accounts and notes receivable primarily consists of amounts that are due and payable from our customers for the sale of vehicles, parts, and accessories. We evaluate the collectability of receivables each reporting period and record an allowance for doubtful accounts to present the net amount expected to be collected on our receivables. Additions to the allowance are charged to bad debt expense reported in Automotive and other selling, general, and administrative expense and were insignificant in the years ended December 31, 2025, 2024, and 2023.

**GM Financial Receivables** Finance receivables are carried at amortized cost basis, net of allowance for loan losses. Provisions for loan losses are charged to operations in amounts sufficient to maintain the allowance for loan losses at levels considered adequate to cover expected credit losses on the finance receivables. For retail finance receivables, GM Financial uses static pool modeling techniques to determine the allowance for loan losses expected over the remaining life of the receivables, which is supplemented by management judgment. The modeling techniques incorporate reasonable and supportable forecasts of economic conditions over the expected remaining life of the finance receivables. The economic forecasts incorporate factors which vary by region that GM Financial believes will have the largest impact on expected losses, including unemployment rates, interest rate spreads, disposable personal income, and growth rates in gross domestic product.

Commercial finance receivables are carried at amortized cost basis, net of allowance for loan losses and amounts held under a cash management program. GM Financial establishes the allowance for loan losses based on historical loss experience, as well as forecasted auto industry conditions, which is the economic indicator believed to have the largest impact on expected losses.

**Inventories** Inventories are stated at the lower of cost or net realizable value. Cost is determined on a first-in, first-out (FIFO) basis. Net realizable value is the estimated selling price in the ordinary course of business less cost to sell, and considers general market and economic conditions, periodic reviews of current profitability of vehicles, product warranty costs, and the effect of estimated sales incentives. Net realizable value for off-lease and other vehicles is current auction sales proceeds less disposal and warranty costs. Inventories are reviewed to determine if inventory quantities are in excess of forecasted usage or if they have become obsolete, with a primary focus on productive material, supplies, work in process, and parts and accessories.

**Equipment on Operating Leases** Equipment on operating leases, net consists of vehicle leases to retail customers with lease terms of typically one to five years. We are exposed to changes in the residual values of these assets. The residual values represent estimates of the values of the leased vehicles at the end of the lease agreements and are determined based on forecasted auction proceeds when there is a reliable basis to make such a determination. Realization of the residual values is dependent on the future ability to market the vehicles under prevailing market conditions. The estimate of the residual value is evaluated over the life of the arrangement and adjustments may be made to the extent the expected value of the vehicle changes.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

Adjustments may be in the form of revisions to the depreciation rate or recognition of an impairment charge. A lease vehicle asset group is determined to be impaired if an impairment indicator exists and the expected future cash flows, which include estimated residual values, are lower than the carrying amount of the vehicle asset group. If the carrying amount is considered impaired, an impairment charge is recorded for the amount by which the carrying amount exceeds fair value of the vehicle asset group. Fair value is determined primarily using the anticipated cash flows, including estimated residual values. In our automotive finance operations, when a leased vehicle is returned or repossessed, the asset is recorded in Other assets at the lower of amortized cost basis or net realizable value. Upon disposition a gain or loss is recorded in GM Financial interest, operating, and other expenses for any difference between the net book value of the leased asset and the proceeds from the disposition of the asset.

**Equity Investments** When events and circumstances warrant, equity investments accounted for under the equity method of accounting are evaluated for impairment. An impairment charge is recorded whenever a decline in value of an equity investment below its carrying amount is determined to be other-than-temporary. Impairment charges related to equity method investments are recorded in Equity income (loss). Equity investments that are not accounted for under the equity method of accounting are measured at fair value or in certain cases adjusted to fair value upon an observable price change, with changes in fair value recorded in Interest income and other non-operating income, net.

**Property, net** Property, plant, and equipment, including internal use software, is recorded at cost. The gross amount of assets under finance leases is included in property, plant, and equipment. Major improvements that extend the useful life or add functionality are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred. We depreciate depreciable property using the straight-line method. Leasehold improvements are amortized over the period of lease or the life of the asset, whichever is shorter. The amortization of the assets under finance leases is included in depreciation expense. Upon retirement or disposition of property, plant, and equipment, the cost and related accumulated depreciation are eliminated and any resulting gain or loss is recorded in earnings. Impairment charges related to property are recorded in Automotive and other cost of sales, Automotive and other selling, general, and administrative expense, or GM Financial interest, operating, and other expenses.

**Special Tools** Special tools represent product-specific propulsion and non-propulsion related tools, dies, molds, and other items used in the vehicle manufacturing process. Expenditures for special tools are recorded at cost and are capitalized. We amortize special tools over their estimated useful lives generally using the straight-line method of amortization. Impairment charges related to special tools are recorded in Automotive and other cost of sales.

**Goodwill** Goodwill is not amortized but rather tested for impairment annually on October 1 and when events warrant such a review. The impairment test entails an assessment of qualitative factors to determine whether it is more likely than not that an impairment exists. If it is more likely than not that an impairment exists, then a quantitative impairment test is performed. Impairment exists when the carrying amount of a reporting unit exceeds its fair value.

**Intangible Assets, net** Intangible assets, excluding goodwill, primarily include brand names, customer relationships, and dealer networks. Intangible assets are amortized on a straight-line or an accelerated method of amortization over their estimated useful lives. Amortization of developed technology and intellectual property is recorded in Automotive and other cost of sales. Amortization of brand names, customer relationships, and our dealer networks is recorded in Automotive and other selling, general, and administrative expense or GM Financial interest, operating, and other expenses. Impairment charges, if any, related to intangible assets are recorded in Automotive and other selling, general, and administrative expense or Automotive and other cost of sales.

**Valuation of Long-Lived Assets** The carrying amount of long-lived assets and finite-lived intangible assets to be held and used in the business is evaluated for impairment when events and circumstances warrant. If the carrying amount of a long-lived asset group is considered impaired, a loss is recorded based on the amount by which the carrying amount exceeds fair value. Product-specific long-lived asset groups and non-product specific long-lived assets are separately tested for impairment on an asset group basis. Fair value is determined using either the market or sales comparison approach, cost approach, or anticipated cash flows discounted at a rate commensurate with the risk involved. Long-lived assets to be disposed of other than by sale are considered held for use until disposition.

**Government Incentives and Grants** We receive incentives from federal, state, and local governments in different regions of the world that encourage us to establish, maintain, or increase investment, employment, or production in the region. We are also entitled to certain advanced manufacturing production credits under the IRA. We account for government incentives as a

**GENERAL MOTORS COMPANY AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

reduction of expense, a reduction of the cost of the capital investment, or other income based on the substance of the incentive received. The benefit from advanced manufacturing production credits are not accounted for or classified as an income tax credit. Benefits are generally recorded when it is probable that we will comply with the conditions attached to the grant and the grant will be received or, as it relates to advanced manufacturing production credits, upon the generation of the credit. Amounts are recorded in earnings on a systematic and rational basis as the expenses in which the incentive is meant to offset are incurred, as we meet the conditions of the grant, or indirectly as the capital investment is depreciated, or, as it relates to advanced manufacturing production credits, upon generation of the credit. At December 31, 2025 and 2024, cash incentives receivable in Accounts and notes receivable, net of allowance was \$341 million and \$343 million, cash incentives credited to Property, net was \$480 million, cash incentives receivable in Other assets was \$293 million and \$292 million, amounts refundable in Accrued liabilities was \$319 million and insignificant, and deferred incentive income in Other liabilities was insignificant and \$212 million. In the years ended December 31, 2025, 2024, and 2023 we recognized \$267 million, \$524 million, and \$251 million in Automotive and other cost of sales associated with incentives. Current agreements expire at various dates through 2032 and we consider the risk that any amounts recognized will be returned to be remote.

**Emissions Credits** We periodically enter into agreements to purchase credits to facilitate our compliance with emission and fuel economy regulations. Purchased credits are recorded at cost in Other current assets and Other assets and are recognized in expense over the periods in which the acquired credits facilitate our compliance with emission and fuel economy regulations.

**Pension and OPEB Plans**

**Attribution, Methods, and Assumptions** The cost of benefits provided by defined benefit pension plans is recorded in the period employees provide service. The cost of pension plan amendments that provide for benefits already earned by plan participants is amortized over the expected period of benefit which may be the duration of the applicable collective bargaining agreement specific to the plan, the expected future working lifetime, or the life expectancy of the plan participants.

The cost of medical, dental, legal service, and life insurance benefits provided through postretirement benefit plans is recorded in the period employees provide service. The cost of postretirement plan amendments that provide for benefits already earned by plan participants is amortized over the expected period of benefit which may be the average period to full eligibility or the average life expectancy of the plan participants.

An expected return on plan asset methodology is utilized to calculate future pension expense for certain significant funded benefit plans. A market-related value of plan assets methodology is also utilized that averages gains and losses on the plan assets over a period of years to determine future pension expense. The methodology recognizes 60% of the difference between the fair value of assets and the expected calculated value in the first year and 10% of that difference over each of the next four years.

The discount rate assumption is established for each of the retirement-related benefit plans at their respective measurement dates. In the U.S., we use a cash flow matching approach that uses projected cash flows matched to spot rates along a high-quality corporate bond yield curve to determine the present value of cash flows to calculate a single equivalent discount rate. We apply individual annual yield curve rates to determine the service cost and interest cost for our pension and OPEB plans to more specifically link the cash flows related to service cost and interest cost to bonds maturing in their year of payment.

The benefit obligation for pension plans in Canada, the United Kingdom (UK), and Germany represents 88% of the non-U.S. pension benefit obligation at December 31, 2025. The discount rates for plans in Canada, the UK, and Germany are determined using a cash flow matching approach like the U.S.

**Plan Asset Valuation** Due to the lack of timely available market information for certain investments in the asset classes described below as well as the inherent uncertainty of valuation, reported fair values may differ from fair values that would have been used had timely available market information been available.

**Cash Equivalents and Other Short-Term Investments** Cash equivalents, including reverse repurchase agreements, trade deposits, and other short-term investments, are valued based on pricing received from independent pricing services, dealers who make markets in such securities, or held at amortized cost basis. Cash equivalent pricing utilizes observable inputs and are classified in Level 2.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

*Common and Preferred Stock* Common and preferred stock for which market prices are readily available at the measurement date are valued at the last reported sale price or official closing price on the primary market or exchange on which they are actively traded and are classified in Level 1. Such equity securities for which the market is not considered to be active are valued via the use of observable inputs, which may include the use of adjusted market prices last available, bids or last available sales prices, and/or other observable inputs and are classified in Level 2. Common and preferred stock classified in Level 3 are privately issued securities or other issues that are valued via the use of valuation models using significant unobservable inputs that generally consider aged (stale) pricing, earnings multiples, discounted cash flows, and/or other qualitative and quantitative factors.

*Debt Securities* Valuations for debt securities are based on quotations received from independent pricing services or from dealers who make markets in such securities. Debt securities priced via pricing services that utilize matrix pricing which considers readily observable inputs such as the yield or price of bonds of comparable quality, coupon, maturity, and type as well as dealer supplied prices, are classified in Level 2. Debt securities that are typically priced by dealers and pricing services via the use of proprietary pricing models which incorporate significant unobservable inputs are classified in Level 3. These inputs primarily consist of yield and credit spread assumptions, discount rates, prepayment curves, default assumptions, and recovery rates.

*Investment Funds, Private Equity and Debt Investments, and Real Estate Investments* Investment funds, private equity and debt investments, and real estate investments are valued based on the Net Asset Value (NAV) per Share (or its equivalent) as a practical expedient to estimate fair value due to the absence of readily available market prices.

NAVs are provided by the respective investment sponsors or investment advisers and are subsequently reviewed and approved by management. In the event management concludes a reported NAV does not reflect fair value or is not determined as of the financial reporting measurement date, we will consider whether and when deemed necessary to make an adjustment at the balance sheet date. In determining whether an adjustment to the external valuation is required, we will review material factors that could affect the valuation, such as changes in the composition or performance of the underlying investments or comparable investments, overall market conditions, expected sale prices for private investments which are probable of being sold in the short-term, and other economic factors that may possibly have a favorable or unfavorable effect on the reported external valuation.

**Stock Incentive Plans** Our stock incentive plans include RSUs, PSUs, stock options, and awards that may be settled in our stock, the stock of our subsidiaries, or in cash. We measure and record compensation expense based on the fair value of GM's common stock on the date of grant for RSUs and PSUs and the grant date fair value, determined utilizing the Black-Scholes formula or a lattice model, for stock options and PSUs. We record compensation cost for service-based RSUs, PSUs, and service-based stock options on a straight-line basis over the entire vesting period, or for retirement eligible employees over the requisite service period. Compensation cost for awards that do not have an established accounting grant date, but for which the service inception date has been established or are settled in cash is based on the fair value of GM's common stock at the end of each reporting period.

In March 2022, all outstanding RSUs that settle in Cruise's common stock were modified to remove a liquidity vesting condition and will vest solely based upon satisfaction of a service condition. Compensation cost was recorded on a straight-line basis over the entire vesting period based on the fair value of Cruise's common stock. In April 2024, substantially all remaining outstanding unvested Cruise RSUs were exchanged by participants for unvested cash payment rights and as of December 31, 2025, no incentive awards settleable in Cruise common stock are outstanding.

**Product Warranty and Recall Campaigns** The estimated costs related to product warranties are accrued at the time products are sold and are charged to Automotive and other cost of sales. These estimates are established using historical information on the nature, frequency, and average cost of claims of each vehicle line or each model year of the vehicle line and assumptions about future activity and events. Revisions are made when necessary and are based on changes in these factors.

The estimated costs related to recall campaigns are accrued when probable and estimable. In GMNA, we estimate the costs related to recall campaigns by applying a paid loss approach that considers the number of historical recall campaigns and the estimated cost for each recall campaign. The estimated costs associated with recall campaigns in other geographical regions are determined using the estimated costs of repairs and the estimated number of vehicles to be repaired. Costs associated with recall campaigns are charged to Automotive and other cost of sales. Revisions are made when necessary based on changes in these factors.

## GENERAL MOTORS COMPANY AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

**Income Taxes** The liability method is used in accounting for income taxes. Deferred tax assets and liabilities are recorded for temporary differences between the tax basis of assets and liabilities and their reported amounts in the consolidated financial statements using the statutory tax rates in effect for the year in which the differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax laws or rates is recorded in the results of operations in the period that includes the enactment date under the law. We record Global Intangible Low Tax Income as a current period expense when incurred. Income tax effects are released from Accumulated other comprehensive loss using the specific-identification method.

We establish valuation allowances for deferred tax assets based on a more likely than not standard. Deferred income tax assets are evaluated quarterly to determine if valuation allowances are required or should be adjusted. The ability to realize deferred tax assets depends on the ability to generate sufficient taxable income within the carryback or carryforward periods provided for in the tax law for each applicable tax jurisdiction. The assessment regarding whether a valuation allowance is required or should be adjusted also considers all available positive and negative evidence factors. It is difficult to conclude a valuation allowance is not required when there is significant objective and verifiable negative evidence, such as cumulative losses in recent years. We utilize a rolling three years of actual and current year results as the primary measure of cumulative losses in recent years.

We record uncertain tax positions on the basis of a two-step process whereby we determine whether it is more likely than not that the tax positions will be sustained based on the technical merits of the position, and for those tax positions that meet the more likely than not criteria, we recognize the largest amount of tax benefit that is greater than 50% likely to be realized upon ultimate settlement with the related tax authority. We record interest and penalties on uncertain tax positions in Income tax expense (benefit).

**Foreign Currency Transactions and Translation** The assets and liabilities of foreign subsidiaries that use the local currency as their functional currency are translated to U.S. dollars based on the current exchange rate prevailing at each balance sheet date and any resulting translation adjustments are included in Accumulated other comprehensive loss. The assets and liabilities of foreign subsidiaries whose local currency is not their functional currency are remeasured from their local currency to their functional currency and then translated to U.S. dollars. Revenues and expenses are translated into U.S. dollars using the average exchange rates prevailing for each period presented. The financial statements of any foreign subsidiary that has been identified as having a highly inflationary economy are remeasured as if the functional currency were the U.S. dollar.

Gains and losses arising from foreign currency transactions and the effects of remeasurements discussed in the preceding paragraph are recorded in Automotive and other cost of sales and GM Financial interest, operating, and other expenses unless related to Automotive debt, which are recorded in Interest income and other non-operating income, net. Foreign currency transactions and remeasurements in the years ended December 31, 2025, 2024, and 2023 were losses of \$363 million, gains of \$321 million, and losses of \$349 million.

**Derivative Financial Instruments** Derivative financial instruments are recognized as either assets or liabilities at fair value. The accounting for changes in the fair value of each derivative financial instrument depends on whether it has been designated and qualifies as an accounting hedge, as well as the type of hedging relationship identified. Cash flows for all derivative financial instruments are typically classified in cash flows from operating activities. Derivative instruments are not used for trading or speculative purposes.

**Automotive** We utilize options, swaps, and forward contracts to manage foreign currency, commodity price, and interest rate risks. The change in the fair value of option, swap, and forward contracts not designated as an accounting hedge is recorded in Interest income and other non-operating income, net.

Certain foreign currency and commodity forward contracts have been designated and qualify as cash flow hedges. The risks being hedged are foreign currency and commodity price risks related to forecasted transactions that are generally expected to occur in the next 12 months. The change in the fair value of these forward contracts is recorded in Accumulated other comprehensive loss and will be recognized in Automotive net sales and revenue or Automotive and other cost of sales when the hedged transaction impacts earnings. Forward contracts designated as cash flow hedges are evaluated for effectiveness using regression analysis at inception and throughout the hedge period.

Certain receive-fixed, pay-float interest rate swap agreements have been designated and qualify as fair value hedges of our fixed-rate debt. The risk being hedged is the risk of changes in the fair value of the hedged debt attributable to changes in the benchmark interest rate. The changes in both the fair value of the hedged debt and the hedging instrument are recorded in

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

Automotive interest expense. When a fair value hedge is de-designated, or when the derivative is terminated prior to maturity, the fair value adjustment to the hedged debt continues to be reported as part of the carrying value of the debt and is recognized in Automotive interest expense over its remaining life.

