Ally Financial Inc - Climate Change 2021

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

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.

Our primary business lines are Dealer Financial Services, which is composed of our Automotive Finance and Insurance operations, Mortgage Finance, and Corporate Finance. Corporate and Other primarily consists of centralized corporate treasury activities, the management of our legacy mortgage portfolio, the activity related to Ally Invest and Ally Lending (our unsecured personal-lending business unit), and reclassifications and eliminations between the reportable operating segments. Ally Bank's assets and operating results are included within our Automotive Finance, Mortgage Finance, and Corporate Finance segments, as well as Corporate and Other, based on its underlying business activities. As of December 31, 2020, Ally Bank had total assets of $172.0 billion, and total nonaffiliate deposits of $137.0 billion.

Be (Even) Better — our internal mantra to never stop improving and never stop growing — is the foundation for our strategic objectives, which are centered around (1) differentiating our company as a relentless ally for consumer, commercial, and corporate customers, (2) ensuring our culture remains aligned with a focus on our customers, communities, employees, and stockholders, (3) ongoing optimization of our market leading automotive, insurance, and digitally-based bank business lines, (4) sustained growth in customers and ongoing relationship deepening across our scalable platforms, and expanded product offerings, and (5) efficient capital deployment and disciplined risk management. At Ally we understand that we can go fast alone, but to go far, we must go together — when each of us are committed to be a little better every day, we are able to make the world better for all of us.

Additional information may also be found at https://www.ally.com/

The information included within this submission and any related communications contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements often use words such as "believe," "expect," "anticipate," "intend," "pursue," "seek," " continue," "estimate," "project," "outlook," "forecast," "potential," "target," "objective," "trend," "plan," "goal," "initiative," "priorities" or other words of comparable meaning or future-tense or conditional verbs such as "may," "will," "should," "would" or "could." Forward-looking statements convey our expectations, intentions or forecasts about future events, circumstances, or results. All forward-looking statements, by their nature, are subject to assumptions, risks and uncertainties, which may change over time and many of which are beyond our control. You should not rely on any forward-looking statement as a prediction or guarantee about the future. Actual future objectives, strategies, plans, prospects, performance, conditions or results may differ materially from those set forth in any forward-looking statement. Some of the factors that may cause actual results or other future events or circumstances to differ from those in forward-looking statements are described in our Annual Report *on Form 10-K for the year ended December 31, 2020, our subsequent Quarterly Reports on Form 10-Q or Current Reports on Form 8-K,or other applicable documents that are filed or furnished with the U.S. Securities and Exchange Commission (collectively, our SEC filings). Any forward-looking statement made by us or on our behalf speaks only as of the date that it was made. We do not undertake to update any forward-looking statement to reflect the impact of events, circumstances or results that arise after the date that the statement was made, except as required by applicable securities laws. You, however, should consult further disclosures (including disclosures of a forward-looking nature) that we may make in any subsequent SEC filings.*

C0.2

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emmisions data for
	Reporting year	January 1 2020	December 31 2020	<Not Applicable>

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-FS0.7

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-FS0.7

(C-FS0.7) Which organizational activities does your organization undertake?

Bank lending (Bank)
Investing (Asset manager)
Investing (Asset owner)
Insurance underwriting (Insurance company)

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Chief Executive Officer (CEO)	As a digital bank with no brick-and-mortar branches, Ally inherently has a lower carbon footprint and reduced environmental impact than traditional branch based financial institutions. However, we recognize we can contribute more to the effort to achieve environmental sustainability. In 2020, we made the decision to accelerate our current environmental sustainability efforts beyond our facilities and work to develop a comprehensive strategy that strengthens the link between our social and environmental initiatives. This strategy is currently under development. As part, we plan to incorporate a more comprehensive governance structure of board-level oversight, which will include reviewing, advising management on and monitoring performance against Ally's strategic plans and objectives, while considering Ally's risk appetite, resources and controls. The Ally Financial Inc. Board of Directors (Board), and management regularly consider all risks to the business, including those relating to climate, and Ally discloses risks believed to be material to our business. We will continue to strengthen the risk assessment and governance processes, as available data and reporting frameworks evolve alongside governmental regulation and industry collaboration.
Chief Risk Officer (CRO)	As a digital bank with no brick-and-mortar branches, Ally inherently has a lower carbon footprint and reduced environmental impact than traditional branch based financial institutions. However, we recognize we can contribute more to the effort to achieve environmental sustainability. In 2020, we made the decision to accelerate our current environmental sustainability efforts beyond our facilities and work to develop a comprehensive strategy that strengthens the link between our social and environmental initiatives. This strategy is currently under development. As part, we plan to incorporate a more comprehensive governance structure of board-level oversight, which will include reviewing, advising management on and monitoring performance against Ally's strategic plans and objectives, while considering Ally's risk appetite, resources and controls. The Ally Financial Inc. Board of Directors (Board), and management regularly consider all risks to the business, including those relating to climate, and Ally discloses risks believed to be material to our business. We will continue to strengthen the risk assessment and governance processes, as available data and reporting frameworks evolve alongside governmental regulation and industry collaboration.

