1Q'23
FINANCIAL RESULTS

April 19, 2023

Disclaimers

Cautionary Statement Regarding Forward-Looking Statements

The following slides are part of a presentation by Synchrony Financial in connection with reporting quarterly financial results. No representation is made that the information in these slides is complete. For additional information, see the earnings release and financial supplement included as exhibits to our Current Report on Form 8-K filed today and available on our website (www.synchronyfinancial.com) and the SEC's website (www.sec.gov). All references to net earnings and net income are intended to have the same meaning. All comparisons are for the first quarter of 2023 compared to the first quarter of 2022, unless otherwise noted.

This presentation contains certain forward-looking statements as defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are subject to the "safe harbor" created by those sections. Forward-looking statements may be identified by words such as "expects," "intends," "anticipates," "plans," "believes," "seeks," "targets," "outlook," "estimates," "will," "should," "may" or words of similar meaning, but these words are not the exclusive means of identifying forward-looking statements. Forward-looking statements are based on management's current expectations and assumptions, and are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. As a result, actual results could differ materially from those indicated in these forward-looking statements. Factors that could cause actual results to differ materially include global political, economic, business, competitive, market, regulatory and other factors and risks, such as: the impact of macroeconomic conditions and whether industry trends we have identified develop as anticipated, including the future impacts of the novel coronavirus disease (“COVID-19”) outbreak and measures taken in response thereto for which future developments are highly uncertain and difficult to predict; retaining existing partners and attracting new partners, concentration of our revenue in a small number of partners, and promotion and support of our products by our partners; cyber-attacks or other security breaches; disruptions in the operations of our and our outsourced partners' computer systems and data centers; the financial performance of our partners; the sufficiency of our allowance for credit losses and the accuracy of the assumptions or estimates used in preparing our financial statements, including those related to the CECL accounting guidance; higher borrowing costs and adverse financial market conditions impacting our funding and liquidity, and any reduction in our credit ratings; our ability to grow our deposits in the future; damage to our reputation; our ability to securitize our loan receivables, occurrence of an early amortization of our securitization facilities, loss of the right to service or sub-service our securitized loan receivables, and lower payment rates on our securitized loan receivables; changes in market interest rates and the impact of any margin compression; effectiveness of our risk management processes and procedures, reliance on models which may be inaccurate or misinterpreted, our ability to manage our credit risk; our ability to offset increases in our costs in retailer share arrangements; competition in the consumer finance industry; our concentration in the U.S. consumer credit market; our ability to successfully develop and commercialize new or enhanced products and services; our ability to realize the value of acquisitions and strategic investments; reductions in interchange fees; fraudulent activity; failure of third-parties to provide various services that are important to our operations; international risks and compliance and regulatory risks and costs associated with international operations; alleged infringement of intellectual property rights of others and our ability to protect our intellectual property; litigation and regulatory actions; our ability to attract, retain and motivate key officers and employees; tax legislation initiatives or challenges to our tax positions and/or interpretations, and state sales tax rules and regulations; regulation, supervision, examination and enforcement of our business by governmental authorities, the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) and other legislative and regulatory developments and the impact of the Consumer Financial Protection Bureau’s (the “CFPB”) regulation of our business; impact of capital adequacy rules and liquidity requirements; restrictions that limit our ability to pay dividends and repurchase our common stock, and restrictions that limit the Bank’s ability to pay dividends to us; regulations relating to privacy, information security and data protection; use of third-party vendors and ongoing third-party business relationships; and failure to comply with anti-money laundering and anti-terrorism financing laws.

For the reasons described above, we caution you against relying on any forward-looking statements, which should also be read in conjunction with the other cautionary statements that are included elsewhere in this presentation and in our public filings, including under the heading “Risk Factors Relating to Our Business” and “Risk Factors Relating to Regulation” in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022, as filed on February 9, 2023. You should not consider any list of such factors to be an exhaustive statement of all the risks, uncertainties, or potentially inaccurate assumptions that could cause our current expectations or beliefs to change. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, except as otherwise may be required by law.

1Q'23 Financial Highlights

SUMMARY

$1.35
DILUTED EPS
compared to $1.77

$91.1 billion
LOAN RECEIVABLES
compared to $78.9 billion

69.5 million
AVERAGE ACTIVE ACCOUNTS
compared to 70.1 million

FINANCIAL METRICS

15.22%
NET INTEREST MARGIN
compared to 15.80%

4.49%
NET CHARGE-OFFS
compared to 2.73%

35.0%
EFFICIENCY RATIO
compared to 37.2%

CAPITAL

12.5%
CET1
liquid assets of $18.7 billion, 17.4% of total assets

$74.4 billion
DEPOSITS
83% of current funding

$500 million
CAPITAL RETURNED
$400 million share repurchases

1Q'23 Business Highlights

BUSINESS EXPANSION

HAVERTYS FURNITURE · EST 1885

LOVESAC Designed for Life Furniture Co.

