



**2019  
CORPORATE SOCIAL RESPONSIBILITY REPORT**

# CHANGING WHAT'S POSSIBLE

I'm pleased to present Synchrony's Corporate Social Responsibility (CSR) report for 2019.

This year, we focus on how our culture—shaped by our vision, mission and values—inspires and enables us to change what's possible for our business, our customers, our employees, our communities and our environment.

Our culture guides how we operate our business to achieve sustainable long-term growth, and how we interact with our stakeholders. Our strong corporate culture, and the actions, programs and commitments it drives, helped us achieve:

- A #44 ranking on *Fortune's* 100 Best Companies to Work For® list; and
- A #47 ranking on *Forbes'* annual Just 100 list of America's best corporate citizens.

In this report, we share the stories behind those awards, highlighting the many ways Synchrony and our employees are changing what's possible for our stakeholders.

Sincerely,



Margaret M. Keane  
Chief Executive Officer



## RESPONDING TO THE CORONAVIRUS (COVID-19) OUTBREAK

As the impact of the novel Coronavirus (COVID-19) continues to develop, we remain committed to the health and safety of our employees and our communities, as well as our commitment to serve our customers in their greatest hour of need.

We have taken a number of steps to support our employees and reduce the risk of exposure at our sites, and we continue to re-evaluate our solutions. We enabled work from home on an expedited basis for the majority of our workforce. In addition, we have enhanced cleaning protocols and other precautionary measures to protect those employees who continue to work in our offices. We have also engaged an infectious disease expert to directly brief employees on accurate and up-to-date information about the novel Coronavirus (COVID-19) and provide guidance on how they can reduce exposure to themselves, their families, co-workers and communities.

We have supplemented our comprehensive employee benefits to include programs such as expanded backup childcare resources, additional flexibility around paid and unpaid time off, meal vouchers and reimbursement for virtual doctor visits. To further recognize the dedication and leadership of our non-exempt Enterprise Operations associates, front-line leaders and certain other customer-facing team members, we have granted a special one-time cash award for full-time and part-time employees.

We are also thinking about our extended Synchrony family—those contractors who support us every day at our sites. For example, we have worked with many vendors to provide that if their staff are not needed onsite, they will continue to receive pay through at least April 30, 2020.

We remain committed to providing our customers with uninterrupted, dependable service. Our digital tools and other online and mobile servicing tools provide our customers with fast access to their accounts, and the ability to make payments and service their accounts. We are also aware that some of our customers may experience financial hardship as a result of the novel Coronavirus (COVID-19) outbreak. Our associates are available to discuss with customers individually how we can help, including waiving certain fees, including ATM fees, and evaluating credit line increases.

Synchrony has also committed \$5 million to help local and national organizations who are assisting impacted communities. To support families and communities facing hunger, Synchrony will donate \$1.5 million to national hunger relief non-profits, including Feeding America's® COVID-19 Response Fund to help food banks across the country support affected communities and Meals on Wheels America to ensure older adults continue to receive the vital lifeline they need. We have committed the remaining \$3.5 million to our local communities and local organizations to tackle long-term needs in hard-hit communities as the outbreak unfolds.

Finally, we also launched an employee giving program where employees can direct their giving to a list of eligible non-profits, and all donations will be matched 2 for 1 to these organizations through April 30, 2020.

For more information on steps we're taking to support our customers, partners, communities and our employees, please visit our website ([www.synchrony.com/coronavirus](http://www.synchrony.com/coronavirus)).



# OUR BUSINESS: DOING WHAT'S RIGHT

Everyone at Synchrony—from our board of directors to our executive leadership team to our more than 16,500 employees—shares a commitment to the creation of long-term value for our stockholders. Our board and management believe that our stockholders are best served when Synchrony achieves results responsibly, based on a culture of doing what's right, and in a manner that delivers sustained value to all stakeholders—including our customers, partners, employees, regulators, suppliers and communities. Guided by our vision, mission, values and Code of Conduct (our Code), Synchrony strives to maintain the highest level of corporate governance, transparency, inclusion and ethical behavior.



## WELL-QUALIFIED GUIDANCE

Synchrony's board of directors and committees actively and regularly evaluate our board composition to ensure it has the requisite expertise to oversee Synchrony's business today and as it evolves under our strategy for the future. In 2019, we added two new directors who bring expertise in the healthcare and consumer sectors. The new directors join a board with existing expertise in areas directly relevant to our business and strategy—including consumer banking, credit cards, retail, technology, cybersecurity, risk management, marketing, government affairs and accounting.

With seven of 11 of our directors being women and/or minorities, **Synchrony has the most diverse board of directors of any financial services company or commercial bank in the Fortune 200.**<sup>1</sup> Ten of our 11 directors are independent; four are women; four are minorities; and two are veterans. This diversity enables our board to guide and oversee management more effectively, bringing strategically relevant, forward looking, and inclusive perspectives to our boardroom.

Our board of directors has established governance policies and practices that enhance sustained value creation for our stockholders. They regularly monitor emerging corporate governance topics, trends and governance principles, and incorporate best practices and stockholder feedback where appropriate.

<sup>1</sup> Based on 2019 disclosures.



## A FOCUS ON ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

As a consumer financial services company, our most significant ESG matters include fair lending; responsible marketing; financial inclusion and access; data privacy and information security; human capital management, including diversity and inclusion; and community investment. We have a cross-functional working group comprised of senior executives and employees dedicated to monitoring our current ESG progress, continuing to develop our ESG strategy and engaging with our business and operational leaders to further integrate ESG across our company.

Our Nominating and Corporate Governance Committee establishes our corporate governance practices and oversees Synchrony's environmental and social practices. All our board committees engage in matters that impact our ESG strategy and performance. For example, our Audit and Risk Committees oversee compliance matters; our Risk Committee oversees cybersecurity risks; and our Management Development and Compensation Committee oversees human capital practices. In 2019, given the importance of technology and innovation to our future, we created a Technology Committee to leverage further the board's technology expertise.

## DOING WHAT'S RIGHT

Synchrony strives to maintain the highest level of corporate governance, transparency, inclusion and ethical behavior. Individually and collectively, we are guided by our vision, mission, values and our Code.

Our vision is to build a future where every ambition is within reach. Our mission—to create financial and technology solutions to move our customers and partners forward—is how we bring our vision to life. Our values—honest, passionate, caring, responsible, bold and driven—shape our actions every day.

Synchrony's leadership sets the bar high when it comes to ethical business conduct. Our commitment to integrity is critical to maintaining the trust our clients, customers and stockholders place in us. The way we conduct our business is as important as the results we achieve. We all have a shared responsibility to do the right thing. Accordingly, all employees must adhere to, and complete annual training on the standards set forth in our Code.



We are open, honest and trustworthy in the way we work with clients, customers, employees, regulators, service providers and the public.



We make effective compliance and governance the way we work.



We obey the letter—and the spirit—of all laws and regulations.



We work to create and sustain a culture where ethical conduct is owned by all and raising concerns about compliance with laws, regulations, Synchrony policies, or our Code is expected, encouraged and valued.

Synchrony's Ombuds program solicits, accepts and handles concerns raised by employees, consumers and third parties. Our Code expressly prohibits any form of retaliation for reporting concerns and describes the many channels through which an employee can raise a concern (with an anonymous option). Channels include a manager, a human resources manager, a legal or compliance representative, Synchrony's Ombuds team, our toll-free Ombuds telephone helpline and via a website link. Our Ombuds program also handles concerns raised by third parties to Synchrony's Corporate Secretary (including those raised anonymously) through written correspondence, by email or by phone as described on the Corporate Governance page of our website. Our Ombuds Committee meets on a monthly basis to oversee the program, and its membership includes five members of our executive leadership team.