**Automotive Financing - GM Financial** GM Financial utilizes interest rate derivative instruments to manage interest rate risk and foreign currency derivative instruments to manage foreign currency risk. The change in fair value of the derivative instruments not designated as an accounting hedge is recorded in GM Financial interest, operating, and other expenses.

Certain interest rate and foreign currency swap agreements have been designated as fair value hedges. The risk being hedged is the risk of changes in the fair value of the hedged debt attributable to changes in the benchmark interest rate or the risk of changes in fair value attributable to changes in foreign currency exchange rates. If the swap has been designated as a fair value hedge, the changes in the fair value of the hedged item are recorded in GM Financial interest, operating, and other expenses. The change in fair value of the related hedge is also recorded in GM Financial interest, operating, and other expenses.

Certain interest rate swap and foreign currency swap agreements have been designated as cash flow hedges. The risk being hedged is the interest rate and foreign currency risk related to forecasted transactions. If the contract has been designated as a cash flow hedge, the change in the fair value of the cash flow hedge is deferred in Accumulated other comprehensive loss and is recognized in GM Financial interest, operating, and other expenses along with the earnings effect of the hedged item when the hedged item affects earnings. Changes in the fair value of amounts excluded from the assessment of effectiveness are recorded currently in earnings and are presented in the same income statement line as the earnings effect of the hedged item.

**Accounting Standards Not Yet Adopted** In September 2025, the Financial Accounting Standards Board (FASB) issued ASU 2025-06 "Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software" (ASU 2025-06) which modernizes the accounting for internal-use software to current development practices, clarifies when to begin capitalizing costs, and enhances disclosure requirements. This update is effective for interim and annual periods beginning after December 15, 2027, with early adoption permitted. ASU 2025-06 is not expected to significantly change our current accounting for internal-use software.

In December 2025, the FASB issued ASU 2025-10 "Accounting for Government Grants Received by Business Entities" (ASU 2025-10) to establish guidance on the recognition, measurement, and presentation of government grants received by business entities. The new guidance leverages the principles in the accounting framework for government assistance in International Accounting Standard 20 "Accounting for Government Grants and Disclosure of Government Assistance". The new guidance is effective for public business entities in annual periods beginning after December 15, 2028, with early adoption permitted. ASU 2025-10 is not expected to significantly change our current accounting for incentives from federal, state, and local governments.

**Note 3. Revenue**

The following table disaggregates our revenue by major source:

	Year Ended December 31, 2025							
	GMNA	GMI	Corporate	Total Automotive	Cruise	GM Financial	Eliminations/Reclassifications	Total
Vehicle, parts, and accessories	\$148,076	\$12,290	\$ 145	\$ 160,511	\$ —	\$ —	\$ —	\$160,511
Used vehicles	1,700	37	—	1,737	—	—	—	1,737
Services and other	4,541	1,100	82	5,723	1	—	—	5,724
Automotive net sales and revenue	154,317	13,427	227	167,970	1	—	—	167,971
Leased vehicle income	—	—	—	—	—	7,800	—	7,800
Finance charge income	—	—	—	—	—	8,173	(4)	8,169
Other income	—	—	—	—	—	1,087	(8)	1,079
GM Financial net sales and revenue	—	—	—	—	—	17,060	(12)	17,048
Net sales and revenue	<u>\$154,317</u>	<u>\$13,427</u>	<u>\$ 227</u>	<u>\$ 167,970</u>	<u>\$ 1</u>	<u>\$ 17,060</u>	<u>\$ (12)</u>	<u>\$185,019</u>

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

	<b>Year Ended December 31, 2024</b>							
	<b>GMNA</b>	<b>GMI</b>	<b>Corporate</b>	<b>Total Automotive</b>	<b>Cruise</b>	<b>GM Financial</b>	<b>Eliminations/Reclassifications</b>	<b>Total</b>
Vehicle, parts, and accessories	\$152,306	\$12,775	\$ 90	\$ 165,171	\$ —	\$ —	\$ (1)	\$165,170
Used vehicles	1,259	31	—	1,290	—	—	—	1,290
Services and other	3,944	1,084	116	5,145	257	—	(255)	5,147
Automotive net sales and revenue	157,509	13,890	206	171,605	257	—	(256)	171,606
Leased vehicle income	—	—	—	—	—	7,297	—	7,297
Finance charge income	—	—	—	—	—	7,669	(33)	7,636
Other income	—	—	—	—	—	910	(7)	903
GM Financial net sales and revenue	—	—	—	—	—	15,875	(40)	15,836
Net sales and revenue	<u>\$157,509</u>	<u>\$13,890</u>	<u>\$ 206</u>	<u>\$ 171,605</u>	<u>\$ 257</u>	<u>\$ 15,875</u>	<u>\$ (296)</u>	<u>\$187,442</u>

  

	<b>Year Ended December 31, 2023</b>							
	<b>GMNA</b>	<b>GMI</b>	<b>Corporate</b>	<b>Total Automotive</b>	<b>Cruise</b>	<b>GM Financial</b>	<b>Eliminations/Reclassifications</b>	<b>Total</b>
Vehicle, parts, and accessories	\$136,983	\$14,424	\$ 113	\$ 151,520	\$ —	\$ —	\$ (10)	\$151,510
Used vehicles	954	37	—	991	—	—	—	991
Services and other	3,508	1,487	160	5,155	102	—	(100)	5,157
Automotive net sales and revenue	141,445	15,949	273	157,667	102	—	(110)	157,658
Leased vehicle income	—	—	—	—	—	7,266	—	7,266
Finance charge income	—	—	—	—	—	6,204	(18)	6,187
Other income	—	—	—	—	—	754	(23)	732
GM Financial net sales and revenue	—	—	—	—	—	14,225	(41)	14,184
Net sales and revenue	<u>\$141,445</u>	<u>\$15,949</u>	<u>\$ 273</u>	<u>\$ 157,667</u>	<u>\$ 102</u>	<u>\$ 14,225</u>	<u>\$ (151)</u>	<u>\$171,842</u>

Revenue is measured as the amount of consideration we expect to receive in exchange for transferring goods or providing services. Adjustments to sales incentives for previously recognized sales were insignificant during the years ended December 31, 2025, 2024, and 2023.

Contract liabilities in our Automotive operations primarily consist of vehicle connectivity, customer rewards programs, maintenance, extended warranty, and other contracts of \$8.2 billion and \$6.6 billion at December 31, 2025 and 2024, which are included in Accrued liabilities and Other liabilities. We recognized revenue of \$2.6 billion and \$2.0 billion related to contract liabilities during the years ended December 31, 2025 and 2024. We expect to recognize revenue of \$2.6 billion, \$1.5 billion, and \$4.1 billion in the years ending December 31, 2026, 2027, and thereafter related to contract liabilities at December 31, 2025.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**Note 4. Marketable and Other Securities**

The following table summarizes the fair value of cash equivalents and marketable debt securities, which approximates cost:

	<u>Fair Value Level</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Cash and cash equivalents</b>			
Cash and time deposits		\$ 10,884	\$ 12,471
Available-for-sale debt securities			
U.S. government and agencies	2	451	26
Corporate debt	2	3,317	1,541
Sovereign debt	2	923	785
Total available-for-sale debt securities – cash equivalents		4,691	2,351
Money market funds	1	5,369	5,050
Total cash and cash equivalents		<u>\$ 20,945</u>	<u>\$ 19,872</u>
<b>Marketable debt securities</b>			
U.S. government and agencies	2	\$ 2,370	\$ 3,082
Corporate debt and other	2	3,796	3,592
Mortgage and asset-backed	2	558	591
Total available-for-sale debt securities – marketable securities		<u>\$ 6,724</u>	<u>\$ 7,265</u>
<b>Restricted cash</b>			
Cash and cash equivalents		\$ 357	\$ 294
Money market funds	1	2,981	2,798
Total restricted cash		<u>\$ 3,339</u>	<u>\$ 3,092</u>
<b>Available-for-sale debt securities included above with contractual maturities(a)</b>			
Due in one year or less		\$ 5,863	
Due between one and five years		4,976	
Total available-for-sale debt securities with contractual maturities		<u>\$ 10,839</u>	

(a) Excludes mortgage and asset-backed securities as these securities are not due at a single maturity date.

Proceeds from the sale of available-for-sale debt securities sold prior to maturity were \$3.2 billion, \$2.5 billion, and \$2.1 billion in the years ended December 31, 2025, 2024, and 2023. Net unrealized gains on available-for-sale debt securities were insignificant in the years ended December 31, 2025 and 2024 and \$196 million in the year ended December 31, 2023. Cumulative unrealized losses on available-for-sale debt securities were insignificant at December 31, 2025 and 2024.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the consolidated balance sheets to the total shown in the consolidated statements of cash flows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Cash and cash equivalents	\$ 20,945	\$ 19,872
Restricted cash included in Other current assets	2,912	2,608
Restricted cash included in Other assets	426	484
Total	<u>\$ 24,284</u>	<u>\$ 22,964</u>

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**
**Note 5. GM Financial Receivables and Transactions**

	December 31, 2025			December 31, 2024		
	Retail	Commercial(a)	Total	Retail	Commercial(a)	Total
GM Financial receivables	\$ 75,404	\$ 16,970	\$ 92,374	\$ 76,066	\$ 19,228	\$ 95,294
Less: allowance for loan losses	(2,656)	(68)	(2,725)	(2,400)	(58)	(2,458)
GM Financial receivables, net	<u>\$ 72,748</u>	<u>\$ 16,902</u>	<u>\$ 89,650</u>	<u>\$ 73,667</u>	<u>\$ 19,169</u>	<u>\$ 92,836</u>
Fair value of GM Financial receivables utilizing Level 2 inputs			\$ 16,902			\$ 19,169
Fair value of GM Financial receivables utilizing Level 3 inputs			\$ 74,409			\$ 74,729

(a) Commercial finance receivables include dealer financing of \$16.4 billion and \$18.6 billion, and other financing of \$596 million and \$604 million at December 31, 2025 and 2024. Commercial finance receivables are presented net of dealer cash management balances of \$3.4 billion at December 31, 2025 and 2024. Under the cash management program, subject to certain conditions, a dealer may choose to reduce the amount of interest on its floorplan line by making principal payments to GM Financial in advance.

	Years Ended December 31,		
	2025	2024	2023
Allowance for loan losses at beginning of period	\$ 2,458	\$ 2,344	\$ 2,096
Provision for loan losses	1,207	1,029	826
Charge-offs	(2,015)	(1,756)	(1,423)
Recoveries	1,035	903	768
Effect of foreign currency	40	(61)	76
Allowance for loan losses at end of period	<u>\$ 2,725</u>	<u>\$ 2,458</u>	<u>\$ 2,344</u>

The allowance for loan losses as a percentage of finance receivables was 2.9% and 2.6% at December 31, 2025 and 2024. The allowance ratio is based on factors including portfolio credit quality, expectations for recovery rates, and economic outlook.

**Retail Finance Receivables** GM Financial's retail finance receivable portfolio includes loans made to consumers and businesses to finance the purchase of vehicles for personal and commercial use. The following tables are consolidated summaries of the retail finance receivables by FICO score or its equivalent, determined at origination, for each vintage of the retail finance receivables portfolio at December 31, 2025 and 2024:

	Year of Origination						December 31, 2025	
	2025	2024	2023	2022	2021	Prior	Total	Percent
Prime – FICO score 680 and greater	\$22,850	\$15,204	\$ 9,298	\$ 5,350	\$ 2,712	\$ 1,027	\$56,440	74.9 %
Near-prime – FICO score 620 to 679	3,702	2,456	1,439	908	571	225	9,303	12.3 %
Sub-prime – FICO score less than 620	3,847	2,530	1,395	958	614	318	9,661	12.8 %
Retail finance receivables	<u>\$30,399</u>	<u>\$20,191</u>	<u>\$12,132</u>	<u>\$ 7,216</u>	<u>\$ 3,897</u>	<u>\$ 1,570</u>	<u>\$75,404</u>	<u>100.0 %</u>

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

	Year of Origination						December 31, 2024	
	2024	2023	2022	2021	2020	Prior	Total	Percent
Prime – FICO score 680 and greater	\$24,155	\$15,814	\$ 9,749	\$ 5,424	\$ 2,559	\$ 366	\$58,067	76.3 %
Near-prime – FICO score 620 to 679	3,547	2,227	1,507	1,077	473	159	8,990	11.8 %
Sub-prime – FICO score less than 620	3,399	2,059	1,546	1,141	543	322	9,008	11.8 %
Retail finance receivables	<u>\$31,101</u>	<u>\$20,100</u>	<u>\$12,802</u>	<u>\$ 7,642</u>	<u>\$ 3,575</u>	<u>\$ 847</u>	<u>\$76,066</u>	<u>100.0 %</u>

GM Financial reviews the ongoing credit quality of retail finance receivables based on customer payment activity. A retail account is considered delinquent if a substantial portion of a scheduled payment has not been received by the date the payment was contractually due. Retail finance receivables are collateralized by vehicle titles and, subject to local laws, GM Financial generally has the right to repossess the vehicle in the event the customer defaults on the payment terms of the contract. The accrual of finance charge income had been suspended on delinquent retail finance receivables with contractual amounts due of \$1.1 billion and \$958 million at December 31, 2025 and 2024. The following tables are consolidated summaries of the delinquency status of the outstanding amortized cost basis of retail finance receivables for each vintage of the portfolio at December 31, 2025 and 2024:

	Year of Origination						December 31, 2025	
	2025	2024	2023	2022	2021	Prior	Total	Percent
0-to-30 days	\$ 29,871	\$ 19,413	\$ 11,524	\$ 6,744	\$ 3,576	\$ 1,395	\$ 72,523	96.2 %
31-to-60 days	370	536	419	334	230	122	2,011	2.7 %
Greater-than-60 days	140	218	172	129	86	51	795	1.1 %
Finance receivables more than 30 days delinquent	510	753	591	463	316	173	2,806	3.7 %
In repossession	18	24	17	10	6	2	75	0.1 %
Finance receivables more than 30 days delinquent or in repossession	527	777	608	472	321	175	2,881	3.8 %
Retail finance receivables	<u>\$ 30,399</u>	<u>\$ 20,191</u>	<u>\$ 12,132</u>	<u>\$ 7,216</u>	<u>\$ 3,897</u>	<u>\$ 1,570</u>	<u>\$ 75,404</u>	<u>100.0 %</u>

	Year of Origination						December 31, 2024	
	2024	2023	2022	2021	2020	Prior	Total	Percent
0-to-30 days	\$ 30,581	\$ 19,411	\$ 12,207	\$ 7,178	\$ 3,350	\$ 710	\$ 73,438	96.5 %
31-to-60 days	374	481	425	340	166	99	1,885	2.5 %
Greater-than-60 days	128	188	155	115	55	36	677	0.9 %
Finance receivables more than 30 days delinquent	502	669	580	455	221	135	2,562	3.4 %
In repossession	17	19	14	10	3	2	66	0.1 %
Finance receivables more than 30 days delinquent or in repossession	519	689	595	464	225	136	2,628	3.5 %
Retail finance receivables	<u>\$ 31,101</u>	<u>\$ 20,100</u>	<u>\$ 12,802</u>	<u>\$ 7,642</u>	<u>\$ 3,575</u>	<u>\$ 847</u>	<u>\$ 76,066</u>	<u>100.0 %</u>

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**Commercial Finance Receivables** GM Financial's commercial finance receivables consist of dealer financing, primarily for dealer inventory purchases, and other financing, which includes loans to commercial vehicle upfitters. For dealer financing, proprietary models are used to assign a risk rating to each dealer. GM Financial performs periodic credit reviews of each dealership and adjusts the dealership's risk rating, if necessary. The credit risk associated with other financing is limited due to the structure of the business relationships.

GM Financial's dealer risk model and risk rating categories are as follows:

<b>Rating</b>	<b>Description</b>
I	Performing accounts with strong to acceptable financial metrics with at least satisfactory capacity to meet financial commitments.
II	Performing accounts experiencing potential weakness in financial metrics and repayment prospects resulting in increased monitoring.
III	Non-Performing accounts with inadequate paying capacity for current obligations and have the distinct possibility of creating a loss if deficiencies are not corrected.
IV	Non-Performing accounts with inadequate paying capacity for current obligations and inherent weaknesses that make collection of liquidation in full highly questionable or improbable.

Dealers with III and IV risk ratings are subject to additional monitoring and restrictions on funding, including suspension of lines of credit and liquidation of assets. The following tables summarize the dealer finance receivables portfolio by dealer risk rating at December 31, 2025 and 2024:

<b>Dealer Risk Rating</b>	<b>Year of Origination(a)</b>							<b>December 31, 2025</b>	
	<b>Revolving</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>Prior</b>	<b>Total</b>	<b>Percent</b>
I	\$ 13,421	\$ 337	\$ 191	\$ 121	\$ 298	\$ 160	\$ 147	\$14,674	89.6 %
II	985	10	33	25	7	35	2	1,096	6.7 %
III	507	5	48	3	14	14	12	603	3.7 %
IV	—	—	—	—	—	—	—	—	— %
Balance at end of period	<u>\$ 14,913</u>	<u>\$ 352</u>	<u>\$ 271</u>	<u>\$ 149</u>	<u>\$ 319</u>	<u>\$ 209</u>	<u>\$ 161</u>	<u>\$16,374</u>	<u>100.0 %</u>

(a) Floorplan advances comprise 99.1% of the total revolving balance. Dealer term loans are presented by year of origination.

<b>Dealer Risk Rating</b>	<b>Year of Origination(a)</b>							<b>December 31, 2024</b>	
	<b>Revolving</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>Prior</b>	<b>Total</b>	<b>Percent</b>
I	\$ 16,190	\$ 321	\$ 209	\$ 360	\$ 237	\$ 267	\$ 22	\$17,606	94.5 %
II	621	—	10	26	3	2	—	663	3.6 %
III	305	10	4	—	22	—	12	354	1.9 %
IV	1	—	—	—	—	—	—	1	— %
Balance at end of period	<u>\$ 17,117</u>	<u>\$ 331</u>	<u>\$ 223</u>	<u>\$ 385</u>	<u>\$ 263</u>	<u>\$ 269</u>	<u>\$ 35</u>	<u>\$18,623</u>	<u>100.0 %</u>

(a) Floorplan advances comprise 99.5% of the total revolving balance. Dealer term loans are presented by year of origination.

