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January 31, 2025

Via Online Shareholder Proposal Form

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, NE
Washington, DC 20549

**Re: General Motors Company
Exclusion of Shareholder Proposal Submitted by National Legal and Policy Center**

Ladies and Gentlemen:

We are writing on behalf of our client, General Motors Company (the “Company”), to inform you of the Company’s intention to exclude from its proxy statement and proxy to be filed and distributed in connection with its 2025 annual meeting of shareholders (the “Proxy Materials”), the enclosed shareholder proposal and supporting statement (collectively, the “Proposal”) submitted by National Legal and Policy Center (the “Proponent”) regarding the use of DEI-based metrics for compensation.

The Company respectfully requests that the staff of the Division of Corporation Finance (the “Staff”) of the U.S. Securities and Exchange Commission (the “Commission”) advise the Company that it will not recommend any enforcement action to the Commission if the Company excludes the Proposal from its Proxy Materials pursuant to Rule 14a-8(i)(10) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), on the basis that the Company has substantially implemented the Proposal. The basis of this exclusion relies on the fact that the Company does not use DEI-based metrics for compensation.

Pursuant to Rule 14a-8(j) and Staff Legal Bulletin No. 14D (November 7, 2008) (“SLB 14D”), the Company is submitting electronically to the Commission this letter, and the Proposal (attached as Exhibit A to this letter), and is concurrently sending a copy to the Proponent.

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Background

On December 19, 2024, the Company received the Proposal from the Proponent. The Proposal states as follows:

WHEREAS: Since the June 2023 U.S. Supreme Court decision in *Students for Fair Admissions v. Harvard College*,¹ hundreds of higher education institutions have shuttered their diversity, equity and inclusion (DEI) programs and positions.²

Consequently, “there has been a sharp uptick in litigation challenging corporate DEI programs and initiatives, alleging that they require unlawful employment and contracting decisions to be made on the basis of race, in violation of Title VII of the Civil Rights Act of 1964...”³

Corporations’ compliance lawyers now advise clients that “DEI initiatives and programs that are not open to all applicants or those that apply an explicit race- or gender-based focus will likely face continued and heightened scrutiny.” Also: “We also expect to see ongoing scrutiny of perceived hiring quotas and set-asides, particularly those that may appear to be incentivized by bonuses for management or company leadership.”⁴

Further, “companies, and their management teams and boards, should be prepared for increased employment-related litigation including litigation that seeks to hold executive officers and directors personally liable for purported breaches of their fiduciary duties in connection with the corporation’s DEI policies.”⁵

Many corporations dramatically reduced or eliminated their DEI programs,⁶ and companies face retribution for their discrimination.⁷

SUPPORTING STATEMENT: The Compensation Committee of the Board of Directors for General Motors Company (“GM” or “Company”) incorporates “strategic goals” into named executive officers’ short-term incentive plan (“STIP”), which includes a points system that accounts for 25% of its “STIP Performance

¹ https://www.supremecourt.gov/opinions/22pdf/20-1199_hgdj.pdf

² <https://www.chronicle.com/article/tracking-higher-eds-dismantling-of-dei>

³ <https://www.wilmerhale.com/insights/client-alerts/20240627-corporate-dei-landscape-one-year-after-sffa>

⁴ <https://www.skadden.com/insights/publications/2023/12/2024-insights/esg/the-supreme-courts-affirmative-action-opinion>

⁵ <https://corpgov.law.harvard.edu/2024/02/14/how-boards-should-be-thinking-about-the-supreme-courts-sffa-affirmative-action-decision/>

⁶ <https://nypost.com/2024/09/03/us-news/how-robbey-starbuck-is-prompting-brands-like-ford-to-ditch-dei/>

⁷ <https://www.cnn.com/2023/08/17/business/starbucks-payment-racial-discrimination-white/index.html>

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Measure.”⁸ Included in these goals are unquantified objectives like “...providing the best employee experience that supports and invests in [DEI],” and “prioritizing actions that are inclusive for the communities in which we live and work...”

Among its multitude of DEI initiatives, the Company has signed on to the “CEO Action for Diversity and Inclusion Pledge,” and has committed to standards established by LGBTQ advocacy group Human Rights Campaign (HRC).⁹ ¹⁰ The former requires company leaders to force employees into “unconscious bias education” and for executives to devise “strategic action plans to prioritize and drive accountability around inclusion and diversity,”¹¹ while HRC demands that employee insurance plans provide controversial “transitioning” medical treatments for employees’ child dependents,¹² including puberty blockers, which are banned in the United Kingdom and whose prohibition is under consideration by the U.S. Supreme Court.¹³

These harmful, discriminatory programs leave GM ripe for regulatory, reputational and litigation risk. FTI Consulting advises there is a “heightened focus” on “litigation risk,” which “has transitioned from being merely an operational concern to becoming a strategic priority for the highest levels of corporate governance.”¹⁴

RESOLVED: Shareholders request the Board of Directors’ Compensation Committee to revisit its incentive guidelines for executive pay, to consider eliminating discriminatory DEI goals and aspirations from compensation formulas.