### **SUPPLIER DIVERSITY**

Synchrony recognizes the competitive advantage of developing a broad supplier base that includes diverse businesses to compete for the procurement of goods and services.

In 2019, we enhanced our approach to supplier diversity. To promote supplier diversity internally, we defined our commitments, created key performance indicators, expanded our monitoring and reporting process by incorporating third-party data validation and formed a supplier diversity council. We also improved our external outreach through an enhanced supplier website and increased our membership and presence in local and national diversity organizations, forums and conferences.





# OUR CUSTOMERS: PUTTING FAIRNESS INTO ACTION

At Synchrony, caring for our customers starts with treating them fairly and honestly. Our Code describes this as “fair dealing.” That phrase underpins many of our internal policies, including our Fair and Responsible Banking Policy and our Fair Lending Policy.

## FAIR AND HONEST

To best champion our customers, new employees are required to complete training courses on a broad range of topics, including data security, fair lending, unfair, deceptive or abusive acts or practices (UDAAP), and other banking laws and regulations. We require nearly all employees, as well as our board, to refresh their training in these areas annually.

Fair dealing extends to our suppliers' employees too. We assign them courses based on the type of work they perform and their level of interaction with Synchrony customers. Most supplier employees in the training program complete similar courses on fair lending, UDAAP and other banking laws on the same timetable as our own employees.

Our sales platforms—Retail Card, Payment Solutions and CareCredit—also offer training in fair lending, transparency, UDAAP and other laws and regulations specific to Synchrony's products, to our partners, retailers and providers.

## NEW PRODUCT COMPLIANCE

We follow a comprehensive new product implementation (NPI) process, overseen by an NPI sub-committee of our Management Committee. This ensures all new financial products satisfy fair dealing, regulatory and other requirements. Our process adheres to a robust governance framework that guides the design, implementation and post-launch monitoring of new products and services. In 2019, we enhanced our NPI process, adding a new product risk assessment template. We use it to evaluate the adequacy of existing controls to mitigate potential risks for all new, modified and expanded products and services.





In addition, we closely monitor our product offerings, marketing materials, and product terms and conditions for compliance with applicable laws, including fair lending and UDAAP laws.

### ADDRESSING CONSUMER COMPLAINTS

We care for our customers and do everything we can to resolve their concerns swiftly. Built into our consumer compliance risk management program is a strong, centrally managed set of processes and procedures for identifying and handling consumer complaints and concerns. Our robust complaints program improves the overall customer experience while meeting regulatory expectations. Customers can contact us directly through a variety of channels: by email, phone, eChat, through social media and our website. We closely monitor our customers' complaints to identify risks of potential customer harm and service issues.

### ENHANCING THE CUSTOMER EXPERIENCE

Synchrony is committed to providing a frictionless, more intuitive experience for our cardholders at every touchpoint—leveraging technology to make working with us as seamless as possible. Some of our many new digital products and capabilities delivering radically simple customer experiences for our partners include:



#### FASTER

**dApply**—our digital credit approval process for mobile, tablet or desktop that makes applying for credit a quick, easy process.



#### BETTER

**SyPI**—our patented iOS and Android plug-in that lets customers securely access all their credit and account management functions, special promotions and loyalty features from within a partner's existing mobile app.



#### SMARTER

**PRISM** —our new enterprise-wide credit decision-making platform, combining artificial intelligence, machine learning and data analytics to improve our underwriting, reduce fraud losses and create the potential to broaden access to our credit products to applicants who might not otherwise qualify under traditional credit criteria.

## INFORMATION SECURITY, DATA SECURITY AND DATA PRIVACY

Data security is a top focus at Synchrony. Our board and executive leadership team allocate significant resources and provide intense scrutiny to our Information Security program with a focus on maintaining the confidentiality and integrity of our customers' information, including information processed by our third-party service providers.

Our Information Security program continuously adapts to the rapidly evolving landscape of cybersecurity threats, informed by our intelligence team and supported by regular training of information security employees and awareness activities for employees company-wide. We maintain an innovation partnership with the University of Connecticut, via the Synchrony Cybersecurity Center, where faculty and students collaborate with Synchrony staff on emerging technology. We also support fellowships, student scholarships and an endowed chair within the Computer Science & Engineering Department.

Our information security team works closely with clients to share best practices and detect, track and mitigate threats. In addition, we actively engage with several trade associations representing banks and other financial institutions to stay abreast of developments in the cybersecurity, data security, privacy and legislative landscapes. We also participate in working groups that analyze and provide feedback to proposed new laws, rules, regulations, and assessment frameworks in these critical and perpetually changing areas.

We are committed to protecting the privacy and confidentiality of our customers' personal information. We strive to deliver innovative products and capabilities to drive value to our customers and partners, and we recognize access to and appropriate use of data is a critical component of our ability to do so. Our comprehensive privacy program seeks not only to ensure legal compliance with applicable laws, including the groundbreaking California Consumer Privacy Act, but also to embed privacy and data protection elements throughout the enterprise as well as in our relationships with our partners and suppliers.

We continuously test the effectiveness of our controls through internal and independent assessments, including regular penetration tests, application code reviews, vulnerability scans, disaster recovery tests, and cyber exercises, among others. We use multiple control frameworks to evaluate our maturity. Finally, we are compliant with the Payment Card Industry (PCI) program, and with all the independent testing and assessment that PCI compliance requires.



# OUR EMPLOYEES: UNLOCKING THE POWER WITHIN

At Synchrony, people power our business. We believe all our employees have a unique quality within—a power waiting to be unlocked and developed. Unlocking the power in people promotes knowledge, diversity, growth, experience and opportunity, and opens a myriad of possibilities—not only for our employees, but also our partners, customers and the communities we serve.

## WE BELIEVE IN THE POWER OF RELATIONSHIPS

Only by working together do we succeed

### EVERY OPINION COUNTS

We lead with the voice of our employees in mind. Synchrony partners with Great Place to Work® to conduct our annual employee engagement survey, which helps us better understand what our employees think we're doing right and identify areas for positive change. The resulting organizational, site and functional scores are shared with all employees, and, together, managers work with their teams to create action plans to guide how they will address areas of opportunity.

Synchrony became Great Place to Work®-certified in 2015. Based on our most recent survey conducted in August 2019, we achieved a #44 ranking on Fortune's 100 Best Companies to Work For® list, an improvement from our #51 ranking based on the prior year's survey. See page 17 for a complete list of the many diversity and workplace awards we've earned.

### A BREAKTHROUGH YEAR FOR DIVERSITY

2019 was a year of breakthroughs: we welcomed new leaders, expanded our diversity networks, broadened cross-network collaboration, added new external partners and intensified our strategic focus on diversity, inclusion and belonging to increase representation in 2020 and beyond.

Our goal is to achieve inclusion by creating and maintaining a culture where all individuals can

be their authentic selves, feel confident they belong and know their unique talents and voices are valued and appreciated. These are not empty words. We've embarked on a journey which includes defining goals, executing our plan and measuring, evaluating and revising throughout the process leading us to inclusion and belonging.

Our Synchrony diversity networks are close-knit employee resource groups formed around common interests and goals. They are both reflective and supportive of our employees—providing the ideal platform for recruiting, professional development and networking opportunities.

Together, our Diversity Network members, backed by a strong Great Place to Work environment and supportive engagement from our executive leadership team and board of directors, play a vital role in promoting an inclusive culture that celebrates individuality and fosters collaboration. In 2019, we expanded our Native American Network+ (NAN+) to four of our 11 major sites, with plans to continue expansion in 2020. Total employee engagement in our eight diversity networks reached more than 10,000 in 2019.