There were no commercial finance receivables on nonaccrual status at December 31, 2025 and 2024.

**Transfers of Finance Receivables** During the year ended December 31, 2025, GM Financial sold, subject to standard representations and warranties, finance receivables to third-party purchasers for \$2.0 billion in cash proceeds. GM Financial has continuing involvement with the finance receivables transferred, primarily in its role as servicer. The outstanding off-balance sheet amount of the transferred finance receivables subject to continuing involvement was \$1.7 billion at December 31, 2025.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**Transactions with GM Financial** The following tables show transactions between our Automotive operations, Cruise, and GM Financial. These amounts are presented in GM Financial's consolidated balance sheets and statements of income.

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Consolidated Balance Sheets(a)</b>		
Commercial finance receivables due from GM consolidated dealers	\$ 395	\$ 279
Commercial finance receivables due from Cruise	\$ —	\$ 395
Subvention receivable from GM(b)	\$ 452	\$ 360
Commercial loan funding payable to GM	\$ 94	\$ 100

	<u>Years Ended December 31,</u>		
	<u>2025</u>	<u>2024</u>	<u>2023</u>
<b>Consolidated Statements of Income</b>			
Interest subvention earned on finance receivables	\$ 1,404	\$ 1,385	\$ 1,234
Leased vehicle subvention earned	\$ 1,796	\$ 1,511	\$ 1,537

(a) All balance sheet amounts are eliminated upon consolidation.

(b) Our Automotive operations made cash payments to GM Financial for subvention of \$3.3 billion, \$3.8 billion, and \$3.5 billion in the years ended December 31, 2025, 2024, and 2023.

GM Financial's Board of Directors declared and paid dividends on its common stock of \$1.5 billion in the year ended December 31, 2025 and \$1.8 billion in the years ended December 31, 2024 and 2023.

**Note 6. Inventories**

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Total productive material, supplies, and work in process	\$ 6,405	\$ 6,444
Finished product, including service parts	8,062	8,120
Total inventories	<u>\$ 14,467</u>	<u>\$ 14,564</u>

Inventories are reflected net of allowances totaling \$2.4 billion and \$2.0 billion, of which \$1.7 billion and \$1.4 billion are EV-related, to remeasure inventory on-hand to net realizable value at December 31, 2025 and 2024. Tariffs, less available offsets and deductions, are capitalized into the cost of inventories as incurred. Offset amounts in excess of tariffs incurred will be recognized as a reduction to future tariffs.

**Note 7. Operating Leases**

**Operating Leases** Our portfolio of leases primarily consists of real estate office space, manufacturing and warehousing facilities, land, and equipment. Certain leases contain escalation clauses and renewal or purchase options, and generally our leases have no residual value guarantees or material covenants. We exclude leases with a term of one year or less from our balance sheet, and do not separate non-lease components from our real estate leases.

Rent expense under operating leases was \$378 million, \$369 million, and \$346 million in the years ended December 31, 2025, 2024, and 2023. Variable lease costs were insignificant in the years ended December 31, 2025, 2024, and 2023. At December 31, 2025 and 2024, operating lease right of use assets in Other assets were \$1.0 billion and \$919 million, operating lease liabilities in Accrued liabilities were \$266 million and \$254 million, and non-current operating lease liabilities in Other liabilities were \$1.0 billion. Operating lease right of use assets obtained in exchange for lease obligations were \$351 million and \$368 million in the years ended December 31, 2025 and 2024. Our undiscounted future lease obligations related to operating leases having initial terms in excess of one year are \$321 million, \$254 million, \$216 million, \$185 million, \$156 million, and \$416 million for the years 2026, 2027, 2028, 2029, 2030, and thereafter, with imputed interest of \$248 million as of December 31, 2025. The weighted-average discount rate was 5.0% and 4.6% and the weighted-average remaining lease term was 6.6 years and 5.9 years at December 31, 2025 and 2024. Payments for operating leases included in Net cash provided by (used in) operating activities were \$393 million, \$416 million, and \$359 million in the years ended December 31, 2025, 2024, and 2023. Lease agreements that have not yet commenced were insignificant at December 31, 2025.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**Equipment on Operating Leases** Equipment on operating leases primarily consists of leases to retail customers of GM Financial.

	December 31, 2025	December 31, 2024
Equipment on operating leases	\$ 40,596	\$ 38,187
Less: accumulated depreciation	(6,909)	(6,601)
Equipment on operating leases, net	<u>\$ 33,686</u>	<u>\$ 31,586</u>

At December 31, 2025, the estimated residual value of our leased assets at the end of the lease term was \$25.0 billion.

Depreciation expense related to Equipment on operating leases, net was \$4.9 billion, \$4.8 billion, and \$4.9 billion in the years ended December 31, 2025, 2024, and 2023.

In September 2025, GM Financial entered into \$2.1 billion of purchase commitments with various dealers to acquire certain EVs through June 30, 2026. As of December 31, 2025, GM Financial has up to approximately \$293 million of purchase commitments remaining for any EVs that have not been placed in service by June 30, 2026.

The following table summarizes lease payments due to GM Financial on leases to retail customers:

	Years Ending December 31,					Total
	2026	2027	2028	2029	2030	
Lease receipts under operating leases	\$ 5,442	\$ 3,342	\$ 1,175	\$ 126	\$ 1	\$10,085

**Note 8. Equity in Net Assets of Nonconsolidated Affiliates**

Nonconsolidated affiliates are entities in which we maintain an equity ownership interest and for which we use the equity method of accounting due to our ability to exert significant influence over decisions relating to their operating and financial affairs. Revenue and expenses of our joint ventures are not consolidated into our financial statements; rather, our proportionate share of the earnings of each joint venture is reflected as Equity income (loss) or Automotive and other cost of sales.

	Years Ended December 31,		
	2025	2024	2023
Automotive China JVs equity income (loss)	\$ (316)	\$ (4,407)	\$ 446
Ultium Cells Holdings LLC equity income (loss)(a)	784	975	293
Other joint ventures equity income (loss)	(283)	(268)	34
Total Equity income (loss)	<u>\$ 184</u>	<u>\$ (3,701)</u>	<u>\$ 773</u>

(a) Equity earnings related to Ultium Cells Holdings LLC, an equally owned joint venture with LG Energy Solution (LGES), are presented in Automotive and other cost of sales as this entity is integral to the operations of our business by providing battery cells for our EVs.

**Investments in Nonconsolidated Affiliates**

	December 31, 2025	December 31, 2024
Automotive China JVs carrying amount	\$ 1,105	\$ 1,474
Ultium Cells Holdings LLC carrying amount	2,355	3,749
Other investments carrying amount	2,221	1,879
Total equity in net assets of nonconsolidated affiliates	<u>\$ 5,681</u>	<u>\$ 7,102</u>

The carrying amount of our investments in certain joint ventures exceeded our share of the underlying net assets by \$1.6 billion and \$1.9 billion at December 31, 2025 and 2024, primarily due to goodwill from the application of fresh-start reporting and the purchase of additional interests in nonconsolidated affiliates.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

The following table summarizes our direct ownership interests in our China JVs:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Automotive China JVs</b>		
SAIC General Motors Corp., Ltd. (SGM)	50 %	50 %
Pan Asia Technical Automotive Center Co., Ltd.	50 %	50 %
SAIC General Motors Sales Co., Ltd. (SGMS)	49 %	49 %
SAIC GM Wuling Automobile Co., Ltd. (SGMW)	44 %	44 %
Shanghai OnStar Telematics Co., Ltd. (Shanghai OnStar)	40 %	40 %
SAIC GM (Shenyang) Norsom Motors Co., Ltd. (SGM Norsom)	25 %	25 %
SAIC GM Dong Yue Motors Co., Ltd. (SGM DY)	25 %	25 %
SAIC GM Dong Yue Powertrain Co., Ltd. (SGM DYPT)	25 %	25 %
<b>Other joint ventures</b>		
SAIC-GMAC Automotive Finance Company Limited (SAIC-GMAC)	35 %	35 %
SAIC-GMF Leasing Co., Ltd.	35 %	35 %

SGM is a joint venture we established with Shanghai Automotive Industry Corporation (SAIC) (50%). SGM has interests in three other joint ventures in China: SGM Norsom, SGM DY, and SGM DYPT. These three joint ventures are jointly held by SGM (50%), SAIC (25%), and us. These four joint ventures are engaged in the production, import, and sale of a range of products under the Buick, Chevrolet, and Cadillac brands. SGM also has interests in Shanghai OnStar (20%), SAIC-GMAC (20%), and SAIC-GMF Leasing Co., Ltd. (20%). Shanghai Automotive Group Finance Company Ltd., a subsidiary of SAIC, owns 45% of SAIC-GMAC. SAIC Financial Holdings Company, a subsidiary of SAIC, owns 45% of SAIC-GMF Leasing Co., Ltd.

**Impairment and Restructuring Charges** In response to intense competition in a market with significant excess capacity and an increasingly challenging regulatory environment related to emissions, fuel consumption, and NEVs, we and our JV partners are restructuring our operations in China. Our Automotive China JVs generated an equity loss of \$0.3 billion in the year ended December 31, 2025, which includes \$0.6 billion of restructuring-related charges recorded by certain of the China JVs, and an equity loss of \$4.4 billion in the year ended December 31, 2024, which includes \$2.0 billion of restructuring-related charges and impairments recorded by certain of the China JVs and a \$2.1 billion other-than-temporary impairment charge to write down certain of our automotive investments to their fair values. The charges recorded by the China JVs were primarily related to supplier claims in 2025 and asset impairments associated with plant closures and portfolio optimization actions in 2024. As a result of the market challenges and competitive conditions, GM Financial also recorded a \$0.3 billion other-than-temporary impairment charge to write down its SAIC-GMAC investment to its fair value in the year ended December 31, 2024.

In the year ended December 31, 2025, we recorded an insignificant amount of restructuring-related charges in equity income in connection with settlements associated with Ultium Cells Holdings LLC's strategic realignment of manufacturing and cell capacity to meet EV demand. Refer to Note 18 for information associated with commercial settlements with Ultium Cells Holdings LLC during the three months ended December 31, 2025.

**Fair Value Measurements** The investment balance for SGM, SGM Norsom, SGM DY, and SGM DYPT that was tested for impairment in the year ended December 31, 2024 was \$2.4 billion, and the investment balance for SAIC-GMAC that was tested for impairment in the year ended December 31, 2024 was \$1.5 billion.

In performing our impairment testing, we utilized a third-party valuation specialist to assist in determining the fair values of our investments in the China JVs based on their discounted cash flows (income approach). We made significant assumptions and estimates about the extent and timing of future cash flows, growth rates, market share, and discount rates that represent unobservable, Level 3, inputs into our valuation methodologies. Our fair value estimates assumed the achievement of the future financial results contemplated in our forecasted cash flows which is subject to significant uncertainties.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**
**Summarized Financial Data of Nonconsolidated Affiliates**

	December 31, 2025			December 31, 2024		
	Automotive China JVs	Others	Total	Automotive China JVs	Others	Total
<b>Summarized Balance Sheet Data</b>						
Current assets	\$ 12,837	\$ 8,685	\$ 21,522	\$ 11,203	\$ 10,862	\$ 22,065
Non-current assets	5,826	10,936	16,762	6,518	11,434	17,952
Total assets	<u>\$ 18,663</u>	<u>\$ 19,621</u>	<u>\$ 38,284</u>	<u>\$ 17,721</u>	<u>\$ 22,296</u>	<u>\$ 40,017</u>
Current liabilities	\$ 18,924	\$ 6,036	\$ 24,960	\$ 17,076	\$ 7,722	\$ 24,798
Non-current liabilities	815	1,559	2,374	887	2,562	3,449
Total liabilities	<u>\$ 19,739</u>	<u>\$ 7,595</u>	<u>\$ 27,334</u>	<u>\$ 17,963</u>	<u>\$ 10,284</u>	<u>\$ 28,247</u>
Noncontrolling interests	\$ 344	\$ 2	\$ 346	\$ 279	\$ —	\$ 279

	Years Ended December 31,		
	2025	2024	2023
<b>Summarized Operating Data</b>			
Automotive China JVs' net sales	\$ 24,450	\$ 21,740	\$ 31,435
Others' net sales	4,764	5,545	4,311
Total net sales	<u>\$ 29,214</u>	<u>\$ 27,285</u>	<u>\$ 35,746</u>
Automotive China JVs' net income (loss)	\$ (685)	\$ (4,466)	\$ 1,122
Others' net income	989	1,315	771
Total net income (loss)	<u>\$ 304</u>	<u>\$ (3,151)</u>	<u>\$ 1,893</u>

**Transactions with Nonconsolidated Affiliates** Our nonconsolidated affiliates are involved in various aspects of the development, production, and marketing of trucks, crossovers, cars, and automobile parts. We enter into transactions with certain nonconsolidated affiliates to purchase and sell component parts and vehicles. The following tables summarize transactions with and balances related to our nonconsolidated affiliates:

	Years Ended December 31,		
	2025	2024	2023
Automotive sales and revenue	\$ 92	\$ 90	\$ 209
Automotive purchases, net	\$ 5,853	\$ 4,875	\$ 2,766
Dividends received	\$ 2,144	\$ 418	\$ 1,018
Operating cash flows	\$ (2,881)	\$ (4,422)	\$ (941)
Investing cash flows	\$ (2,011)	\$ (1,045)	\$ (739)
		<b>December 31, 2025</b>	<b>December 31, 2024</b>
Accounts, notes, and dividends receivable, net	\$ 2,523	\$ 1,056	
Accounts payable, accrued and other liabilities	\$ 1,698	\$ 892	
Undistributed earnings	\$ 1,789	\$ 2,781	
Undistributed losses	\$ (3,243)	\$ (2,775)	

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**
**Note 9. Property**

	Estimated Useful Lives in Years	December 31, 2025	December 31, 2024
Land		\$ 1,269	\$ 1,253
Buildings and improvements	5-40	16,058	14,915
Machinery and equipment	3-27	42,195	39,575
Special tools	1-13	25,809	25,813
Construction in progress		8,982	7,176
Total property		94,312	88,732
Less: accumulated depreciation		(42,629)	(36,828)
Total property, net		<u>\$ 51,683</u>	<u>\$ 51,904</u>

The amount of capitalized software included in Property, net was \$2.2 billion and \$2.3 billion at December 31, 2025 and 2024. The amount of interest capitalized and excluded from Automotive interest expense was \$316 million, \$215 million, and insignificant in the years ended December 31, 2025, 2024, and 2023.

	Years Ended December 31,		
	2025	2024	2023
Depreciation and amortization expense	\$ 6,892	\$ 6,466	\$ 6,719
Impairment charges(a)	\$ 2,543	\$ 635	\$ 115
Capitalized software amortization expense(b)	\$ 866	\$ 798	\$ 705

(a) Includes impairment charges primarily related to our EV strategic realignment in the year ended December 31, 2025 and impairment charges primarily related to the indefinite delay of the Cruise Origin in the year end December 31, 2024.

(b) Included in Depreciation and amortization expense.

**Note 10. Goodwill and Intangible Assets**

Goodwill of \$1.9 billion consisted of \$1.3 billion in GM Financial and \$571 million in GMNA at December 31, 2025. Goodwill of \$1.9 billion consisted of \$1.3 billion in GM Financial and \$569 million in Cruise at December 31, 2024. During the three months ended March 31, 2025, \$571 million of goodwill recorded in the Cruise segment was reallocated to the GMNA segment. The reallocation of the goodwill reflects the wind down of the Cruise robotaxi operations and combination of the GM and Cruise technical efforts in our GMNA segment to build on the success of Super Cruise and prioritize the development of ADAS on a path to fully autonomous personal vehicles. We performed goodwill impairment tests prior to and after the reallocation and determined that the goodwill was not impaired.

	December 31, 2025			December 31, 2024		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Technology and intellectual property	\$ 394	\$ 394	\$ 1	554	483	\$ 71
Brands	4,289	1,985	2,305	4,288	1,873	2,415
Dealer network, customer relationships, and other	950	801	148	957	793	164
Total intangible assets	<u>\$ 5,633</u>	<u>\$ 3,179</u>	<u>\$ 2,454</u>	<u>\$ 5,799</u>	<u>\$ 3,149</u>	<u>\$ 2,649</u>

Our amortization expense related to intangible assets was \$145 million, \$146 million, and \$114 million in the years ended December 31, 2025, 2024, and 2023. In the year ended December 31, 2025, we recorded an insignificant amount of impairment charges associated with our EV strategic realignment. In the year ended December 31, 2024, we recorded \$142 million of impairment charges related to the write-off of technology and intellectual property associated with Cruise.

Amortization expense related to intangible assets is estimated to be approximately \$127 million in each of the next five years.

## GENERAL MOTORS COMPANY AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

## Note 11. Variable Interest Entities

## Consolidated VIEs

*Automotive Financing - GM Financial*

GM Financial uses special purpose entities (SPEs) that are considered VIEs to issue variable funding notes to third-party, bank-sponsored warehouse facilities, or asset-backed securities to investors in securitization transactions. The debt issued by these VIEs is backed by finance receivables and leasing-related assets transferred to the VIEs (Securitized Assets). GM Financial is required to hold certain funds in restricted cash accounts to provide additional collateral for borrowings under certain secured credit facilities. GM Financial determined that it is the primary beneficiary of the SPEs because the servicing responsibilities for the Securitized Assets give GM Financial the power to direct the activities that most significantly impact the performance of the VIEs and the variable interests in the VIEs give GM Financial the obligation to absorb losses and the right to receive residual returns that could potentially be significant. The assets of the VIEs serve as the sole source of repayment for the debt issued by these entities. Investors in the notes issued by the VIEs do not have recourse to GM Financial or its other assets, with the exception of customary representation and warranty repurchase provisions and indemnities that GM Financial provides as the servicer. GM Financial is not required to provide additional financial support to these SPEs. While these SPEs are included in GM Financial's consolidated financial statements, they are separate legal entities and the finance receivables, lease-related assets, and cash held by them are legally owned by them and are not available to GM Financial's creditors or creditors of GM Financial's other subsidiaries.