Basis for Exclusion

The Proposal may be excluded pursuant to Rule 14a-8(i)(10) because the Company has substantially implemented the Proposal.

The purpose of the exclusion provided under Rule 14a-8(i)(10) is to “avoid the possibility of shareholders having to consider matters which have already been favorably acted upon by management.” Commission Release No. 34-12598 (July 7, 1976). While the exclusion was originally interpreted to allow exclusion of a shareholder proposal only when the proposal was

⁸ <https://investor.gm.com/static-files/7586678b-b420-43bc-8f27-eecebee4c89f5>

⁹ https://www.gm.com/content/dam/company/docs/us/en/gmcom/company/GM_2023_SR.pdf

¹⁰ <https://www.hrc.org/resources/buyers-guide/general-motors-co.-4>

¹¹ <https://www.ceoaction.com/pledge>

¹² <https://www.hrc.org/resources/corporate-equality-index-criteria>

¹³ <https://www.wsj.com/opinion/britain-bans-puberty-blockers-hormones-transgender-cass-report-u-s-v-skrmetti-a0722877>

¹⁴ <https://www.fticonsulting.com/insights/articles/de-risking-litigation-exposure-conflict-management-integral-business-administration>

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“‘fully’ effected” by the company, the Commission has revised its approach to the exclusion over time to allow for exclusion of proposals that have been “substantially implemented.” Commission Release No. 34-20091 (August 16, 1983) and Commission Release No. 34-40018 (May 21, 1998). In applying this standard, the Staff has noted that “a determination that the [c]ompany has substantially implemented the proposal depends upon whether [the company’s] particular policies, practices and procedures compare favorably with the guidelines of the proposal.” *Texaco, Inc.* (March 6, 1991, recon. granted March 28, 1991). In addition, when a company can demonstrate that it already has taken actions that address the “essential objective” of a shareholder proposal, the Staff has concurred that the proposal has been substantially implemented and may be excluded as moot, even where the company’s actions do not precisely mirror the terms of the shareholder proposal. *See, e.g., Delta Air Lines, Inc.* (March 12, 2018) (concurring in exclusion under Rule 14a-8(i)(10) of a proposal requesting adoption of proxy access bylaws where the bylaws adopted by the company differed from the terms requested in the proposal); *Assembly Biosciences, Inc.* (February 26, 2018) (same); and *JetBlue Airways Corporation* (January 23, 2018) (same).

The Proposal requests that the Compensation Committee of the Company’s Board of Directors (the “Compensation Committee”) (i) “*revisit*” its incentive guidelines for executive pay to (ii) “*consider*” eliminating certain goals and aspirations from compensation formulas (emphasis added). As discussed in more detail below and in the Company’s proxy statements filed with the Commission, the Compensation Committee already revisits the Company’s incentive compensation programs on an annual basis and, in doing so, considers and determines the performance measures to be used in structuring incentive awards. Additionally, following the Compensation Committee’s review of the Company’s incentive compensation programs for the 2024 fiscal year, the Compensation Committee selected a set of performance measures that do not include DEI goals or aspirations. Therefore, the Compensation Committee’s practices both compare favorably with the actions requested by the Proposal and address the Proposal’s essential objective, and as a result, the Company has substantially implemented the Proposal for purposes of Rule 14a-8(i)(10).

The Compensation Committee engages in ongoing review of the Company’s executive compensation, including a yearly evaluation of all performance measures to be included in the determination of incentive compensation.

The Company’s executive compensation structure is primarily composed of base salary and incentive compensation provided under the Company’s annual short-term incentive plan (the “STIP”) and the Company’s long-term incentive plan (the “LTIP”).

The Compensation Committee is tasked with overseeing executive compensation and does so using a robust year-round engagement, planning, review and approval process. As disclosed in the Company’s prior proxy statements, the Compensation Committee undertakes an extensive

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review of the STIP and LTIP designs annually with the objective of strengthening the alignment of these plans with the Company's evolving financial and strategic goals. This "revisiting" of the incentive compensation programs includes a review and approval of all performance measures to be used in awarding incentive compensation under the STIP and LTIP.