Position of individual(s)	Please explain
Other C-Suite Officer	As a digital bank with no brick-and-mortar branches, Ally inherently has a lower carbon footprint and reduced environmental impact than traditional branch based financial institutions. However, we recognize we can contribute more to the effort to achieve environmental sustainability. In 2020, we made the decision to accelerate our current environmental sustainability efforts beyond our facilities and work to develop a comprehensive strategy that strengthens the link between our social and environmental initiatives. This strategy is currently under development. As part, we plan to incorporate a more comprehensive governance structure of board-level oversight, which will include reviewing, advising management on and monitoring performance against Ally's strategic plans and objectives, while considering Ally's risk appetite, resources and controls. The Ally Financial Inc. Board of Directors (Board), and management regularly consider all risks to the business, including those relating to climate, and Ally discloses risks believed to be material to our business. We will continue to strengthen the risk assessment and governance processes, as available data and reporting frameworks evolve alongside governmental regulation and industry collaboration.
Board-level committee	As a digital bank with no brick-and-mortar branches, Ally inherently has a lower carbon footprint and reduced environmental impact than traditional branch based financial institutions. However, we recognize we can contribute more to the effort to achieve environmental sustainability. In 2020, we made the decision to accelerate our current environmental sustainability efforts beyond our facilities and work to develop a comprehensive strategy that strengthens the link between our social and environmental initiatives. This strategy is currently under development. As part, we plan to incorporate a more comprehensive governance structure of board-level oversight, which will include reviewing, advising management on and monitoring performance against Ally's strategic plans and objectives, while considering Ally's risk appetite, resources and controls. The Ally Financial Inc. Board of Directors (Board), and management regularly consider all risks to the business, including those relating to climate, and Ally discloses risks believed to be material to our business. We will continue to strengthen the risk assessment and governance processes, as available data and reporting frameworks evolve alongside governmental regulation and industry collaboration.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Sporadic - as important matters arise	Other, please specify (The Board and management regularly consider all risks to the business, including those relating to climate.)	Climate-related risks and opportunities to our own operations Climaterelated risks and opportunities to our insurance underwriting activities	As a digital bank with no brick-and-mortar branches, Ally inherently has a lower carbon footprint and reduced environmental impact than traditional branch based financial institutions. However, we recognize we can contribute more to the effort to achieve environmental sustainability. In 2020, we made the decision to accelerate our current environmental sustainability efforts beyond our facilities and work to develop a comprehensive strategy that strengthens the link between our social and environmental initiatives. This strategy is currently under development. As part, we plan to incorporate a more comprehensive governance structure of board-level oversight, which will include reviewing, advising management on and monitoring performance against Ally's strategic plans and objectives, while considering Ally's risk appetite, resources and controls. The Board and management regularly consider all risks to the business, including those relating to climate, and Ally discloses risks believed to be material to our business. We will continue to strengthen the risk assessment and governance processes, as available data and reporting frameworksevolve alongside governmental regulation and industry collaboration.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on clmate-related issues
Chief Executive Officer (CEO)	Reports to the board directly	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our insurance underwriting activities Risks and opportunities related to our own operations	As important matters arise
Chief Risks Officer (CRO)	CEO reporting line	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our insurance underwriting activities	As important matters arise

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on clmate-related issues
Other C-Suite Officer, please specify (Chief Administrative Officer)	CEO reporting line	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our ownoperations	Not reported to the board

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climaterelated issues are monitored (do not include the names of individuals).

Environmental Sustainability

Currently, Ally does not have a designated committee or other leadership group specifically tasked with oversight of our environmental sustainability efforts. Environmental sustainability came into greater focus in the second half of 2019 and throughout 2020 as a result of several developments: 1) recognition of the importance for Ally to better understand, prepare for and take timely preventive action against, potentially material climate change impacts, 2) increasing investor demand for consistent and comparable climate change data to accurately evaluate investments, 3) changing Federal policy focus as a result of rejoining the Paris Climate Agreement and an increase in regulatory discussion about potential requirements and oversight, and 4) a recognition that Ally's commitment to "Do It Right" extends to the conservation of environmental resources to ensure a sustainable future for our customers, employees, shareholders and the communities in which we live and operate. In the future, Ally intends to specifically target environmental sustainability issues as part of our overall strategic plan and measure performance on sustainability measures against the strategic plan.

Environmental Risk and Reporting

The Board, including the Risk Committee of the Board, executive management, and business line leaders identify risks to the business generally, including climate-related risks that are believed to be material to the business. Ally has identified and disclosed risks relating to certain climate matters and expects that those risks and disclosures will evolve over time as new information becomes available and to the extent that such risks become more or less material to the business. In 2019, Ally began to more holistically and deliberately incorporate ESG considerations into our enterprise risk management framework, with an initial focus on social sustainability. This effort continued into 2020, including the development of an internal Social Risk Forum comprised of business line and support function risk leaders tasked with analyzing emerging risks in the ESG space. At the end of 2020, we introduced climate-related risk as a specific item on our Social Risk Forum agenda and those discussions continued into 2021, focusing on greater data collection, aggregation and analysis, with the goal of aligning with the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD) in assessing and reporting on our exposures to climate-related risks and opportunities consistently with the financial industry.

Within specific business lines, certain climate-related risks are regularly monitored. For instance, in connection with our Property & Casualty (P&C) Insurance business line, which is our dealer inventory insurance product, our actuarial pricing analysis incorporates projected weather losses to enable us to appropriately price insured risks. Changes in frequency or severity of weather events are reflected in these loss projections. Our underwriting team also evaluates and adjusts policy terms and conditions as necessary based on changes in loss experience (e.g. increasing weather aggregate deductibles in areas where projected losses from weather are increasing). Our catastrophe modeling estimates both weather-related annualized average losses (AAL) and probable maximum losses (PML). The P&C Insurance business line also manages acute physical climate-related risks through a loss mitigation process. This process includes monitoring dealer locations to determine whether they are in the forecasted path of an ensuing hurricane/storm and working with dealers to notify and relocate vehicles to a safer location.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	No, not currently but we plan to introduce them in the next two years	

C-FS1.4

(C-FS1.4) Does your organization offer its employees an employment-based retirement scheme that incorporates ESG principles, including climate change?

	We offer an employment-based retirement scheme that incorporates ESG principles, including climate change.	Comment
Row 1	No	

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	Ally is currently assessing how to better integrate environmental sustainability objectives and opportunities into our strategic planning and forecasting process. How we define our time horizons may shift once this assessment is completed.
Medium-term	1	3	Ally is currently assessing how to better integrate environmental sustainability objectives and opportunities into our strategic planning and forecasting process. How we define our time horizons may shift once this assessment is completed.