The following table summarizes the assets and liabilities related to GM Financial's consolidated VIEs:

	December 31, 2025	December 31, 2024
Restricted cash – current	\$ 2,635	\$ 2,410
Restricted cash – non-current	\$ 253	\$ 350
GM Financial receivables – current	\$ 29,126	\$ 27,631
GM Financial receivables – non-current	\$ 20,128	\$ 27,619
GM Financial equipment on operating leases, net	\$ 13,791	\$ 14,252
GM Financial short-term debt and current portion of long-term debt	\$ 17,681	\$ 18,008
GM Financial long-term debt	\$ 29,232	\$ 31,638

GM Financial recognizes finance charge, leased vehicle, and fee income on the Securitized Assets and interest expense on the secured debt issued in a securitization transaction and records a provision for loan losses to recognize loan losses expected over the remaining life of the finance receivables.

## Nonconsolidated VIEs

*Automotive*

Nonconsolidated VIEs primarily include our battery cell manufacturing joint ventures to which we provided financial support to ensure that our supply needs for production are met or are not disrupted. Our variable interests in these nonconsolidated VIEs include equity investments, accounts and loans receivable, committed financial support, and other off-balance sheet arrangements. The carrying amounts of assets were approximately \$3.6 billion and \$4.3 billion and liabilities were insignificant related to our nonconsolidated VIEs at December 31, 2025 and 2024. Our maximum exposure to loss as a result of our involvement with these VIEs was \$8.5 billion and \$7.0 billion, inclusive of \$4.0 billion and \$2.3 billion in committed capital contributions to our battery cell manufacturing joint ventures, at December 31, 2025 and 2024. Our maximum exposure to loss, and required capital contributions, could vary depending on our battery cell joint ventures' requirements and access to capital. We currently lack the power through voting or similar rights to direct the activities of these entities that most significantly affect their economic performance.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**
**Note 12. Accrued and Other Liabilities**

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Accrued liabilities</b>		
Dealer and customer allowances, claims, and discounts	\$ 6,485	\$ 7,270
Deferred revenue	3,950	3,371
Product warranty and related liabilities	6,308	4,555
Payrolls and employee benefits excluding postemployment benefits	2,650	3,221
Other(a)	14,361	12,737
Total accrued liabilities	<u>\$ 33,754</u>	<u>\$ 31,154</u>
<b>Other liabilities</b>		
Deferred revenue	\$ 7,098	\$ 5,940
Product warranty and related liabilities	7,322	6,016
Operating lease liabilities	1,035	961
Employee benefits excluding postemployment benefits	621	501
Postemployment benefits including facility idling reserves	894	154
Other(a)	4,181	4,265
Total other liabilities	<u>\$ 21,151</u>	<u>\$ 17,836</u>

(a) Includes amounts related to product liability, breach of warranty, and other legal and environmental-related accruals of \$3.6 billion and \$3.4 billion at December 31, 2025 and 2024.

	<u>Years Ended December 31,</u>		
	<u>2025</u>	<u>2024</u>	<u>2023</u>
<b>Product warranty and related liabilities</b>			
Warranty balance at beginning of period	\$ 10,571	\$ 9,295	\$ 8,530
Warranties issued and assumed in period – recall campaigns	937	997	864
Warranties issued and assumed in period – product warranty	4,131	3,621	2,418
Payments	(5,323)	(4,474)	(4,009)
Adjustments to pre-existing warranties	3,252	1,237	1,462
Effect of foreign currency and other	63	(106)	31
Warranty balance at end of period	<u>13,631</u>	<u>10,571</u>	<u>9,295</u>
Less: Supplier recoveries balance at end of period(a)	347	438	646
Warranty balance, net of supplier recoveries at end of period	<u>\$ 13,284</u>	<u>\$ 10,133</u>	<u>\$ 8,649</u>

(a) The current portion of supplier recoveries is recorded in Accounts and notes receivable, net of allowance and the non-current portion is recorded in Other assets.

	<u>Years Ended December 31,</u>		
	<u>2025</u>	<u>2024</u>	<u>2023</u>
<b>Product warranty expense, net of recoveries</b>			
Warranties issued and assumed in period	\$ 5,068	\$ 4,618	\$ 3,282
Supplier recoveries accrued in period	(517)	(297)	3
Adjustments and other	3,314	1,131	1,493
Warranty expense, net of supplier recoveries	<u>\$ 7,866</u>	<u>\$ 5,452</u>	<u>\$ 4,778</u>

For estimates related to reasonably possible losses in excess of amounts accrued for recall campaigns, refer to Note 16 for additional information.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**
**Note 13. Debt**

**Automotive** The following table presents debt in our automotive operations:

	December 31, 2025		December 31, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Secured debt	\$ 164	\$ 164	\$ 105	\$ 105
Unsecured debt(a)	15,468	15,434	14,980	14,709
Finance lease liabilities	615	614	383	391
Total automotive debt(b)	<u>\$ 16,247</u>	<u>\$ 16,213</u>	<u>\$ 15,467</u>	<u>\$ 15,204</u>
Fair value utilizing Level 1 inputs		\$ 15,065		\$ 14,366
Fair value utilizing Level 2 inputs		\$ 1,148		\$ 838
Available under credit facility agreements(c)		\$ 13,913		\$ 13,793
Weighted-average interest rate on outstanding short-term debt(d)		12.6 %		7.3 %
Weighted-average interest rate on outstanding long-term debt(d)		5.8 %		5.8 %

(a) Primarily consists of senior notes.

(b) Includes net discount and debt issuance costs of \$445 million and \$439 million at December 31, 2025 and 2024.

(c) Excludes our 364-day, \$2.0 billion facility allocated for exclusive use by GM Financial.

(d) Includes coupon rates on debt denominated in various foreign currencies and interest free loans.

In March 2025, we renewed our five-year, \$10.0 billion facility, which now matures March 25, 2030. We also renewed our three-year, \$4.1 billion facility, which now matures March 25, 2028, and renewed our 364-day, \$2.0 billion revolving credit facility allocated for the exclusive use of GM Financial, which now matures March 24, 2026.

In May 2025, we issued \$2.0 billion in aggregate principal amount of senior unsecured notes with a weighted average interest rate of 5.7% and maturity dates ranging from 2028 to 2035. The net proceeds from this offering were used for general corporate purposes, including to fund a portion of the \$1.8 billion five-year term loan to Ultium Cells LLC and to refinance a portion of our senior notes. In September 2025, we exercised our option to redeem at par value the remaining \$1.25 billion in aggregate principal balance of our \$2.0 billion senior unsecured notes with a maturity date of October 1, 2025.

**GM Financial** The following table presents debt of GM Financial:

	December 31, 2025		December 31, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Secured debt	\$ 46,904	\$ 47,252	\$ 49,573	\$ 49,753
Unsecured debt	67,127	68,607	64,691	65,258
Total GM Financial debt	<u>\$ 114,031</u>	<u>\$ 115,860</u>	<u>\$ 114,264</u>	<u>\$ 115,010</u>
Fair value utilizing Level 2 inputs		\$ 113,180		\$ 112,941
Fair value utilizing Level 3 inputs		\$ 2,679		\$ 2,070

Secured debt consists of revolving credit facilities and securitization notes payable. Most of the secured debt was issued by VIEs and is repayable only from proceeds related to the underlying pledged assets. Refer to Note 11 for additional information on GM Financial's involvement with VIEs. The weighted-average interest rate on secured debt was 4.92% at December 31, 2025. The revolving credit facilities have maturity dates ranging from 2026 to 2029 and securitization notes payable have maturity dates ranging from 2026 to 2037. At the end of the revolving period, if not renewed, the debt of revolving credit facilities will amortize over a defined period. In the year ended December 31, 2025, GM Financial renewed and upsized revolving credit facilities with total borrowing capacity of \$27.8 billion and issued \$19.6 billion in aggregate principal amount of securitization notes payable with an initial weighted-average interest rate of 4.65% and maturity dates ranging from 2026 to 2037.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

Unsecured debt consists of senior notes, credit facilities, and other unsecured debt. Senior notes outstanding at December 31, 2025 have maturity dates ranging from 2026 to 2035 and have a weighted-average interest rate of 4.41%. In the year ended December 31, 2025, GM Financial issued \$10.6 billion in aggregate principal amount of senior notes with an initial weighted-average interest rate of 5.05% and maturity dates ranging from 2027 to 2035.

Unsecured credit facilities and other unsecured debt have maturities of up to five years. The weighted-average interest rate on these credit facilities and other unsecured debt was 7.08% at December 31, 2025.

	Years Ended December 31,		
	2025	2024	2023
Automotive interest expense	\$ 727	\$ 846	\$ 911
Automotive Financing - GM Financial interest expense	6,492	6,030	4,685
<b>Total interest expense</b>	<b>\$ 7,219</b>	<b>\$ 6,876</b>	<b>\$ 5,596</b>

The following table summarizes contractual maturities including finance leases at December 31, 2025:

	Automotive	Automotive Financing	Total
2026	\$ 663	\$ 35,143	\$ 35,806
2027	1,881	23,984	25,865
2028	1,623	18,253	19,876
2029	1,081	13,135	14,216
2030	822	10,298	11,120
Thereafter	10,528	14,163	24,691
	<b>\$ 16,599</b>	<b>\$ 114,976</b>	<b>\$ 131,574</b>

**Compliance with Debt Covenants** Several of our loan facilities, including our revolving credit facilities, require compliance with certain financial and operational covenants as well as regular reporting to lenders, including providing certain subsidiary financial statements. Certain of GM Financial's secured debt agreements also contain various covenants, including maintaining portfolio performance ratios as well as limits on deferment levels. GM Financial's unsecured debt obligations contain covenants including limitations on its ability to incur certain liens. Failure to meet certain of these requirements may result in a covenant violation or an event of default depending on the terms of the agreement. An event of default may allow lenders to declare amounts outstanding under these agreements immediately due and payable, to enforce their interests against collateral pledged under these agreements, or restrict our ability or GM Financial's ability to obtain additional borrowings. No technical defaults or covenant violations existed at December 31, 2025.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**
**Note 14. Derivative Financial Instruments**

**Automotive** The following table presents the gross fair value amounts of derivative financial instruments and the associated notional amounts in our automotive operations:

	Fair Value Level	December 31, 2025			December 31, 2024		
		Notional	Fair Value of Assets	Fair Value of Liabilities	Notional	Fair Value of Assets	Fair Value of Liabilities
<b>Derivatives designated as hedges(a)</b>							
Fair value hedges							
Interest rate swaps	2	\$ 5,825	\$ 97	\$ 2	\$ 4,405	\$ 13	\$ 61
Cash flow hedges(b)							
Foreign exchange contracts	2	7,176	23	101	6,555	190	124
Commodity contracts	2	1,243	366	3	2,323	24	103
<b>Total derivative financial instruments</b>		<b>\$ 14,244</b>	<b>\$ 486</b>	<b>\$ 106</b>	<b>\$ 13,283</b>	<b>\$ 227</b>	<b>\$ 288</b>

- (a) The gains/losses included in our consolidated income statements and consolidated statements of comprehensive income for the years ended December 31, 2025, 2024, and 2023 were insignificant, unless otherwise noted. Amounts accrued for interest payments in a net receivable position are included in Other assets. Amounts accrued for interest payments in a net payable position are included in Other liabilities.
- (b) The effect of cash flow hedges recognized into Accumulated other comprehensive income (loss) on the consolidated statements of comprehensive income included a gain of \$385 million for the year ended December 31, 2025 and an insignificant amount for the years ended 2024 and 2023. The effect of cash flow hedges reclassified from Accumulated other comprehensive income (loss) to the consolidated income statements were insignificant for the years ended December 31, 2025, 2024, and 2023. We expect to recognize \$367 million in revenues and costs of goods sold over the next 12 months related to amounts included in Accumulated other comprehensive loss.

The fair value for Level 2 instruments was derived using the market approach based on observable market inputs including quoted prices of similar instruments and foreign exchange and interest rate forward curves.

The following amounts were recorded in the consolidated balance sheets related to items designated and qualifying as hedged items in fair value hedging relationships:

	December 31, 2025		December 31, 2024	
	Carrying Amount of Hedged Items	Cumulative Amount of Fair Value Hedging Adjustments	Carrying Amount of Hedged Items	Cumulative Amount of Fair Value Hedging Adjustments
Short-term unsecured debt	\$ —	\$ —	\$ —	\$ —
Long-term unsecured debt	5,825	(95)	4,405	48
<b>Automotive unsecured debt</b>	<b>\$ 5,825</b>	<b>\$ (95)</b>	<b>\$ 4,405</b>	<b>\$ 48</b>

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**GM Financial** The following table presents the gross fair value amounts of GM Financial's derivative financial instruments and the associated notional amounts:

	Fair Value Level	December 31, 2025			December 31, 2024		
		Notional	Fair Value of Assets	Fair Value of Liabilities	Notional	Fair Value of Assets	Fair Value of Liabilities
<b>Derivatives designated as hedges(a)</b>							
Fair value hedges							
Interest rate swaps(b)	2	\$ 33,880	\$ 88	\$ 457	\$ 36,145	\$ 32	\$ 621
Cash flow hedges							
Interest rate swaps	2	2,302	18	23	1,873	35	4
Foreign currency swaps(c)	2	9,226	580	58	8,363	80	508
<b>Derivatives not designated as hedges(a)</b>							
Interest rate contracts	2	122,505	421	637	123,346	833	1,294
<b>Total derivative financial instruments(d)</b>		<b>\$167,913</b>	<b>\$ 1,107</b>	<b>\$ 1,175</b>	<b>\$169,727</b>	<b>\$ 981</b>	<b>\$ 2,427</b>

- (a) The gains/losses included in our consolidated income statements and statements of comprehensive income for the years ended December 31, 2025, 2024, and 2023 were insignificant, unless otherwise noted. Amounts accrued for interest payments in a net receivable position are included in Other assets. Amounts accrued for interest payments in a net payable position are included in Other liabilities.
- (b) The effect of fair value hedges in the consolidated income statements include losses of \$210 million, \$200 million, and an insignificant amount for the years ended December 31, 2025, 2024, and 2023.
- (c) The effect of foreign currency cash flow hedges in the consolidated statements of comprehensive income include gains of \$538 million, losses of \$375 million, and an insignificant amount recognized in Accumulated other comprehensive loss and gains of \$649 million, losses of \$422 million, and an insignificant amount reclassified from Accumulated other comprehensive loss into income for the years ended December 31, 2025, 2024, and 2023. All amounts reclassified from Accumulated other comprehensive loss were recorded to GM Financial interest, operating, and other expenses in the consolidated income statements. During the next 12 months, we expect an insignificant amount of gains will be reclassified into pre-tax earnings from foreign currency cash flow hedges designated for hedge accounting.
- (d) The fair value of derivative instruments that are classified as assets or liabilities available for offset was \$520 million and \$693 million at December 31, 2025 and 2024. GM Financial held an insignificant amount and \$190 million of collateral from counterparties available for netting against GM Financial's asset positions, and posted \$615 million and \$1.2 billion of collateral to counterparties available for netting against GM Financial's liability positions at December 31, 2025 and 2024.

The fair value for Level 2 instruments was derived using the market approach based on observable market inputs including quoted prices of similar instruments and foreign exchange and interest rate forward curves.

The following amounts were recorded in the consolidated balance sheets related to items designated and qualifying as hedged items in fair value hedging relationships:

	December 31, 2025		December 31, 2024	
	Carrying Amount of Hedged Items	Cumulative Amount of Fair Value Hedging Adjustments(a)	Carrying Amount of Hedged Items	Cumulative Amount of Fair Value Hedging Adjustments(a)
Short-term unsecured debt	\$ 4,633	\$ 17	\$ 6,406	\$ (6)
Long-term unsecured debt	30,554	676	30,258	1,287
<b>GM Financial unsecured debt</b>	<b>\$ 35,187</b>	<b>\$ 693</b>	<b>\$ 36,664</b>	<b>\$ 1,281</b>

- (a) Includes \$428 million and \$719 million of unamortized losses remaining on hedged items for which hedge accounting has been discontinued at December 31, 2025 and 2024.

**Note 15. Pensions and Other Postretirement Benefits**
**Employee Pension and Other Postretirement Benefit Plans**

**Defined Benefit Pension Plans** Defined benefit pension plans covering eligible U.S. hourly employees (hired prior to October 2007) and Canadian hourly employees (hired prior to October 2016) generally provide benefits of negotiated, stated

## GENERAL MOTORS COMPANY AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

amounts for each year of service and supplemental benefits for employees who retire with 30 years of service before normal retirement age. The benefits provided by the defined benefit pension plans covering eligible U.S. (hired prior to January 1, 2001) and Canadian salaried employees and employees in certain other non-U.S. locations are generally based on years of service and compensation history. Accrual of defined pension benefits ceased in 2012 for U.S. and Canadian salaried employees. There is also an unfunded nonqualified pension plan primarily covering U.S. executives for service prior to January 1, 2007 and it is based on an “excess plan” for service after that date.

The funding policy for qualified defined benefit pension plans is to contribute annually not less than the minimum required by applicable laws and regulations or to directly pay benefit payments where appropriate. In the year ended December 31, 2025, all legal funding requirements were met. The following table summarizes contributions made to the defined benefit pension plans:

	Years Ended December 31,		
	2025	2024	2023
U.S. hourly and salaried	\$ 67	\$ 526	\$ 357
Non-U.S.	134	653	395
Total	<u>\$ 201</u>	<u>\$ 1,179</u>	<u>\$ 753</u>

We expect to make insignificant contributions to our U.S. pension plans and up to \$390 million in contributions to our non-U.S. pension plans in 2026.

**Other Postretirement Benefit Plans** Certain hourly and salaried defined benefit plans provide postretirement medical, dental, legal service, and life insurance to eligible U.S. and Canadian retirees and their eligible dependents. Certain other non-U.S. subsidiaries have postretirement benefit plans, although most non-U.S. employees are covered by government sponsored or administered programs. We made contributions to the U.S. OPEB plans of \$286 million, \$285 million, and \$295 million in the years ended December 31, 2025, 2024, and 2023. Plan participants' contributions were insignificant in the years ended December 31, 2025, 2024, and 2023.

**Defined Contribution Plans** We have defined contribution plans for eligible U.S. salaried and hourly employees that provide discretionary matching contributions. Contributions are also made to certain non-U.S. defined contribution plans. We made contributions to our defined contribution plans of \$915 million, \$908 million, and \$742 million in the years ended December 31, 2025, 2024, and 2023.

