Ally celebrates Black Business Month by investing $30 million in Black founders, businesses and communities

- $5 million investment in Fearless Fund will advance Black representation in venture capital and support women of color

- $25 million investment in SoLa Impact's Black Impact Fund will boost economic development and affordable housing within Black and Brown communities

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CHARLOTTE, N.C., Aug. 18, 2021 /PRNewswire/ -- On average, Black business founders start with approximately $72,000 less in capital compared to their white counterparts, according to a 2020 McKinsey report[1]. Additionally, Black businesses are almost three times more likely to suffer lower profits due to a lack of access to funding[2]. To address these issues and recognize Black Business Month, Ally Financial Inc. (NYSE: ALLY) is making a combined $30 million investment to help grow Black-owned businesses and fuel broad-based Black community development.

The Ally investment consists of two parts:

- A $5 million primary investment in Fearless Fund, a venture capital fund created by women of color for women of color. Ally and Fearless Fund executives will be working closely on a series of programs that support Black entrepreneurship and wealth growth.
- A $25 million investment in SoLa Impact's recently launched $300 million Black Impact Fund which invests exclusively in Black and Brown communities in major urban markets. SoLa Impact is the 7th fastest-growing minority-led private company and has been recognized as one of the leading urban real-estate platforms in the country.

"Black-owned businesses are the backbone of many communities throughout the country," said Diane Morais, president, Consumer and Commercial Banking at Ally Bank. "To succeed, they need capital and, when it comes to accessing that capital, we know representation matters. Our investments in Fearless Fund and the Black Impact Fund will help develop the next generation of successful Black entrepreneurs, investors and community leaders who will be writing the checks and creating the opportunities. These are important steps to building a healthier and more inclusive economy."

Recognized throughout August, National Black Business Month is devoted to supporting and celebrating Black-owned businesses across the country. Together with Fearless Fund and SoLa Impact, Ally honors that mission not only this month, but all year long by providing the funding and mentorship Black businesses need to succeed.

Ally Becomes a Primary Investor in Fearless Fund

Established in 2019, Fearless Fund invests in women of color-led businesses seeking pre-seed, seed level, or series A financing. Its mission is to bridge the gap in venture capital funding for women of color founders building scalable, growth aggressive companies.

"The statistics around how overlooked women of color founders are across all industries is staggering and our partners at Ally, especially and importantly those at the C-suite and senior management level, understand the urgency in actively providing these women with the resources needed to reach sustainable success and drive the culture towards a more diverse future," says Arian Simone, General Partner and Co-Founder of Fearless Fund. "We are incredibly grateful towards Ally for investing in our mission to provide support and backing to women of color entrepreneurs."

Ally's relationship with the Fearless Fund goes beyond its investment to include a series of cross-collaboration activities. Last April, Simone served as a judge in an Ally-sponsored VC pitch competition that marked the opening of the University Growth

Fund's Atlanta office. UGF, the largest student-run equity fund in the country, expanded its operations to Atlanta—home to 26,000 college and university students of color—to provide more Black and Brown students access to careers in venture capital.

In addition, Simone appeared as a featured speaker atAlly Invest's digital conference in June, discussing money tips and how individuals can become better investors by investing in themselves. Later this month, Fearless Fund will host Fearless Venture Capital Week as part of Black Business Month with Ally sponsoring a day-long focus on women entrepreneurs in VC on Friday, Aug. 27.

The Black Impact Fund & Ally

SoLa Impact's Black Impact Fund is a family of real estate-related funds with a double bottom line strategy focused on investing in Black and Brown communities in major urban markets. Black Impact Fund's unique structure aligns an Opportunity Zone fund, a non-Opportunity Zone fund, and the nonprofit Black Impact Community Fund designed to ensure community members participate in their communities' success.

"This investment from Ally is a significant step forward in enacting practical solutions that affect change and deliver sustainable social impact for Black and Brown communities," said Martin Muoto, CEO of SoLa Impact and Managing Partner of the Black Impact Fund. "Ally's investment demonstrates their deep understanding of how creating opportunities for access to affordable housing and access to capital within diverse communities fosters a stronger economic landscape for us all. We believe Ally's commitment demonstrates true leadership in diversity and inclusion among financial institutions."

About Ally Financial Inc.

Ally Financial Inc. (NYSE: ALLY) is a digital financial services company committed to its promise to "Do It Right" for its consumer, commercial and corporate customers. Ally is composed of an industry-leading independent auto finance and insurance operation, an award-winning digital direct bank (Ally Bank, Member FDIC and Equal Housing Lender, which offers mortgage lending, point-of-sale personal lending, and a variety of deposit and other banking products), a corporate finance business for equity sponsors and middle-market companies, and securities brokerage and investment advisory services. A relentless ally for all things money, Ally helps people save well and earn well, so they can spend for what matters. For more information, please visit www.ally.com and follow @allyfinancial.

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[1]Baboolall, David, et al. "Building Supportive Ecosystems FOR Black-Owned US Businesses." McKinsey & Company, McKinsey & Company, 23 June 2021, www.mckinsey.com/industries/public-and-social-sector/our-insights/building-supportive-ecosystems-for-black-owned-us-businesses.

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