	From (years)	To (years)	Comment
Long-term	3	10	Ally is currently assessing how to better integrate environmental sustainability objectives and opportunities into our strategic planning and forecasting process. How we define our time horizons may shift once this assessment is completed.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

At Ally, operational risk is defined as the risk of loss or harm arising from inadequate or failed processes or systems, human factors, or external events (e.g., an extreme weather event). An operational risk meets the definition of a substantive financial or strategic risk when it is expected to be more than the benefits accrued by the business plan and poses a material risk to Ally's financial performance priorities, capital adequacy, reputation, regulatory standing or ability to execute our strategy. There are five quantifiable indicators used to determine when an operational risk has a substantive financial or strategic impact: net operational losses, issues past due, critical and high-risk third-party services on a performance improvement plan, voluntary turnover, and business continuity testing.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Risk management process

A specific climate-related risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Short-term

Description of process

In 2020, Ally developed and implemented two facility energy management practices questionnaires. The first questionnaire is sent annually to our property management partners and the second questionnaire is for our Ally facility managers. These questionnaires were designed to assess Ally's current state regarding energy consumption at our facilities and to identify opportunities to increase energy efficiency. As part of this assessment, Ally Corporate Workplace Partners (CWP) will annually assess current state practices and opportunities for implementing future energy efficiency practices. Based on the responses, the CWP team will consider future energy efficiency practices for implementation.

Value chain stage(s) covered

Direct operations

Risk management process

A specific climate-related risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Short-term

Description of process

As part of how Ally P&C Insurance manages climate-related physical risk, our actuarial pricing analysis incorporates projected weather losses to allow us to properly and adequately price for insured risks. Changes in frequency or severity of weather events are reflected in these loss projections. Our underwriting team also evaluates and adjusts policy terms and conditions as necessary based on changes in loss experience (e.g. increasing weather aggregate deductibles in areas where projected losses from weather are increasing). Catastrophe Modeling estimates weather-related annualized average losses (AAL) and probable maximum losses (PML). AAL is used as a reference for P&C pricing.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Not evaluated	While the Board and management regularly assess risks material to the business, we intend to evaluate our current risk assessment methodology to implement a more robust climate change risk assessment, as contemplated by TCFD.
Emerging regulation	Not evaluated	How governments act to mitigate climate and related environmental risks, as well as associated changes in the behavior and preferences of businesses and consumers, could have an adverse effect on our business and financial results. The Federal Reserve Board, for example, may incorporate these risks into its supervisory stress tests and, in doing so, negatively impact us and our future capital plans at least in part because of our concentration in automotive finance. We also could experience a decline in the demand for and value of used gasoline powered vehicles that secure our loans to dealers and consumers or that we remarket. Further, we may be compelled to change or cease some of our lending or other business practices or our operational processes because of climate or environmental-driven changes in applicable law or supervisory expectations or due to related political, social, market, or similar pressure. It is possible as well that changes in climate and related environmental risks, perceptions of them, and governmental responses to them may occur more rapidly than we are able to adapt without disrupting our business and impairing our financial results.
Technology	Relevant, always included	Ally is committed to having our owned and leased facilities function as effectively and efficiently as possible. Annually, we work with our facility managers to identify opportunities to reduce our footprint with respect to our office heating and cooling, lighting, waste, and capital goods energy efficiency status. This process allows for Ally to identify new technology to optimize our facility energy efficiency, such as switching to LED lighting. As of December 2020, 49% of Ally's square footage was LED.
Legal	Not evaluated	

	Relevance & inclusion	Please explain
Market	Not evaluated	Ally recognizes that climate change-related risk assessment practices, strategy and goal-setting are increasingly important to the financial services industry, including equity and fixed income investors, as many entities and industry groups have become increasingly focused on the effects of climate change and related environmental issues. As Ally progresses with the development of its Enterprise Sustainability Strategy, we expect to continue to publicly disclose efforts and strategies that are underway in accordance with industry disclosure practices.
Reputation	Relevant, always included	Ally recognizes that where we choose to work matters. That is why we have begun to identify opportunities to lease LEED-certified office space throughout our regional portfolio of facilities, as the LEED rating system is internationally recognized as the premier mark of energy efficiency and quality for buildings. Our current goal is to achieve 30 percent of our total facility portfolio under LEED-certification by 2023. We are on track to achieve this goal.
Acute physical	Relevant, always included	As part of how Ally P&C Insurance manages climate-related physical risk, changes in frequency or severity of weather events are reflected in loss projections which allow us to properly and adequately price for insured risks.
Chronic physical	Relevant, always included	Ally is committed to having our owned and leased facilities function as effectively and efficiently as possible. Annually, we work with our facility managers to identify opportunities to reduce our footprint with respect to our office heating and cooling, lighting, waste, and capital goods energy efficiency status. This process will allow for Ally to reduce our energy consumption, limiting our contribution to the physical effects of climate related chronic physical risks.

C-FS2.2b

(C-FS2.2b) Do you assess your portfolio's exposure to climate-related risks and opportunities?

	We assess the portfolio's exposure	Please explain
Bank lending (Bank)	No, but we plan to do so in the next two years	Ally is currently evaluating the recommendations of the TCFD in connection with developing our strategy to assess and report on our exposures to climate related risks and opportunities in a manner consistent with other similarly situated companies. In 2021, we believe we will be in a position to report on our climate footprint and related risks and opportunities in a manner that is aligned with TCFD recommendations. It is important to reflect that Ally's Board and management have considered climate related risks and these risks are being taken into consideration generally, as the risk assessment is evolving.