## OUR DIVERSITY NETWORKS



**AFRICAN AMERICAN  
NETWORK+**



**ASIAN PROFESSIONAL  
ENGAGEMENT NETWORK+**



**HISPANIC NETWORK+**



**LESBIAN, GAY, BISEXUAL,  
TRANSGENDER+ NETWORK**



**NATIVE AMERICAN  
NETWORK+**



**PEOPLE WITH  
DISABILITIES NETWORK+**



**VETERANS NETWORK+**

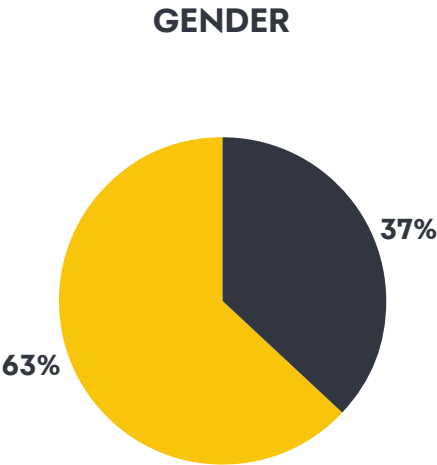


**WOMEN'S NETWORK+**

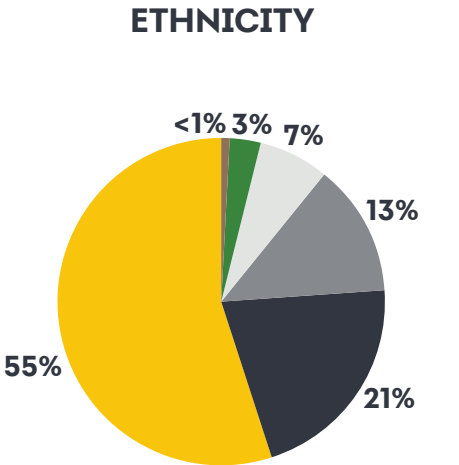
Each year, Synchrony hosts an annual Global Diversity Network Symposium in Washington, D.C., bringing together over 500 employees from across our sites, as well as our CEO and members of our board. The event celebrates Synchrony's achievements in diversity and inclusion and salutes the immense efforts of our Diversity Networks and their members.

The 2019 Symposium—built on the theme and call to action “Breakthrough: Our Future Awaits”—featured outside thought leaders, dynamic talks by Synchrony employees, workshops and an awards ceremony to recognize employees for their efforts in driving diversity, inclusion and belonging across our company.

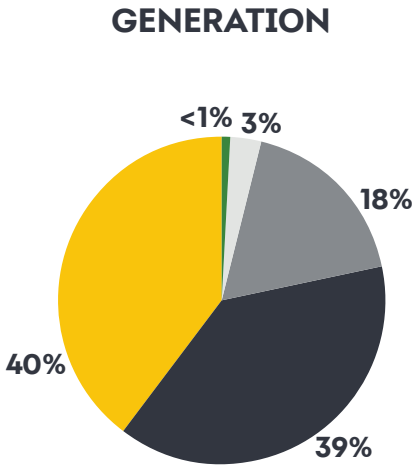
# 2019 WORKFORCE DEMOGRAPHICS



- Female
- Male



- White
- Black or African American
- Hispanic or Latino
- Asian or Pacific Islander
- Two or More Races
- Native American



- Generation X
- Millennials
- Baby Boomers
- Generation Z
- Silent



## AWARDS AND SPECIAL RECOGNITION

### **Fortune and Great Place to Work®**

- 100 Best Companies to Work For®
- Best Workplaces for Diversity
- Best Workplaces in Financial Services & Insurance
- Best Companies to Work for in New York

### **Fortune 500 Companies List**

### **Fortune 2019 Businessperson of the Year**

Margaret Keane

### **Fortune Most Powerful Women**

Margaret Keane

### **American Banker Most Powerful Women in Finance**

Margaret Keane (13 consecutive years)

### **CIO 100**

Carol Juel

### **Working Mother**

100 Best Companies

### **Working Mother**

Best Companies for Multicultural Women

### **National Association of Female Executives (NAFE)**

Top Companies for Executive Women

### **Forbes**

- JUST Capital—America's Most Just Companies 2019 and 2020 (JUST 100 in 2020)
- The Best Employers for Diversity
- The Best Employers for Women

### **Diversity Best Practices Leading Inclusion Index Company**

### **Disability Equality Index**

Best Places to Work—100% score

### **Human Rights Campaign Foundation**

Best Places to Work for LGBTQ Equality and 100% score on the Corporate Equality Index

### **Military Times**

Best for Vets Employer

### **Workforce Diversity Network**

Employer of the Year (Rapid City, South Dakota)

### **Employer Support of the Guard and Reserve (ESGR)**

Seven Seals Award and Spouse Patriot Award

### **BenchmarkPortal**

Top Contact Center, Large Sized Centers

### **BenchmarkPortal**

Center of Excellence Certification

### **Charlotte Observer**

Top Workplaces (Charlotte, NC)

### **Charlotte Observer**

Top Workplaces, Managers Award (Charlotte, NC)

### **United Rehabilitation Services**

2019 Pay it Forward Award (Kettering, OH)

## INTERNATIONAL AWARDS

### **Great Place to Work®**

Certified (Philippines)

### **Great Place to Work®**

Top 25 India's Best Workplaces for Women

### **Workplace 2025**

Best Diversity & Inclusion Employer (India)

### **Workplace 2025**

Best Company in Corporate Social Responsibility (India)

### **HYSEA (Hyderabad Software Enterprises Association)**

CSR Award for Education Initiatives

### **The Economic Times**

India's Best Companies to Work For



## OUR DIVERSITY PARTNERSHIPS

By expanding our external partnerships in 2019, we broadened the reach of our diversity programs and continue to fill our diverse leadership pipeline. Notable new and existing partnerships include:



### **ALFPA**

Our Hispanic Network+ leads our partnership with the Association of Latino Professionals for America, leveraging its membership to support both local and national student development programming and recruiting efforts.



### **Historically Black Colleges and Universities (HBCUs)**

Through the African American Network+ we have established and expanded partnerships with multiple HBCUs, including North Carolina A&T State University, Howard University and Florida A&M University, through campus recruiting, student development programming and scholarships.



### **Disability:IN**

In 2019, we partnered with Disability:IN, a global resource for business disability inclusion, to build a more robust pipeline of candidates with self-identified disabilities and implement best practices for hiring and employee accommodations.



### **Girls Who Code**

For the fourth summer in a row, Synchrony hosted the Girls Who Code Summer Immersion Program at our Alpharetta, Chicago and Stamford sites. Each site accommodated twenty 11th and 12th grade girls for seven weeks, helping them learn computer science and programming fundamentals.



### **The Asia Society**

Synchrony and our Asian Professional Engagement Network+ (APEN+) sponsored the 2019 Diversity Leadership Forum (DLF) organized by the Asia Society in New York City.



### **American Indigenous Business Leaders (AIBL)**

The Synchrony Foundation gave a \$60,000 grant to AIBL—the only American Indigenous non-profit organization solely dedicated to empowering business students in the United States. The grant will help to establish a new mentorship program between NAN+ members and AIBL students and an endowed scholarship program for Native American students.



## SHARING OUR BEST PRACTICES

Synchrony sponsored The Great Place to Work® For All™ Summit in March 2020. More than 1,000 workplace and business leaders from around the world attended the three-day gathering to discover innovative people practices. Our CEO, Margaret Keane, participated as a keynote speaker at the event, and we leveraged the opportunity to share some of the keys to our success, including our Diversity Networks, leadership programs, tuition reimbursement benefits and employee reskilling initiatives.

