UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

001-36560
(Commission File Number)

SYNCHRONY FINANCIAL
(Exact name of registrant as specified in its charter)

Delaware	**51-0483352**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
777 Long Ridge Road **Stamford, Connecticut**	**06902**
(Address of principal executive offices)	**(Zip Code)**

(Registrant's telephone number, including area code) - (203) 585-2400

Securities Registered Pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value $0.001 per share	**SYF**	**New York Stock Exchange**
Depositary Shares Each Representing a 1/40th Interest in a Share of 5.625% Fixed Rate Non-Cumulative Perpetual Preferred Stock, Series A	**SYFPrA**	**New York Stock Exchange**
Depositary Shares Each Representing a 1/40th Interest in a Share of 8.250% Fixed Rate Reset Non-Cumulative Perpetual Preferred Stock, Series B	**SYFPrB**	**New York Stock Exchange**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☒	Accelerated Filer	☐
Non-Accelerated Filer	☐	Smaller Reporting Company	☐
		Emerging Growth Company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares of the registrant’s common stock, par value $0.001 per share, outstanding as of July 17, 2026 was 325,370,840.

Synchrony Financial

Certain Defined Terms

Except as the context may otherwise require in this report, references to:

- “we,” “us,” “our” and the “Company” are to SYNCHRONY FINANCIAL and its subsidiaries;
- “Synchrony” are to SYNCHRONY FINANCIAL only;
- the “Bank” are to Synchrony Bank (a subsidiary of Synchrony);
- the “Board of Directors” or “Board” are to Synchrony's board of directors;
- “CECL” are to the impairment model known as the Current Expected Credit Loss model, which is based on expected credit losses;
- “Dodd-Frank Act” are to the Dodd-Frank Wall Street Reform and Consumer Protection Act;
- “Exchange Act” are to the Securities Exchange Act of 1934, as amended;
- “Fitch” are to Fitch Ratings, Inc.;
- “Moody's” are to Moody’s Investor Services, Inc.; and
- “VantageScore” are to a credit score developed by the three major credit reporting agencies which is used as a means of evaluating the likelihood that credit users will pay their obligations.

We provide a range of credit products through programs we have established with a diverse group of national and regional retailers, local merchants, manufacturers, buying groups, industry associations and healthcare service providers, which, in our business and in this report, we refer to as our “partners.” The terms of the programs all require cooperative efforts between us and our partners of varying natures and degrees to establish and operate the programs. Our use of the term “partners” to refer to these entities is not intended to, and does not, describe our legal relationship with them, imply that a legal partnership or other relationship exists between the parties or create any legal partnership or other relationship.

Unless otherwise indicated, references to “loan receivables” do not include loan receivables held for sale.

For a description of certain other terms we use, including “active account” and “purchase volume,” see the notes to “*Management’s Discussion and Analysis—Results of Operations—Other Financial and Statistical Data*” in our Annual Report on Form 10-K for the year ended December 31, 2025 (our “2025 Form 10-K”). There is no standard industry definition for many of these terms, and other companies may define them differently than we do.

“Synchrony” and its logos and other trademarks referred to in this report, including CareCredit®, Quickscreen®, Dual Card™, Synchrony Car Care™ and SyPI™, belong to us. Solely for convenience, we refer to our trademarks in this report without the ™ and ® symbols, but such references are not intended to indicate that we will not assert, to the fullest extent under applicable law, our rights to our trademarks. Other service marks, trademarks and trade names referred to in this report are the property of their respective owners.

On our website at https://investors.synchrony.com, we make available under the "Filings & Regulatory-SEC Filings" menu selection, free of charge, our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to these reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") as soon as reasonably practicable after such reports or amendments are electronically filed with, or furnished to, the SEC. The SEC maintains an Internet site at www.sec.gov that contains reports, proxy and information statements, and other information that we file electronically with the SEC.

Cautionary Note Regarding Forward-Looking Statements:

Various statements in this Quarterly Report on Form 10-Q may contain “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 (the “Exchange Act”), 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,” “aim,” “focus,” “goal,” “confident,” “trajectory,” “priorities,” “designed,” “consider,” “opportunity” 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 and geopolitical conditions, including factors impacting consumer confidence and economic growth in the United States, such as inflation, interest rates, tariffs (including retaliatory tariffs), energy prices, global conflicts and an economic downturn or recession, and whether industry trends we have identified develop as anticipated; the impact of changes made or influenced by the U.S. presidential administration and Congress on fiscal, monetary and regulatory policy, including with respect to constraints on the pricing of our credit products; the impact of the federal government shutdowns; 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 incidents or breaches; disruptions in the operations of our and our outsourced partners' computer systems and data centers; the financial performance of our partners; product, pricing and policy changes related to the Consumer Financial Protection Bureau’s (the “CFPB”) final rule on credit card late fees, which was vacated in April 2025; 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, and lower payment rates on our securitized loan receivables; changes in benchmark or market interest rates; effectiveness of our risk management processes and procedures, reliance on models which may be inaccurate or misinterpreted, and 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 and susceptibility to market fluctuations and legislative and regulatory developments; our ability to successfully develop and commercialize new or enhanced products and services; our ability to realize the value of acquisitions, dispositions 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, regulatory actions and compliance issues; 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 CFPB's regulation of our business, including new requirements and constraints that Synchrony and the Bank are or will become subject to as a result of having $100 billion or more in total assets; 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 report and in our public filings, including under the headings *“Risk Factors Relating to Our Business”* and *“Risk Factors Relating to Regulation”* in our 2025 Form 10-K. You should not consider any list of such factors to be an exhaustive statement of all of the risks, uncertainties, or potentially inaccurate assumptions that could cause our current expectations or beliefs to change. Further, any forward-looking statement, including under the heading *"Business Trends and Conditions"* below, 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.