	We assess the portfolio's exposure	Please explain
Investing (Asset manager)	No, but we plan to do so in the next two years	In 2019, Ally Invest began offering a managed portfolio option that focuses solely on companies that have a track record of conducting business in an environmentally and socially conscious way. As such climate is included as part of the evaluation. Ally Invest leverages aggregate rankings from independent third parties that monitor, score and rate companies based on a number of ESG factors. Based on rankings and taking into consideration other customer-specific factors, like risk tolerance and investment goals, Ally Invest builds the portfolio of ETFs that have a higher ESG offering. Ally will continue to evaluate the recommendations of the TCFD in connection with developing our strategy to assess and report on our exposures to climate related risks and opportunities in a manner consistent with other similarly situated companies. In 2021, we believe we will be in a position to report on our climatefootprint and related risks and opportunities in a manner that is aligned with TCFD recommendations. It is important to reflect that Ally's Board and management have considered climate related risks and these risks are being taken into consideration generally, as the risk assessment is evolving. We are looking to assess this further and align with our Enterprise Sustainability Strategy.
Investing (Asset owner)	No, but we plan to do so in the next two years	Ally is currently evaluating the recommendations of the TCFD in connection with developing our strategy to assess and report on our exposures to climate related risks and opportunities in a manner consistent with other similarly situated companies. In 2021, we believe we will be in a position to report on our climate footprint and related risks and opportunities in a manner that is aligned with TCFD recommendations. It is important to reflect that Ally's Board and management have considered climate related risks and these risks are being taken into consideration generally, as the risk assessment is evolving.
Insurance underwriting (Insurance company)	Yes	Ally is currently evaluating the recommendations of the TCFD in connection with developing our strategy to assess and report on our exposures to climate related risks and opportunities in a manner consistent with other similarly situated companies. In 2021, we believe we will be in a position to report on our climate footprint and related risks and opportunities in a manner that is aligned with TCFD recommendations. It is important to reflect that Ally's Board and management have considered climate related risks and these risks are being taken into consideration generally, as the risk assessment is evolving. Ally P&C Insurance currently assesses our exposure to climate-related physical risk, and our actuarial pricing analysis incorporates historical and projected weather losses to ensure that we are properly and adequately pricing insured risks. Changes in frequency or severity of weather events are reflected in these loss projections and our Insurance underwriting team also evaluates and adjusts policy terms and conditions as necessary based on changes in loss experience.
Other products and services, please specify	Not applicable	

C-FS2.2c

(C-FS2.2c) Describe how you assess your portfolio's exposure to climate-related risks and opportunities.

	Portfolio Coverage	Assessment Type	Description
Bank lending (Bank)	Not applicable	Not applicable	Not applicable
Investing (Asset manager)	Not applicable	Not applicable	Not applicable
Investing (Asset owner)	Not applicable	Not applicable	Not applicable
Insurance underwriting (Insurance company)	Unknown	Quantitative	As part of how Ally P&C Insurance manages climate related physical risk, we assess our portfolio's exposure to weather losses, which includes weather losses resulting from changes in climate over time. Ally Insurance complies with the State of California Climate Risk Initiative (2015) that contains restrictions on investments related to thermal coal enterprises.
Other products and services, please specify	Not applicable	Not applicable	Not applicable

C-FS2.2d

(C-FS2.2d) Do you assess your portfolio's exposure to water-related risks and opportunities?

	We assess the portfolio's exposure	Portfolio coverage	Please explain
Bank lending (Bank)	No, but we plan to do so in the next two years	Not applicable	Ally is expanding its risk assessment processes, climate related data gathering and reporting framework, with a goal of aligning its climate risk evaluation and reporting with recommendations of the TCFD and evolving industry standards.
Investing (Asset manager)	No, but we plan to do so in the next two years	Not applicable	Ally is expanding its risk assessment processes, climate related data gathering and reporting framework, with a goal of aligning its climate risk evaluation and reporting with recommendations of the TCFD and evolving industry standards.
Investing (Asset owner)	No, but we plan to do so in the next two years	Not applicable	Ally is expanding its risk assessment processes, climate related data gathering and reporting framework, with a goal of aligning its climate risk evaluation and reporting with recommendations of the TCFD and evolving industry standards.
Insurance underwriting (Insurance company)	No, but we plan to do so in the next two years	Not applicable	Ally is expanding its risk assessment processes, climate related data gathering and reporting framework, with a goal of aligning its climate risk evaluation and reporting with recommendations of the TCFD and evolving industry standards.
Other products and services, please specify	Not applicable	Not applicable	

C-FS2.2e

(C-FS2.2e) Do you assess your portfolio's exposure to forests-related risks and opportunities?

	We assess the portfolio's exposure	Portfolio coverage	Please explain
Bank lending (Bank)	No we don't assess this	Not applicable	Ally is expanding its risk assessment processes, climate related data gathering and reporting framework, with a goal of aligning its climate risk evaluation and reporting with recommendations of the TCFD and evolving industry standards.
Investing (Asset manager)	No we don't assess this	Not applicable	Ally is expanding its risk assessment processes, climate related data gathering and reporting framework, with a goal of aligning its climate risk evaluation and reporting with recommendations of the TCFD and evolving industry standards.
Investing (Asset owner)	No we don't assess this	Not applicable	Ally is expanding its risk assessment processes, climate related data gathering and reporting framework, with a goal of aligning its climate risk evaluation and reporting with recommendations of the TCFD and evolving industry standards.
Insurance underwriting (Insurance company)	No we don't assess this	Not applicable	Ally is expanding its risk assessment processes, climate related data gathering and reporting framework, with a goal of aligning its climate risk evaluation and reporting with recommendations of the TCFD and evolving industry standards.
Other products and services, please specify	Not applicable	Not applicable	

C-FS2.2f

(C-FS2.2f) Do you request climate-related information from your clients/investees as part of your due diligence and/or risk assessment practices?

	We request climate related information	Please explain
Bank lending (Bank)	No, but we plan to do so in the next two years	Ally recognizes that climate change-related risk assessment practices are increasingly important to the financial services industry. As governmental entities and industry groups have become increasingly focused on the effects of climate change and related environmental issues, they are beginning to develop a common methodology to request climate relatedinformation from clients and assess and report such information. In the future, as such methodologies are adopted, we are planning on requesting climate related information from ourclients, consistent with industry standards. As Ally progresses with the development of its Enterprise Sustainability Strategy, each Business Line based on their client type, will implement these efforts in a way that's consistent with their business model and risk assessment practices, while coordinating with the Sustainability Office to confirm alignment with the overarching enterprise strategy.