CCA Global Partners enriching the lives of entrepreneurs

CARPET ONE FLOOR & HOME · Flooring America · the bike cooperative · SAVINGS MEMBERS · LIGHTING ONE · FLOOR TRADER OUTLET · CCA SPORTS RETAIL SERVICES · ProSource WHOLESALE

PIAGGIO

CertainPath™

BIG BRAND TIRE & SERVICE

LG Air Conditioning Technologies

Haynes PEACE LOVE & SAVING

VALLEY VETERINARY

HAND & STONE MASSAGE AND FACIAL SPA

SYNCHRONY OUTDOORS

MARQUEE DENTAL PARTNERS

GROWTH METRICS

Purchase Volume

$ billions

	1Q'22	1Q'23	Change
Total	$40.5	$41.6	3%
Core(a)	$37.3	$41.6	11%
Dual Card / Co-Brand(b)	$13.9	$17.0	22%

Loan receivables

$ billions

	1Q'22	1Q'23	Change
Total	$78.9	$91.1	15%
Core(a)	$78.7	$91.0	16%
Dual Card / Co-Brand(b)	$17.0	$22.1	29%

Average active accounts

in millions

	1Q'22	1Q'23	Change
Total	70.1	69.5	(1)%
Core(a)	64.3	69.4	8%

CONSUMER PERFORMANCE

New Accounts(c)

	1Q'22	1Q'23	Change
Total	5.5	5.2	(7)%
Core(a)	5.2	5.2	(1)%

Purchase Volume per Account(d)

1Q'22	1Q'23	Change
$577	$598	4%

Average Balance per Account(e)

1Q'22	1Q'23	Change
$1,180	$1,307	11%

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(a) All metrics shown above on a Core basis are non-GAAP measures and exclude from both prior year and current year amounts related to portfolios that were sold in 2Q'22. See non-GAAP reconciliation in the appendix.

Financial Results

Summary earnings statement

$ in millions, except per share statistics	1Q'23	1Q'22	B/(W) $	B/(W) %
Total interest income	$4,786	$4,022	$764	*19* %
Total interest expense	735	233	(502)	*(215)* %
Net interest income (NII)	**4,051**	**3,789**	**262**	***7*** **%**
Retailer share arrangements (RSA)	(917)	(1,104)	187	*17* %
Provision for credit losses	1,290	521	(769)	*(148)* %
Other income	65	108	(43)	*(40)* %
Other expense	1,119	1,039	(80)	*(8)* %
Pre-tax earnings	**790**	**1,233**	**(443)**	***(36)*** **%**
Provision for income taxes	189	301	112	*37* %
Net earnings	**601**	**932**	**(331)**	***(36)*** **%**
Preferred dividends	11	10	(1)	*NM*
Net earnings available to common stockholders	**$590**	**$922**	**$(332)**	***(36)*** **%**
Diluted earnings per share	**$1.35**	**$1.77**	**$(0.42)**	***(24)*** **%**

