

SYNCHRONY FINANCIAL

Management Development and Compensation Committee Charter

The Management Development and Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of SYNCHRONY FINANCIAL (the “Company”) shall consist of a minimum of three directors, each of whom shall be an “independent” director as defined under the New York Stock Exchange (the “NYSE”) listing standards and the Company’s independence guidelines. At least two members of the Committee shall each be an “outside director” within the meaning of Section 162(m) of the Internal Revenue Code and a “non-employee director” within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934 (the “Exchange Act”). Any action duly taken by the Committee shall be valid and effective, whether or not the members of the Committee at the time of such action are later determined not to have satisfied the requirements for membership provided herein.

The purpose of the Committee shall be to carry out the Board’s overall responsibility relating to organizational strength and executive compensation. The Committee shall, as appropriate, meet jointly with the Development and Compensation Committee (the “DCC”) of the Company’s wholly owned subsidiary, SYNCHRONY BANK (the “Bank”).

In furtherance of its purpose, the Committee shall have the following authority and responsibilities:

1. To assist the Board in developing and evaluating potential candidates for executive positions, including the Chief Executive Officer, and to oversee the Company’s management resources, structure, succession planning, development and selection process.
2. To review and approve on an annual basis the corporate goals and objectives with respect to compensation for the Chief Executive Officer. The Committee shall evaluate at least once a year the Chief Executive Officer's performance in light of these established goals and objectives and, based upon these evaluations, shall approve and, where required, recommend for approval by the independent members of the Board, the Chief Executive Officer’s annual compensation, including salary, bonus and equity and non-equity incentive compensation.
3. In conjunction with the Chief Executive Officer, to review and approve on an annual basis the evaluation process and compensation structure for all Executive Vice Presidents of the Company and all other Company executives (collectively, “Senior Executives”). The Committee shall evaluate the performance of the Senior Executives and shall approve and, where required, recommend for approval by the Board, each Senior Executive’s annual compensation, including salary, bonus and equity and non-equity incentive compensation, in each case based on initial recommendations from the Chief Executive Officer.
4. To review and oversee the Company’s equity incentive plans and other stock-based plans, and recommend changes in such plans to the Board as required. The Committee shall have and shall exercise all the authority of the Board with respect to the administration of such plans.
5. To adopt, administer and provide oversight of the compensation plans and programs of the Company and its subsidiaries (other than equity incentive plans and other stock-based plans) consistent with applicable legal authority and regulatory guidance).

6. To review and oversee incentive compensation plans and programs with a view to appropriately balancing risk and financial results in a manner that does not encourage employees to expose the Company or any of its subsidiaries to imprudent risks, and are consistent with safety and soundness. Toward that end, the Committee will review, at least annually, with input from the Company's Chief Risk Officer, and also the Bank's Chief Risk Officer, the relationship among risk management policies and practices, corporate strategies and Senior Executive compensation. In addition, the Committee shall collaborate with the Board's Risk Committee in considering the relationship among these matters. The Committee will maintain regular contact with the leadership of the Company as part of the management evaluation and succession planning process.

7. Oversee the administration of the Company's Incentive-Based Compensation Recovery Policy and any supplemental clawback policy and recommend any changes to such policies for Board approval.

8. To review and discuss with management the Company's Compensation Discussion and Analysis ("CD&A") and to recommend to the Board that the CD&A be included in the Company's annual report and proxy statement. As part of this review, the Committee shall consider the results of the most recent shareholder advisory vote on executive compensation as required by Section 14A of the Exchange Act and consider whether to make any changes to the Company's compensation plans and programs as a result of such vote.

9. Every six years or otherwise as appropriate, make a recommendation to the Board regarding the frequency of the advisory vote on the compensation of the Company's named executive officers as required by Section 14A of the Exchange Act.

10. To prepare and publish an annual committee report in the Company's proxy statement. The Committee shall have the authority to delegate its responsibilities to subcommittees as the Committee may deem appropriate.

The Committee shall have authority to retain such compensation consultants, outside counsel and other advisors as the Committee may deem appropriate in its sole discretion. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any advisor it retains. To the extent required by NYSE listing standards, the Committee shall conduct an independence assessment prior to selecting or receiving advice from an advisor. The Committee shall have sole authority to approve the fees and retention terms of its advisors, and the Company shall provide the necessary financial resources.

The Committee shall report its actions and any recommendations to the Board after each Committee meeting and shall conduct and present to the Board an annual self-assessment and performance evaluation of the Committee. The Committee shall review at least annually the adequacy of this charter and recommend renewal or any proposed changes to the Board for approval.