	We request climate related information	Please explain
Investing (Asset manager)	No, but we plan to do so in the next two years	Ally recognizes that climate change-related risk assessment practices are increasingly important to the financial services industry. As governmental entities and industry groups have become increasingly focused on the effects of climate change and related environmental issues, they are beginning to develop a common methodology to request climate relatedinformation from clients and assess and report such information. In the future, as such methodologies are adopted, we are planning on requesting climate related information from ourclients, consistent with industry standards. As Ally progresses with the development of its Enterprise Sustainability Strategy, each Business Line based on their client type, will implement these efforts in a way that's consistent with their business model and risk assessment practices, while coordinating with the Sustainability Office to confirm alignment with the overarching enterprise strategy.
Investing (Asset owner)	No, but we plan to do so in the next two years	Ally recognizes that climate change-related risk assessment practices are increasingly important to the financial services industry. As governmental entities and industry groups have become increasingly focused on the effects of climate change and related environmental issues, they are beginning to develop a common methodology to request climate relatedinformation from clients and assess and report such information. In the future, as such methodologies are adopted, we are planning on requesting climate related information from ourclients, consistent with industry standards. As Ally progresses with the development of its Enterprise Sustainability Strategy, each Business Line based on their client type, will implement these efforts in a way that's consistent with their business model and risk assessment practices, while coordinating with the Sustainability Office to confirm alignment with the overarching enterprise strategy.
Insurance underwriting (Insurance company)	No, but we plan to do so in the next two years	Ally recognizes that climate change-related risk assessment practices are increasingly important to the financial services industry. As governmental entities and industry groups have become increasingly focused on the effects of climate change and related environmental issues, they are beginning to develop a common methodology to request climate relatedinformation from clients and assess and report such information. In the future, as such methodologies are adopted, we are planning on requesting climate related information from ourclients, consistent with industry standards. As Ally progresses with the development of its Enterprise Sustainability Strategy, each Business Line based on their client type, will implement these efforts in a way that's consistent with their business model and risk assessment practices, while coordinating with the Sustainability Office to confirm alignment with the overarching enterprise strategy.
Other products and services, please specify	Not applicable	

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

No

C2.3b

(C2.3b) Why do you not consider your organization to be exposed to climate-related risks with the potential to have a substantive financial or strategic impact on your business?

	Primary reason	Please explain
Row 1	Evaluation in progress	Ally recognizes the increasing importance of continuously assessing the ways that our organization may be potentially impacted by climate change. As a financial services company, we inherently incorporate climate related risks into our business in the ordinary course and we intend to evolve our climate related models to take into account climate change impacts. In 2021, we plan to continue our commitment to improving the environment. We plan to incorporate the recommendations from the Task Force on Climate-related Financial Disclosures into our processes. Doing so will allow us to better assess and report on our exposures to climate related risks and opportunities. It is important to reflect that the Board and management have considered climate related risk and the strategic impact of these risks are being taken into consideration generally, as available data and reporting frameworks evolve alongside governmental regulation and industry collaboration.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

No

C2.4b

(C2.4b) Why do you not consider your organization to have climate-related opportunities?

	Primary reason	Please explain
Row 1	Evaluation in progress	As a financial services company, we inherently incorporate climate related opportunities into our business as usual. Ally is currently evaluating the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD) as the purpose of the TCFD recommendations is to increase market transparency and promote stability as companies and investors evaluate the impacts of climate related risks and opportunities. Ally recognizes the increasing importance of looking for ways to reduce global emissions in response to climate change and the need to provide our stakeholders with a view of how we intend to consider the opportunities to our business that may present with a changing environment. We are committed to being thoughtful about incorporating both climate change risk impacts as well as potential opportunities into our overall risk management framework. As part of our product offerings, Ally Insurance Finance & Insurance (F&I) products can be purchased for hybrid and electric vehicles. With that said, we will continue to evolve our offerings as vehicle manufacturers roll-out new technology and a greater number of hybrid and electric vehicles. In 2021, we will be continuing our evaluation of TCFD and then plan to align our assessment and reporting processes accordingly. We look forward following this process to better understanding our role in facilitating the transition to a low carbon economy.

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization’s strategy and/or financial planning?

Yes

C3.1b

(C3.1b) Does your organization intend to publish a low-carbon transition plan in the next two years?

	Intention to publish a low carbon transition plan	Intention to include the transition plan as a scheduled resolution item at Annual General Meetings (AGMs)	Comment
Row 1	No, we do not intend to publish a low-carbon transition plan in the next two years	Not applicable	We are currently working on identifying opportunities for Ally to facilitate the transition to a low carbon economy. In the upcoming years we intend to develop a low-carbon transition plan; however, at this time we are not able to forecast when the plan will be complete for publication.

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

No, but we anticipate using qualitative and/or quantitative analysis in the next two years

C3.2b

(C3.2b) Why does your organization not use climate-related scenario analysis to inform its strategy?