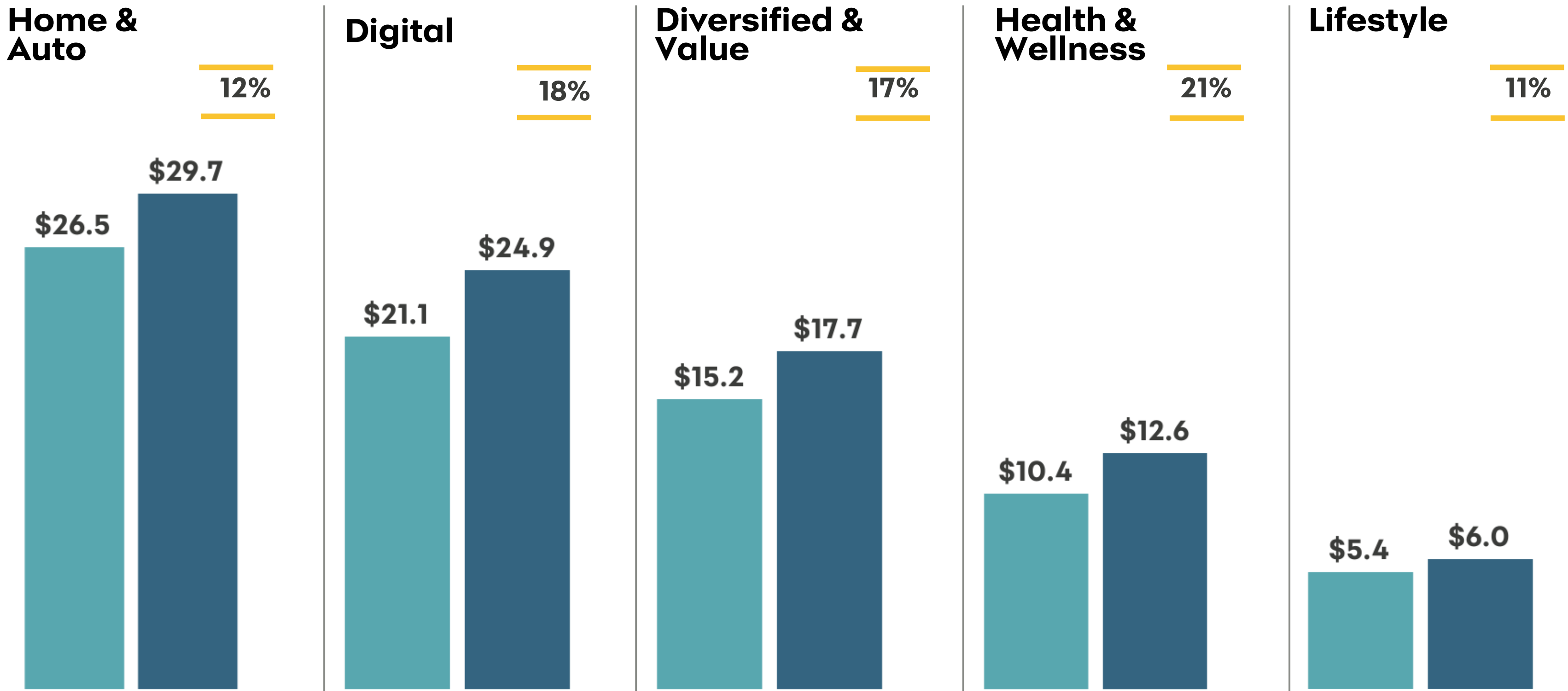
1Q'23 Highlights

$601 million Net earnings, $1.35 diluted EPS

- **Net interest income up 7%**
  - Interest and fees on loans up 15% driven primarily by growth in average loan receivables, partially offset by impacts of portfolios sold during 2Q'22
  - Interest expense increase attributed to higher benchmark rates and higher funding liabilities
- **Retailer share arrangements decreased (17)%**
  - Decrease driven by the impact of portfolios sold during 2Q'22 and higher net charge-offs, partially offset by higher net interest income
- **Provision for credit losses up 148%**
  - Higher provision driven by higher net charge-offs and also a reserve build in 1Q'23 primarily driven by higher loan receivables and the potential effects of industry credit contraction compared to a reserve release in prior year
- **Other income down (40)%**
  - Decrease driven primarily by higher loyalty costs as well as lower investment gains/losses, partially offset by higher debt cancellation income
- **Total Other expense up 8%**
  - Increase primarily driven by higher employee costs, operational losses and technology investments

1Q'23 Platform Results[a]

Loan receivables $ in billions



	Home & Auto 1Q'22	Home & Auto 1Q'23	Home & Auto *V%*	Digital 1Q'22	Digital 1Q'23	Digital *V%*	Diversified & Value 1Q'22	Diversified & Value 1Q'23	Diversified & Value *V%*	Health & Wellness 1Q'22	Health & Wellness 1Q'23	Health & Wellness *V%*	Lifestyle 1Q'22	Lifestyle 1Q'23	Lifestyle *V%*
Purchase Volume	$10.3	$10.9	*6%*	$11.2	$12.3	*10%*	$11.6	$13.4	*16%*	$3.1	$3.7	*19%*	$1.2	$1.3	*9%*
Accounts	17.5	18.5	*6%*	19.0	20.6	*8%*	19.2	20.8	*8%*	6.0	6.9	*14%*	2.6	2.6	*1%*
Interest & Fees on Loans	$1,088	$1,225	*13%*	$1,022	$1,363	*33%*	$826	$1,070	*30%*	$616	$735	*19%*	$191	$223	*17%*