## WE INSPIRE AND SUPPORT POSSIBILITIES FOR EMPLOYEES

We focus on our employees' ambitions and offer tools and training for success

### AN INCLUSIVE LEADERSHIP DEVELOPMENT MATRIX

We offer extensive and wide-ranging opportunities to help employees realize their potential at Synchrony. Our leadership development programs begin at the associate level and continue through to our senior and executive leadership. We continue to partner with educational institutions, such as Harvard, the Thayer Leadership Development Group hosted at West Point Military Academy, and other prominent learning solutions providers, to develop joint training programs for our employees. Leadership courses are offered throughout the year at our Learning Center in Stamford, CT.

In addition, Synchrony University, a company-wide leadership development initiative hosted at 10 sites across the United States, offers relevant and contemporary learning experiences, open-enrollment courses and nomination-based leadership courses at every career level. These courses are free for employees, and Synchrony pays all travel expenses. Over 16,000 employees worldwide attended a training course in 2019 through in-person or virtual leadership courses, or through the hundreds of on-demand courses available on Synchrony's online Learning Center. Our employees completed over 800,000 courses throughout the year, averaging about 49 course completions per employee, or about 69 hours of training.





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I was nominated by my sponsors and upper management to attend Strategic Pathways, our new multicultural leadership program for diverse employees. That by itself was an honor. The program engendered a genuine sense of community for me. The interaction with our executive leadership team was invaluable. The connections made with fellow attendees have blossomed into mutually supportive relationships. And the mentor assigned to me, while not in my area, provided great insight into building my career at Synchrony.”

JOY BOWLING,  
SVP, OFFICE OF THE  
CIO & RISK ANALYTICS

## BELOW IS AN OVERVIEW OF SOME OF OUR MAJOR LEADERSHIP TRAINING PROGRAMS:

<b>STEP</b>	Career growth accelerator for high-potential call center associates through special projects and in-role developmental activities.
<b>Synchrony Apprenticeship Program</b>	Program that prepares call center associates for jobs of the future through skill-building development activities.
<b>Business Leadership Program (BLP)</b>	Early career experiential program focused on leadership development, named best customer service leadership training program by HR.com in 2018.
<b>ADVANCE</b>	Sophomore diverse talent scholarship program that includes six months of mentoring with a Synchrony leader.
<b>Sophomore Externship</b>	Build a long-term pipeline of diverse talent.
<b>Leadership Summit</b>	Workshop for diverse students that includes networking and leadership development sessions.
<b>Synchrony Leadership Development Experience (SLDE) and Executive Leadership Experience (ELE)</b>	Emerging executive program focused on honing leadership traits, business acumen and networking.
<b>Leadership Experience for Accelerated Development (LEAD)</b>	Immersive leadership development program, offered in partnership with Linkage, Inc.'s Women in Leadership Institute, for high-potential women focused on skill building through cross-functional business projects.
<b>Strategic Pathways</b>	Leadership development program for high-potential, diverse employees focused on development through mentorship.

In addition to our live and on-demand learning options and leadership development programs, call center associates begin their experience with Synchrony in immersive training. Upon hire, our associates spend six to eight weeks in training before interacting with our customers.

## A BETTER WAY TO MANAGE PERFORMANCE

At Synchrony, we give employees the tools they need to perform and set the foundation for opportunities to move forward in their careers.

Our reimagined performance management program, PERFORM, helps employees set goals and achieve them. Goals are fundamental to strategic execution and guide our employees' passions, energy, time and effort. It's not something they do alone. Their direct managers are asked to provide ongoing, open and honest feedback and support in a manner that fosters transparency and fairness. Also included in the program is a mid-year check-in, a new structured touchpoint that allows managers and employees to have a meaningful conversation about how things are going and to set up a successful last half of the year. The PERFORM cycle is also inclusive of each employee's annual performance review, allowing employees and their managers to assess the success of professional and personal goals set at the start of the year, and create the foundation for the year to come.

## A FOCUS ON CRITICAL EXPERIENCES

Career growth at Synchrony is based on two things: the employee's performance in their current role and the critical, immersive experiences they have, especially ones that are outside employees' roles and comfort zones. We emphasize the importance of experiences versus experience, and building the skills and knowledge needed to advance with our Critical Experiences Framework.

## SYNCHRONY'S CRITICAL EXPERIENCES CATEGORIES

<b>Leadership Experiences</b>	Interactions that strengthen the ability to direct, influence and inspire others, such as leading a team of associates, salaried and/or remote employees.
<b>Broadening Experiences</b>	Environmental influences that build new perspectives such as cross-functional project work, managing a third-party relationship or leading change management.
<b>Functional Experiences</b>	Activities that are created specifically for a function to develop employees' craftsmanship in a certain business area, such as relationship development in Marketing and Sales, or workforce planning and organizational design in Human Resources.



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I began my career with Synchrony in 2007 as a part-time employee on our Puerto Rico Collections team. That eventually led to full-time roles in Customer Service and Sales, first in Puerto Rico and then Phoenix, Arizona. My manager urged me to go back to school to build my quantitative and programming skills. It was great advice. Not only did Synchrony create a flexible work schedule to let me to attend school full-time, but also paid for 100% of my tuition through the reimbursement program. Today, I am an Operations Analyst in our Chicago office. But my sights are set to climb higher.”

JORGE ARGUETA,  
AVP, PROJECT  
MANAGER, GPSHOPPER

### GOING BACK TO SCHOOL

Synchrony believes continuing education is an important component of individual growth and development. We offer one of the highest tuition reimbursement benefits in our industry—increased in 2019, up to \$20,000 per year for full-time employees and up to \$5,000 for part-time. Academic fees are also covered up to \$4,000 per year. Tuition reimbursement is also available to employees participating in Synchrony’s Skills Forward program, our skills education program. We’ve expanded our reimbursement benefit to cover courses in healthcare and education fields—even at the graduate coursework level to help meet the growing societal need in these areas.

### SKILLS FORWARD

Synchrony realizes that staying adaptable in today’s changing environment is key to our employees’ professional development. Employee roundtable feedback indicated sincere and strong interest in access to technology skills regardless of whether it was relevant to their current role. Synchrony piloted two programs with partners Ingage and Tech Elevator that helped employees gain the following skills:



Software quality assurance



Coding



Data services



Web software



Test automation



Java programming

Synchrony pays for the cost of each program upfront along with the employee’s salary and benefits during the intensive bootcamp phase, which lasts eight to 14 weeks depending on the program. Skills Forward participants are given the option to return to Synchrony or to pursue their passions elsewhere at the end of the program.

## INDUSTRY-LEADING BENEFITS

We've created and continue to evolve our industry-leading benefits programs based on feedback from our employees, the people who use them. In addition to earned vacation time, we provide all of our employees with 15 days of Personal Time Off which can be used as needed for sick time or personal time. We also increased our benefits for working families, including doubling paid parental leave from six weeks to 12 weeks and backup care from five to 10 days, and we increased our lifetime maximum fertility benefit to \$30,000.