Ally is currently in the process of evaluating the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD), to develop our strategy to best assess and report on our exposures to climate-related risks and opportunities. In 2021, we believe we will be in a position to report on our climate footprint and related risks and opportunities in a manner that is aligned with TCFD recommendations. With this information we intend to expand our climate related scenario analyses to better inform our strategy.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Evalutation in progress	The gradually increasing shift in consumer demand for hybrid and/or electric vehicles presents an opportunity for our Finance & Insurance products, which currently can be purchased for hybrid and electric vehicles, to continuously evolve as vehicle manufacturers roll-out new technology and a greater number of hybrid and electric vehicles. We continue to manageclimate change risk that impacts our property and casualty (P&C) business by way of performing actuarial pricing analysis of projected weather losses to allow us to appropriately price for insured risks. The P&C business line also manages the acute physical risks to our business (i.e., Dealership Inventory Insurance) associated with climate change, including the frequency and severity of convective storms and hurricanes. To assess these risks our Capital Modeling team performs quantitative catastrophe modeling to analyze weather events, including where they could occur, as well as their estimated average and maximum financial loss impacts to the business. Actuarial pricing analysis incorporates projected weather losses to enable we are properly and adequately priced for insured risks. The Ally insurance risk team continues to monitor climate related legislative and regulatory measures related to limiting investments in certain sectors. For example, the State of California Climate Risk Initiative (2015) contains restrictions on investment related to thermal coal enterprises. At this time, we are still evaluating how to further evolve our product offerings.
Supply chain and/or value chain	Not evaluated	Ally is expanding its risk assessment processes, climate related data gathering and reporting framework, with a goal of aligning its climate risk evaluation and reporting with recommendations of the TCFD and evolving industry standards.
Investment in R&D	Not evaluated	Ally is expanding its risk assessment processes, climate related data gathering and reporting framework, with a goal of aligning its climate risk evaluation and reporting with recommendations of the TCFD and evolving industry standards.
Operations	Evaluation in progress	Ally is in the process of developing climate related education and training programs related to our core business operations for Ally executives. After this internal education is completed, we plan to formally assess our commitment to climate related issues within our business lines, including feedback from our Board of Directors and Executive Leadership team (2021 riskforum). In addition we plan to develop a better understanding of how resilient we are to climate change as an organization by aligning with the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD), to better assess and report on our exposures to climate related risks and opportunities for Ally to facilitate the transition to a low carbon economy. We anticipate completing an initial TCFD-aligned, climate related risks and opportunity screening in 2021. As part of developing a deeper understanding of the emissions associated with our day-to-day direct operations, Ally deployed a two-part survey for our facility property managers and tenants. The Property Manager Questionnaire was used on five of our largest leased and owned buildings, focused on the building management processes for energy, janitorial, waste, and efficiency projects. The primary goal of the survey was togain a better understanding of the processes where Ally could influence efficiency measures. The second survey, the Tenant Energy Best Practices Questionnaire, examined 15 of ourleased and owned buildings, focusing on educating/informing facility managers of energy efficiency best practices and the applicability of initiating measures.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Assets Liabilities Claims reserves	How governmental entities act to mitigate climate and related environmental risks, as well as associated changes in the behavior and preferences of businesses and consumers, could have an adverse effect on our business and financial results. The Federal Reserve Board, for example, may incorporate these risks into its supervisory stress tests and, in doing so, negatively impact us and our future capital plans, at least in part because of our concentration in automotive finance. We also could experience a decline in the demand for and value of used gasoline-powered vehicles that secure our loans to dealers and consumers or that we remarket. Further, we may be compelled to change or cease some of our lending or other business practices or our operational processes because of climate- or environmental-driven changes in applicable law or supervisory expectations, or due to related political, social, market, or similar pressure. It is also possible that changes in climate and related environmental risks, perceptions of them, and governmental responses to them may occur more rapidly than we are able to adapt without disrupting our businessand impairing our financial results. For P&C Insurance, changes in frequency or severity of weather loss can impact our planned projected losses and premium to cover those losses. In order to reduce volatility and further mitigate risk, we enter into a reinsurance agreement with third party reinsurance companies to provide protection from excessive weather losses for our vehicle inventory insurance program. Changes in weather losses can also impact economic capital, which is captured by capital modeling, and reflected in financial planning.

C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C-FS3.6

(C-FS3.6) Are climate-related issues considered in the policy framework of your organization?

No, but we plan to consider climate-related issues in our policy framework in the next two years

C-FS3.6c

(C-FS3.6c) Why are climate-related issues not considered in the policy framework of your organization?

Ally is currently in the process of evaluating the recommendations from the Task Force on Climate-related Financial Disclosures, to develop our strategy to best assess and report on our exposures to climate-related risks and opportunities. In 2021, we believe we will be in a position to report on our climate footprint and related risks and opportunities in a manner that incorporates TCFD recommendations. With this information we intend to expand our climate related scenario analyses to better inform our strategy which we will ultimately incorporate into the policy framework of our organization. We will continue to strengthen and evolve our policy frameworks to incorporate TCFD recommendations.

C-FS3.7

(C-FS3.7) Are climate-related issues factored into your external asset manager selection process?

No, for none of our externally managed assets

C-FS3.7b

(C-FS3.7b) Why are climate-related issues not factored into your external asset manager selection process?

Ally is currently in the process of evaluating the recommendations from the Task Force on Climate-related Financial Disclosures, to develop our strategy to best factor climate related issues into our external manager selection process. In 2021, we plan to assess our current climate related footprint and climate related risks and opportunities, using the TCFD lens. With this information we intend to begin performing climate related scenario analyses, either qualitative or quantitative, to inform our strategy which we will ultimately incorporate into the policy framework of our organization.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

No target

C4.1c

(C4.1c) Explain why you did not have an emissions target, and forecast how your emissions will change over the next five years.

	Primary reason	5 year forecast	Please explain
Row 1	We are planning to introduce a target in the next two years	As 2020 was the first year that Ally performed a quantitative emissions inventory, we are not able to state whether we have been trending in a defined direction over the past several years. As a digital bank with no brick-and-mortar branches, Ally inherently has a lower carbon footprint and reduced environmental impact than traditional branch based financial institutions. As we begin to better understand the impact of our direct and indirect operational activities, we will pursue setting an emissions target with a projected reduction in emissions, consistent with Paris Agreement targets to keep average global temperature increases below 2 degrees Celsius over pre-industrial levels.	In 2020, Ally made the decision to accelerate our current environmental efforts beyond our facilities and work to develop a comprehensive strategy that strengthens the link between our social and environmental initiatives. We began gathering data to assess our Scope 1, Scope 2, and Scope 3 emissions in 2020. With this information, in 2021 we will be performing a portfolio-level inventory to assess our baseline emissions. With this inaugural emissions calculation we will then begin to track our emissions to identify and assess business line trends. We plan to incorporate this quantitative information into our climate strategy, which will result in setting an emissions target and predictive forecasting of emissions over a five-year cycle.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Other climate related target(s)

C4.2b

Target reference number

Oth 1

Year target was set

2017

Target coverage

Company-wide

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Low carbon buildings	Percentage of buildings with a green building certificate

Target denominator (intensity targets only)

square foot

Base year

2017

Figure or percentage in base year

20.5

Target year

2023

Figure or percentage in target year

30

Figure or percentage in reporting year

24.8

% of target achieved [auto-calculated]

45.2631578947368

Target status in reporting year

Underway

Is this target part of an emissions target?

No, it is not part of an emissions target.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

Ally recognizes that where we choose to work matters. That is why we have begun to identify opportunities to lease LEED-certified office space throughout our regional portfolio of facilities. Our current goal is to achieve 30 percent of our total facility portfolio under LEED-certification by 2023. We are on track to achieve this goal. In addition, during 2020, we worked towards understanding how our leased building operations impact and contribute to our sustainability goals. This process has led us to creating a framework for bi-annual performance reports and analyses for our facility energy consumption. To do so, we are leveraging a questionnaire to evaluate opportunities for sustainability-related future projects. An example of an outcome of this initiative is the development of a Water Fixture Audit assessment form that we will be deploying at our facilities to reduce unnecessary water consumption.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

No

C4.3d

(C4.3d) Why did you not have any emissions reduction initiatives active during the reporting year?