To carry out the foregoing, the Compensation Committee carefully considers a wide range of factors in determining which performance measures to include in structuring STIP and LTIP awards and approves changes to the performance measures in the best interests of the Company and its shareholders. In its 2024 proxy statement, the Company disclosed a summary of such changes under the heading "Compensation Program Evolution." As disclosed, the Company's 2023 STIP performance measures included EBIT-adjusted (50%), Adjusted Automotive Free Cash Flow ("AAFCF") (25%) and strategic goals (25%), including certain goals that relate to the Company's employees and DEI. For 2024, the Compensation Committee considered and determined to adjust the STIP performance measures to include only EBIT-adjusted (35%), AAFCF (25%), Electric Vehicle ("EV") (25%), Software & Services (10%), and Autonomous Vehicle (5%) thereby removing the strategic goals performance measure. The Compensation Committee also approved changes to the LTIP for 2024 to remove EV measures and include cumulative Adjusted Automotive Operating Cash Flow as a performance measure. Therefore, the Company did not use DEI-based performance measures in its incentive compensation programs for 2024. As in prior years, the Compensation Committee will once again revisit the STIP and LTIP for the 2025 performance year and will consider which performance measures to include. Disclosure regarding this process and the resulting incentive programs have been, and will continue to be, included in the Company's applicable proxy statements.

The Staff has consistently concurred in the exclusion of proposals under Rule 14a-8(i)(10) that pertain to executive compensation when a company's actions compare favorably to the actions requested in the proposal. *See, e.g., Amazon.com, Inc.* (March 27, 2020) (concurring in exclusion of a proposal requesting the compensation committee report on "the feasibility of integrating sustainability metrics, including metrics regarding diversity among senior executives, into performance measures or vesting conditions that apply to senior executives under the [c]ompany's compensation plans or arrangements" where the company explained in its prior proxy statements why it "does not, as [the proposal] requests, integrate specific performance measures or vesting conditions into [its] compensation arrangements"); *Visa, Inc.* (October 11, 2019) (concurring in exclusion of a proposal requesting the company reform its executive compensation philosophy to include social factors, such as CEO pay ratio, to enhance the company's social responsibility where the company disclosed in its proxy statement and sustainability report that its compensation committee considers social factors); *Wal-Mart Stores, Inc.* (March 25, 2015) (concurring in exclusion of a proposal requesting inclusion of "employee engagement" as a metric in determining senior executives' incentive compensation where the company already provided disclosure in a prior proxy statement noting that each executive officer's compensation under its annual incentive plan could be reduced by up to 15% based on

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the extent to which he or she contributed to diversity and inclusion); and *General Electric Co.* (January 23, 2010) (concurring in exclusion of a proposal requesting that the board explore with certain executive officers the renunciation of certain stock option grants, where the board discussed the request in the proposal with the specified executives, who declined to renounce the awards).

The Proposal here requests the Compensation Committee engage in a review and consideration of its incentive guidelines for executive pay. As the Company has disclosed, the Compensation Committee is responsible for reviewing the Company's executive compensation and a necessary part of that review is carefully considering and determining the performance measures to be used in the STIP and the LTIP. This review has been done on an annual basis and will be done again early next year with disclosure of the results of such review to be included in the Company's proxy statement. Following the prior review, the Compensation Committee selected a set of performance measures that do not include DEI goals or aspirations. Indeed, it is not clear what else could be done to implement the Proposal. Therefore, the actions taken by the Company both compare favorably with the Proposal's request and address the Proposal's essential objective, and as a result, the Company may exclude the Proposal on the basis that it has been substantially implemented under Rule 14a-8(i)(10).

Conclusion

For the foregoing reasons, and consistent with the Staff's prior no-action letters, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its Proxy Materials pursuant to Rule 14a-8(i)(10).

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If the Staff has any questions with respect to the foregoing, or if for any reason the Staff does not agree that the Company may exclude the Proposal from its Proxy Materials, please do not hesitate to contact me at lillian.brown@wilmerhale.com or (202) 663-6743. In addition, should the Proponent choose to submit any response or other correspondence to the Commission, we request that the Proponent concurrently submit that response or other correspondence to the Company, as required pursuant to Rule 14a-8(k) and SLB 14D, and copy the undersigned.