**Significant Plan Amendments, Benefit Modifications, and Related Events**

**Other Remeasurements** As part of our collective bargaining agreement with the UAW in 2023, we amended the U.S. Hourly Pension Plan to increase the monthly basic benefit by \$5.00 a month for active plan members and to provide an annual contribution of \$500 to eligible retirees and surviving spouses for the duration of the contract. These changes increased our pension obligation by \$791 million for the year ended December 31, 2023.

In the three months ended December 31, 2024, we completed a \$699 million annuity purchase for salaried retirees in the U.S. This resulted in an insignificant non-operating pension settlement.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**
**Pension and OPEB Obligations and Plan Assets**

	Year Ended December 31, 2025			Year Ended December 31, 2024		
	Pension Benefits		Global OPEB Plans	Pension Benefits		Global OPEB Plans
	U.S.	Non-U.S.		U.S.	Non-U.S.	
<b>Change in benefit obligations</b>						
Beginning benefit obligation	\$ 40,142	\$ 11,604	\$ 4,337	\$ 44,481	\$ 13,140	\$ 4,701
Service cost	94	168	9	113	156	10
Interest cost	1,995	479	219	2,132	505	226
Amendments	—	—	—	15	51	—
Actuarial (gains) losses	1,142	(101)	91	(1,600)	(350)	(179)
Benefits paid	(4,172)	(996)	(363)	(4,140)	(931)	(363)
Foreign currency translation adjustments	—	917	51	—	(882)	(95)
Curtailments, settlements, and other	8	(29)	26	(859)	(85)	37
Ending benefit obligation	<u>39,209</u>	<u>12,042</u>	<u>4,372</u>	<u>40,142</u>	<u>11,604</u>	<u>4,337</u>
<b>Change in plan assets</b>						
Beginning fair value of plan assets	38,298	9,121	—	42,287	9,819	—
Actual return on plan assets	4,353	355	—	487	288	—
Employer contributions	67	134	338	526	653	338
Benefits paid	(4,172)	(996)	(363)	(4,140)	(931)	(363)
Foreign currency translation adjustments	—	539	—	—	(610)	—
Settlements and other	6	(40)	25	(862)	(98)	25
Ending fair value of plan assets	<u>38,552</u>	<u>9,113</u>	<u>—</u>	<u>38,298</u>	<u>9,121</u>	<u>—</u>
Ending funded status	<u>\$ (657)</u>	<u>\$ (2,929)</u>	<u>\$ (4,372)</u>	<u>\$ (1,844)</u>	<u>\$ (2,483)</u>	<u>\$ (4,337)</u>
<b>Amounts recorded in the consolidated balance sheets</b>						
Non-current assets	\$ 141	\$ 1,647	\$ —	\$ —	\$ 1,575	\$ —
Current liabilities	(67)	(319)	(346)	(68)	(54)	(347)
Non-current liabilities	(731)	(4,257)	(4,025)	(1,776)	(4,004)	(3,990)
Net amount recorded	<u>\$ (657)</u>	<u>\$ (2,929)</u>	<u>\$ (4,372)</u>	<u>\$ (1,844)</u>	<u>\$ (2,483)</u>	<u>\$ (4,337)</u>
<b>Amounts recorded in Accumulated other comprehensive loss</b>						
Net actuarial loss	\$ (3,254)	\$ (2,459)	\$ (255)	\$ (3,953)	\$ (2,242)	\$ (152)
Net prior service (cost) credit	(683)	(117)	(6)	(747)	(117)	(5)
Total recorded in Accumulated other comprehensive loss	<u>\$ (3,937)</u>	<u>\$ (2,576)</u>	<u>\$ (261)</u>	<u>\$ (4,700)</u>	<u>\$ (2,359)</u>	<u>\$ (157)</u>

In the year ended December 31, 2025, the actuarial loss included in the benefit obligations was primarily due to a decrease in discount rates.

In the year ended December 31, 2024, the actuarial gain included in the benefit obligations was primarily due to an increase in discount rates.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

The following table summarizes the total accumulated benefit obligations (ABO), the ABO and fair value of plan assets for defined benefit pension plans with ABO in excess of plan assets, and the projected benefit obligation (PBO) and fair value of plan assets for defined benefit pension plans with PBO in excess of plan assets:

	December 31, 2025		December 31, 2024	
	U.S.	Non-U.S.	U.S.	Non-U.S.
ABO	\$ 39,191	\$ 11,914	\$ 40,126	\$ 11,516
<b>Plans with ABO in excess of plan assets</b>				
ABO	\$ 4,188	\$ 4,510	\$ 40,126	\$ 4,267
Fair value of plan assets	\$ 3,408	\$ 64	\$ 38,298	\$ 298
<b>Plans with PBO in excess of plan assets</b>				
PBO	\$ 4,206	\$ 4,686	\$ 40,141	\$ 4,396
Fair value of plan assets	\$ 3,408	\$ 108	\$ 38,298	\$ 338

The following table summarizes the components of net periodic pension and OPEB expense along with the assumptions used to determine benefit obligations:

	Year Ended December 31, 2025			Year Ended December 31, 2024			Year Ended December 31, 2023		
	Pension Benefits		Global OPEB Plans	Pension Benefits		Global OPEB Plans	Pension Benefits		Global OPEB Plans
	U.S.	Non-U.S.		U.S.	Non-U.S.		U.S.	Non-U.S.	
<b>Components of expense</b>									
Service cost	\$ 166	\$ 177	\$ 10	\$ 185	\$ 165	\$ 10	\$ 173	\$ 173	\$ 9
Interest cost	1,995	479	219	2,132	505	226	2,273	551	236
Expected return on plan assets	(2,593)	(535)	—	(2,740)	(521)	—	(2,922)	(573)	—
Amortization of net actuarial (gains) losses	10	41	(15)	8	46	1	—	32	(23)
Curtailments, settlements, and other	65	10	—	56	18	(1)	126	33	2
Net periodic pension and OPEB (income) expense	<u>\$ (357)</u>	<u>\$ 172</u>	<u>\$ 214</u>	<u>\$ (359)</u>	<u>\$ 213</u>	<u>\$ 236</u>	<u>\$ (350)</u>	<u>\$ 216</u>	<u>\$ 224</u>
<b>Weighted-average assumptions used to determine benefit obligations(a)</b>									
Discount rate	5.18 %	4.84 %	5.26 %	5.56 %	4.68 %	5.51 %	5.12 %	4.41 %	5.13 %
<b>Weighted-average assumptions used to determine net expense(a)</b>									
Discount rate	5.29 %	5.21 %	5.36 %	5.08 %	5.10 %	5.13 %	5.37 %	5.33 %	5.48 %
Expected rate of return on plan assets	6.54 %	5.51 %	N/A	6.27 %	5.25 %	N/A	6.30 %	5.65 %	N/A

(a) The rate of compensation increase and the cash balance interest crediting rates do not have a significant effect on our U.S. pension and OPEB plans.

The non-service cost components of the net periodic pension and OPEB income are presented in Interest income and other non-operating income, net. Refer to Note 19 for additional information.

U.S. pension plan service cost, which includes administrative expenses and Pension Benefit Guarantee Corporation premiums, were insignificant for the years ended December 31, 2025, 2024, and 2023. Weighted-average assumptions used to determine net expense are determined at the beginning of the period and updated for remeasurements. Non-U.S. pension plan administrative expenses included in service cost were insignificant in the years ended December 31, 2025, 2024, and 2023.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Assumptions

**Investment Strategies and Long-Term Rate of Return** Detailed periodic studies are conducted by our internal asset management group as well as outside actuaries and are used to determine the long-term strategic mix among asset classes, risk mitigation strategies, and the expected long-term ROA assumptions for the U.S. pension plans. The U.S. study includes a review of alternative asset allocation and risk mitigation strategies, anticipated future long-term performance, and risk of the individual asset classes that comprise the plans' asset mix. Similar studies are performed for the significant non-U.S. pension plans with the assistance of outside actuaries and asset managers. While the studies incorporate data from recent plan performance and historical returns, the expected rate of return on plan assets represents our estimate of long-term prospective rates of return.

We continue to pursue various options to fund and to manage risk in our pension plans, including continued changes to the pension asset portfolio mix to manage funded status volatility. The strategic asset mix and risk mitigation strategies for the plans are tailored specifically for each plan. Individual plans have distinct liabilities, liquidity needs, and regulatory requirements. Consequently, there are different investment policies set by individual plan fiduciaries. Although investment policies and risk mitigation strategies may differ among plans, each investment strategy is considered to be appropriate in the context of the specific factors affecting each plan.

In setting new strategic asset mixes, consideration is given to the likelihood that the selected asset mixes will effectively fund the projected pension plan liabilities, while aligning with the risk tolerance of the plans' fiduciaries. The strategic asset mixes for U.S. defined benefit pension plans are increasingly designed to satisfy the competing objectives of improving funded positions (market value of assets equal to or greater than the present value of the liabilities) and mitigating the possibility of a deterioration in funded status.

Derivatives may be used to provide cost effective solutions for rebalancing investment portfolios, increasing or decreasing exposure to various asset classes, and for mitigating risks, primarily interest rate, equity, and currency risks. Equity and fixed income managers are permitted to utilize derivatives as efficient substitutes for traditional securities. Interest rate derivatives may be used to adjust portfolio duration to align with a plan's targeted investment policy and equity derivatives may be used to protect equity positions from downside market losses. Alternative investment managers are permitted to employ leverage, including through the use of derivatives, which may alter economic exposure.

In December 2025, an investment policy study was completed for the U.S. pension plans. As a result, the weighted-average long-term rate of ROA decreased from 6.5% at December 31, 2024 to 6.0% at December 31, 2025. The expected long-term rate of return on plan assets used in determining pension expense for non-U.S. plans is determined in a similar manner to the U.S. plans.

**Target Allocation Percentages** The following table summarizes the target allocations by asset category for U.S. and non-U.S. defined benefit pension plans:

	December 31, 2025		December 31, 2024	
	U.S.	Non-U.S.	U.S.	Non-U.S.
Equity	16 %	9 %	11 %	9 %
Debt	60 %	77 %	60 %	74 %
Other(a)	24 %	14 %	29 %	17 %
Total	100 %	100 %	100 %	100 %

(a) Primarily includes private equity, real estate, and absolute return strategies, which mainly consist of hedge funds.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**Assets and Fair Value Measurements** The following tables summarize the fair value of U.S. and non-U.S. defined benefit pension plan assets by asset class:

	December 31, 2025				December 31, 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>U.S. Pension Plan Assets</b>								
Common and preferred stocks	\$ 14	\$ —	\$ —	\$ 14	\$ 15	\$ —	\$ —	\$ 15
Government and agency debt securities(a)	—	12,025	—	12,025	—	11,728	—	11,728
Corporate and other debt securities	—	13,820	—	13,820	—	15,155	—	15,155
Other investments, net(b)(c)	(16)	(3,205)	388	(2,833)	(75)	(3,662)	389	(3,348)
Net plan assets subject to leveling	<u>\$ (2)</u>	<u>\$22,640</u>	<u>\$ 388</u>	23,026	<u>\$ (60)</u>	<u>\$23,221</u>	<u>\$ 389</u>	23,550
<b>Plan assets measured at net asset value</b>								
Investment funds				9,841				10,025
Private equity and debt investments				3,216				2,961
Real estate investments				2,645				2,655
Total plan assets measured at net asset value				15,702				15,641
Other plan assets (liabilities), net(d)				(176)				(893)
<b>Net plan assets</b>				<u>\$38,552</u>				<u>\$38,298</u>
<b>Non-U.S. Pension Plan Assets</b>								
	December 31, 2025				December 31, 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Common and preferred stocks	\$ —	\$ —	\$ —	\$ —	\$ 98	\$ —	\$ —	\$ 98
Government and agency debt securities(a)	—	2,402	6	2,408	—	2,262	5	2,267
Corporate and other debt securities	—	2,149	5	2,154	—	2,336	8	2,344
Other investments, net(b)(c)	2	(99)	36	(61)	8	(151)	35	(108)
Net plan assets subject to leveling	<u>\$ 2</u>	<u>\$ 4,452</u>	<u>\$ 47</u>	4,501	<u>\$ 106</u>	<u>\$ 4,447</u>	<u>\$ 48</u>	4,601
<b>Plan assets measured at net asset value</b>								
Investment funds				3,312				3,303
Private equity and debt investments				422				406
Real estate investments				700				689
Total plan assets measured at net asset value				4,434				4,398
Other plan assets (liabilities), net(d)				178				122
<b>Net plan assets</b>				<u>\$ 9,113</u>				<u>\$ 9,121</u>

(a) Includes U.S. and sovereign government and agency issues.

(b) Includes net derivative assets (liabilities).

(c) Level 2 Other investments, net includes approximately \$4.1 billion and \$3.6 billion of U.S. reverse repurchase agreements at December 31, 2025 and 2024, and approximately \$125 million and \$185 million of Canadian reverse repurchase agreements at December 31, 2025 and 2024.

(d) Cash held by the plans, net of amounts receivable/payable for unsettled security transactions and payables for investment manager fees, custody fees, and other expenses.

The activity attributable to U.S. and non-U.S. Level 3 defined benefit pension plan investments was insignificant in the years ended December 31, 2025 and 2024.

**Investment Fund Strategies** Investment funds include hedge funds, funds of hedge funds, equity funds, and fixed income funds. Hedge funds and funds of hedge funds managers typically seek to achieve their objectives by allocating capital across a broad array of funds and/or investment managers. Equity funds invest in U.S. common and preferred stocks as well as similar equity securities issued by companies incorporated, listed, or domiciled in developed and/or emerging market countries. Fixed

## GENERAL MOTORS COMPANY AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

income funds include investments in high quality funds and, to a lesser extent, high yield funds. High quality fixed income funds invest in government securities, investment-grade corporate bonds, and mortgage and asset-backed securities. High yield fixed income funds invest in high yield fixed income securities issued by corporations, which are rated below investment grade. Other investment funds also included in this category primarily represent multi-strategy funds that invest in broadly diversified portfolios of equity, fixed income, and derivative instruments.

Private equity and debt investments primarily consist of investments in private equity and debt funds. These investments provide exposure to and benefit from long-term equity investments in private companies, including leveraged buy-outs, venture capital, and distressed debt strategies.

Real estate investments include funds that invest in entities that are primarily engaged in the ownership, acquisition, development, financing, sale, and/or management of income-producing real estate properties, both commercial and residential. These funds typically seek long-term growth of capital and current income that is above average relative to public equity funds.

**Significant Concentrations of Risk** The assets of the pension plans include certain investment funds, private equity and debt investments, and real estate investments. Investment managers may be unable to quickly sell or redeem some or all of these investments at an amount close or equal to fair value in order to meet a plan's liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer or counterparty.

Illiquid investments held by the plans are generally long-term investments that complement the long-term nature of pension obligations and are not used to fund benefit payments when currently due. Plan management monitors liquidity risk on an ongoing basis and has procedures in place that are designed to maintain flexibility in addressing plan-specific, broader industry, and market liquidity events.

The pension plans may invest in financial instruments denominated in foreign currencies and may be exposed to risks that the foreign currency exchange rates might change in a manner that has an adverse effect on the value of the foreign currency denominated assets or liabilities. Forward currency contracts may be used to manage and mitigate foreign currency risk.

The pension plans may invest in debt securities for which any change in the relevant interest rates for particular securities might result in an investment manager being unable to secure similar returns upon the maturity or the sale of securities. In addition, changes to prevailing interest rates or changes in expectations of future interest rates might result in an increase or decrease in the fair value of the securities held. Interest rate swaps and other financial derivative instruments may be used to manage interest rate risk.

**Benefit Payments** Benefits for most U.S. pension plans and certain non-U.S. pension plans are paid out of plan assets rather than our Cash and cash equivalents. The following table summarizes net benefit payments expected to be paid in the future, which include assumptions related to estimated future employee service:

	Pension Benefits		Global OPEB Plans
	U.S. Plans	Non-U.S. Plans	
2026	\$ 4,014	\$ 1,042	\$ 351
2027	\$ 3,954	\$ 929	\$ 347
2028	\$ 3,802	\$ 913	\$ 344
2029	\$ 3,607	\$ 896	\$ 342
2030	\$ 3,477	\$ 886	\$ 339
2031–2035	\$ 15,237	\$ 4,181	\$ 1,636

## GENERAL MOTORS COMPANY AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

**Note 16. Commitments, Contingencies, and Uncertainties**

**Litigation-Related Liability and Indirect Tax-Related Matters** In the normal course of our business, we are named from time to time as a defendant in various legal actions, including arbitrations, class actions, and other litigation. We identify below the material individual proceedings and investigations where we believe a material loss is reasonably possible or probable. We accrue for matters when we believe that losses are probable and can be reasonably estimated. At December 31, 2025 and 2024, we had accruals of \$1.5 billion and \$1.1 billion for such legal actions in Accrued liabilities and Other liabilities. In many matters, it is inherently difficult to determine whether a loss is probable or reasonably possible or to estimate the size or range of the potential loss. Some matters may involve compensatory, punitive, or other treble damage claims, environmental remediation programs, or sanctions that, if granted, could require us to pay damages or make other expenditures in amounts that cannot be reasonably estimated. Accordingly, while we believe that appropriate accruals have been established for losses that are probable and can be reasonably estimated, it is possible that adverse outcomes from such proceedings could exceed the amounts accrued by an amount that could be material to our results of operations or cash flows in any particular reporting period.

**Opel/Vauxhall Sale** In 2017, we sold the Opel/Vauxhall Business to PSA Group, now Stellantis N.V. (Stellantis), under a Master Agreement (the Agreement). We also sold the European financing subsidiaries and branches to Banque PSA Finance S.A. and BNP Paribas Personal Finance S.A. Although the sale reduced our new vehicle presence in Europe, we may still be impacted by actions taken by regulators related to vehicles sold before the sale. General Motors Holdings LLC agreed, on behalf of our wholly owned subsidiary (the Seller), to indemnify Stellantis for certain losses resulting from any inaccuracy of the representations and warranties or breaches of our covenants included in the Agreement and for certain other liabilities, including costs related to certain emissions claims, product liabilities, and recalls. We are unable to estimate any reasonably possible material loss or range of loss that may result from these actions either directly or through an indemnification claim from Stellantis. Certain of these indemnification obligations are subject to time limitations, thresholds, and/or caps as to the amount of required payments.