## THERE ARE THREE CATEGORIES TO OUR COMPREHENSIVE BENEFIT PROGRAMS:

COMPANY-PAID BENEFITS Available to our employees at no cost.	OPTIONAL BENEFITS Employees have the option to purchase, paying part or all of the cost.	WORK/LIFE BENEFITS Assists employees in managing their personal and professional lives.
<ul style="list-style-type: none"> <li>• Basic Dental</li> <li>• Basic Vision</li> <li>• 401(k) Plan (core contributions)</li> <li>• Basic Life Insurance</li> <li>• Basic Accidental Death and Dismemberment (AD&amp;D) Insurance</li> <li>• Short-Term Disability Benefits</li> <li>• Long-Term Disability Benefits</li> </ul>	<ul style="list-style-type: none"> <li>• 401(k) contributions (eligible for employer match)</li> <li>• Medical</li> <li>• Premium Dental</li> <li>• Premium Vision</li> <li>• Health Care Flexible Spending Account</li> <li>• Health Savings Account</li> <li>• Dependent Care Flexible Spending Account</li> <li>• Supplemental Life Insurance</li> <li>• Supplemental AD&amp;D Insurance</li> <li>• Supplemental Long-Term Disability</li> <li>• Legal Services</li> <li>• Accident Insurance</li> <li>• Hospital Insurance</li> <li>• Pet Insurance</li> </ul>	<ul style="list-style-type: none"> <li>• Advocacy Services</li> <li>• Backup Care</li> <li>• Commuter Benefits</li> <li>• Concierge Services/Resources</li> <li>• Discounts/Offer</li> <li>• Emergency and Natural Disaster Grants</li> <li>• Employee Assistance Program</li> <li>• Paid Parental Leave (12 weeks)</li> <li>• Family Planning (lifetime maximum fertility benefit of \$30,000)</li> <li>• Health and Wellness Programs</li> <li>• Rewards and Recognition</li> <li>• Tuition Reimbursement</li> <li>• Personal Time Off (15 days)</li> </ul>

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**I started out wanting to be an airline pilot—even went to flight school. But after 9/11, it was tough to get enough flight hours. I joined Synchrony as a call center associate. Through Synchrony’s development programs, I was able to advance and spent eight years in Payment Solutions/CareCredit Collections. When I decided to go back to school for an MBA, Synchrony covered 100% of my tuition. Now, I’m in marketing, with hopes of joining the Client Marketing team.”**

**CARLA VANWEELDEN,  
EMAIL MANAGER**



## OUR VALUES ARE MORE THAN WORDS

Our values are the building blocks of all we do at Synchrony. They help shape who we are, inform our decisions and guide our future.

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**HONEST** IN EVERYTHING WE DO

**PASSIONATE** ABOUT HELPING OTHERS

**CARING** WE BELIEVE PEOPLE MATTER

**RESPONSIBLE** WE KNOW WHAT'S AT STAKE

**BOLD** IT'S TIME TO MAKE A DIFFERENCE

**DRIVEN** WE'RE ALL IN AND WE DELIVER

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### OUR VALUES PAY BACK

As we see it, all our employees contribute to the success of the business and should be compensated for their contributions. We ensure our compensation is market competitive and thus help create internal equity.

Synchrony's compensation philosophy is designed to prevent unequal pay based on protected characteristics. For example, starting pay is set based on market factors for the role, not previous pay. In addition, Synchrony periodically evaluates pay and compensation to ensure

equity based on gender and other protected characteristics. We take appropriate remedial measures to adjust any discrepancies if we determine there are unexplained gaps between different protected classes.

### **BONUS PROGRAMS**

We take a fair and equitable approach to structuring our bonus programs. Bonuses reward employees for achieving individual and business goals while promoting appropriate risk taking and fair treatment of customers. All employees are eligible to participate in a bonus program.

For example, in 2018, we introduced Synchrony's Performance Plus Bonus (PPB), which provides an opportunity for all hourly employees, including frontline call center employees, to earn a bonus of up to \$1,000 in 2019, and up to \$1,500 going forward. While many of these hourly employees were already eligible for individual performance incentives above and beyond their base hourly rate, we tied this new annual bonus opportunity to company performance. In years where our company's performance does not meet expectations, no PPB will be awarded.

### **5-YEAR ANNIVERSARY RESTRICTED STOCK UNIT AWARDS**

On July 31, 2019, we celebrated Synchrony's first five years as a public company. One of the ways we commemorated that anniversary was awarding company stock to all employees in the United States and cash equivalent awards to employees outside the United States. More than just a financial reward; it gave every Synchrony employee a stake in the company.

### **GIVING DOUBLE**

Open to all employees and board members, The Synchrony Matching Gifts Program matches individual contributions of \$25 or more up to an aggregate \$25,000 annual cap to organizations that are meaningful to our employees and board members, including social services, disease research, environmental organizations, hospitals, museums, public and private schools, and colleges and universities.

### **SPREADING THE WORD**

We developed our Values Ambassador Program to help bring our Values to life within our company. Currently we have 36 Values Ambassadors in the program, with representation from each of our domestic and global sites, and remote and work-at-home employees.

Our Values Ambassadors lead by example, showing how our Values come to life inside and outside of our offices. Carlos Vincent Capucion, one of our Manila Values Ambassadors and the site's Corporate Social Responsibility Manager, helped lead our partnership with Gawad Kalinga (GK), a nonprofit focused on alleviating poverty in the Philippines. In October 2019, Carlos, other members of our Manila leadership team and GK partners broke ground on the first Synchrony-GK Village that will provide shelter for 20 homeless families. Future plans include the launch of the Synchrony Multi-purpose Hall to serve as the community's Health and Livelihood Center, aiming to provide a long-term, sustainable livelihood to more than 100 families.

“

**At the groundbreaking ceremony for the building of Synchrony-Gawad Kalinga Village, when Synchrony presented a check for US\$100,000, it was a moment of pride and joy for everyone present. Such acts of kindness are what make Synchrony a great place to work.”**

**SANU FRANCIS,  
MANAGER,  
ENTERPRISE OPERATIONS**





# WE ARE DRIVEN NOT BY WHAT IS, BUT BY WHAT COULD BE

When we see opportunity, we act—bringing together the diverse perspectives, technologies and capabilities needed to lead today and transform tomorrow.

## DEFINING HOW WE ENGAGE AND LEAD

In 2019, our company’s vision, mission and values were joined by our commitments—four simple pledges that every employee makes to our customers, our business, our colleagues and our future.

## SYNCHRONY’S LEADERSHIP COMMITMENTS

COMMITMENT	WHAT IT MEANS
CHAMPION CUSTOMERS	We anticipate customer needs, create solutions based on deep understanding and deliver value and exceptional experiences.
ACT AS OWNERS	We drive value and deliver results for our stakeholders by making smart choices that grow the business.
RELATE AND INSPIRE	We connect and build honest relationships, ensuring that people feel they belong, while motivating each other to continuously learn and grow.
ELEVATE EVERY DAY	We work together to explore everyday opportunities to turn bold ideas into innovative solutions and continuously improve our future.

## PARTNERING WITH EDUCATION

In 2019, we expanded our partnership with the University of Connecticut (UConn), opening a Digital Technology Center at UConn Stamford to help bolster its technology program by providing real-world experience and paid software engineering internships at Synchrony. We also donated \$1 million to a new free tuition program at UConn, which will cover the cost of tuition for qualifying students starting in Fall 2020. In addition, Synchrony sponsors senior design projects for graduating engineering students who complete a project for an external company throughout their senior year.

In 2018, we opened our Emerging Technology Center at the University of Illinois Research Park. The center focuses on advancing Synchrony's finance and technology capabilities as well as providing real-world skills for students in artificial intelligence, data science, human-centered design and other emerging technologies, like machine learning and credit risk modeling.

Partnerships like these and others help us cultivate a talent pipeline of future leaders.

## PREPARING FOR SYNCHRONY'S FUTURE

With our dynamic leadership programs, educational benefits, and learning experiences, we are constantly preparing our employees to support what's next for Synchrony. We're planning for a future that includes artificial intelligence (AI), robotics and machine learning. Together, these three technologies are making us much more efficient, leading to higher customer satisfaction.

For example, we're using a machine learning model to detect fraudulent transactions, which relieves our customer service associates of having to question customers to confirm the validity of their stories, and allows customers to get new cards in their hands much sooner.

We're also using automated robotics to handle mundane tasks and operational processes instead of our customer service associates. For example, "feeding" massive amounts of data on past customer service interactions into our virtual assistant, Sydney, allows Sydney to answer basic questions from our customers by text chat.