As 2021 is Ally's inaugural emissions reporting year, for our 2020 emissions, we have not had the opportunity to assess the results of our inventory and identify opportunities for emissions-reduction initiatives. As our reporting process becomes more robust, through increased data and processes such as increasing the registration of our buildings in the Energy Star Portfolio Manager (four registered in 2020), we plan to identify emissions-reduction activities through the framework within our climate strategy within two years. As this is our first year, we are unable to estimate a timeframe of when we anticipate setting reduction initiatives. Ally understands the importance of our participation in these activities and plans to thoughtfully do so.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

No

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

4375

Comment

Scope 2 (location-based)

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

7822

Comment

Scope 2 (market-based)

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

7321

Comment

At this time, Ally does not purchase emissions offsets or renewable energy certificates. The market-based emissions were calculated using utility emission factors (when available) and residual mix emission factors.

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
The Greenhouse Gas Protocol: Scope 2 Guidance
US EPA Emissions & Generation Resource Integrated Database (eGRID)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

4375

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

At this time, Ally does not purchase emissions offsets or renewable energy certificates. The market-based emissions were calculated using utility emission factors (when available) and residual mix emission factors.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

7822

Scope 2, market-based (if applicable)

7321

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

At this time, Ally does not purchase emissions offsets or renewable energy certificates. The market-based emissions were calculated using utility emission factors (when available) and residual mix emission factors.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Ally employs a subset of remote employees located in Canada that utilize company vehicles, approximately two percent.

Relevance of Scope 1 emissions from this source
Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source
No emissions excluded

Relevance of market-based Scope 2 emissions from this source (if applicable)
No emissions excluded

Explain why this source is excluded
As these vehicles account for less than two percent of Ally's leased vehicle fleet, this source has been determined to be not relevant.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Relevant, calculated

Metric tonnes CO2e
195082

Emissions calculation methodology
Ally assessed our procurement spends of purchased goods and services. We utilized the EPA Supply Chain Greenhouse Gas Emission Factors for US Industries and Commodities to calculate the associated emissions from these purchases.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Ally Financial performed a portfolio-level screening to identify which Scope 3 activities throughout the value chain were relevant and material. We selected the World Resources Institute (WRI) Scope 3 Evaluator tool to quantitatively estimate Ally's Scope 3 GHG emissions footprint. The results of this screening estimated the size of this Scope 3 category exceed our inventory boundary threshold; therefore, this category is relevant.

Capital goods

Evaluation status
Not relevant, calculated

Metric tonnes CO2e
27694

Emissions calculation methodology

Ally assessed our procurement spends of capital goods. We utilized the EPA Supply Chain Greenhouse Gas Emission Factors for US Industries and Commodities to calculate the associated emissions from these purchases.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Ally Financial performed a portfolio-level screening to identify which Scope 3 activities throughout the value chain were relevant and material. We selected the World Resources Institute (WRI) Scope 3 Evaluator tool to quantitatively estimate Ally's Scope 3 GHG emissions footprint. The results of this screening estimated the size of this Scope 3 category to be less than our inventory threshold; therefore, this category is not relevant.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Ally Financial performed a portfolio-level screening to identify which Scope 3 activities throughout the value chain were relevant and material. We selected the World Resources Institute (WRI) Scope 3 Evaluator tool to quantitatively estimate Ally's Scope 3 GHG emissions footprint. The results of this screening estimated the size of this Scope 3 category to be less than our inventory threshold; therefore, this category is not relevant.

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Ally Financial performed a portfolio-level screening to identify which Scope 3 activities throughout the value chain were relevant and material. We selected the World Resources Institute (WRI) Scope 3 Evaluator tool to quantitatively estimate Ally's Scope 3 GHG emissions footprint. The results of this screening estimated the size of this Scope 3 category to be less than our inventory threshold;

therefore, this category is not relevant.

Waste generated in operations

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Ally Financial performed a portfolio-level screening to identify which Scope 3 activities throughout the value chain were relevant and material. We selected the World Resources Institute (WRI) Scope 3 Evaluator tool to quantitatively estimate Ally's Scope 3 GHG emissions footprint. The results of this screening estimated the size of this Scope 3 category to be less than our inventory threshold; therefore, this category is not relevant. In addition, Ally has very limited, if any, control over the ownership of this category in its leased facilities.

Business travel

Evaluation status

Not relevant, calculated

Metric tonnes CO2e

1824

Emissions calculation methodology

Ally assessed our business travel in the modes of flights (short, medium and long haul), rail, rental cars, rideshare/taxis, and hotel stays. We utilized the EPA eGRID Emissions Hub to calculate the associated emissions from these trips and the Cornell Center for Hospitality Research (CHR) Benchmarking Index and associated methodology to calculate our hotel footprint.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Ally Financial performed a portfolio-level screening to identify which Scope 3 activities throughout the value chain were relevant and material. We selected the World Resources Institute (WRI) Scope 3 Evaluator tool to quantitatively estimate Ally's Scope 3 GHG emissions footprint. The results of this screening estimated the size of this Scope 3 category to be less than our inventory; therefore, this category is not relevant.

Employee commuting

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Ally Financial performed a portfolio-level screening to identify which Scope 3 activities throughout the value chain were relevant and material. We selected the World Resources Institute (WRI) Scope 3 Evaluator tool to quantitatively estimate Ally's Scope 3 GHG emissions footprint. The results of this screening estimated the size of this Scope 3 category to be less than our inventory threshold; therefore, this category is not relevant.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Due to our organizational boundary definition for operational control under Scopes 1 and 2, upstream leased assets are incorporated in our Scopes 1 and 2 emissions inventory. Therefore, this category is not relevant.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Ally Financial performed a portfolio-level screening to identify which Scope 3 activities throughout the value chain were relevant and material. We selected the World Resources Institute (WRI) Scope 3 Evaluator tool to quantitatively estimate Ally's Scope 3 GHG emissions footprint. The results of this screening estimated the size of this Scope 3 category to be less than our inventory threshold;

therefore, this category is not relevant.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

As a financial services company, Ally Financial does not produce physical products that require processing. Therefore, this category is not relevant to our Scope 3 emissions.

