



November 21, 2019

Mary Barra
Chief Executive Officer
General Motors Company
P.O. BOX 33170
Detroit, MI 48232

Dear Ms. Barra,

Strong fuel economy standards remain an essential strategy to reduce our country's dependence on fossil fuels and to help us meet the climate objectives established by the Paris Climate Agreement - objectives regarded as vital if we are to avoid the most catastrophic impacts of climate change. As long-term investors in the automotive sector we further believe strong standards are imperative to level the playing field for the automotive industry as a whole, and to allow individual businesses to plan for the long term and position themselves to thrive in a future low-carbon economy. It is in this context that we write to express our objections to General Motors' decision to intervene in support of the Administration's revocation of California's authority to set stronger emission standards. As faith- and values-based investors, we recognize the urgent importance of keeping the U.S. economy on a path to address the worst impacts of climate change, and we believe your actions may place the long-term viability of the automotive sector, and our investments, at risk.

We strongly support the waiver authority of California and 15 other states under the Clean Air Act to establish more rigorous standards to regulate fuel economy and pollution from cars. This waiver authority will potentially eliminate billions of tons of carbon dioxide pollution caused by vehicle emissions and is an important element in moving the U.S. economy towards mitigating the worst impacts of climate change. According to a [study by the Rhodium Group](#), *in 2025, U.S. energy-related carbon dioxide (CO₂) will be 16 to 37 million metric tons (MMt) higher if CAFE standards are frozen at 2020 levels.*

Ford Motor Company, Volkswagen Group of America, Inc., BMW of North America, LLC and American Honda Co. Inc. signed a memorandum in July, 2019 in support of the CA waiver authority. The memorandum with California signals a commitment to delivering cleaner vehicles across the nation that will provide clear benefits for customers and the environment. As investors who have held long-term, productive engagements with these signatory companies on their fuel efficiency and greenhouse gas emissions, we want to strongly commend them for their public support of California's authority and stronger standards. In fact, we find it notable that these leaders not only supported California in its waiver, but worked with the state to find a compromise that would still involve reduction of emissions, but also made sense for the industry.

In contrast, on October 29, 2019, General Motors, Toyota, and Fiat Chrysler Automobiles intervened on behalf of the Administration in the lawsuit being brought by California and others to challenge the Administration's revocation of California's waiver. It is deeply concerning to see automakers actively opposing standards that are good for business, consumers, and the environment.

The health risks that weakened emissions standards represent to the public as communities are exposed to increased air pollution, dangerous toxins, augmented childhood asthma, and even premature death should be of heightened concern to all automakers. There is a moral imperative to protect communities that disproportionately bear the burden of climate impacts, yet are often the least responsible and least able to adapt.

Strong standards will strengthen the global competitiveness of U.S. automakers, their suppliers, and the many small businesses that support the industry. Moreover, there is clear consumer demand as nearly 90 percent of consumers support improving fuel economy for all vehicles, and nearly 75 percent of consumers support stricter federal fuel economy regulations.¹ The public backlash to General Motors' intervention in the lawsuit, including calls for a boycott, demonstrates the significant reputational risk this represents for the company. Consumers clearly prefer to do business with companies that prioritize sustainability. In its [Sustainability Strategy](#), General Motors asserts "we acknowledged long ago that climate change is a reality and recognize that the transportation sector is a leading contributor to global GHG emissions. This is a driving force behind our vision of a future of zero crashes, **zero emissions** and zero congestion." In our view, GM's intervention in the CA waiver will hinder, not further a zero emissions goal.

We urge General Motors to reconsider its position and join the California agreement, refrain from joining future lawsuits in support of weakening the standards, and join its peers in constructive advocacy to reduce emissions for the good of the industry, the planet and its people. We similarly encourage all automakers to produce robust climate scenario analyses aligned with the Paris Agreement and the guidance from the Taskforce on Climate Related Financial Disclosures.

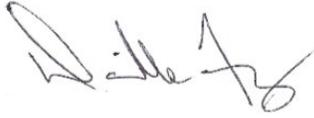
We remain open to engaging with you on this issue. Please contact Sr. Patricia Daly, OP (patdalyop@gmail.com) who can facilitate coordination with the undersigned investors.

Sincerely,



Sr. Patricia Daly, OP
Representative for Corporate Responsibility and Impact Investing
Dominican Sisters of Caldwell, NJ

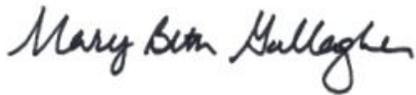
¹ <https://www.consumerreports.org/fuel-economy-efficiency/survey-finds-consumers-want-better-gas-mileage-stricter-mpg-standards/>



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cc. Sharon Basel, Senior Director, Sustainability, General Motors