PART I. FINANCIAL INFORMATION

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and related notes included elsewhere in this quarterly report and in our 2025 Form 10-K. The discussion below contains forward-looking statements that are based upon current expectations and are subject to uncertainty and changes in circumstances. Actual results may differ materially from these expectations. See “*Cautionary Note Regarding Forward-Looking Statements*.”

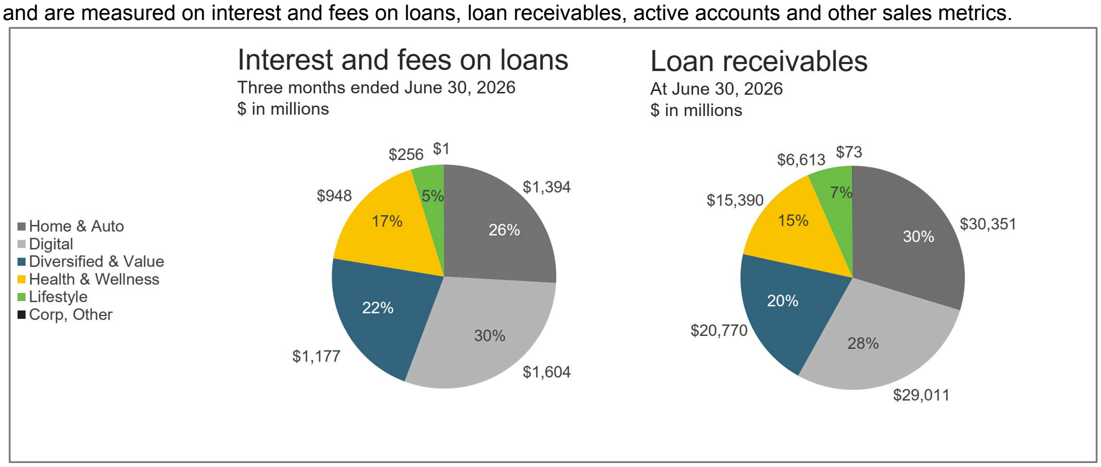
Introduction and Business Overview

We are a premier consumer financial services company delivering one of the industry's most complete digitally-enabled product suites. Our experience, expertise and scale encompass a broad spectrum of industries including digital, health and wellness, retail, telecommunications, home, auto, outdoor, pet and more. We have an established and diverse group of national and regional retailers, local merchants, manufacturers, buying groups, industry associations and healthcare service providers, which we refer to as our “partners.” For the three and six months ended June 30, 2026, we financed $49.8 billion and $92.8 billion of purchase volume, respectively, and had 68.3 million and 68.7 million average active accounts, respectively, and at June 30, 2026, we had $102.2 billion of loan receivables.

We offer our credit products primarily through our wholly-owned subsidiary, the Bank. In addition, through the Bank, we offer, directly to retail, affinity relationships and commercial customers, a range of deposit products insured by the Federal Deposit Insurance Corporation (“FDIC”), including certificates of deposit, individual retirement accounts (“IRAs”), money market accounts, savings accounts and sweep and affinity deposits. We also take deposits at the Bank through third-party firms that offer our FDIC-insured deposit products to their customers. Our deposit base has continued to serve as a source of stable and diversified low-cost funding for our credit activities. At June 30, 2026, we had $82.8 billion in deposits, which represented 83% of our total funding sources.

Our Sales Platforms

We conduct our operations through a single business segment. Profitability and expenses, including funding costs, credit losses and operating expenses, are managed for the business as a whole. Substantially all of our revenue generating activities are within the United States and are aligned through five sales platforms (Home & Auto, Digital, Diversified & Value, Health & Wellness and Lifestyle). Those platforms are organized by the types of partners we work with, and are measured on interest and fees on loans, loan receivables, active accounts and other sales metrics.



Home & Auto

Our Home & Auto sales platform provides comprehensive payments and financing solutions with integrated in-store and digital experiences through a broad network of partners and merchants providing home and automotive merchandise and services, as well as our Synchrony Car Care network and Synchrony HOME credit card offering. Our Home & Auto sales platform partners include a wide range of key retailers in the home improvement, furniture, bedding, flooring, appliance and electronics industries, such as Ashley HomeStores, Inc., Floor & Decor, Lowe's, and Mattress Firm, as well as automotive merchandise and services, such as Chevron and Discount Tire. In addition, we also have program agreements with manufacturers, buying groups and industry associations, such as Generac, Nationwide Marketing Group and the Home Furnishings Association.

Digital

Our Digital sales platform provides comprehensive payments and financing solutions with integrated digital experiences through partners and merchants who primarily engage with their consumers through digital channels. Our Digital sales platform includes key partners delivering digital payment solutions, such as PayPal, including our Venmo program, online marketplaces, such as Amazon, and digital-first brands and merchants, such as the QVC Group, Inc., Verizon and Virgin Red.

Diversified & Value

Our Diversified & Value sales platform provides comprehensive payments and financing solutions with integrated in-store and digital experiences through large retail partners who deliver everyday value to consumers shopping for daily needs or important life moments. Our Diversified & Value sales platform is comprised of six large retail partners: Belk, Fleet Farm, JCPenney, OnePay, Sam's Club and TJX Companies, Inc.