“

**It's a great opportunity for graduate and undergraduate computer science students to start a career path to Synchrony while still in school.”**

**UJJVAL PATEL,  
LEADER OF THE SYNCHRONY  
EMERGING TECHNOLOGY  
CENTER AT THE UNIVERSITY  
OF ILLINOIS**

# OUR COMMUNITIES: INVESTING IN TOMORROW

Our culture encourages us to give back to the communities in which we work and the families in need who live there. The support we give our communities is the hands-on variety. In 2019, our employee volunteers helped combat family homelessness, supported out-of-school care programs, extended a helping hand to first-time college students and put people experiencing a crisis back on the road to financial stability—all through our *Families That Work* philanthropic program.

## DOUBLING DOWN ON CARING

April 1st marks the start of the nation's National Volunteer Month. It also signals the beginning of Synchrony's "Pay It Forward: A Month of Caring," during which employees around the globe serve to directly impact over 260,000 people in need in partnership with our various community partners, in support of *Families That Work*.

Even so, April is just one month. Synchrony volunteers are busy the whole year through. In 2019, over 6,500 unique Synchrony employees volunteered over 48,000 hours to 340 organizations. What's more, we provided more than \$10 million dollars toward helping families in need and local communities.

Our employees are also committed to helping our nonprofit partners move their work to the next phase or iteration. Last year, we loaned 39 employees from our Business Leadership Program (BLP) to 17 nonprofit partners across the country. Our BLPs provided these nonprofit partners with capacity building efforts, working on "back burner" skills-based projects that made a real difference for the nonprofit, but for which they have neither the staff nor time to do.

Hope Haven is a nonprofit in Charlotte, NC, dedicated to helping people and families in recovery rebuild their lives by providing them with the support services conducive to a healthy recovery and economic independence. Hope Haven needed a streamlined maintenance request process, so three Synchrony employees built a tool to track maintenance requests from submission to itemized receipt, all through the Hope Haven server. Using this tool, Hope Haven's operations department was able to streamline maintenance requests and improve efficiency.

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**This is great. This will change the way we do business. We've always needed this kind of process but never had anyone with the technical knowledge to get it done.”**

**ROHAN GIBBS,  
VICE PRESIDENT  
OF OPERATIONS,  
HOPE HAVEN**



Synchrony employees volunteered at NeighborWorks Salt Lake, a nonprofit that builds on the strengths of neighborhoods, creating opportunities through housing, resident leadership and youth economic development. The volunteers conducted research to update a revitalization impact dashboard that measured the efficacy of the organization's work and the many partnerships that contribute to their revitalization efforts and activities. During their three weeks of skills-based volunteer service, these Synchrony volunteers also helped automate and simplify financial reporting for the NeighborWorks' Board of Directors.

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*"I know many very capable professionals in the finance industry, but I do not know many that are able to deliver the variety and volume of impactful work that you both did in such a short timeframe."*

NAV DHALIWAL  
CHIEF OPERATING OFFICER, NEIGHBORWORKS SALT LAKE

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Our Asian Professional Engagement Network+ (APEN+), one of our eight diversity networks, also contributed to our skills-based volunteer efforts. A group of APEN+ members from around the globe came together to help YWCA *Own It*. The organization, which develops financial education programs for corporations, wanted help in determining the feasibility and profit margin for an earned income business model.

### **DIVING IN FOR A CAUSE**

In 2019, more than 2,000 Synchrony employees and their families participated in our Doubles Dive globally. The annual polar plunge raised nearly \$100,000 for various charities including the Children's Home Society in Orlando, FL; Horizons National in Stamford, CT; LV Prasad Eye Institute in Hyderabad, India; Special Olympics in Merriam, KS and St. Paul, MN; and the YMCA in Charlotte, NC. All donations were doubled through the Synchrony Matching Gifts Program.



# CHANGING WHAT'S POSSIBLE: HOMELESSNESS

## A NEW PERSPECTIVE ON PREVENTING HOMELESSNESS

A recent study by The Council of Economic Advisers revealed more than half a million people go homeless on a single night in the United States. Approximately 65% are found in emergency homeless shelters, and the other 35% are found unsheltered on our streets.<sup>2</sup> Many families experiencing homelessness avoid detection by staying with friends and relatives, in motels or in their cars—all this to avoid the stigma of being homeless. Homelessness is traumatizing to children, and that trauma can last a lifetime. It can also be a predictive indicator of whether they will seek emergency shelter as adults.

Shelter diversion helps prevent placing homeless or about-to-be-homeless families with children into temporary emergency shelters.

Synchrony is a staunch sponsor of shelter diversion programs. Our goal is to help families stay in their homes, make immediate alternative housing arrangements and eventually return to permanent housing. Our work in shelter diversion began with the Connecticut Coalition to End Homelessness in 2015. To date, Synchrony has committed nearly \$1.8 million to build and develop comprehensive diversion programs, including a collaborative partnership with United Way and 211s (free helplines) in several states. 211 provides expert, caring help. No matter the situation, the specialists at 211 actively listen to identify underlying problems and connect people in need with resources and services in their community that improve their lives. Together, we are changing how families facing homelessness are assessed, treated and managed.

We support training for specialists at 211 call centers so they can assess whether a caller is a good candidate for diversion support. If so, families work with a case manager to evaluate their needs, devise solutions and develop a plan unique to them. In many cases, the case manager can also grant the family diversion flex funds to cover emergency needs at a fraction of the cost of a temporary emergency shelter stay.

<sup>2</sup> "The State of Homelessness in America." [www.whitehouse.gov](http://www.whitehouse.gov), The Council of Economic Advisers, The White House, Sept. 2019, [www.whitehouse.gov/wp-content/uploads/2019/09/The-State-of-Homelessness-in-America.pdf](http://www.whitehouse.gov/wp-content/uploads/2019/09/The-State-of-Homelessness-in-America.pdf). Date Accessed 01/27/2020.

“

**United Ways and 211s across the country support families and individuals experiencing or in danger of being homeless, but with these transformative resources from Synchrony our teams are able to intervene at a critical point and provide comprehensive direct assistance. We are extremely excited not only for the number of families we'll be able to serve but for the cycles of poverty and homelessness we hope to break together.”**

**SUZANNE MCCORMICK,  
U.S. PRESIDENT, UNITED  
WAY WORLDWIDE**

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JAG is delighted to partner with Synchrony to help our students succeed. Through our JAG Specialists, we work with high school students in and out of the classroom to prepare them for successful futures and stay with them for a full year of follow-up services after graduation. Our partnership with Synchrony helps JAG students learn essential career and life skills directly from professionals, who often times share their own personal pathways at a time when JAG students are formulating their post-high school plans. This is a critical component of the JAG Model, and we believe, one of the reasons why JAG students are employed at a rate two to three times higher as compared to all 18 to 20-year-old students and go to college at a rate double that of their peers.”

**JANELLE DURAY,  
SENIOR VICE PRESIDENT,  
JOBS FOR AMERICA'S  
GRADUATES**

## CHANGING WHAT'S POSSIBLE: OUT-OF-SCHOOL-CARE

### MAKING THE MOST OF OUT-OF-SCHOOL TIME

We know childcare is one of the greatest expenses in any household, and possibly the greatest expense after rent for low- and moderate-income families. Working families count on out-of-school programs and Synchrony funds several of these programs.

In our discussions with our afterschool partners, they told us that engaging older teens was one of their hardest challenges. Last year, we donated more than \$2.5 million to out-of-school programs and we've also committed to an additional \$1 million to invest in job readiness, job training and college-readiness programs for older teens.

### A MODEL FOR SUCCESS

Synchrony partners with Jobs for America's Graduates (JAG), a state-based national non-profit organization dedicated to preventing students from dropping out of high school and helping those who face serious barriers to graduation and/or employment.

