2026 Battery Supply Chain Report

Zero Crashes
Zero Emissions
Zero Congestion

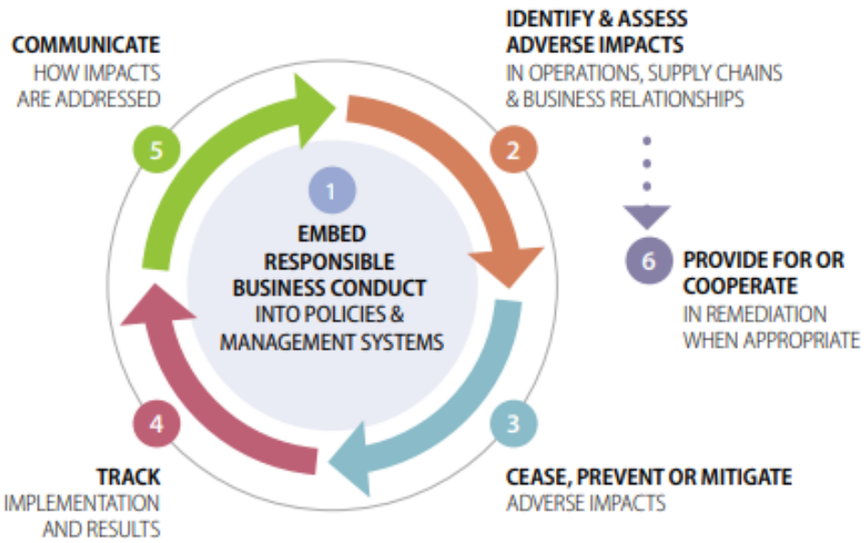
Responsible Sourcing in Battery Material Supply Chains

As demand for battery materials continues to grow, responsible sourcing remains an important component of GM's transition to an all-electric future. GM's due diligence approach is aligned with the UN Guiding Principles on Business and Human Rights and guided by the OECD Due Diligence Guidance for Responsible Business Conduct. Through risk-based due diligence, stakeholder engagement, and continuous improvement processes, GM works to identify, assess, and address potential human rights and environmental risks within battery material supply chains.

The risk descriptions in the following pages are intended to provide general context regarding challenges that may be associated with mineral supply chains and do not necessarily reflect the specific materials or suppliers in GM's supply chain. Where possible, GM evaluates risk at the supplier-site level and maintains Awareline, a grievance mechanism that supports the identification and management of potential concerns.

OECD Guidance for Responsible Business Conduct (High Level Overview)[1]

The OECD Due Diligence Guidance for Responsible Business Conduct provides a cross-sector framework for identifying, preventing, mitigating, and addressing adverse impacts associated with business activities, supply chains, and other business relationships. The Guidance addresses a broad range of responsible business conduct issues, including human rights, labor rights, the environment, bribery and corruption, disclosure, and consumer interests. The Guidance describes due diligence as an ongoing, risk-based process through which companies embed responsible business conduct into policies and management systems; identify and assess actual and potential impacts; cease, prevent, or mitigate harms; track effectiveness; communicate how impacts are addressed; and support remediation where appropriate. It encourages companies to consider sector, product, geographic, and enterprise-level risk factors, map relevant business relationships, and prioritize areas where risks are most severe or most likely to occur. Throughout the process, the Guidance emphasizes stakeholder engagement, the use of credible information sources, and mechanisms such as monitoring and grievance channels to help identify concerns and inform decision-making. It also highlights the importance of meaningful public communication that is accessible to intended audiences while balancing legitimate confidentiality and safety considerations. Rather than prescribing a uniform approach, the Guidance is intended to be applied in a manner appropriate to a company's size, sector, supply chain position, and operating context. As a result, it provides a flexible framework for structuring and strengthening due diligence systems over time.