Health & Wellness

Our Health & Wellness sales platform provides comprehensive healthcare payments and financing solutions, through a network of providers and retail locations, for those seeking health and wellness care for themselves, their families and their pets, and includes our CareCredit brand, as well as partners such as Walgreens.

Lifestyle

Our Lifestyle sales platform provides comprehensive payments and financing solutions with integrated in-store and digital experiences through partners and merchants who offer merchandise in power sports, outdoor power equipment, and other industries such as sporting goods, apparel, jewelry and music. Our Lifestyle sales platform partners include a wide range of key retailers in the apparel, specialty retail, outdoor, music and luxury industry, such as American Eagle, DICK'S Sporting Goods, Guitar Center, Pandora, Polaris, Suzuki and Sweetwater.

Corp, Other

Corp, Other includes activity and balances related to certain program agreements with retail partners and merchants that will not be renewed beyond their current expiration date and certain programs that were previously terminated, which are not managed within the five sales platforms discussed above, as well as fee income generated from Versatile Credit. Corp, Other also includes amounts related to changes in the fair value of equity investments and realized gains or losses associated with the sale of businesses and investments.

Our Credit Products

Through our sales platforms, we offer three principal types of credit products: credit cards, commercial credit products and consumer installment loans. We also offer our Payment Security program, which is a debt cancellation product.

The following table sets forth each credit product by type and indicates the percentage of our total loan receivables that are under standard terms only or pursuant to a promotional financing offer at June 30, 2026:

		Promotional Offer		
Credit Product	**Standard Terms Only**	**Deferred Interest**	**Other Promotional**	**Total**
Credit cards	62.3 %	17.1 %	12.8 %	92.2 %
Commercial credit products	2.6	—	—	2.6
Consumer installment loans	—	0.1	5.0	5.1
Other	0.1	—	—	0.1
Total	65.0 %	17.2 %	17.8 %	100.0 %

Credit Cards

We offer the following principal types of consumer credit cards:

- ***Private Label Credit Cards.*** Private label credit cards are partner-branded credit cards (e.g., Lowe's or Amazon) or program-branded credit cards (e.g., Synchrony Car Care or CareCredit) that are used primarily for the purchase of goods and services from the partner or within the program network. In addition, in some cases, cardholders may be permitted to access their credit card accounts for cash advances. Credit under our private label credit cards is extended either on standard terms only or pursuant to a promotional financing offer.

- ***Co-Branded Cards.*** Our co-branded cards comprise our patented Dual Cards and general purpose co-branded credit cards. Our Dual Cards are credit cards that function as private label credit cards when used to purchase goods and services from our partners, and as general purpose credit cards when used to make purchases from other retailers wherever cards from those card networks are accepted or for cash advance transactions. We also offer a Synchrony-branded general purpose credit card. Our co-branded cards are offered across all of our sales platforms and credit is typically extended on standard terms only. We offer consumer co-branded cards through over 15 of our large partners, of which the majority are Dual Cards, as well as our CareCredit Dual Card. Our consumer co-branded cards totaled 34% of our total loan receivables portfolio at June 30, 2026.

Commercial Credit Products

We offer private label cards and Dual Cards for commercial customers that are similar to our consumer offerings, and includes the Lowe's commercial co-branded credit card portfolio acquired in April 2026. We also offer a commercial pay-in-full accounts receivable product to a wide range of business customers.

Installment Loans

We originate secured installment loans to consumers in the United States, primarily in our Lifestyle sales platform for power products in our Outdoor market (motorcycles, ATVs and lawn and garden). We also offer unsecured installment loans to consumers across all of our sales platforms through various products, such as Synchrony's Pay Later solutions. Installment loans are closed-end credit accounts where the customer pays down the outstanding balance in installments. Installment loans, other than our Synchrony Pay Later Pay in 4 product, are generally assessed periodic finance charges using fixed interest rates.

Business Trends and Conditions

We believe our business and results of operations will be impacted in the future by various trends and conditions. For a discussion of certain trends and conditions, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Business Trends and Conditions*" in our 2025 Form 10-K. For a discussion of how certain trends and conditions impacted the three and six months ended June 30, 2026, see "*—Results of Operations.*"

Seasonality

Our business is typically influenced by a seasonal pattern, with purchase volume and loan receivables typically rising beginning in the third quarter and generally peaking in fourth quarter, including the impacts of consumer spending for U.S. holidays, then declining through the first and second quarters as customers pay their balances down.

Delinquency rates and delinquent loan receivables balances typically rise in the third and fourth quarters as customer payment rates typically decline, resulting in higher net charge-off rates in the first half of the calendar year. Delinquent loan receivables at year-end are more likely to return to current status than those delinquent at interim period ends. Consistent with this historical experience, our allowance for credit losses as a percentage of total loan receivables is generally higher at interim period ends than at year-end and may increase mid-year even when certain credit metrics improve.

These seasonal impacts to purchase volume and our loan receivables balances may materially affect our results of operations, delinquency metrics and the allowance for credit losses as a percentage of total loan receivables with the most pronounced effects typically occurring between the fourth quarter and the subsequent first quarter.