Currently, various consumer lawsuits have been filed against the Seller and Stellantis in Germany, the UK, Austria, and the Netherlands alleging that Opel and Vauxhall vehicles sold by the Seller violated applicable emissions standards. In addition, we indemnified Stellantis for an immaterial amount for certain recalls that Stellantis has conducted or will conduct, including recalls in certain geographic locations that Stellantis intends to conduct related to Takata inflators in legacy Opel vehicles. We may in the future be required to further indemnify Stellantis relating to certain of its Takata recalls.

**Other Litigation-Related Liabilities** Various other legal actions, including class actions, governmental investigations, claims, and proceedings are pending against us or our related companies or joint ventures, including, but not limited to, matters arising out of alleged product defects; employment-related matters; product and workplace safety, vehicle emissions, and fuel economy regulations; product warranties; financial services; dealer, supplier, and other contractual relationships; competition issues; product design, manufacture, and performance; consumer protection laws; and environmental protection laws, including laws regulating air emissions, water discharges, waste management, and environmental remediation from stationary sources. We also from time to time receive subpoenas and other inquiries or requests for information from agencies or other representatives of U.S. federal, state, and foreign governments on a variety of issues.

There are several putative class actions pending against GM in the U.S. and Canada alleging that various vehicles sold, including model year 2011–2016 Duramax Diesel Chevrolet Silverado and GMC Sierra vehicles, violate federal and state laws because they release more emissions than a reasonable customer would expect. In July 2023, the two putative class actions pending in the U.S. were dismissed with prejudice and judgment entered in favor of GM, and plaintiffs appealed the dismissal. In August 2024, the Sixth Circuit reversed in part and affirmed in part the dismissal in one of the cases. In June 2025, a different panel in the second case affirmed in part, vacated in part, and remanded for further proceedings. We are currently unable to estimate any reasonably possible material loss or range of loss that may result from these actions. GM is also defending other lawsuits in the U.S. based on these allegations, including a shareholder demand lawsuit.

There is one putative class action and one certified class action pending against GM in the U.S. alleging that various 2015–2022 model year vehicles are defective because they are equipped with faulty 8-speed transmissions. In March 2023, the judge overseeing the class action concerning 2015–2019 model year vehicles certified 26 state subclasses and GM appealed. In June 2025, the Sixth Circuit decertified all 26 state subclasses and remanded to the district court for further proceedings. The putative class action concerning 2020–2022 model year vehicles is pending in front of a different judge that has not yet addressed class certification. We have similar cases pending in Canada concerning these vehicles. We are currently unable to estimate any

## GENERAL MOTORS COMPANY AND SUBSIDIARIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

reasonably possible or probable material loss or range of loss that may result from these proceedings in excess of the immaterial amounts accrued.

Beyond the class action litigations disclosed, we have several other class action litigations pending at any given time. Historically, relatively few classes have been certified in these types of cases. Therefore, we will generally only disclose specific class actions if a class is certified and we believe there is a reasonably possible material exposure to the Company.

**Takata Matters** In November 2020, NHTSA directed that we replace the Takata airbag inflators in our GMT900 vehicles, which are full-size pickup trucks and SUVs, and we decided not to contest NHTSA's decision. While we have begun the process of executing the recall, given the number of vehicles in this population, the recall will take several years to be completed. Accordingly, in the year ended December 31, 2020, we recorded a warranty accrual of \$1.1 billion for the expected costs of complying with the recall remedy. At December 31, 2025, our remaining accrual for these matters was \$0.4 billion, and we believe the currently accrued amount remains reasonable.

GM has recalled certain vehicles sold outside of the U.S. to replace Takata inflators in those vehicles. There are significant differences in vehicle and inflator design between the relevant vehicles sold internationally and those sold in the U.S. We continue to gather and analyze evidence about these inflators and to share our findings with regulators. Any additional recalls relating to these inflators could be material to our results of operations and cash flows.

There are several putative class actions that have been filed against GM, including in the U.S. and Canada, arising out of allegations that airbag inflators manufactured by Takata are defective. In March 2023, a U.S. court overseeing one of the putative class actions issued a final judgment in favor of GM on all claims in eight states at issue in that proceeding. In August 2023, the same U.S. court granted class certification as to a Louisiana claim, but denied certification as to seven other states. At this stage of these proceedings, we are unable to provide an estimate of the amounts or range of reasonably possible material loss.

**ARC Matters** In May 2023, we initiated a voluntary recall covering nearly one million 2014–2017 model year Buick Enclave, Chevrolet Traverse, and GMC Acadia SUVs equipped with driver front airbag inflators manufactured by ARC Automotive, Inc. (ARC), and accrued an insignificant amount for the expected costs of the recall. As part of its ongoing investigation into ARC airbag inflators, on September 5, 2023, NHTSA issued an Initial Decision that approximately 52 million frontal driver and passenger airbag inflators manufactured by ARC and Delphi Automotive Systems LLC over a roughly 20-year period contain a safety-related defect and must be recalled. On July 31, 2024, NHTSA issued a Supplemental Initial Decision reaffirming its September 2023 Initial Decision and reopening the administrative record to additional public comments. The Initial Decision and the Supplemental Initial Decision are primarily based on the occurrence of seven field ruptures involving ARC-manufactured frontal airbag inflators. We are continuing to investigate the cause of the ruptures in GM vehicles in connection with our existing recalls. On December 13, 2024, NHTSA issued a memorandum indicating that, based on the public comments it had received to date, the agency would be "conducting additional investigation of the issues related to the Supplemental Initial Decision." As indicated in GM's filed comments in the record, we do not believe that further GM vehicle recalls are necessary or appropriate at this time. However, depending on the outcome of the dispute between NHTSA and ARC, and the possibility of additional recalls, the cost of which may not be fully recoverable, it is reasonably possible that the costs associated with these matters in excess of amounts accrued could be material, but we are unable to provide an estimate of the amounts or range of reasonably possible material loss at this time.

There are several putative class actions that have been filed against GM, including in the U.S., Canada, and Israel, arising out of allegations that airbag inflators manufactured by ARC are defective. At this stage of these proceedings, we are unable to provide an estimate of the amounts or range of reasonably possible material loss.

**Chevrolet Bolt Recall** In July 2021, we initiated a voluntary recall for certain 2017–2019 model year Chevrolet Bolt EVs due to the risk that two manufacturing defects present in the same battery cell could cause a high voltage battery fire in certain of these vehicles. After further investigation into the manufacturing processes at our battery supplier, LGES, and disassembling battery packs, we determined that the risk of battery cell defects was not confined to the initial recall population. As a result, in August 2021, we expanded the recall to include all 2017–2022 model year Chevrolet Bolt EV and Chevrolet Bolt Electric Utility Vehicles (EUVs). LG Electronics, Inc. and LGES (collectively, LG), have agreed to reimburse GM for certain costs and expenses associated with the recall. The commercial negotiations with LG also resolved other commercial matters associated with our Ultium Cells Holdings LLC joint venture with LGES. Accordingly, as of December 31, 2025, we had accrued a total of \$2.7 billion and recognized receivables totaling \$1.7 billion in connection with these matters. At December 31, 2025, our

**GENERAL MOTORS COMPANY AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

remaining accrual for these matters was \$0.3 billion. These charges reflect our current best estimate for the cost of the recall remedy, which includes non-traditional recall remedies provided by GM to enhance customer satisfaction. The actual costs of the recall could be materially higher or lower.

In addition, putative class actions have been filed against GM in the U.S. and Canada alleging that the batteries contained in the Bolt EVs and EUVs included in the recall population are defective. GM has agreed to settle the U.S. class actions for an immaterial amount and the settlement was given final approval by the court in the three months ended December 31, 2025.

**Privacy and Consumer Protection Matters** There are putative class actions pending against GM in federal courts in the U.S. alleging violations of state and federal privacy and consumer protection laws related to the collection and use of certain consumer data obtained through our former OnStar Smart Driver product. In June 2024, those class actions were consolidated into a multi-district litigation proceeding in the Northern District of Georgia. In addition, several states have filed enforcement lawsuits against us, and other state attorneys general have opened investigations or made inquiries of us relating to these alleged consumer protection and privacy issues. The Company resolved a Federal Trade Commission investigation through an agreed administrative consent order. The Company is defending litigation filed against us and fully cooperating with agencies and attorneys general that are conducting investigations. As of December 31, 2025, we had accrued \$0.5 billion in connection with these investigations and litigations. At this stage, we are not able to estimate any reasonably possible or probable material loss or range of loss that may result from these actions beyond this accrual.

**Product Liability and Breach of Warranty** We record liabilities related to product liability claims in Accrued liabilities and Other liabilities for the expected cost of all known product liability claims, plus an estimate of the expected cost for product liability claims that have already been incurred and are expected to be filed in the future for which we are self-insured. It is reasonably possible that our accruals for product liability claims may increase in future periods in material amounts, although we cannot estimate a reasonable range of incremental loss based on currently available information. We believe that any judgment against us involving our products for actual damages will be adequately covered by our recorded accruals and, where applicable, excess liability insurance coverage.

We are also subject to breach of warranty claims resulting from state and federal consumer protection laws that allow consumers to hold manufacturers legally responsible in situations where a product cannot be conformed to its warranties. Consumer relief can include, but is not limited to, a refund, a replacement vehicle, a recovery of legal and administrative fees, or other monetary damages. Losses that we believe to be probable and estimable based on evaluation of historical transactions are included in Accrued liabilities and Other liabilities and are reviewed regularly for adequacy. We believe that any judgment against us involving our warranties for actual damages will be adequately covered by our recorded accruals.

**Guarantees** We enter into indemnification agreements for liability claims involving products manufactured primarily by certain joint ventures. These guarantees terminate in years ranging from 2026 to 2030, or upon the occurrence of specific events, or are ongoing. We believe that the related potential costs incurred are adequately covered by our recorded accruals, which are insignificant. The maximum future undiscounted payments mainly based on royalties received associated with vehicles sold to date were \$3.5 billion and \$3.7 billion for these guarantees at December 31, 2025 and 2024, the majority of which relates to the indemnification agreements.

We provide payment guarantees on commercial loans outstanding with third parties such as dealers. In some instances, certain assets of the party or our payables to the party whose debt or performance we have guaranteed may offset, to some degree, the amount of any potential future payments. We are also exposed to residual value guarantees associated with certain sales to rental car companies.

We periodically enter into agreements that incorporate indemnification provisions in the normal course of business. It is not possible to estimate our maximum exposure under these indemnifications or guarantees due to the conditional nature of these obligations. Insignificant amounts have been recorded for such obligations as the majority of them are not probable or estimable at this time and the fair value of the guarantees at issuance was insignificant. Refer to the Opel/Vauxhall Sale section of this note for additional information on our indemnification obligations to Stellantis under the Agreement.

**Credit Cards** Credit card programs offer rebates that can be applied primarily against the purchase or lease of our vehicles. At December 31, 2025 and 2024, our redemption liability was insignificant, our deferred revenue was \$435 million and \$425 million, and qualified cardholders had rebates available, net of deferred program revenue, of \$1.0 billion and \$1.1 billion. Our redemption liability and deferred revenue are recorded in Accrued liabilities and Other liabilities.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

**Supplier Finance Programs** Third-party finance providers offer certain suppliers the option for payment in advance of their invoice due date through financing programs that we established. We retain our obligation to the participating suppliers, and we make payments directly to the third-party finance providers on the original invoice due date pursuant to the original invoice terms. There are no assets pledged as security or other forms of guarantees provided for committed payments. Our outstanding eligible balances under our supplier finance programs were \$1.1 billion and \$0.9 billion at December 31, 2025 and 2024, which are recorded in Accounts payable (principally trade).

The following table represents the change in the supplier finance program obligation (dollars in billions):

	Year Ended December 31,	
	2025	2024
Confirmed obligations outstanding at the beginning of the year	\$ 0.9	\$ 1.3
Invoices confirmed during the year	11.1	\$ 11.8
Confirmed paid during the year	(11.0)	\$ (12.2)
Confirmed obligations outstanding at the end of the year	<u>\$ 1.1</u>	<u>\$ 0.9</u>

**Indirect Tax-Related Matters** Tax matters not subject to the provision of Accounting Standards Codification 740, "Income Taxes" that pertain to value added taxes, customs, duties, sales tax, property taxes, and other non-income tax exposures are evaluated globally. For indirect tax-related matters, we estimate our reasonably possible loss in excess of amounts accrued to be up to \$7.0 billion at December 31, 2025. Certain indirect tax-related administrative proceedings may require that we deposit funds in escrow or provide an alternative form of security. We are not able to estimate the timing or amount of potential deposits and currently believe any required amounts will not be material.

**Emissions-Related Uncertainties** We are subject to state and federal governmental regulations, as well as regulations from governments outside of the U.S., relating to fuel economy standards and GHG emissions. There are several methods to comply with these regulations that we have utilized and may continue to utilize, including, but not limited to, increasing production and sales of certain vehicles; curtailing production of certain vehicles; certain technology changes; the purchase of credits from third parties; and/or the payment of civil penalties. Recently, the U.S. Government began to take actions to reduce the stringency and/or scope of these regulations. During the year ended December 31, 2025, the Act set the civil penalties for noncompliance with CAFE standards to zero for all non-finalized model years, and NHTSA submitted a proposal for the 2022–2031 model years that would reduce the stringency from what was previously finalized. The EPA also proposed to remove GHG regulations for light-, medium-, and heavy-duty on-highway vehicles on a retrospective and prospective basis. We expect any final action to alter U.S. CAFE and/or GHG regulations to be subject to legal challenges that could result in the revised rules being vacated until conclusion of the legal proceedings, which is unlikely to occur in the near term.

Under current regulations, shortfalls to certain emissions standards could result in legal or regulatory proceedings, the recall or decertification of one or more of our products, negotiated remedial actions, fines and penalties, and/or restricted product offerings. Based on our current and forecasted sales mix, we currently have, and expect to continue to have shortfalls in complying with current U.S. regulations. We recorded compliance-related costs of \$0.9 billion, \$1.0 billion, and \$0.7 billion in the years ended December 31, 2025, 2024, and 2023 in Automotive and other cost of sales. Our compliance-related costs in the year ended December 31, 2025 include an insignificant charge to write off acquired CAFE credits and \$0.4 billion related to the GHG regulations that the EPA has proposed to remove. Additional compliance costs, under current regulations, including potential fines and penalties, are not reasonably estimable and could be substantial. In the years ended December 31, 2025, 2024, and 2023, we paid \$0.4 billion, \$2.0 billion, and \$0.5 billion to purchase credits to facilitate our compliance with regulations. At December 31, 2025 and 2024, the carrying amount of our acquired credits was \$1.4 billion and \$2.1 billion, of which we expect that \$1.1 billion may be subject to impairment in the near term should the EPA remove GHG regulations.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**
**Note 17. Income Taxes**

	Years Ended December 31,		
	2025	2024	2023
U.S. income (loss)	\$ (42)	\$ 9,715	\$ 6,284
Non-U.S. income (loss)	3,159	(1,196)	4,119
Income (loss) before income taxes	<u>\$ 3,117</u>	<u>\$ 8,519</u>	<u>\$ 10,403</u>
	Years Ended December 31,		
	2025	2024	2023
<b>Current income tax expense (benefit)</b>			
U.S. federal	\$ 133	\$ 202	\$ 240
U.S. state and local	211	309	490
Non-U.S.	1,243	676	874
Total current income tax expense (benefit)	1,587	1,188	1,605
<b>Deferred income tax expense (benefit)</b>			
U.S. federal	(789)	891	(120)
U.S. state and local	(177)	101	(43)
Non-U.S.	(283)	376	(878)
Total deferred income tax expense (benefit)	<u>(1,249)</u>	<u>1,368</u>	<u>(1,041)</u>
Total income tax expense (benefit)	<u>\$ 338</u>	<u>\$ 2,556</u>	<u>\$ 563</u>

The Non-U.S. deferred income tax benefit in the year ended December 31, 2023 relates primarily to the release of a valuation allowance in Korea.