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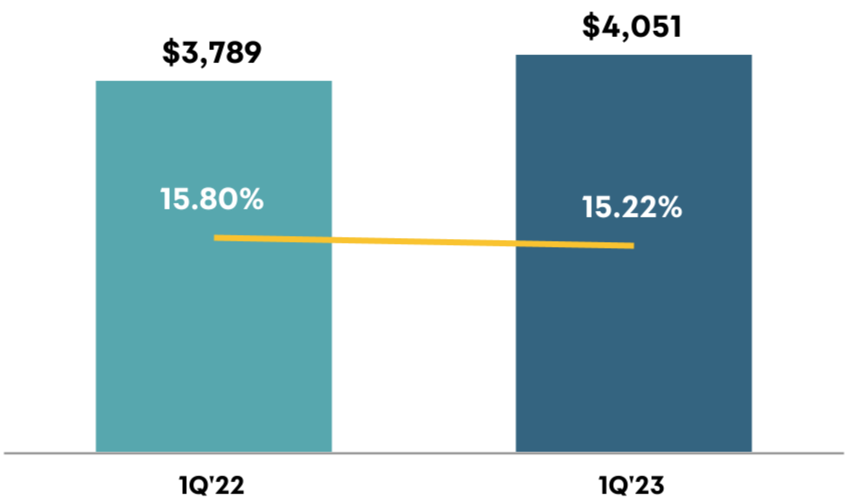
Net Interest Income

Net Interest Income

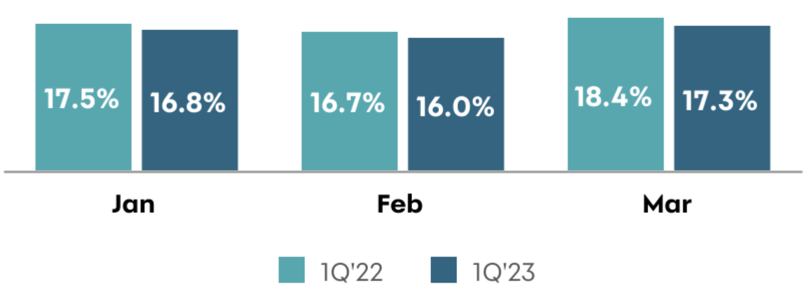
$ in millions
% of average interest-earning assets

7%



Payment Rate Trends[a]

(both periods exclude portfolios sold in 2Q'22)



1Q'23 Highlights

- **Net interest income increased 7%**
  - Interest and fees on loans up 15% driven by growth in average loan receivables, partially offset by impacts of portfolios sold during 2Q'22
  - Interest expense increase attributed to higher benchmark rates and higher funding liabilities
- **Net interest margin (NIM) decreased 58 bps**
  - Interest-bearing liabilities cost: (179) bps
    - Total cost increased 219 bps to 3.43%
  - Loan receivables yield: 83 bps
    - Loan receivables yield of 20.61%, up 97 bps
  - Liquidity portfolio yield: 54 bps
  - Mix of Interest-earnings assets: (16) bps
    - Loan receivable mix as a percent of total Earning Assets decreased from 85.1% to 84.1%
- **1Q'23 payment rate ~85 bps lower than prior year and ~150 bps higher than 5-year historical average ('15-'19)[b]**

NIM Walk

1Q'22 NIM	**15.80%**
Interest-bearing liabilities cost	(1.79)%
Loan receivables yield	0.83%
Liquidity portfolio yield	0.54%
Mix of Interest-earning assets	(0.16)%
1Q'23 NIM	**15.22%**

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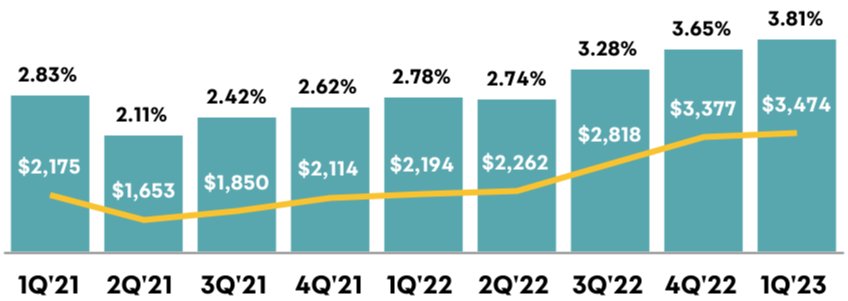
Asset Quality Metrics