Results of Operations

Summary Highlights for the Three and Six Months Ended June 30, 2026

Earnings

	Three months ended June 30,		Six months ended June 30,	
($ in millions)	2026	2025	2026	2025
Interest income	$ 5,583	$ 5,586	$ 11,186	$ 11,136
Interest expense	975	1,065	1,943	2,151
Net interest income	4,608	4,521	9,243	8,985
Retailer share arrangements	(1,027)	(992)	(2,097)	(1,887)
Provision for credit losses	1,201	1,146	2,536	2,637
Net interest income, after retailer share arrangements and provision for credit losses	2,380	2,383	4,610	4,461
Other income	137	118	270	267
Other expense	1,331	1,245	2,647	2,488
Earnings before provision for income taxes	1,186	1,256	2,233	2,240
Provision for income taxes	301	289	543	516
Net earnings	$ 885	$ 967	$ 1,690	$ 1,724
Net earnings available to common stockholders	$ 864	$ 946	$ 1,648	$ 1,682

Net earnings decreased to $885 million from $967 million and was flat at $1.7 billion for the three and six months ended June 30, 2026, respectively, primarily reflecting the following key drivers:

- Increases in net interest income of $87 million and $258 million for the three and six months ended June 30, 2026, respectively, primarily driven by decreases in interest expense and increases in interest and fees on loans, partially offset by lower interest income from our liquidity portfolio.

- Provision for credit losses increased $55 million for the three months ended June 30, 2026, primarily driven by a lower reserve release in the current year period, partially offset by a decrease in net charge-offs. Provision for credit losses decreased $101 million in the six months ended June 30, 2026, primarily driven by a decrease in net charge-offs, partially offset by a lower reserve release in the current year period.

- Retailer share arrangements increased $35 million and $210 million for the three and six months ended June 30, 2026, respectively, reflecting program performance and higher purchase volume, and other expense increased $86 million and $159 million for the three and six months ended June 30, 2026, respectively, primarily driven by higher operational losses and costs related to technology investments.

Loan receivables and Asset Quality

- Loan receivables increased 2.4% to $102.2 billion at June 30, 2026 compared to June 30, 2025, reflecting higher purchase volume, including the impact of the acquisition of the Lowe's commercial co-branded credit card portfolio, partially offset by the effects of higher payment rates.

- Over-30 day loan delinquencies as a percentage of period-end loan receivables decreased 2 basis points to 4.16% at June 30, 2026 from 4.18% at June 30, 2025. The net charge-off rate decreased 27 basis points and 61 basis points for the three and six months ended June 30, 2026, respectively, to 5.43% for both periods.

- Our allowance coverage ratio (allowance for credit losses as a percentage of period-end loan receivables) decreased to 10.09% at June 30, 2026, as compared to 10.59% at June 30, 2025.

Funding, Liquidity and Capital

- At June 30, 2026, deposits represented 83% of our total funding sources. Total deposits increased by 2.0% to $82.8 billion at June 30, 2026, compared to December 31, 2025.
- In June 2026, we issued depositary shares representing $500 million of 7.250% fixed rate reset non-cumulative perpetual preferred stock, Series C, with dividends payable quarterly beginning in August 2026.
- During the six months ended June 30, 2026, we repurchased $1.8 billion of our outstanding common stock, and declared and paid cash dividends of $0.60 per share, or $204 million in the aggregate.
- At June 30, 2026, we had a total remaining share repurchase authorization of $5.7 billion under the program that was announced in April 2026 and does not have an expiration date. In addition, the Company announced that the Board approved an increase of our quarterly dividend to $0.34 per common share commencing in the third quarter of 2026.

2026 Partner Agreements

During the six months ended June 30 2026, and to date, we continued to expand and diversify our portfolio with the addition or renewal of more than 30 partners, which included the following:

New partnerships:	
• Indian Motorcycle	Lifestyle
Program extensions:	
• Adorama	Digital
• Amerivet Partners	Health & Wellness
• Harbor Freight	Home & Auto
• LaserAway	Health & Wellness
• Miracle-Ear	Health & Wellness
• Roto-Rooter	Home & Auto
• Suzuki	Lifestyle

- In our Health & Wellness sales platform, we also expanded CareCredit partnerships with pet insurance providers, Figo and Embrace, to enable reimbursements back to CareCredit accounts, making the solution available for more than 1.7 million pets.
- In April 2026, we completed the acquisition of $0.7 billion of loan receivables associated with the Lowe's commercial co-branded credit card portfolio, which are included within our Home & Auto sales platform results.

Other Financial and Statistical Data

The following table sets forth certain other financial and statistical data for the periods indicated:

($ in millions)	At and for the Three months ended June 30, 2026	At and for the Three months ended June 30, 2025	At and for the Six months ended June 30, 2026	At and for the Six months ended June 30, 2025
Financial Position Data (Average):				
Loan receivables, including held for sale	$ 100,702	$ 99,236	$ 100,698	$ 100,123
Total assets	$ 121,270	$ 120,441	$ 120,663	$ 120,467
Deposits	$ 82,698	$ 82,426	$ 82,410	$ 82,606
Borrowings	$ 16,429	$ 16,195	$ 15,986	$ 16,119
Total equity	$ 16,603	$ 16,755	$ 16,687	$ 16,726
Selected Performance Metrics:				
Purchase volume[1][2]	$ 49,827	$ 46,084	$ 92,811	$ 86,804
Home & Auto	$ 12,120	$ 11,459	$ 21,563	$ 20,905
Digital	$ 14,897	$ 13,647	$ 28,396	$ 26,126
Diversified & Value	$ 17,200	$ 15,393	$ 32,126	$ 29,125
Health & Wellness	$ 4,092	$ 4,007	$ 7,963	$ 7,781
Lifestyle	$ 1,518	$ 1,432	$ 2,763	$ 2,600
Corp, Other	$ —	$ 146	$ —	$ 267
Average active accounts (in thousands)[2][3]	68,341	68,050	68,685	68,810
Net interest margin[4]	15.08 %	14.78 %	15.29 %	14.76 %
Net charge-offs	$ 1,364	$ 1,411	$ 2,710	$ 2,999
Net charge-offs (annualized) as a % of average loan receivables, including held for sale	5.43 %	5.70 %	5.43 %	6.04 %
Allowance coverage ratio[5]	10.09 %	10.59 %	10.09 %	10.59 %
Return on assets[6]	2.9 %	3.2 %	2.8 %	2.9 %
Return on equity[7]	21.4 %	23.1 %	20.4 %	20.8 %
Equity to assets[8]	13.69 %	13.91 %	13.83 %	13.88 %
Other expense (annualized) as a % of average loan receivables, including held for sale	5.30 %	5.03 %	5.30 %	5.01 %
Efficiency ratio[9]	35.8 %	34.1 %	35.7 %	33.8 %
Effective income tax rate	25.4 %	23.0 %	24.3 %	23.0 %
Selected Period-End Data:				
Loan receivables	$ 102,208	$ 99,776	$ 102,208	$ 99,776
Allowance for credit losses	$ 10,312	$ 10,564	$ 10,312	$ 10,564
30+ days past due as a % of period-end loan receivables[10]	4.16 %	4.18 %	4.16 %	4.18 %
90+ days past due as a % of period-end loan receivables[10]	2.01 %	2.06 %	2.01 %	2.06 %
Total active accounts (in thousands)[2][3]	68,410	68,186	68,410	68,186