Our association with JAG focuses on project-based learning and employer engagement. The goal: teach high school students practical and useful job skills, the kind they'll need to stand out in job interviews. Our employees help the students prepare for both phone and in-person interviews, review resumes and advise them on managing their social media presence. The JAG model has been a great success, prompting

Synchrony to invest in expanding JAG to more cities and more schools. DJ Casto, our Executive Vice President and Chief Human Resources Leader, has sat on the national board of directors since 2016. Other senior leaders sit on regional JAG boards and committees and many Synchrony employees volunteer for JAG.

### FUNDING FUTURES

We also support students who are working hard to get into college and successfully pursue a degree. In 2019, we committed \$1 million to the Connecticut Commitment Scholarship at the University of Connecticut. The scholarships from this gift offer tuition assistance for students coming from families with household incomes of \$50,000 or less. Approximately 28% of the students who qualify for the Connecticut Commitment Scholarship will be from underrepresented groups.

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*“Synchrony's leading gift to support the Connecticut Commitment program is a generous investment in our students and our state's future, helping talented low-income students who might have otherwise believed that UConn was out of reach for them. It will no doubt be inspiring for these future students, but also for other generous supporters to follow Synchrony's lead.”*

**THOMAS C. KATSIOULEAS, PRESIDENT,  
UNIVERSITY OF CONNECTICUT**

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## PARTNERING WITH COLLEGE POSSIBLE

Synchrony recognizes many of the students we support through our nonprofit partners will be among the first in their families to go to college. In 2015, we formed a partnership with College Possible, a national organization that makes college admission and success possible for low-income students through an intensive curriculum of coaching and support.

While we're happy our assistance helps students get into college, we also want them to go on to graduation. College Possible begins working with students in their junior year of high school, helping them with their studies, preparing them for their college entrance exams and working with them on their college applications. It's a formula that works; 100% of College Possible students earned admission to college last year and 90% enrolled in college this fall. College Possible remains connected, offering them on-campus and tech-connected support, until they graduate. We are proud to say College Possible students graduate at twice the rate of their low-income peers.

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*"Synchrony has not only made meaningful financial investments in College Possible Chicago to support the expansion of our program but has brought their expertise to our mission through their talented Business Leadership Program (BLP). The BLPs have given us needed capacity to deeply explore our data, develop planning tools and create new and engaging marketing materials, to name a few projects. It's inspiring to work with community members who share our passion for college admission and success."*

CHRISTINE POORMAN,  
EXECUTIVE DIRECTOR,  
COLLEGE POSSIBLE CHICAGO

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## CHANGING WHAT'S POSSIBLE: ECONOMIC SECURITY

### BUILDING FINANCIAL STABILITY

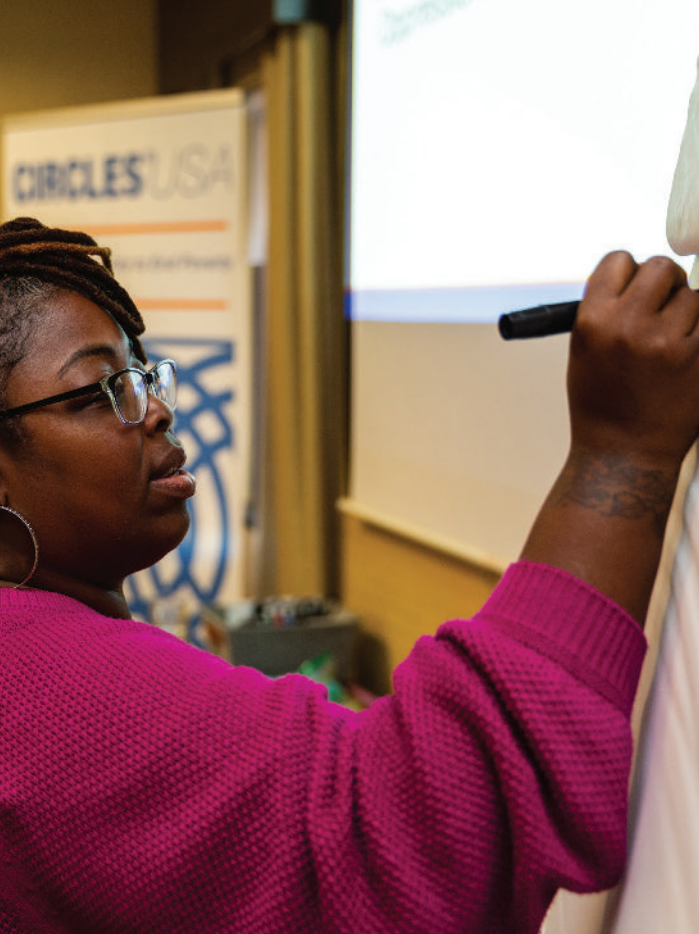
Synchrony works with nonprofit partners to assist low- and moderate-income working families to find jobs, train for better paying jobs and put aside some savings in a rainy-day fund. In 2019, Synchrony donated \$2.3 million towards these efforts.

### REDUCING POVERTY TAKES A COMMUNITY

Synchrony has partnered with Circles USA, a national nonprofit organization that inspires and equips communities to reduce poverty and remove the barriers that stand in the way. The unique approach combines direct services with bold systemic change.

Circles USA gathers middle-income and high-income volunteers to support families in poverty. Surrounded by people who have landed jobs, negotiated a lease, or managed credit card debt, people in crisis are more equipped to achieve long-term financial stability. While participants are navigating their way out of poverty, their successes and challenges are shared with local community leaders. The barriers that keep people in poverty are identified, discussed and often resolved.

Participants who complete the program achieve a 39% increase in income after six months and a 78% increase in income after 18 months. Circles USA also measures participants' progress with gaining stable housing and reliable transportation, pursuing education, and growing the support network necessary to permanently move from surviving to thriving.



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*“Circles is one of the best models for long-term poverty reduction I have ever encountered. It sets up a new dynamic that puts the families who want to become economically stable in the driver's seat rather than being viewed as clients choosing predetermined options. All involved create a community conversation to reduce poverty regionally. Synchrony's support is expanding Circles USA's capacity so more and more families can achieve economic security.”*

LYNETTE FIELDS,  
EXECUTIVE DIRECTOR,  
CIRCLES CENTRAL FLORIDA

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### STEPPING UP IN TIMES OF NEED

In August 2019, a tragic shooting in Dayton, Ohio deeply affected our employees in nearby Kettering, Ohio. Some had friends or family members who were victims. In support of the victims and their families, Synchrony donated \$100,000 to the Dayton Oregon District Tragedy Fund, which was set up by the Dayton Community Foundation to offer aid. After learning the Foundation was inundated with calls and donations, three of our employees stepped in to do the manual entry of over 3,000 check donations, managed the donation acknowledgement process, organized hundreds of volunteers for The Gem City Shine fundraiser, and supported the Foundation's leadership team.

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*“Your employees hit the ground running, providing us with the extra volunteer workforce we needed over the past several weeks. We couldn't have done it without the invaluable support of your awesome staff! Thank you!”*

MICHELLE LOVELY,  
VICE PRESIDENT OF DEVELOPMENT,  
THE DAYTON COMMUNITY FOUNDATION

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## COMMUNITY REINVESTMENT

Our culture encourages us to give back to the communities in which we work and the families in need who live there. Synchrony is committed to meeting community needs specifically evaluated under the Community Reinvestment Act (CRA). One of the ways we do that is through community development—assisting in the creation and financing of affordable housing, stimulating economic development through supporting small businesses and job creation, revitalizing neighborhoods and addressing community service needs.