[1]*OECD (2018), OECD Due Diligence Guidance for Responsible Business Conduct, OECD Publishing, Paris, https://doi.org/10.1787/15f5f4b3-en*

Salient Risks in Battery Raw Material Supply[2] [3]

Cobalt:

About 70% of the world's mined cobalt is produced in the Democratic Republic of the Congo (DRC), with an estimated 15-30% of the production originating from artisanal and small-scale mining activities. Risks associated with cobalt mining include child labor, hazardous working conditions, and labor exploitation, particularly within informal and artisanal mining activities. Large-scale mining projects can also affect local communities through land acquisition, resettlement, and impacts on livelihoods. Cobalt mining and processing also present significant environmental challenges such as deforestation and land disturbance. Dust, wastewater, and emissions generated during mining and processing may adversely affect air and water quality. Studies conducted in mining regions have identified impacts on air and water quality, and substantial energy demands associated with mining and processing activities.

Graphite:

Graphite supply chains present environmental and worker health risks across both mining and processing activities. Natural graphite mining has been associated with air and water pollution, and prolonged exposure to graphite dust can contribute to respiratory illnesses such as pneumoconiosis. In some regions, production relies on energy-intensive processes that contribute to greenhouse gas emissions. Many graphite deposits are located within biodiversity-rich areas, where mining activities may result in land disturbances, habitat loss, and contamination of local waterways. Environmental risks extend beyond extraction. Battery-grade graphite purification requires corrosive chemicals such as hydrofluoric acid, creating additional waste-management and water-quality risks across processing stages.

Lithium:

Lithium supply chains face several risks, primarily related to environmental impact, water use, indigenous peoples' rights and worker safety. While extraction is typically conducted through large industrial operations, many of the world's largest reserves are located in Chile, Argentina, and Bolivia, where water-intensive brine extraction occurs in extremely dry regions such as the Atacama Desert. This raises concerns about pressure on limited water resources and potential effects on local communities and ecosystems. Disputes over land use and project impacts have contributed to increased scrutiny of new developments. Occupational health and safety risks have also been reported at some mining sites. Downstream, lithium refining—much of which occurs in coal-powered regions—creates additional emissions and waste-management challenges.

Nickel:

Nickel supply chains are subject to increased risk in regions where large-scale extraction and refining occur. Open-pit mining of laterite deposits can lead to deforestation, land disturbance, and biodiversity loss. HPAL (high-pressure acid leach) refining process generates fine tailings and chemical waste that require careful management to prevent impacts on groundwater and coastal ecosystems. Reports from various sites have highlighted concerns about water quality, emissions, and waste containment. Human rights concerns, including community concerns about land use, environmental impacts, and worker safety also exist. Some refineries have experienced safety incidents involving chemical exposure and high-risk processing conditions. These combined environmental, community, and occupational risks contribute to elevated scrutiny of nickel supply chains globally.

[2] Material Insights. (n.d.). *Material Insights.* https://www.material-insights.org/

[3] U.S. Geological Survey. (2026). *Mineral commodity summaries 2026.* U.S. Geological Survey. https://doi.org/10.3133/mcs2026

Governance and Related Workstreams

Responsible Materials Policy: GM's Responsible Materials Policy outlines the company's approach to sourcing select raw materials with elevated environmental and human rights risks, including cobalt, mica, natural rubber, and leather. Aligned with the OECD Due Diligence Guidance, the policy establishes expectations for supplier due diligence, supply chain transparency, traceability, and responsible sourcing practices. It also encourages suppliers to implement responsible sourcing management systems and participate in independent third-party assurance programs where applicable.

Batteries Supply Chain Due Diligence Policy: GM's Batteries Supply Chain Due Diligence Policy establishes a risk-based framework for responsible battery material sourcing. Consistent with the OECD Due Diligence Guidance for Responsible Business Conduct, the policy supports the identification, assessment and mitigation of human rights and environmental impacts throughout the battery supply chain and helps prepare for compliance with evolving regulatory requirements, including the EU Battery Regulation.