(1) Purchase volume, or net credit sales, represents the aggregate amount of charges incurred on credit cards or other credit product accounts less returns during the period.
(2) Includes activity and accounts associated with loan receivables held for sale.
(3) Active accounts represent credit card or installment loan accounts on which there has been a purchase, payment or outstanding balance in the current month.
(4) Net interest margin represents annualized net interest income divided by average total interest-earning assets.
(5) Allowance coverage ratio represents allowance for credit losses divided by total period-end loan receivables.
(6) Return on assets represents annualized net earnings as a percentage of average total assets.
(7) Return on equity represents annualized net earnings as a percentage of average total equity.
(8) Equity to assets represents average total equity as a percentage of average total assets.
(9) Efficiency ratio represents (i) other expense, divided by (ii) sum of net interest income, plus other income, less retailer share arrangements.
(10) Based on customer statement-end balances extrapolated to the respective period-end date.

Average Balance Sheet

The following tables set forth information for the periods indicated regarding average balance sheet data, which are used in the discussion of interest income, interest expense and net interest income that follows:

	2026			2025		
Three months ended June 30 ($ in millions)	**Average Balance**	**Interest Income / Expense**	**Average Yield / Rate[(1)]**	**Average Balance**	**Interest Income / Expense**	**Average Yield / Rate[(1)]**
Assets						
Interest-earning assets:						
Interest-earning cash and equivalents[(2)]	$ 18,067	$ 167	3.71 %	$ 20,699	$ 228	4.42 %
Securities available for sale	3,775	36	3.83 %	2,774	30	4.34 %
Loan receivables, including held for sale[(3)]:						
Credit cards	92,690	5,092	22.03 %	91,460	5,076	22.26 %
Consumer installment loans	5,288	187	14.18 %	5,692	207	14.59 %
Commercial credit products	2,646	100	15.16 %	1,981	43	8.71 %
Other	78	1	5.14 %	103	2	7.79 %
Total loan receivables, including held for sale	100,702	5,380	21.43 %	99,236	5,328	21.54 %
Total interest-earning assets	122,544	5,583	18.27 %	122,709	5,586	18.26 %
Non-interest-earning assets:						
Cash and due from banks	945			868		
Allowance for credit losses	(10,428)			(10,797)		
Other assets	8,209			7,661		
Total non-interest-earning assets	(1,274)			(2,268)		
Total assets	$ 121,270			$ 120,441		
Liabilities						
Interest-bearing liabilities:						
Interest-bearing deposit accounts	$ 82,279	$ 767	3.74 %	$ 82,014	$ 855	4.18 %
Borrowings of consolidated securitization entities	8,915	111	4.99 %	7,926	104	5.26 %
Senior and subordinated unsecured notes	7,514	97	5.18 %	8,269	106	5.14 %
Total interest-bearing liabilities	98,708	975	3.96 %	98,209	1,065	4.35 %
Non-interest-bearing liabilities:						
Non-interest-bearing deposit accounts	419			412		
Other liabilities	5,540			5,065		
Total non-interest-bearing liabilities	5,959			5,477		
Total liabilities	104,667			103,686		
Equity						
Total equity	16,603			16,755		
Total liabilities and equity	$ 121,270			$ 120,441		
Interest rate spread[(4)]			14.31 %			13.91 %
Net interest income		$ 4,608			$ 4,521	
Net interest margin[(5)]			15.08 %			14.78 %