Provisions are made for estimated U.S. and non-U.S. income taxes which may be incurred on the reversal of our basis differences in investments in foreign subsidiaries and corporate joint ventures not deemed to be indefinitely reinvested. Taxes have not been provided on basis differences in investments primarily as a result of earnings in foreign subsidiaries which are deemed indefinitely reinvested of \$7.6 billion and \$6.1 billion at December 31, 2025 and 2024. We have indefinitely reinvested basis differences related to investments in non-consolidated China JVs of \$1.4 billion at December 31, 2025 and December 31, 2024 as a result of fresh-start reporting. Quantification of the deferred tax liability, if any, associated with indefinitely reinvested basis differences is not practicable. Refer to Note 8 for additional information regarding the decrease in our basis differences related to investments in nonconsolidated affiliates from fresh-start reporting.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

	Year Ended December 31, 2025	
	In USD	Percent of Pre-tax Income
U.S. federal statutory tax rate	\$ 655	21.0 %
State and local tax expense(a)	77	2.5 %
Foreign tax effects		
China	126	4.0 %
Mexico		
Statutory tax rate difference between Mexico and U.S.	120	3.8 %
Other	(48)	(1.5)%
Germany		
Changes in valuation allowances	(367)	(11.8)%
Changes in tax laws or rates	421	13.5 %
Other	9	0.3 %
Other foreign jurisdictions	(21)	(0.7)%
Effect of changes in tax laws or rates enacted in the current period	—	—
Effect of cross-border tax laws	33	1.1 %
Tax credits		
Research and development tax credits	(478)	(15.3)%
Other	(95)	(3.1)%
Changes in valuation allowances	(40)	(1.3)%
Nontaxable or nondeductible items		
IRA credits	(181)	(5.8)%
Other	(18)	(0.6)%
Changes in unrecognized tax benefits	(91)	(2.9)%
Equity income or loss	126	4.0 %
Other adjustments	107	3.4 %
Total income tax expense (benefit)	<u>\$ 338</u>	<u>10.8 %</u>

(a) State taxes in California, Michigan, Illinois, Florida, New Jersey, Pennsylvania, Minnesota, and Wisconsin made up the majority of the tax effect in this category.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

	<b>Years Ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
Income tax expense at U.S. federal statutory income tax rate	\$ 1,789	\$ 2,185
State and local tax expense (benefit)	323	348
Non-U.S. income taxed at other than the U.S. federal statutory tax rate	130	203
U.S. tax impact on Non-U.S. income and activities	(49)	(62)
Change in valuation allowances	46	(1,061)
Change in tax laws	9	25
General business credits and manufacturing incentives	(906)	(966)
Settlements of prior year tax matters	—	23
Realization of basis differences in affiliates	(45)	—
Foreign currency remeasurement	73	(62)
Equity income or loss	982	(101)
Other adjustments	204	31
<b>Total income tax expense (benefit)</b>	<b>\$ 2,556</b>	<b>\$ 563</b>

**Deferred Income Tax Assets and Liabilities** Deferred income tax assets and liabilities at December 31, 2025 and 2024 reflect the effect of temporary differences between amounts of assets, liabilities, and equity for financial reporting purposes and the bases of such assets, liabilities, and equity as measured based on tax laws, as well as tax loss and tax credit carryforwards. The following table summarizes the components of temporary differences and carryforwards that give rise to deferred tax assets and liabilities:

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
<b>Deferred tax assets</b>		
Postretirement benefits other than pensions	\$ 1,062	\$ 1,024
Pension and other employee benefit plans	989	1,421
Warranties, dealer and customer allowances, claims, and discounts	4,803	4,215
U.S. capitalized research expenditures	9,704	10,111
U.S. operating loss and tax credit carryforwards(a)	7,237	6,582
Non-U.S. operating loss and tax credit carryforwards(b)	5,550	5,239
Deferred revenue	2,162	1,565
Miscellaneous	3,429	2,737
<b>Total deferred tax assets before valuation allowances</b>	<b>34,936</b>	<b>32,894</b>
Less: valuation allowances	(6,842)	(6,529)
<b>Total deferred tax assets</b>	<b>28,094</b>	<b>26,365</b>
<b>Deferred tax liabilities</b>		
Property, plant, and equipment	5,087	5,111
Intangible assets	631	635
<b>Total deferred tax liabilities</b>	<b>5,718</b>	<b>5,746</b>
<b>Net deferred tax assets</b>	<b>\$ 22,376</b>	<b>\$ 20,619</b>

(a) At December 31, 2025, U.S. operating loss deferred tax assets were \$385 million, where \$129 million can be carried forward indefinitely and \$256 million will expire by 2045, if not utilized. At December 31, 2025, U.S. tax credit carryforwards were \$6.9 billion, where \$484 million can be carried forward indefinitely and \$6.4 billion will expire by 2045, if not utilized.

(b) At December 31, 2025, Non-U.S. operating loss deferred tax assets were \$5.5 billion, where \$5.1 billion can be carried forward indefinitely and \$339 million will expire by 2045, if not utilized. At December 31, 2025, Non-U.S. tax credit carryforwards were \$67 million, all of which will expire by 2045, if not utilized.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**Valuation Allowances** During the years ended December 31, 2025 and 2024, valuation allowances against deferred tax assets of \$6.8 billion and \$6.5 billion were comprised of cumulative losses, credits, and other timing differences, primarily in Germany, Spain, the U.S., and Brazil.

**Uncertain Tax Positions** The following table summarizes activity of the total amounts of unrecognized tax benefits:

	Years Ended December 31,		
	2025	2024	2023
Balance at beginning of period	\$ 586	\$ 585	\$ 520
Additions to current year tax positions	89	108	45
Additions to prior years' tax positions	10	28	72
Reductions to prior years' tax positions	(94)	(109)	(15)
Reductions in tax positions due to lapse of statutory limitations	(18)	(7)	(19)
Settlements	(1)	(8)	(18)
Other	4	(11)	—
Balance at end of period	<u>\$ 576</u>	<u>\$ 586</u>	<u>\$ 585</u>

At December 31, 2025 and 2024, there were \$417 million and \$415 million of unrecognized tax benefits that if recognized would favorably affect our effective tax rate in the future. In the years ended December 31, 2025, 2024, and 2023, income tax-related interest and penalties were insignificant. At December 31, 2025 and 2024, liabilities for income tax-related interest and penalties were insignificant.

**Income Taxes Paid**

	Year Ended December 31, 2025
U.S. federal	\$ 277
U.S. state	314
Non-U.S.	957
Total income taxes paid, net	<u>\$ 1,548</u>

Income taxes paid, net, for the periods ended December 31, 2024 and 2023 were \$1.5 billion and \$1.7 billion. Income taxes paid exceeds 5% of total income taxes paid, net of refunds, in the following jurisdictions. No individual state represents 5% of the total income taxes paid.

	Year Ended December 31, 2025
Foreign	
Canada	\$ 364
Mexico	\$ 354

**Other Matters** Income tax returns are filed in multiple jurisdictions and are subject to examination by taxing authorities throughout the world. We have open tax years from 2011 to 2025 with various significant tax jurisdictions. Tax authorities may have the ability to review and adjust net operating loss or tax credit carryforwards that were generated prior to these periods if utilized in an open tax year. These open years contain matters that could be subject to differing interpretations of applicable tax laws and regulations as they relate to the amount, character, timing, or inclusion of revenue and expenses, or the sustainability of income tax credits for a given audit cycle.

## GENERAL MOTORS COMPANY AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

**Note 18. Restructuring and Other Initiatives**

We have executed various restructuring and other initiatives and we may execute additional initiatives in the future, if necessary, to streamline manufacturing capacity and reduce other costs to improve the utilization of remaining facilities. To the extent these programs involve voluntary separations, a liability is generally recorded at the time offers to employees are accepted. To the extent these programs provide separation benefits in accordance with pre-existing agreements, a liability is recorded once the amount is probable and reasonably estimable. If employees are involuntarily terminated, a liability is generally recorded at the communication date. Related charges are recorded in Automotive and other cost of sales and Automotive and other selling, general, and administrative expense.

The following table summarizes the reserves and charges related to restructuring and other initiatives, including postemployment benefit reserves and charges:

	Years Ended December 31,		
	2025	2024	2023
Balance at beginning of period	\$ 1,243	\$ 779	\$ 520
Additions, interest accretion, and other	4,939	1,790	1,831
Payments	(2,141)	(1,303)	(1,597)
Revisions to estimates and effect of foreign currency	(93)	(22)	25
Balance at end of period	<u>\$ 3,948</u>	<u>\$ 1,243</u>	<u>\$ 779</u>

We have made significant investments and contractual commitments in the development of EVs to help our vehicle fleet comply with emissions and fuel economy regulations that were scheduled to become increasingly stringent. Following recent U.S. Government policy changes, including the termination of certain consumer tax incentives for EV purchases and the reduction in the stringency of emissions regulations, industry-wide consumer demand for EVs in North America began to slow in 2025. In the three months ended September 30, 2025 and December 31, 2025, we reassessed our EV capacity and manufacturing footprint to align to expected consumer demand and U.S. Government policy and recorded charges of \$1.6 billion and \$6.0 billion. For the year ended December 31, 2025, we recorded total charges in GMNA of \$7.9 billion. These charges include non-cash impairment and other charges of \$3.2 billion, which are not reflected in the table above and cash related charges of \$4.7 billion, of which \$4.3 billion are reflected in the table above, primarily consisting of supplier commercial settlements, contract cancellation fees, battery cell JV settlements, and other charges that will have a cash impact when paid. The non-cash impairment charges include the cost of writing down EV-related tooling and equipment to its nominal salvage value. We incurred cash outflows of \$400 million in the year ended December 31, 2025 related to these charges. While we have completed the reassessment of our EV capacity and manufacturing footprint, we expect to recognize additional material cash and non-cash charges in 2026 related to continued commercial negotiations with our supply base. We expect such charges will be significantly less than the EV-related charges incurred in 2025. In addition, should the EPA remove GHG regulations, we expect that \$1.1 billion of the total \$1.4 billion carrying amount of our acquired credits may be subject to impairment in the near term.

In the years ended December 31, 2025, 2024, and 2023, restructuring and other initiatives included strategic activities in GMNA related to Buick dealerships. We recorded no charges and incurred \$718 million in cash outflows resulting from these dealer restructurings in the year ended December 31, 2025, in addition to the charges of \$964 million and \$569 million and cash outflows of \$530 million and \$674 million in the years ended December 31, 2024 and 2023. Cumulatively, we have incurred charges of approximately \$2.0 billion and cash outflows of \$2.0 billion related to this initiative, which is complete as of December 31, 2025.

In October 2023, Cruise voluntarily paused all of its driverless, supervised, and manual AV operations in the U.S. while it examined its processes, systems, and tools. In conjunction with these actions, Cruise recorded charges before noncontrolling interest of \$529 million in the year ended December 31, 2023, which included non-cash restructuring charges of \$250 million. In June 2024, Cruise indefinitely delayed the Cruise Origin and recognized primarily non-cash charges before noncontrolling interest of \$631 million. In December 2024, in conjunction with GM's announcement of its decision to no longer fund Cruise's robotaxi development work and its plans to combine the Cruise and GM technical efforts to advance autonomous and assisted driving, Cruise recorded net charges before noncontrolling interest of \$522 million, which included net non-cash restructuring charges of \$173 million. The non-cash restructuring charges are not reflected in the table above. In the year ended December

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

31, 2025, we incurred \$347 million of cash outflows and reversed \$76 million of restructuring accruals associated with Cruise. Cumulatively, we have incurred \$633 million of cash outflows resulting from these restructuring activities. These restructuring activities are complete as of December 31, 2025.

In March 2023, we announced a voluntary separation program (VSP) to accelerate attrition related to the cost reduction program announced in January 2023. We recorded charges in GMNA of \$1.0 billion in the year ended December 31, 2023, primarily related to employee separation charges of \$905 million, which are reflected in the table above, and non-cash pension curtailment and settlement charges of approximately \$130 million, not reflected in the table above. We incurred insignificant cash outflows in the year ended December 31, 2024 and cash outflows of \$820 million in the year ended December 31, 2023. This program is complete as of December 31, 2024.

In the year ended December 31, 2024, we recorded restructuring charges of \$200 million, primarily in GMNA, related to employee separations. We incurred insignificant cash outflows in the year ended December 31, 2025 and cash outflows of \$163 million in the year ended December 31, 2024. This program is substantially complete as of December 31, 2025.

In the years ended December 31, 2025 and 2024, we announced various restructuring actions in GMI and recorded restructuring charges before noncontrolling interest of \$170 million in 2024 primarily due to our decision to close our manufacturing operations in Colombia and Ecuador. The \$170 million restructuring charges primarily related to employee separations and supplier-related charges of \$88 million, which are included in the table above, and non-cash restructuring charges of \$79 million primarily related to accelerated depreciation and amortization, which are not reflected in the table above. We incurred insignificant cash outflows in the years ended December 31, 2025 and 2024, and the 2024 program is substantially complete as of December 31, 2025.

**Note 19. Interest Income and Other Non-Operating Income**

	Years Ended December 31,		
	2025	2024	2023
Non-service pension and OPEB income (loss)	\$ 244	\$ 191	\$ 184
Interest income	854	967	1,109
Licensing agreements income	196	211	172
Revaluation of investments	274	(225)	(77)
Other	(31)	112	149
Total interest income and other non-operating income, net	<u>\$ 1,535</u>	<u>\$ 1,257</u>	<u>\$ 1,537</u>

**Note 20. Stockholders' Equity and Noncontrolling Interests**

We have 2.0 billion shares of preferred stock and 5.0 billion shares of common stock authorized for issuance. We had no shares of preferred stock issued and outstanding at December 31, 2025 and 2024. We had 904 million and 995 million shares of common stock issued and outstanding at December 31, 2025 and 2024.

**Common Stock** Holders of our common stock are entitled to dividends at the sole discretion of our Board of Directors. Our dividends declared per common share were \$0.57, \$0.48, and \$0.36 and our total dividends paid on common stock were \$538 million, \$530 million, and \$477 million for the years ended December 31, 2025, 2024, and 2023. Holders of common stock are entitled to one vote per share on all matters submitted to our stockholders for a vote. The liquidation rights of holders of our common stock are secondary to the payment or provision for payment of all our debts and liabilities and to holders of our preferred stock, if any such shares are then outstanding.

In the year ended December 31, 2023, we entered into ASR agreements to repurchase an aggregate amount of \$10.0 billion of our common stock under our authorized share repurchase program, and immediately received and retired 215 million shares of our common stock. In the year ended December 31, 2024, we received and retired 29 million additional shares upon settlement of the transactions contemplated under the ASR agreements. Upon settlement, the amount over par was allocated on a pro-rata basis, between Additional paid-in capital and Retained earnings.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

In February 2025, our Board of Directors increased the capacity under our existing share repurchase program by \$6.0 billion to an aggregate of \$6.3 billion, which was used to execute an ASR program to repurchase an aggregate amount of \$2.0 billion of our outstanding common stock. Pursuant to the agreements entered into in connection with the ASR, we advanced the \$2.0 billion and received an initial delivery of approximately 33 million shares of our common stock with a value of \$1.6 billion, which were immediately retired. In the year ended December 31, 2025, we received and retired 43 million shares upon settlement of the transactions contemplated under these ASR agreements. The final number of shares received was based on the average of the daily volume-weighted average prices of our common stock during the term of the ASR agreements, less a discount pursuant to the terms and conditions of the ASR agreements. Upon settlement, the amount over par was allocated on a pro-rata basis, between Additional paid-in capital and Retained earnings.

In January 2026, our Board of Directors increased the capacity under our existing share repurchase program by \$6.0 billion to an aggregate of \$6.3 billion.

In the years ended December 31, 2025, 2024, and 2023, in addition to shares received under the ASR programs, we purchased approximately 61 million, 140 million, and 30 million shares of our outstanding common stock for \$4.0 billion, \$7.1 billion, and \$1.1 billion. Shares are immediately retired upon purchase and the amount of the purchase price over par is allocated on a pro-rata basis, subject to the availability of paid-in capital calculated on a per-share basis, between Additional paid-in capital and Retained earnings.

**Cruise Common and Preferred Shares** In February 2025, we acquired all of the Cruise common shares and Cruise Class F and Class G Preferred Shares held by noncontrolling shareholders for an insignificant amount. We have completed the process of compensating the former Cruise Shareholders.

The effect on the equity attributable to us for changes in our ownership interest in Cruise was insignificant in the years ended December 31, 2025 and 2023, and a decrease in Additional paid-in capital of \$0.9 billion during the year ended December 31, 2024. Net income attributable to shareholders and transfers to the noncontrolling interest in Cruise and other subsidiaries was \$3.2 billion, which included a \$538 million increase in equity attributable to us primarily due to the redemption of Cruise preferred shares in the year ended December 31, 2025; \$7.0 billion, which included a \$1.0 billion increase in equity attributable to us primarily due to the redemption of Cruise preferred shares in the year ended December 31, 2024; and \$10.3 billion in the year ended December 31, 2023.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

The following table summarizes the significant components of Accumulated other comprehensive loss:

	Years Ended December 31,		
	2025	2024	2023
<b>Foreign Currency Translation Adjustments</b>			
Balance at beginning of period	\$ (3,630)	\$ (2,457)	\$ (2,776)
Other comprehensive income (loss) and noncontrolling interests, net of reclassification adjustment and tax(a)(b)(c)	353	(1,173)	319
Balance at end of period	<u>\$ (3,277)</u>	<u>\$ (3,630)</u>	<u>\$ (2,457)</u>
<b>Defined Benefit Plans</b>			
Balance at beginning of period	\$ (7,669)	\$ (7,665)	\$ (4,851)
Other comprehensive income (loss) and noncontrolling interests before reclassification adjustment(a)	334	(207)	(3,706)
Tax benefit (expense)	(83)	(91)	838
Other comprehensive income (loss) and noncontrolling interests before reclassification adjustment, net of tax(a)	251	(298)	(2,868)
Reclassification adjustment, net of tax(c)	88	294	54
Other comprehensive income (loss), net of tax	339	(4)	(2,814)
Balance at end of period(d)	<u>\$ (7,330)</u>	<u>\$ (7,669)</u>	<u>\$ (7,665)</u>
<b>Unrealized Gain (Loss) on Cash Flow Hedges</b>			
Balance at beginning of period	\$ 86	\$ (20)	\$ (21)
Other comprehensive income (loss) and noncontrolling interest before reclassification adjustment, net of tax(a)(c)	899	(313)	101
Reclassification adjustment, net of tax(c)	(759)	420	(99)
Other comprehensive income (loss), net of tax(a)(c)	140	106	1
Balance at end of period	<u>\$ 226</u>	<u>\$ 86</u>	<u>\$ (20)</u>

(a) The noncontrolling interests were insignificant in the years ended December 31, 2025, 2024, and 2023.

(b) The reclassification adjustment was insignificant in the years ended December 31, 2025, 2024, and 2023.

(c) The income tax effect was insignificant in the years ended December 31, 2025, 2024, and 2023.

(d) Primarily consists of unamortized actuarial loss on our defined benefit plans.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**Note 21. Earnings Per Share**

Basic and diluted EPS are computed by dividing Net income attributable to common stockholders by the weighted-average common shares outstanding in the period. Diluted EPS is computed by giving effect to all potentially dilutive securities that are outstanding using the treasury stock method for awards under stock incentive plans.

	Years Ended December 31,		
	2025	2024	2023
<b>Basic earnings per share</b>			
Net income (loss) attributable to stockholders	\$ 2,697	\$ 6,008	\$ 10,127
Adjustments(a)	483	1,181	(106)
Net income (loss) attributable to common stockholders	<u>\$ 3,180</u>	<u>\$ 7,189</u>	<u>\$ 10,022</u>
Weighted-average common shares outstanding	955	1,115	1,364
Basic earnings per common share	\$ 3.33	\$ 6.45	\$ 7.35
<b>Diluted earnings per share</b>			
Net income (loss) attributable to common stockholders – diluted	\$ 3,180	\$ 7,189	\$ 10,022
Weighted-average common shares outstanding – basic	955	1,115	1,364
Dilutive effect of awards under stock incentive plans	17	13	6
Weighted-average common shares outstanding – diluted	<u>973</u>	<u>1,129</u>	<u>1,369</u>
Diluted earnings per common share	\$ 3.27	\$ 6.37	\$ 7.32
Potentially dilutive securities(b)	—	—	23

(a) Includes a \$593 million and \$1.2 billion return from the preferred shareholders related to the redemption of Cruise preferred shares from noncontrolling interest holders for the years ended December 31, 2025 and 2024.