The policy communicates GM's expectations for supply chain traceability, supplier cooperation, and due diligence implementation, helping operationalize the company's responsible sourcing commitments across battery supply chains.

Supply Chain Mapping: Supply chain mapping is a foundational due diligence activity used to identify battery material suppliers across multiple tiers and improve visibility into upstream processing and mining. This visibility supports risk identification and assessment and helps focus subsequent mitigation and monitoring efforts.

To strengthen supply chain visibility, GM works with third party auditors to conduct risk-based mapping and auditing activities for battery materials. GM has conducted this work since 2024, using approaches informed by internationally recognized frameworks such as OECD Due Diligence Guidance and IRMA assurance criteria. This program focuses on identifing supply chain risks, tracking corrective actions, and monitoring supplier improvement efforts over time.

Saliency Assessment: In 2025, GM engaged a third party to conduct a salient human rights and environmental risk assessment of its battery material supply chain in preparation for EU Battery Regulation due diligence. The work examined key supply chain stages across GM's priority sourcing countries. The provider combined document review, internal and external stakeholder interviews, data analytics, and scoring of risk likelihood and severity, followed by stakeholder validation. The assessment identified mining and extraction as the highest-risk stage and provided a prioritized foundation for GM's due diligence, supplier mapping, audits, and upstream engagement.

Extended Minerals Reporting Template (EMRT): The EMRT is a standardized reporting tool used to collect information on battery-relevant mineral supply chains and support due diligence efforts. As part of GM's broader supply chain mapping and traceability activities, the EMRT provides visibility into upstream actors and sourcing relationships, helping inform risk assessment and follow-up engagement. In 2025, GM completed its first full year of EMRT deployment, building on its established annual CMRT process and expanding the foundation for due diligence across battery-relevant minerals.

The results from this first reporting year strengthened GM's due diligence program by improving supply chain transparency and supporting more targeted engagement with suppliers, smelters, and refiners. The process facilitates risk identification and focuses follow-up efforts.

Due Diligence at Sourcing: GM conducts pre-sourcing due diligence for in-scope battery pack and component suppliers, to assess ownership, supply chain risks, and policy gaps prior to RFQ participation, sourcing decisions, and

supplier onboarding. Aligned with OECD due diligence principles, the review evaluates potential human rights, environmental, legal, compliance, and adverse media risks. Prospective suppliers are asked to provide supply chain mapping information, as well as documentation related to supply chain due diligence and governance. Depending on the overall risk profile, GM may require additional follow-up, enhanced review, or corrective actions before sourcing decisions are finalized.

Battery Passport: The EU Battery Regulation (EU 2023/1542) requires a digital "battery passport" for electric vehicle (EV) batteries sold in the EU from 18 February 2027. Each in-scope EV battery must have a unique QR code linking to its passport, which contains key information about the battery model and the individual battery. GM has a cross functional team preparing to meet these requirements. The passport is intended to enhance transparency, traceability, and regulatory compliance, and to support safe use, repurposing, and end-of-life management of EV batteries in the EU.

Battery Recycling: GM supports responsible EV battery lifecycle management by working with qualified recycling partners to recycle GM-controlled battery materials, including manufacturing scrap, warranty and recall materials, and eligible aftersales batteries. GM also supports collection and compliant management of eligible end-of-life batteries returned through dealer and service channels.

In 2025, GM-directed recycling channels in the U.S. market processed EV battery materials from Ultium Cells, GM facilities and aftersales operations. These materials were managed through recycling processes intended to recover valuable battery materials including nickel, cobalt, lithium and copper.

To prepare for increasing end-of-life battery volumes and evolving regulatory requirements, GM continues to develop collection, logistics and recycling pathways across its aftersales and dealer network in the United States and Canada. GM's recycling strategy is intended to maximize material recovery, support applicable regulatory requirements, and advance circular supply-chain objectives. Where commercially viable, technically qualified, and approved by relevant cell and Cathode Active Material supply chain partners, recovered materials may re-enter battery supply chains or support new battery production.