Six months ended June 30 ($ in millions)	2026			2025		
	Average Balance	Interest Income / Expense	Average Yield / Rate[1]	Average Balance	Interest Income / Expense	Average Yield / Rate[1]
Assets						
Interest-earning assets:						
Interest-earning cash and equivalents[2]	$ 18,030	$ 330	3.69 %	$ 19,625	$ 431	4.43 %
Securities available for sale	3,188	63	3.99 %	3,001	65	4.37 %
Loan receivables, including held for sale[3]:						
Credit cards	92,989	10,244	22.22 %	92,345	10,131	22.12 %
Consumer installment loans	5,376	375	14.07 %	5,762	418	14.63 %
Commercial credit products	2,254	172	15.39 %	1,912	88	9.28 %
Other	79	2	5.11 %	104	3	5.82 %
Total loan receivables, including held for sale	100,698	10,793	21.61 %	100,123	10,640	21.43 %
Total interest-earning assets	121,916	11,186	18.50 %	122,749	11,136	18.29 %
Non-interest-earning assets:						
Cash and due from banks	960			868		
Allowance for credit losses	(10,429)			(10,866)		
Other assets	8,216			7,716		
Total non-interest-earning assets	(1,253)			(2,282)		
Total assets	$ 120,663			$ 120,467		
Liabilities						
Interest-bearing liabilities:						
Interest-bearing deposit accounts	$ 81,993	$ 1,537	3.78 %	$ 82,191	$ 1,737	4.26 %
Borrowings of consolidated securitization entities	8,700	217	5.03 %	8,058	208	5.21 %
Senior and subordinated unsecured notes	7,286	189	5.23 %	8,061	206	5.15 %
Total interest-bearing liabilities	97,979	1,943	4.00 %	98,310	2,151	4.41 %
Non-interest-bearing liabilities:						
Non-interest-bearing deposit accounts	417			415		
Other liabilities	5,580			5,016		
Total non-interest-bearing liabilities	5,997			5,431		
Total liabilities	103,976			103,741		
Equity						
Total equity	16,687			16,726		
Total liabilities and equity	$ 120,663			$ 120,467		
Interest rate spread[4]			14.50 %			13.88 %
Net interest income		$ 9,243			$ 8,985	
Net interest margin[5]			15.29 %			14.76 %

(1) Average yields/rates are based on annualized total interest income/expense divided by average balances.
(2) Includes average restricted cash balances of $691 million and $642 million for the three months ended June 30, 2026 and 2025, respectively, and $377 million and $666 million for the six months ended June 30, 2026 and 2025, respectively.
(3) Interest income on loan receivables includes fees on loans, which primarily consist of late fees on our credit products, of $508 million and $560 million for the three months ended June 30, 2026 and 2025, respectively, and $1.1 billion for both of the six months ended June 30, 2026 and 2025.
(4) Interest rate spread represents the difference between the yield on total interest-earning assets and the rate on total interest-bearing liabilities.
(5) Net interest margin represents annualized net interest income divided by average total interest-earning assets.

For a summary description of the composition of our key line items included in our Statements of Earnings, see *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our 2025 Form 10-K.

Interest Income

Interest income was flat for the three months ended June 30, 2026 reflecting an increase of 1.0% in interest and fees on loans offset by lower interest income from our liquidity portfolio. Interest income increased $50 million, or 0.4%, for the six months ended June 30, 2026 reflecting an increase of 1.4% in interest and fees on loans, partially offset by lower interest income from our liquidity portfolio. The increases in interest and fees on loans for the three and six months ended June 30, 2026 were primarily driven by growth in average loan receivables, as well as the impact of our product, pricing and policy changes for the six months ended June 30, 2026.

Average interest-earning assets

Three months ended June 30 ($ in millions)	2026	%	2025	%
Loan receivables, including held for sale	$ 100,702	82.2 %	$ 99,236	80.9 %
Liquidity portfolio and other	21,842	17.8	23,473	19.1
Total average interest-earning assets	$ 122,544	100.0 %	$ 122,709	100.0 %

Six months ended June 30 ($ in millions)	2026	%	2025	%
Loan receivables, including held for sale	$ 100,698	82.6 %	$ 100,123	81.6 %
Liquidity portfolio and other	21,218	17.4	22,626	18.4
Total average interest-earning assets	$ 121,916	100.0 %	$ 122,749	100.0 %

Average loan receivables, including held for sale, increased 1.5% and 0.6% for the three and six months ended June 30, 2026, respectively, reflecting higher purchase volume, partially offset by the effects of higher payment rates. Purchase volume increased by 8.1% and 6.9% for the three and six months ended June 30, 2026, respectively, primarily reflecting the impacts of partner expansion and higher spend per average active account.

Yield on average interest-earning assets

The yield on average interest-earning assets increased by one basis point and 21 basis points for the three and six months ended June 30, 2026, respectively.

The change in yield for the three months ended June 30, 2026 reflects the impact of the mix of loan receivables as a percentage of interest-earning assets versus the prior year, partially offset by decreases in the yield on both loan receivables and our liquidity portfolio. The loan receivables yield decreased 11 basis points to 21.43% for the three months ended June 30, 2026 primarily driven by lower benchmark rates and lower assessed late fees, partially offset by the impacts of our product, pricing and policy changes.

The increase in yield on average interest-earning assets for the six months ended June 30, 2026 was primarily driven by an 18 basis point increase in loan receivables yield, as well as the mix of loan receivables as a percentage of interest-earning assets. The higher loan receivables yield was primarily driven by the impacts of our product, pricing and policy changes, partially offset by the impact of lower benchmark rates and lower assessed late fees.

Interest Expense

Interest expense decreased by $90 million, or 8.5%, and $208 million, or 9.7%, for the three and six months ended June 30, 2026, respectively, primarily due to lower interest-bearing liabilities cost associated with lower benchmark rates. Our cost of funds decreased to 3.96% and 4.00% for the three and six months ended June 30, 2026, respectively, compared to 4.35% and 4.41% for the respective prior year periods.