(b) Potentially dilutive securities attributable to outstanding stock options and RSUs at December 31, 2023 were excluded from the computation of diluted EPS because the securities would have had an antidilutive effect.

**Note 22. Stock Incentive Plans**

**GM Stock Incentive Awards** We grant to certain employees RSUs, PSUs, and stock options (collectively, stock incentive awards) under our 2020 LTIP and prior to the 2020 LTIP, under our 2017 and 2014 LTIP. To the extent any shares remain available for issuance under the 2017 LTIP and/or the 2014 LTIP, such shares will only be used to settle outstanding awards that were previously granted under such plans prior to the approval of the 2020 LTIP in June 2020. The awards under the plans are subject to forfeiture if the participant leaves the Company for reasons other than those permitted under the plans such as retirement, death, or disability.

RSU awards granted ratably vest generally over a three-year service period, as defined in the terms of each award. PSU awards vest at the end of a three-year performance period, based on performance criteria determined by the Executive Compensation Committee of the Board of Directors at the time of award. The number of shares earned, or units paid in cash, may equal, exceed, or be less than the targeted number depending on whether the performance criteria are met, surpassed, or not met. Our service-based stock options vest ratably over three years. Stock options expire 10 years from the grant date.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

***Equity-Classified Awards***

	Shares (in millions)	Weighted-Average Grant Date Fair Value	Weighted-Average Remaining Contractual Term in Years
Units outstanding at January 1, 2025	34.9	\$ 31.52	3.0
Granted	8.6	\$ 50.88	
Settled	(15.0)	\$ 26.56	
Forfeited or expired	(3.9)	\$ 46.51	
Units outstanding at December 31, 2025(a)	<u>24.6</u>	\$ 39.01	2.1

(a) Includes the target amount of PSUs.

There were no stock options issued during the years ended December 31, 2025 and 2024. Our weighted-average assumptions used to value our stock options are a dividend yield of 1.90%, expected volatility of 34.0%, a risk-free interest rate of 3.70%, and an expected option life of 6.00 years for options issued during the year ended December 31, 2023. The expected volatility is based on the average of the implied volatility of publicly traded options for our common stock.

Total compensation expense related to the above awards was \$334 million, \$332 million, and \$340 million in the years ended December 31, 2025, 2024, and 2023.

At December 31, 2025, the total unrecognized compensation expense for nonvested equity awards granted was \$267 million. This expense is expected to be recorded over a weighted-average period of 1.6 years. The total fair value of stock incentive awards vested was \$349 million, \$257 million, and \$425 million in the years ended December 31, 2025, 2024, and 2023.

***Liability-Classified Awards*** We grant certain employees stock incentive awards that are payable in cash. The total compensation expense and cash paid to settle these awards was insignificant in the years ended December 31, 2025, 2024, and 2023.

**Cruise Stock Incentive Awards** Cruise granted RSUs that settled in common shares of Cruise Holdings in the years ended December 31, 2024 and 2023. Beginning in March 2022, holders of Cruise Class B Common Shares issued to settle vested awards could tender their shares. A final tender offer was completed in April 2024, after which substantially all remaining outstanding unvested Cruise RSUs were exchanged by participants for unvested cash payment rights. No remaining Cruise RSUs are outstanding.

Total compensation expense related to Cruise Holdings' share-based awards was insignificant for the years ended December 31, 2025 and 2024, and was \$0.4 billion for the year ended December 31, 2023. GM conducted quarterly tender offers and paid approximately \$0.2 billion and \$0.3 billion in cash to settle tendered Cruise Class B Common Shares during the years ended December 31, 2024 and 2023.

**Note 23. Segment Reporting**

Our chief operating decision-maker, who is Chair and Chief Executive Officer, analyzes the results of our business through the following reportable segments: GMNA, GMI, and GM Financial. Our chief operating decision-maker evaluates the operating results and performance of our Automotive operations through EBIT-adjusted, which is presented net of noncontrolling interests. Our chief operating decision-maker evaluates GM Financial through EBT-adjusted because interest income and interest expense are an integral part of its operational and financial performance. These financial metrics are used to view operating trends, perform analytical comparisons and benchmark performance between periods and among geographic regions, and to monitor budget-to-actual variances on a monthly basis. To manage operations and make decisions regarding resource allocations, our chief operating decision-maker is regularly provided and reviews expense information at a consolidated, functional level for our global purchasing and supply chain, manufacturing, and engineering functions. Warranty and quality metrics are also viewed on a consolidated basis. Currently, a focus is being placed on driving an efficient, consolidated fixed cost structure and managing overall global headcount. Vehicle-level profitability metrics are also reviewed during the planning stage and throughout a program's life cycle on a forecasted basis, and not on an actual basis. Each segment has a manager responsible for executing our strategic initiatives.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

Substantially all of the trucks, crossovers, cars, and automobile parts produced are marketed through retail dealers in North America and through distributors and dealers outside of North America, the substantial majority of which are independently owned. In addition to the products sold to dealers for consumer retail sales, trucks, crossovers, and cars are also sold to fleet customers, including daily rental car companies, commercial fleet customers, leasing companies, and governments. Fleet sales are completed through the dealer network and in some cases directly with fleet customers. Retail and fleet customers can obtain a wide range of after-sale vehicle services and products through the dealer network, such as maintenance, light repairs, collision repairs, vehicle accessories, and extended service warranties.

GMNA meets the demands of customers in North America and GMI primarily meets the demands of customers outside North America with vehicles developed, manufactured, and/or marketed under the Buick, Cadillac, Chevrolet, and GMC brands. We also have equity ownership stakes in entities that meet the demands of customers in other countries, primarily China, with vehicles developed, manufactured, and/or marketed under the Baojun, Buick, Cadillac, Chevrolet, and Wuling brands. Our Cruise business was pursuing the development and commercialization of AV technology until, in December 2024, we announced plans to refocus our autonomous driving strategy on personal vehicles and no longer fund Cruise's robotaxi development work. Cruise activity includes ongoing costs to be incurred related to the wind down of the robotaxi business. We have combined the GM and Cruise ongoing personal autonomous technical efforts in our GMNA segment. We provide automotive financing services through our GM Financial segment.

Our automotive interest income and interest expense, corporate expenditures, legacy costs from the Opel/Vauxhall Business (primarily pension costs), and certain revenues and expenses that are not part of a reportable segment are recorded centrally in Corporate. Corporate assets primarily consist of cash and cash equivalents, marketable debt securities, and intersegment balances. All intersegment balances and transactions have been eliminated in consolidation.

The following tables summarize key financial information by segment:

At and For the Year Ended December 31, 2025								
	GMNA	GMI	Cruise	GM Financial	Total Reportable Segments			
Net sales and revenue	\$ 154,317	\$ 13,427	\$ 1	\$ 17,060	\$ 184,805			
Segment expenses and other items(a)	(143,866)	(12,690)	(274)	(14,258)				
Earnings (loss) before interest and taxes-adjusted	\$ 10,452	\$ 737	\$ (273)	\$ 2,802	\$ 13,718			
Adjustments(b)	(8,709)	(918)	—	—	(9,627)			
Corporate						(1,180)		
Eliminations						(4)		
Automotive interest income						854		
Automotive interest expense						(727)		
Net income (loss) attributable to noncontrolling interests						83		
Income (loss) before income taxes						\$ 3,117		

  

	GMNA	GMI	Cruise	GM Financial	Total Reportable Segments	Corporate	Eliminations	Total
Net sales and revenue	\$ 154,317	\$ 13,427	\$ 1	\$ 17,060	\$ 184,805	\$ 227	\$ (13)	\$ 185,019
Equity in net assets of nonconsolidated affiliates	\$ 3,187	\$ 1,073	\$ —	\$ 1,117	\$ 5,377	\$ 304	\$ —	\$ 5,681
Goodwill and intangibles	\$ 2,371	\$ 647	\$ —	\$ 1,348	\$ 4,366	\$ —	\$ —	\$ 4,366
Total assets	\$ 162,079	\$ 22,924	\$ 288	\$ 138,820	\$ 324,110	\$ 30,593	\$ (73,419)	\$ 281,284
Expenditures for property	\$ 8,687	\$ 457	\$ 10	\$ 51	\$ 9,206	\$ 97	\$ —	\$ 9,303
Depreciation and amortization	\$ 6,489	\$ 466	\$ 5	\$ 4,976	\$ 11,936	\$ 43	\$ —	\$ 11,980
Impairment charges	\$ 2,571	\$ 38	\$ —	\$ —	\$ 2,609	\$ —	\$ —	\$ 2,609
Equity income (loss)(c)	\$ 558	\$ (306)	\$ —	\$ 39	\$ 291	\$ (108)	\$ —	\$ 184

(a) Segment expenses and other items for GMNA and GMI primarily include material and logistics; manufacturing; equity income (loss); selling, general, and administrative people-related costs; advertising; information technology; engineering; professional services; and policy, campaign, and warranty. GM Financial items primarily consist of GM Financial interest expense; leased vehicle depreciation; people-related costs; provision for loan losses; and gains and losses on termination of leased vehicles. Cruise items primarily consist of ongoing costs incurred related to the wind down of Cruise robotaxi activities.

(b) Consists of charges for our EV strategic realignment, legal matters, and Cruise restructuring activities in GMNA; China restructuring actions in GMNA and GMI; and separation and exit costs in GMI.

(c) Equity loss associated with our Automotive China JVs includes impacts of our portion of restructuring charges. Equity earnings related to Ultium Cells Holdings LLC are presented in Automotive and other cost of sales as this entity is integral to the operations of our business by providing battery cells for our EVs. Refer to Note 8 for additional information.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**
**At and For the Year Ended December 31, 2024**

	GMNA		GMI		Cruise		GM Financial		Total Reportable Segments	
Net sales and revenue	\$	157,509	\$	13,890	\$	257	\$	15,875	\$	187,532
Segment expenses and other items(a)		(142,981)		(13,587)		(1,958)		(12,911)		
Earnings (loss) before interest and taxes-adjusted	\$	14,528	\$	303	\$	(1,701)	\$	2,965	\$	16,095
Adjustments(b)		(738)		(4,262)		(1,107)		(320)		(6,427)
Corporate										(1,193)
Eliminations										(33)
Automotive interest income										967
Automotive interest expense										(846)
Net income (loss) attributable to noncontrolling interests										(45)
Income (loss) before income taxes										\$ 8,519

  

	GMNA	GMI	Cruise	GM Financial	Total Reportable Segments	Corporate	Eliminations	Total
Net sales and revenue	\$ 157,509	\$ 13,890	\$ 257	\$ 15,875	\$ 187,532	\$ 206	\$ (296)	\$ 187,442
Equity in net assets of nonconsolidated affiliates	\$ 4,447	\$ 1,449	\$ —	\$ 1,206	\$ 7,102	\$ —	\$ —	\$ 7,102
Goodwill and intangibles	\$ 1,966	\$ 676	\$ 570	\$ 1,339	\$ 4,551	\$ —	\$ —	\$ 4,551
Total assets	\$ 165,905	\$ 21,769	\$ 2,948	\$ 139,156	\$ 329,778	\$ 38,817	\$ (88,835)	\$ 279,761
Expenditures for property	\$ 10,266	\$ 415	\$ 7	\$ 24	\$ 10,711	\$ 30	\$ 88	\$ 10,830
Depreciation and amortization	\$ 5,963	\$ 506	\$ 25	\$ 4,883	\$ 11,376	\$ 80	\$ —	\$ 11,456
Impairment charges	\$ —	\$ —	\$ 933	\$ —	\$ 934	\$ —	\$ —	\$ 934
Equity income (loss)(c)	\$ 955	\$ (4,400)	\$ —	\$ (256)	\$ (3,701)	\$ —	\$ —	\$ (3,701)

- (a) Segment expenses and other items for Automotive segments primarily include material and logistics; manufacturing; equity income (loss); selling, general, and administrative people-related costs; advertising; information technology; engineering; professional services; and policy, campaign, and warranty. GM Financial items primarily consist of GM Financial interest expense; leased vehicle depreciation; people-related costs; provision for loan losses; and gains and losses on termination of leased vehicles. Cruise items primarily consist of people-related costs.
- (b) Consists of charges related to the Buick dealerships and restructuring actions in GMNA; charges related to manufacturing operations wind down in GMI; China restructuring actions in GMI, GMNA, and GM Financial; and charges related to Cruise restructuring and Cruise realignment.
- (c) Equity loss associated with our Automotive China JVs includes impacts of the other-than-temporary impairment and our portion of restructuring charges. Equity earnings related to Ultium Cells Holdings LLC are presented in Automotive and other cost of sales as this entity is integral to the operations of our business by providing battery cells for our EVs. Refer to Note 8 for additional information.

**GENERAL MOTORS COMPANY AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**
**At and For the Year Ended December 31, 2023**

	GMNA	GMI	Cruise	GM Financial	Total Reportable Segments
Net sales and revenue	\$ 141,445	\$ 15,949	\$ 102	\$ 14,225	\$ 171,720
Segment expenses and other items(a)	(129,139)	(14,739)	(2,797)	(11,239)	
Earnings (loss) before interest and taxes-adjusted	\$ 12,306	\$ 1,210	\$ (2,695)	\$ 2,985	\$ 13,806
Adjustments(b)	(1,604)	217	(478)	—	(1,865)
Corporate					(1,413)
Eliminations					(35)
Automotive interest income					1,109
Automotive interest expense					(911)
Net income (loss) attributable to noncontrolling interests					(287)
Income (loss) before income taxes					<u>\$ 10,403</u>

	GMNA	GMI	Cruise	GM Financial	Total Reportable Segments	Corporate	Eliminations	Total
Net sales and revenue	\$ 141,445	\$ 15,949	\$ 102	\$ 14,225	\$ 171,720	\$ 273	\$ (151)	\$ 171,842
Equity in net assets of nonconsolidated affiliates	\$ 2,595	\$ 6,348	\$ —	\$ 1,670	\$ 10,613	\$ —	\$ —	\$ 10,613
Goodwill and intangibles	\$ 2,083	\$ 710	\$ 715	\$ 1,354	\$ 4,862	\$ —	\$ —	\$ 4,862
Total assets	\$ 155,908	\$ 26,225	\$ 4,555	\$ 130,780	\$ 317,468	\$ 41,271	\$ (85,675)	\$ 273,064
Expenditures for property	\$ 10,147	\$ 522	\$ 63	\$ 24	\$ 10,757	\$ 15	\$ 198	\$ 10,970
Depreciation and amortization	\$ 6,146	\$ 589	\$ 38	\$ 4,944	\$ 11,717	\$ 21	\$ —	\$ 11,737
Impairment charges	\$ —	\$ —	\$ 209	\$ —	\$ 209	\$ —	\$ —	\$ 209
Equity income (loss)(c)	\$ 196	\$ 440	\$ —	\$ 138	\$ 773	\$ —	\$ —	\$ 773

- (a) Segment expenses and other items for Automotive segments primarily include material and logistics; manufacturing; equity income (loss); selling, general, and administrative people-related costs; advertising; information technology; engineering; professional services; and policy, campaign, and warranty. GM Financial items primarily consist of GM Financial interest expense; leased vehicle depreciation; people-related costs; provision for loan losses; and gains and losses on termination of leased vehicles. Cruise items primarily consist of people-related costs.
- (b) Consists of charges related to the VSP and strategic activities related to Buick dealerships in GMNA; the gain associated with India asset sales and the partial resolution of Korean subcontractor matters in GMI; and charges related to Cruise restructuring.
- (c) Equity earnings related to Ultium Cells Holdings LLC are presented in Automotive and other cost of sales as this entity is integral to the operations of our business by providing battery cells for our EVs. Refer to Note 8 for additional information.

Automotive revenue is attributed to geographic areas based on the country of sale. GM Financial revenue is attributed to the geographic area where the financing is originated. The following table summarizes information concerning principal geographic areas:

**At and For the Years Ended December 31,**

	2025		2024		2023	
	Net Sales and Revenue	Long-Lived Assets	Net Sales and Revenue	Long-Lived Assets	Net Sales and Revenue	Long-Lived Assets
<b>Automotive</b>						
U.S.	\$ 138,108	\$ 37,231	\$ 140,536	\$ 35,986	\$ 127,472	\$ 34,142
Non-U.S.	29,863	14,327	31,070	15,811	30,186	16,054
<b>GM Financial</b>						
U.S.	14,577	29,562	13,575	28,129	12,133	27,397
Non-U.S.	2,472	4,250	2,261	3,563	2,051	3,309
Total consolidated	<u>\$ 185,019</u>	<u>\$ 85,369</u>	<u>\$ 187,442</u>	<u>\$ 83,490</u>	<u>\$ 171,842</u>	<u>\$ 80,903</u>

No individual country other than the U.S. represented more than 10% of our total net sales and revenue or long-lived assets, other than Mexico, whose long-lived assets as a percentage of our total long-lived assets were approximately 11% at December 31, 2025 and approximately 12% at December 31, 2024 and 2023.

## GENERAL MOTORS COMPANY AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

## Note 24. Supplemental Information for the Consolidated Statements of Cash Flows

The following table summarizes the sources of cash provided by (used in) Change in other operating assets and liabilities and cash paid for interest:

	Years Ended December 31,		
	2025	2024	2023
<b>Change in other operating assets and liabilities</b>			
Accounts receivable	\$ 846	\$ (846)	\$ 1,183
Wholesale receivables funded by GM Financial, net	2,633	(6,341)	(2,982)
Inventories	626	666	(757)
Change in other assets	214	(2,022)	(685)
Accounts payable	(2,145)	1,284	(398)
Income taxes payable	39	(288)	(121)
Accrued and other liabilities	6,844	6,018	5,582
Total	<u>\$ 9,056</u>	<u>\$ (1,529)</u>	<u>\$ 1,822</u>
<b>Cash paid for interest</b>			
Cash paid for interest (net of amounts capitalized) – Automotive	\$ 539	\$ 777	\$ 863
Cash paid for interest (net of amounts capitalized) – GM Financial	6,092	5,406	4,652
Total cash paid for interest (net of amounts capitalized)	<u>\$ 6,631</u>	<u>\$ 6,183</u>	<u>\$ 5,515</u>