Awareline: GM Awareline is a third-party operated grievance mechanism that supports GM's due diligence processes by providing employees, suppliers, and other stakeholders with a channel to raise concerns about potential misconduct or adverse impacts. Accessible through multiple reporting channels and available at all times, the mechanism helps identify, assess, and address issues within GM's operations and supply chains while allowing confidential or anonymous reporting where permitted by law.

Indigenous Peoples' Rights: The geographic regions where mined materials are extracted are often traditionally occupied or used by Indigenous Peoples. GM recognizes this as a potential risk in the supply chain for battery raw materials and other mined minerals. Accordingly, GM's human rights and responsible sourcing policies are developed with acknowledgement of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP). These policies guide GM's expectations for suppliers and business partners, including respect for Indigenous Peoples' rights, land rights, and applicable consultation and consent principles, and inform our risk-based due diligence across relevant supply chains.

Additional information on GM policies and disclosures:

Governance & Sustainability | General Motors

Related Links:

Awareline

GM News

Industry Workgroups and Supply Chain Engagement on EV Materials

GM participates in a variety of automotive industry initiatives that support collaboration on responsible sourcing and environmental sustainability throughout the supply chain. Through these forums, GM contributes to shared discussions, information exchange, collaborative projects, and working groups addressing supply chain transparency, due diligence, climate, circularity, nature, and water stewardship. GM also hosts meetings, assumes leadership roles in selected workstreams, and encourages suppliers and other business partners to participate. These efforts help strengthen expectations across the value chain, promote continuous improvement, and advance the resilience, sustainability, and business value of the supply chain.

GM also participates in cross-sector initiatives that support responsible sourcing and supply chain due diligence. Through these initiatives, GM uses shared guidance, reporting resources, industry information, and collaboration opportunities to strengthen supply chain transparency and risk identification. GM contributes to collaborative efforts that improve reporting and engagement practices, reinforce expectations for responsible business conduct, and promote continuous improvement across the battery material supply chain.

Together, these collaborations support GM's broader objective of advancing responsible supply chains.

Initiative for Responsible Mining Assurance (IRMA): GM joined IRMA in 2021 to help advance more responsible mining practices and strengthen responsible sourcing expectations upstream in mined material supply chains. IRMA is a multi-stakeholder organization, that administers the IRMA Standard for Responsible Mining, a mine-level framework used to assess environmental, social, and business performance at industrial-scale mining operations through independent third-party audits. As a downstream purchaser, GM participates in IRMA's Purchasers Group to engage with other purchasers on responsible mining topics and to advance shared expectations for more credible, transparent, and stakeholder-informed mine-site due diligence. IRMA engagement has helped strengthen GM's responsible sourcing program by improving upstream risk visibility, reinforcing supplier expectations, and encouraging mines to work toward independent assurance and continuous improvement.

Fair Cobalt Alliance (FCA): The FCA is a multi-stakeholder organization that works to address challenges associated with artisanal and small-scale cobalt mining in the DRC, including child labor risks, miner safety, and the formalization of mining activities. In 2026 GM provided a financial contribution to The Impact Facility to support the FCA's mission and broader efforts to promote responsible cobalt sourcing. This contribution reflects GM's commitment to responsible cobalt production and the responsible sourcing of battery materials.

Lithium Americas - Thacker Pass: Through its investment in and long-term offtake agreement with Lithium Americas' Thacker Pass project in Nevada, GM is supporting the development of a domestic source of lithium for EV batteries. As part of its due diligence and investment evaluation, GM considered environmental, human rights, Indigenous community, and stakeholder-related matters and engaged with Lithium Americas regarding its approach to addressing these issues. GM recognizes the importance of meaningful engagement with affected communities and expects these efforts to remain an important component of responsible project development. Through this partnership, GM seeks to support the responsible development of critical minerals while strengthening the resilience and regionalization of the battery materials supply chain.