Use of sold products

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Ally Financial will be assessing industry recommendations for calculating emissions from use of sold insurance products.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

As a financial services company, Ally Financial does not produce physical products. Therefore, this category is not relevant to our Scope 3 emissions.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Ally Financial does not own and lease assets to other entities; therefore, this category is not relevant to our Scope 3 emissions.

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Ally Financial does not operate any franchises; therefore, this category is not relevant to our Scope 3 emissions.

Other (upstream)

Evaluation status

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Other (downstream)

Evaluation status

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0000018204

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

12197

Metric denominator

unit total revenue

Metric denominator: Unit total

6700000000

Scope 2 figure used

Location-based

% change from previous year

Direction of change

<Not Applicable>

Reason for change

Not applicable as 2020 is Ally’s inaugural emissions inventory.

Intensity figure

0.0000017456

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

11696

Metric denominator

unit total revenue

Metric denominator: Unit total

6700000000

Scope 2 figure used

Market-based

% change from previous year

Direction of change

<Not Applicable>

Reason for change

Not applicable as 2020 is Ally’s inaugural emissions inventory.

Intensity figure

1.28

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

12197

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

9500

Scope 2 figure used

Location-based

% change from previous year

Direction of change

<Not Applicable>

Reason for change

Not applicable as 2020 is Ally’s inaugural emissions inventory.

Intensity figure

1.23

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

11696

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

9500

Scope 2 figure used

Market-based

% change from previous year

Direction of change

<Not Applicable>

Reason for change

Not applicable as 2020 is Ally's inaugural emissions inventory.

C7. Emissions breakdowns

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

This is our first year of reporting, so we cannot compare to last year

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstocks)	HHV (higher heating value	0	17536.79	17536.79
Consumption of purchased or acquired electricity	Not applicable	0	18292.28	18292.28
Consumption of purchased or acquired heat	Not applicable	Not applicable	Not applicable	Not applicable
Consumption of purchased or acquired steam	Not applicable	Not applicable	Not applicable	Not applicable
Consumption of purchased or acquired cooling	Not applicable	Not applicable	Not applicable	Not applicable
Generation of electricity, heat, steam, or cooling	Not applicable	0	35829.07	35829.07

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

No, we do not engage

C12.1e

(C12.1e) Why do you not engage with any elements of your value chain on climate-related issues, and what are your plans to do so in the future?

In 2021, we plan to continue our commitment to improving the environment. We plan to align our processes with the recommendations from the Task Force on Climate relatedFinancial Disclosures. Doing so will allow us to better assess our exposures to climate related risks and opportunities and provide the foundation for Ally to begin to interact with our supply chain partners on climate related matters. We look forward to collaborating with our supply chain partners on the transition to a low carbon economy.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

No

C12.3g

(C12.3g) Why do you not engage with policy makers on climate-related issues?

Ally is currently developing a comprehensive enterprise strategy to assess, prepare for and respond to climate related issues as they relate to Ally's specific business model. Ally expects that climate-related issues will be incorporated into our regular discussions with policymakers after we have aligned our processes with TCFD recommendations, understand better the priorities of our stakeholders and have had the opportunity to consult with industry groups and thought leaders in the ESG space. We recognize the time-sensitive nature of responding to climate related issues and the important role of financial services companies in leading the transition to a low carbon economy. We look forward to contributing to that effort in a way that makes the most sense for Ally, our customers and other stakeholders.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Complete

Attach the document

Ally 2020 Corporate Social Responsibility Report.pdf

Page/Section reference

Content elements

Strategy

Comment

C-FS12.5

(C-FS12.5) Are you a signatory of any climate-related collaborative industry frameworks, initiatives and/or commitments?

	Industry collaboration	Comment
Reporting framework	Please select	
Industry initiative	Please select	
Commitment	Please select	

C14. Portfolio Impact

C-FS14.1

(C-FS14.1) Do you conduct analysis to understand how your portfolio impacts the climate? (Scope 3 portfolio impact)

	We conduct analysis on our portfolio's impact on the climate	Disclosure metric	Comment
Bank lending (Bank)	No, but we plan to do so in the next two years	<Not Applicable>	
Investing (Asset manager)	No, but we plan to do so in the next two years	<Not Applicable>	
Investing (Asset owner)	No, but we plan to do so in the next two years	<Not Applicable>	
Insurance underwriting (Insurance company)	No, but we plan to do so in the next two years	<Not Applicable>	
Other products and services, please specify	Not applicable	<Not Applicable>	

C-FS14.1c

(C-FS14.1c) Why do you not conduct analysis to understand how your portfolio impacts the climate? (Scope 3 Category 15 "Investments" emissions or alternative carbon footprinting and/or exposure metrics)

In 2020, we prepared to collect the data required for Scope 1, 2 and 3 emissions calculations. In 2021, we performed a portfolio-level screening process to identify which of our Scope 3 activities throughout the value chain were relevant and material. We selected the World Resources Institute (WRI) Scope 3 Evaluator tool to quantitatively estimate Ally's Scope 3 GHG emissions footprint. The results of this screening indicated that category 15, investments, was both relevant and material to Ally. We plan to implement further analysis of this category using the recently published Partnership for Financial Accounting methodology in future years. We will continue to look for datadriven solutions to reduce emissions and evolve our strategies accordingly.

C-FS14.3

(C-FS14.3) Are you taking actions to align your portfolio to a well below 2-degree world?

	We are taking actions to align our portfolio to a well below 2-degree world	Please explain
Bank lending (Bank)	No, but we plan to do so in the next two years	
Investing (Asset manager)	No, but we plan to do so in the next two years	
Investing (Asset owner)	No, but we plan to do so in the next two years	
Insurance underwriting (Insurance company)	No, but we plan to do so in the next two years	

	We are taking actions to align our portfolio to a well below 2-degree world	Please explain
Other products and services, please specify	Not applicable	

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row one	Chief Risk Officer	Chief Risk Officer (CRO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

Please confirm below

I have read and accept the applicable Terms