Our focus on providing financial education, credit awareness and job skill training for people in low- and moderate-income neighborhoods has a tremendous positive impact. Synchrony Bank financed over \$500 million in community development loans to support over 2,500 small business loans, the creation or retention of 3,200 jobs, and facilitated the making and delivery of over 2,000 single family affordable housing loans to the secondary market.

In addition to the \$274 million of our existing investments throughout the country, Synchrony Bank invested an additional \$478 million. Among the many CRA-related investments, we made

\$18 million in direct CRA-eligible grants to 195 organizations which serve over 74 communities in 21 states.

Another example of Synchrony Bank's CRA activities is its Banking on Women™ entrepreneur program in the Bank's home state of Utah. Initiated in Salt Lake City, Banking on Women™ has now expanded to southern Utah. The program offers a comprehensive small business education taught by seasoned business professionals. It puts participants through an intensive course aimed at developing skills in planning and operating their own businesses. Participants in Banking on Women™ also get mentoring and feedback from the various program partners (including Synchrony). Successful graduates of the program may apply for a loan through the Utah Micro Loan Fund (UMLF).

Approximately 35% of the women who have participated in the program since 2010 are currently operating businesses that collectively generate revenue annually exceeding \$14 million with 152 jobs created or retained. Also, 21 of these entrepreneurial women have received loans from UMLF totaling over \$600,000.



**Synchrony Bank demonstrates a high level of community development lending, community development services, and qualified investment activity, particularly investments that are not routinely provided by private investors. The Bank demonstrates extensive use of innovative or complex qualified investments, community development loans, [and] community development services. The Bank demonstrates excellent responsiveness to credit and community development needs in its assessment area."**

**COMMUNITY REINVESTMENT  
ACT PERFORMANCE  
EVALUATION ISSUED BY THE  
OFFICE OF THE COMPTROLLER  
OF THE CURRENCY,  
DECEMBER 31, 2018<sup>3</sup>**

<sup>3</sup> December 31, 2018 Community Reinvestment Act Performance Evaluation ("CRA PE") issued by the Office of the Comptroller of the Currency ("OCC"); p. 3. The CRA PE reports on a three-year period consisting of January 1, 2016 through December 31, 2018. The report was publicly released in October 2019 in accordance with regulations implementing the Community Reinvestment Act of 1977.



# OUR ENVIRONMENT: CONSERVING WHAT MATTERS

At Synchrony, we continuously strive to reduce our impact on the environment and to play our part to promote sustainability and address climate change. Our efforts span from improving our sites' energy efficiency to expanding our support for electronic vehicles to reducing our paper consumption to reducing our waste.

## **CENTERING ON SUSTAINABILITY**

To provide our employees with a healthy working environment, Synchrony is adopting new sustainability goals for all our facilities.

## **INCREASING ENERGY EFFICIENCY**

To earn ENERGY STAR certification from the EPA, a building must perform in the top 25% of buildings nationwide. On average, ENERGY STAR certified buildings and plants use 35% less energy. This not only reduces greenhouse gas emissions, but also makes the buildings less expensive to operate.

Synchrony has 11 facilities which meet EPA ENERGY STAR standards and are LEED (Leadership in Energy and Environmental Design) certified. Overall, Synchrony's square footage of combined LEED and EPA ENERGY STAR certified facilities make up over 80% of our operating space. In 2019, by meeting ENERGY STAR and LEED standards, we reduced our global annual baseline greenhouse gas emissions by more than 5,640 tons. That translates into an energy cost savings of more than \$460,000.

## **CLEAN FUEL, CLEAN AIR**

Electric vehicles (EVs) help keep our world clean. EVs produce far fewer emissions that contribute to climate change and smog than conventional vehicles. In 2019, Synchrony boosted its endorsement of EVs, increasing the number of EV charging stations by 40% throughout our sites. Synchrony EV drivers plugged in over 6,000 times last year, which reduced carbon dioxide (CO<sub>2</sub>) emissions by approximately 37 metric tons. Factoring in the emissions reduction from home-based employees who no longer commute, that reduction jumps to nearly 4,750 metric tons of CO<sub>2</sub>.



### **LESS IS MORE**

In 2019, we installed a small, cost-effective 60 HP high-efficiency boiler at our Kettering, Ohio, facility (an ENERGY STAR certified building). The smaller boiler relieved our less efficient 200 HP boiler during the summer, spring and fall months. In addition, we installed energy reducing, variable frequency drives on the cooling tower fan motors. As a result, our combined office/plant heating system reduced natural gas consumption by 23%, which cut annual CO<sub>2</sub> emissions by over 300 tons and reduced our maintenance costs.

### **LED MEANS ENERGY EFFICIENCY**

We have made our facilities more energy efficient by using LED lights (LEDs). LEDs use up to 90% less energy, last longer, contain no mercury, and emit less greenhouse gases than conventional incandescent bulbs. We have retrofitted 80% of our facilities with LEDs.

### **TURNING WASTEWATER INTO AN ASSET**

Managing storm water and wastewater on-site and in buildings is an important part of sustainable development, including the sustainable development of our existing properties. At Synchrony, one way we increase sustainable water management is by treating our wastewater as an asset. Instead of letting storm runoff water enter municipal sewers, we divert it into a closed irrigation system. Installed at our Charlotte, North Carolina facility, the system has reduced water usage by nearly 55% (1,320,000 gallons/year).

### **BREAKING THE PAPER HABIT AND RECYCLING**

Synchrony is committed to reducing paper consumption and recycling paper waste. With an overall 13% reduction in copier paper consumption in 2019, we reduced our paper waste by over 14 metric tons, and over 286,000 pounds of CO<sub>2</sub> emissions. In addition, Synchrony moved to a new secure shredding vendor focused on environmental sustainability, helping us further reduce our environmental footprint.

The secure containers installed at our facilities are built with 100% recycled wood particleboard. All paper collected is recycled into consumer items, such as paper, tissues, paper towels and paper plates. In 2019, this effort saved over 12,000 trees, over 2,800,000 kilowatts of energy and nearly five million gallons of water.

On Earth Day 2019, Synchrony partnered with American Forests to launch a new “Go Paperless” campaign. Through this partnership, Synchrony planted a new tree for the first 100,000 customers who signed up for paperless billing. Planting trees benefits the environment and local communities. One single red maple tree can intercept 27,000 gallons of rainwater every year, avoiding 4,800 gallons of runoff. In one year, an acre of trees can absorb as much carbon as a car produces driving 26,000 miles.

To further reduce paper, we are eliminating unnecessary envelopes from our cardholders’ statement packages. We continuously monitor our cardholders’ digital payment habits and after six consecutive “paperless” payments, online or over the phone, we eliminate the reply envelope from their billing statement packages. The project has eliminated more than two million envelopes from statement packages, saving over 186,000 trees, 600,000 gallons of water, and offsetting nearly 15,000 tons of CO<sub>2</sub> emissions.

## COMBATTING FOOD WASTE

Sodexo food services, one of Synchrony’s largest third-party vendors, is tackling food waste by integrating automated food waste tracking systems at our sites. The technology they’re using has been proven, on average, to reduce food waste by up to 50%. Sodexo’s objective is to scale the program to 70% of our sites they serve in 2020, targeting 100% by 2025. Furthermore, our cafeterias use an active fryer management service Filtafry (“Filta”). Filta’s “green” services help preserve the environment by converting waste cooking oil into biodiesel, reducing energy consumption and food waste. In 2019, Synchrony collected and recycled over 13,400 pounds of waste oil into usable biodiesel. By recycling this oil, greenhouse gases were reduced by over 43,000 pounds, equivalent to planting over 2,100 trees.



**SYNCHRONY**

(NYSE: SYF)

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STAMFORD, CT 06902

**GENERAL INQUIRIES**

866-419-4096

**[synchrony.com](http://synchrony.com)**