Average interest-bearing liabilities

Three months ended June 30 ($ in millions)	2026	%	2025	%
Interest-bearing deposit accounts	$ 82,279	83.4 %	$ 82,014	83.5 %
Borrowings of consolidated securitization entities	8,915	9.0	7,926	8.1
Senior and subordinated unsecured notes	7,514	7.6	8,269	8.4
Total average interest-bearing liabilities	$ 98,708	100.0 %	$ 98,209	100.0 %

Six months ended June 30 ($ in millions)	2026	%	2025	%
Interest-bearing deposit accounts	$ 81,993	83.7 %	$ 82,191	83.6 %
Borrowings of consolidated securitization entities	8,700	8.9	8,058	8.2
Senior and subordinated unsecured notes	7,286	7.4	8,061	8.2
Total average interest-bearing liabilities	$ 97,979	100.0 %	$ 98,310	100.0 %

Net Interest Income

Net interest income increased by $87 million, or 1.9%, and $258 million, or 2.9%, for the three and six months ended June 30, 2026, respectively, resulting from the changes in interest income and interest expense discussed above.

Retailer Share Arrangements

Retailer share arrangements increased by $35 million, or 3.5%, and $210 million, or 11.1%, for the three and six months ended June 30, 2026, respectively, reflecting program performance, which included lower net charge-offs, and the impact of our product, pricing and policy changes, as well as higher purchase volume.

Provision for Credit Losses

Provision for credit losses increased by $55 million, or 4.8%, and decreased by $101 million, or 3.8%, for the three and six months ended June 30, 2026, respectively. The increase in the three months ended June 30, 2026 was primarily driven by a lower reserve release in the current year period, partially offset by lower net charge-offs. The decrease in the six months ended June 30, 2026 was primarily driven by lower net charge-offs, partially offset by a lower reserve release in the current year period.

The reserve releases for the three and six months ended June 30, 2026 were $163 million and $174 million, respectively, as compared to reserve releases of $265 million and $362 million in the respective prior year periods.

Net charge-offs for the three and six months ended June 30, 2026 decreased by $47 million and $289 million, respectively. The net charge-off rate decreased by 27 basis points and 61 basis points for the three and six months ended June 30, 2026, respectively, to 5.43% for both periods, and we expect our net charge-off rate for the year ended December 31, 2026 will be below our long-term target range of 5.5% to 6.0%.

Other Income

	Three months ended June 30,		Six months ended June 30,	
($ in millions)	2026	2025	2026	2025
Interchange revenue	$ 300	$ 268	$ 564	$ 506
Protection product revenue	161	144	322	291
Loyalty programs	(436)	(360)	(797)	(671)
Other	112	66	181	141
Total other income	$ 137	$ 118	$ 270	$ 267

Other income increased by $19 million, or 16.1%, and $3 million, or 1.1%, for the three and six months ended June 30, 2026, respectively.

The increases in the three and six months ended June 30, 2026 were primarily driven by increases in other income, interchange revenue, and protection product revenue. These increases were partially offset by higher loyalty costs. During the three months ended June 30, 2026, we participated in the Visa exchange offer, which included the exchange of Visa Class B-2 common stock for Visa Class C common stock, which was recorded at fair value. The increases in other income for the three and six months ended June 30, 2026 were driven primarily by a gain of $30 million related to the exchange of Visa Class B-2 common stock.

Other Expense

	Three months ended June 30,		Six months ended June 30,	
($ in millions)	**2026**	**2025**	**2026**	**2025**
Employee costs	$ 516	$ 509	$ 1,031	$ 1,015
Professional fees	220	236	429	453
Marketing and business development	137	127	251	243
Information processing	248	215	510	434
Other	210	158	426	343
Total other expense	$ 1,331	$ 1,245	$ 2,647	$ 2,488

Other expense increased by $86 million, or 6.9%, and $159 million, or 6.4%, for the three and six months ended June 30, 2026, respectively.

The increases for the three and six months ended June 30, 2026 were driven by higher other expense and information processing costs, reflecting increased operational losses and costs related to technology investments.

Provision for Income Taxes

	Three months ended June 30,		Six months ended June 30,	
($ in millions)	**2026**	**2025**	**2026**	**2025**
Effective tax rate	25.4 %	23.0 %	24.3 %	23.0 %
Provision for income taxes	$ 301	$ 289	$ 543	$ 516

The effective tax rate for the three and six months ended June 30, 2026 increased compared to the same periods in the prior year primarily due to tax benefits recognized in the prior year related to the remeasurement of deferred tax assets for increases in state tax rates. The effective tax rate differs from the applicable U.S. federal statutory tax rate primarily due to state income taxes.

Platform Analysis

As discussed above under "—*Our Sales Platforms*," we offer our credit products primarily through five sales platforms (Home & Auto, Digital, Diversified & Value, Health & Wellness and Lifestyle). The following is a discussion of certain supplemental information for the three and six months ended June 30, 2026, for each of our five sales platforms and Corp, Other.

Home & Auto

	Three months ended June 30,		Six months ended June 30,	
($ in millions)	2026	2025	2026	2025
Purchase volume	$ 12,120	$ 11,459	$ 21,563	$ 20,905
Period-end loan receivables	$ 30,351	$ 30,374	$ 30,351	$ 30,374
Average loan receivables, including held for sale	$ 29,868	$ 30,137	$ 29,619	$ 30,472
Average active accounts (in thousands)	17,383	17,831	17,176	17,899
Interest and fees on loans	$ 1,394	$ 1,395	$ 2,773	$ 2,797
Other income	$ 63	$ 52	$ 118	$ 108

Home & Auto interest and fees on loans remained flat for the three months ended June 30, 2026 and decreased by $24 million, or 0.9%, for the six months ended June 30, 2026, reflecting lower average loan receivables, offset by higher loan receivables yield. The decrease in average loan receivables was primarily driven by higher payment rates, partially offset by the impact of the acquisition of the Lowe's commercial co-branded credit card portfolio. The increase in loan receivables yield reflects the impact of product, pricing and policy changes, partially offset by lower late fee incidence.