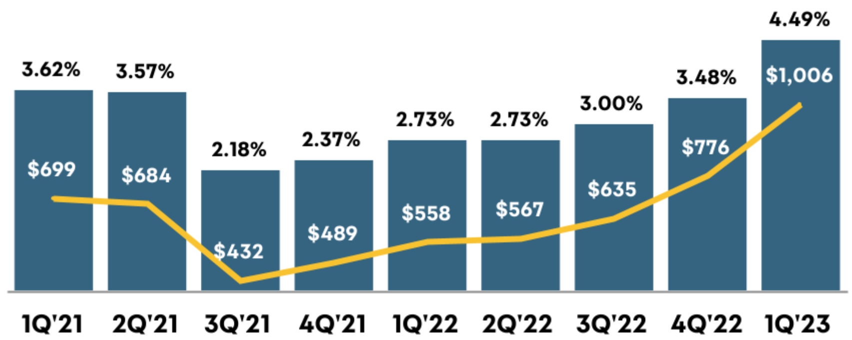
30+ days past due

$ in millions, % of period-end loan receivables



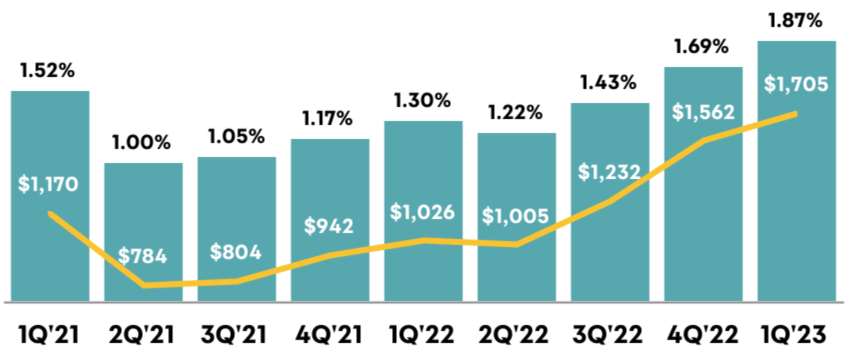
Net charge-offs

$ in millions, % of average loan receivables including held for sale



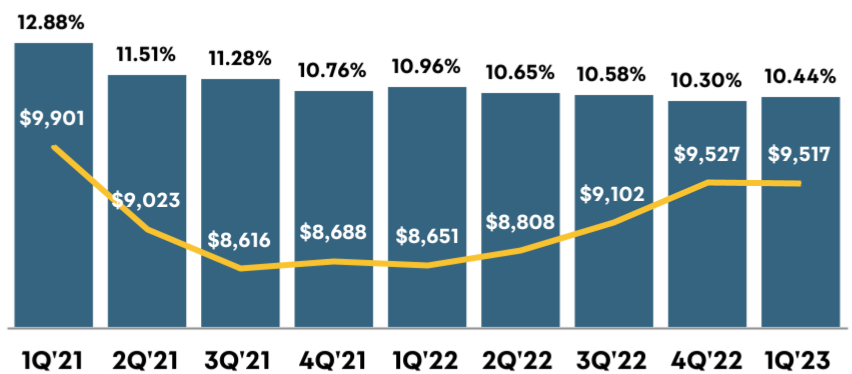
90+ days past due

$ in millions, % of period-end loan receivables



Allowance for credit losses (a)

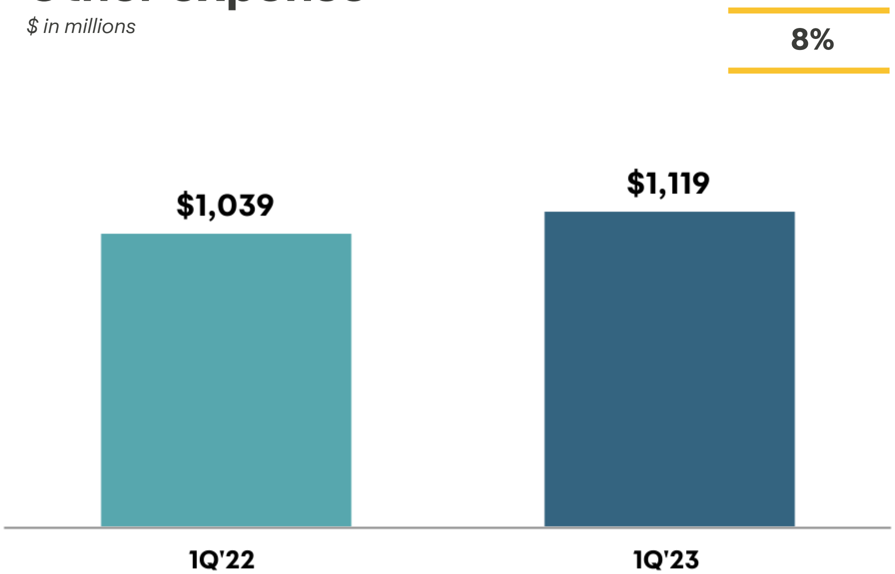
$ in millions, % of period-end loan receivables