Best regards,



Lillian Brown

Enclosures

cc: John Kim
Assistant General Counsel, Finance and Governance, and Assistant Corporate Secretary
General Motors Company

National Legal and Policy Center

EXHIBIT A



December 19, 2024

Mr. Grant Dixon
Executive Vice President, Chief Legal & Public Policy Officer, Corporate Secretary
General Motors Company
300 Renaissance Center
Mail Code 482-C24-A68
Detroit, MI 48265

VIA UPS & EMAIL: shareholder.relations@gm.com

Dear Mr. Dixon/Corporate Secretary:

I hereby submit the enclosed shareholder proposal (“Proposal”) for inclusion in General Motors Company’s (“Company”) proxy statement to be circulated to Company shareholders in conjunction with the next annual meeting of shareholders. The Proposal is submitted under Rule 14(a)-8 (Proposals of Security Holders) of the U.S. Securities and Exchange Commission’s proxy regulations.

National Legal and Policy Center (NLPC) is the beneficial owner of 100 shares of the Company’s common stock with a value exceeding \$2,000, which shares have been held continuously for more than three years prior to this date of submission. NLPC intends to hold the shares through the date of the Company’s next annual meeting of shareholders. A proof of ownership letter is forthcoming and will be delivered to the Company.

The Proposal is submitted in order to promote shareholder value by requesting the Compensation Committee of the Board of Directors to revisit DEI goals in the company’s executive pay incentives. Either an NLPC representative or I will present the Proposal for consideration at the annual meeting of shareholders.

I and/or an NLPC representative are able to meet with the Company via teleconference to discuss the proposal on January 14 at 9:00 a.m. or January 16 at 9:00 a.m., in the Eastern Time Zone (U.S.). While we can potentially accommodate other dates and times that would align with Company representatives’ availability, NLPC will *not* be able to meet with the Company outside the time window of 10 to 30 days from the date of the Proposal’s submission, as specified by SEC guidelines.

Nat’l Headquarters: [REDACTED]

Phone: ([REDACTED]) Email: [REDACTED]

If you have any questions, please contact me at the above phone number. Copies of correspondence or a request for a "no-action" letter should be forwarded to me via email or sent to me at [REDACTED]

Sincerely,

A handwritten signature in cursive script that reads "Paul Chesser".

Paul Chesser
Director
Corporate Integrity Project

Enclosure: "Revisit DEI Goals in Executive Pay Incentives" proposal

Revisit DEI Goals in Executive Pay Incentives

WHEREAS: Since the June 2023 U.S. Supreme Court decision in *Students for Fair Admissions v. Harvard College*,¹ hundreds of higher education institutions have shuttered their diversity, equity and inclusion (DEI) programs and positions.²

Consequently, “there has been a sharp uptick in litigation challenging corporate DEI programs and initiatives, alleging that they require unlawful employment and contracting decisions to be made on the basis of race, in violation of Title VII of the Civil Rights Act of 1964...”³

Corporations’ compliance lawyers now advise clients that “DEI initiatives and programs that are not open to all applicants or those that apply an explicit race- or gender-based focus will likely face continued and heightened scrutiny.” Also: “We also expect to see ongoing scrutiny of perceived hiring quotas and set-asides, particularly those that may appear to be incentivized by bonuses for management or company leadership.”⁴

Further, “companies, and their management teams and boards, should be prepared for increased employment-related litigation including litigation that seeks to hold executive officers and directors personally liable for purported breaches of their fiduciary duties in connection with the corporation’s DEI policies.”⁵

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Among its multitude of DEI initiatives, the Company has signed on to the “CEO Action for Diversity and Inclusion Pledge,” and has committed to standards established by LGBTQ advocacy group Human Rights Campaign (HRC).⁹ ¹⁰ The former requires company leaders to force employees into “unconscious bias education” and for executives to devise “strategic action

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⁶ <https://nypost.com/2024/09/03/us-news/how-robby-starbuck-is-prompting-brands-like-ford-to-ditch-dei/>

⁷ <https://www.cnn.com/2023/08/17/business/starbucks-payment-racial-discrimination-white/index.html>

⁸ <https://investor.gm.com/static-files/7586678b-b420-43bc-8f27-eeebec4c89f5>

⁹ https://www.gm.com/content/dam/company/docs/us/en/gmcom/company/GM_2023_SR.pdf

¹⁰ <https://www.hrc.org/resources/buyers-guide/general-motors-co.-4>

plans to prioritize and drive accountability around inclusion and diversity,”¹¹ while HRC demands that employee insurance plans provide controversial “transitioning” medical treatments for employees’ child dependents,¹² including puberty blockers, which are banned in the United Kingdom and whose prohibition is under consideration by the U.S. Supreme Court.¹³

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RESOLVED: Shareholders request the Board of Directors’ Compensation Committee to revisit its incentive guidelines for executive pay, to consider eliminating discriminatory DEI goals and aspirations from compensation formulas.

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