Other Expense

Other expense

$ in millions



	1Q'22	1Q'23	B/(W) V$	B/(W) V%
Employee costs	$402	$451	*$(49)*	*(12)%*
Professional fees	$210	$186	*$24*	*11%*
Marketing/BD	$116	$131	*$(15)*	*(13)%*
Information processing	$145	$166	*$(21)*	*(14)%*
Other	$166	$185	*$(19)*	*(11)%*
Other expense	**$1,039**	**$1,119**	***$(80)***	***(8)%***
Efficiency[(a)]	**37.2%**	**35.0%**		***(2.2) pts.***

1Q'23 Highlights

- **Total other expense up 8%**
  - Increase primarily driven by higher employee costs, operational losses and technology investments
  - Employee cost increase primarily driven by higher headcount and increased average compensation rates
  - Increased technology investments drove higher information processing expenses
- **Efficiency ratio 35.0% vs. 37.2% prior year**
  - Decrease in ratio driven by higher revenue partially offset by higher expenses

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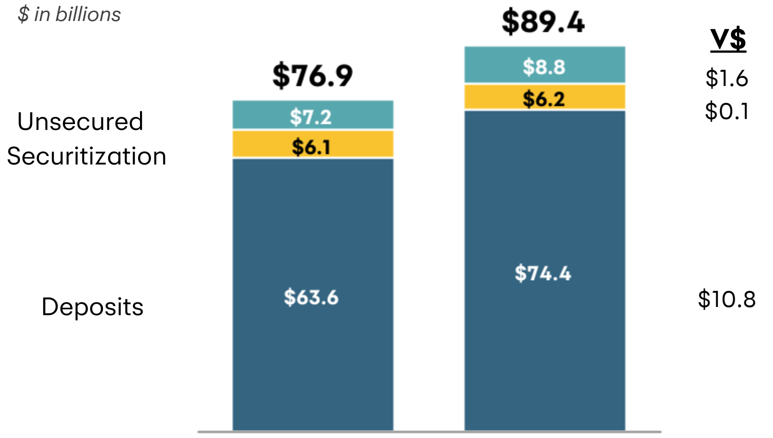
Funding, Capital and Liquidity

Funding sources

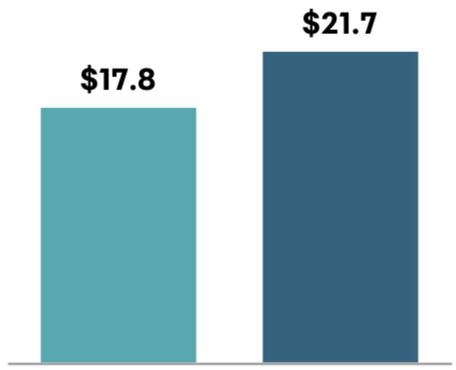
$ in billions



	1Q'22	1Q'23	*V%*
Deposits	83%	83%	*0 pts.*
Securitization	8%	7%	*(1) pts.*
Unsecured	9%	10%	*1 pts.*

Liquidity[(a)]

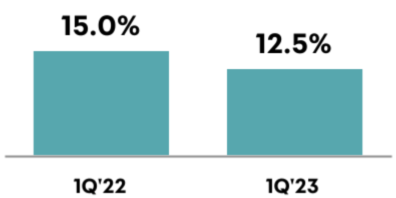
$ in billions



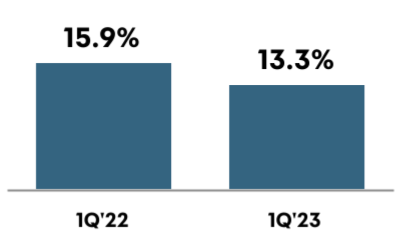
	1Q'22	1Q'23
Liquid assets	$14.7	$18.7
Undrawn credit facilities	$ 3.1	$ 3.0
Total liquidity	**$17.8**	**$21.7**
% of Total assets	**18.7 %**	**20.2 %**

Capital ratios[(b)]

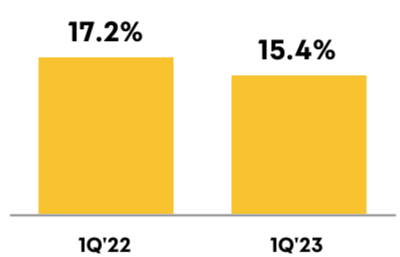
CET1 Capital Ratio



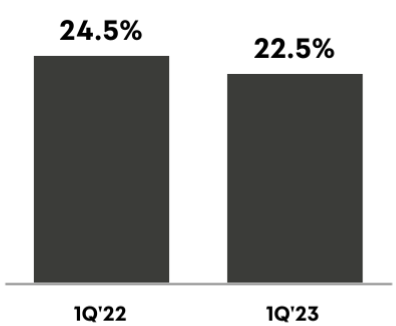
Tier 1 Capital Ratio



Total Capital Ratio



Tier 1 Capital + Credit Loss Reserve Ratio*



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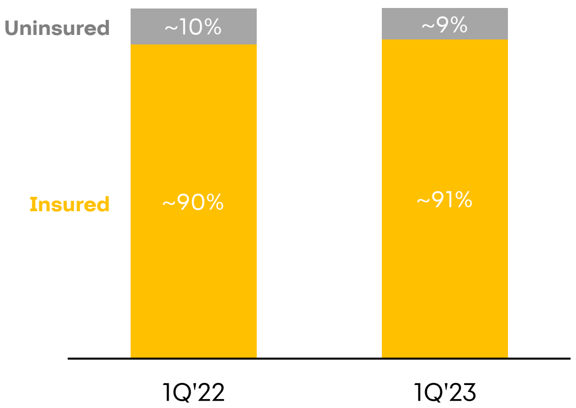
** The "Tier 1 Capital + Credit Loss Reserve Ratio" is the sum of our "Tier 1 Capital" and "Allowance for Credit Losses," divided by our "Total Risk-Weighted Assets". Tier 1 Capital and Risk-Weighted Assets are adjusted to reflect the fully phased-in impact of CECL. These adjusted metrics are non-GAAP measures, see non-GAAP reconciliation in appendix.*

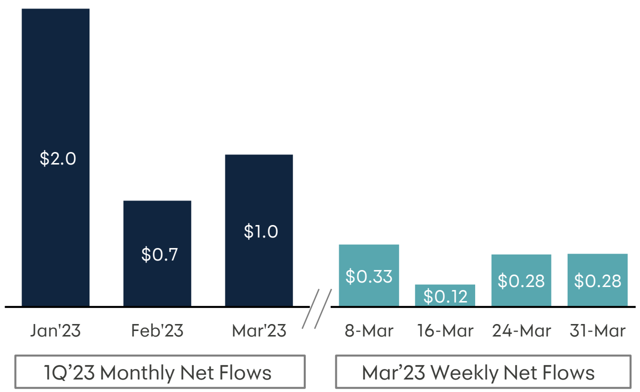
Synchrony Bank Direct Deposit Overview[a]

Insured/Uninsured Direct Deposit Balance Mix



1Q’23 Net Direct Deposit Flows

$ in billions

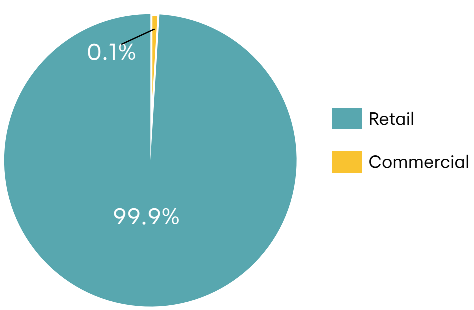


Observations

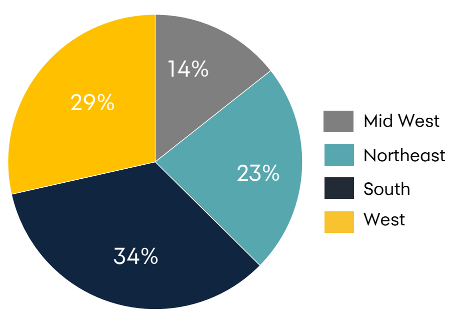
- Our customer demographic and focus on consumer deposits results in a stable and largely insured deposit base
- Coverage of cash at the Federal Reserve is ~2x the uninsured deposit balance
- While gross flows were elevated in the period post 3/10, each week of March was characterized by net inflows and new account origination

Direct Deposit Customer Profile

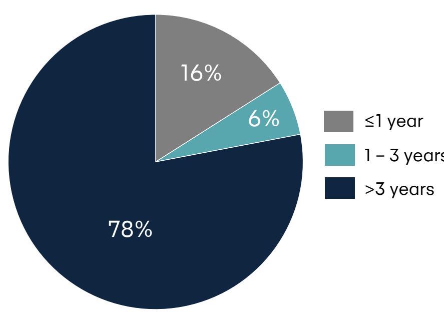
Predominantly Consumer



Geographically Diverse



Average Relationship Tenure: ~5 years



2023 Outlook

	Full Year 2023		
Key Driver	**Previous**	**Current**	**Trends / Update**
Loan Receivables Growth	8 – 10%	10+%	• 1Q Purchase Volume growth & payment rate moderation exceeded expectations • Expect payment rate moderation to continue through year, but remain above pre-pandemic levels through year-end

Net Interest Margin	15.00 – 15.25%	No change	• 1Q deposit betas trended better than expected, balanced by higher liquidity
			• Expect NIM to fluctuate within range driven by potential variables:
			  • Higher liquidity in response to market uncertainty/growth pre-funding
			  • Competitive pressures on deposit betas as industry navigates market uncertainty/funds growth
			  • Interest & fee growth, partly offset by rising reversals

Net Charge-Offs	4.75 – 5.00%	No change	• Credit normalization remains in line with expectations
			  • Delinquencies will approach pre-pandemic levels by mid-year
			  • Net charge-off dollars to generally rise sequentially through year; not expected to reach pre-pandemic levels on an annual basis until 2024

RSA / Average Loan Receivables	4.00 – 4.25%	No change	• Moderation expected to be driven by continued credit normalization and lower Net Interest Margin, partially offset by higher Purchase Volume
Operating Expenses	~$1,125MM per quarter	No change	• Managing expenses to deliver positive operating leverage (expense growth lower than NII growth) for the full year

(comments and trends in comparison to 2022, except where noted)

Footnotes

All amounts and metrics included in this presentation are as of, or for the three months ended, March 31, 2023, unless otherwise stated.

1Q'23 Business Highlights

(b) Dual Card / Co-Brand metrics shown above are consumer only and excludes amounts related to portfolios that were sold in 2Q'22.
(c) New Accounts represent accounts that were approved in the respective period, in millions.
(d) Purchase Volume per Account is calculated as total Purchase volume divided by Average active accounts, in $.
(e) Average Balance per Account is calculated as the Average loan receivables divided by Average active accounts, in $.

Platform Results

(a) Accounts represent average active accounts in millions, which are credit card or installment loan accounts on which there has been a purchase, payment or outstanding balance in the current month. Purchase volume $ in billions and Interest and fees on loans $ in millions.

Net Interest Income:

(a) Payment rate is calculated as customer payments divided by beginning of period loan receivables and excludes loan receivables and payments related to portfolios that were sold in 2Q'22.
(b) Historical payment rate excludes portfolios sold in 2019 and 2022.

Asset Quality:

(a) Allowance for credit losses reflects the adoption of ASU 2022-22, "Financial Instruments - Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures" on January 1, 2023, which included a $294 million reduction to the allowance for credit losses upon adoption.

Other Expense

(a) Other expense divided by sum of Net interest income plus Other income less Retailer share arrangements (RSA).

Funding, Capital and Liquidity

(a) Does not include unencumbered assets in the Bank that could be pledged.
(b) Capital ratios reflect the phase-in of an estimate of CECL's effect on regulatory capital over a three-year transitional period beginning in the first quarter of 2022 through 2024. CET1, Tier 1, and Total Capital Ratio are presented on a Transition basis and capital ratios for 2023 and 2022 reflect 50% and 25%, respectively, of the phase-in of CECL effects.

Synchrony Bank Direct Deposit Overview

(a) Excludes non-interest-bearing deposits.

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CHANGING WHAT'S POSSIBLE

Non-GAAP Reconciliation

The following table sets forth the components of our Core key metrics for the periods indicated below.

$ and accounts in millions	Quarter Ended March 31 Total 2022	Quarter Ended March 31 Total 2023
Loan receivables	**$78,916**	**$91,129**
Less: Gap and BP Loan receivables	(234)	(80)
Core Loan receivables	**$78,682**	**$91,049**
Purchase volume	**$40,490**	**$41,557**
Less: Gap and BP Purchase volume	(3,173)	—
Core Purchase volume	**$37,317**	**$41,557**
Average active accounts	**70.1**	**69.5**
Less: Gap and BP Average active accounts	(5.8)	(0.1)
Core Average active accounts	**64.3**	**69.4**
New Accounts	**5.5**	**5.2**
Less: Gap and BP New Accounts	(0.3)	—
Core New Accounts	**5.2**	**5.2**

Non-GAAP Reconciliation Continued

The following table sets forth the components of our Tier 1 Capital + Reserves ratio for the periods indicated below.

$ in millions

	At March 31	
	Total	
	2022	2023
Tier 1 Capital	**$ 13,254**	**$ 12,207**
Less: CECL transition adjustment	(1,719)	(1,146)
Tier 1 capital (CECL fully phased-in)	**$ 11,535**	**$ 11,061**
Add: Allowance for credit losses	8,651	9,517
Tier 1 capital (CECL fully phased-in) plus Reserves for credit losses	**$ 20,186**	**$ 20,578**
Risk-weighted assets	**$ 83,251**	**$ 91,873**
Less: CECL transition adjustment	(870)	(580)
Risk-weighted assets (CECL fully phased-in)	**$ 82,381**	**$ 91,293**