Purchase volume increased by 5.8% and 3.1% for the three and six months ended June 30, 2026, respectively, primarily reflecting the performance of new programs. Average active accounts decreased by 2.5% and 4.0% for the three and six months ended June 30, 2026, respectively.

Other income increased by $11 million, or 21.2%, and $10 million, or 9.3%, for the three and six months ended June 30, 2026, respectively, primarily due to higher protection product revenue and higher interchange revenue, partially offset by higher loyalty costs.

Digital

	Three months ended June 30,		Six months ended June 30,	
($ in millions)	2026	2025	2026	2025
Purchase volume	$ 14,897	$ 13,647	$ 28,396	$ 26,126
Period-end loan receivables	$ 29,011	$ 27,786	$ 29,011	$ 27,786
Average loan receivables, including held for sale	$ 28,538	$ 27,571	$ 28,780	$ 27,892
Average active accounts (in thousands)	20,662	20,368	20,962	20,554
Interest and fees on loans	$ 1,604	$ 1,576	$ 3,236	$ 3,120
Other income	$ (5)	$ —	$ 4	$ 9

Digital interest and fees on loans increased by $28 million, or 1.8%, and $116 million, or 3.7% for the three and six months ended June 30, 2026, respectively, primarily driven by higher average loan receivables, partially offset by lower benchmark rates.

Purchase volume increased by 9.2% and 8.7% for the three and six months ended June 30, 2026, respectively, primarily reflecting strong performance across partners with broad diversified offerings which drove both higher spend per average active account and higher average active accounts. Average active accounts increased by 1.4% and 2.0% for the three and six months ended June 30, 2026, respectively.

Diversified & Value

($ in millions)	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Purchase volume	$ 17,200	$ 15,393	$ 32,126	$ 29,125
Period-end loan receivables	$ 20,770	$ 19,510	$ 20,770	$ 19,510
Average loan receivables, including held for sale	$ 20,348	$ 19,338	$ 20,289	$ 19,504
Average active accounts (in thousands)	20,160	19,471	20,329	19,858
Interest and fees on loans	$ 1,177	$ 1,159	$ 2,372	$ 2,337
Other income	$ (51)	$ (3)	$ (69)	$ (3)

Diversified & Value interest and fees on loans increased by $18 million, or 1.6%, and $35 million, or 1.5%, for the three and six months ended June 30, 2026, respectively, primarily driven by higher average loan receivables reflecting the impact of partner expansion, partially offset by decreases in loan receivables yield primarily reflecting lower benchmark rates and lower late fee incidence.

Purchase volume increased 11.7% and 10.3%, for the three and six months ended June 30, 2026, respectively, primarily reflecting the impact of partner expansion, as well as higher gas sales. Average active accounts increased by 3.5% and 2.4% for the three and six months ended June 30, 2026, respectively.

Other income decreased by $48 million and $66 million, for the three and six months ended June 30, 2026, respectively, primarily due to higher loyalty costs, partially offset by higher interchange revenue.

Health & Wellness

($ in millions)	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Purchase volume	$ 4,092	$ 4,007	$ 7,963	$ 7,781
Period-end loan receivables	$ 15,390	$ 15,309	$ 15,390	$ 15,309
Average loan receivables, including held for sale	$ 15,296	$ 15,215	$ 15,335	$ 15,247
Average active accounts (in thousands)	7,580	7,697	7,631	7,740
Interest and fees on loans	$ 948	$ 923	$ 1,896	$ 1,837
Other income	$ 82	$ 66	$ 162	$ 141

Health & Wellness interest and fees on loans increased by $25 million, or 2.7%, and $59 million, or 3.2%, for the three and six months ended June 30, 2026, respectively, primarily driven by increases in loan receivables yield, reflecting the impact of product, pricing and policy changes.

Purchase volume increased 2.1% and 2.3% for the three and six months ended June 30, 2026, respectively, reflecting growth in Pet, partially offset by lower spend in Cosmetic. The increase in the six months ended June 30, 2026 also reflected growth in Audiology. In addition, higher spend per average active account exceeded the impact of lower average active accounts. Average active accounts decreased 1.5% and 1.4% for the three and six months ended June 30, 2026, respectively.

Other income increased by $16 million, or 24.2%, and $21 million, or 14.9%, for the three and six months ended June 30, 2026, respectively, primarily due to higher protection product revenue, lower loyalty costs and higher interchange revenue.

Lifestyle

($ in millions)	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Purchase volume	$ 1,518	$ 1,432	$ 2,763	$ 2,600
Period-end loan receivables	$ 6,613	$ 6,673	$ 6,613	$ 6,673
Average loan receivables, including held for sale	$ 6,561	$ 6,646	$ 6,584	$ 6,681
Average active accounts (in thousands)	2,539	2,531	2,569	2,598
Interest and fees on loans	$ 256	$ 261	$ 514	$ 522
Other income	$ 12	$ 9	$ 23	$ 19

Lifestyle interest and fees on loans decreased by $5 million, or 1.9%, and $8 million, or 1.5%, for the three and six months ended June 30, 2026, respectively, primarily driven by lower average loan receivables and lower benchmark rates.

Purchase volume increased by 6.0% and 6.3% for the three and six months ended June 30, 2026, respectively, primarily reflecting higher spend in Other Apparel and Goods and Luxury and the performance of new programs, partially offset by lower spend in Outdoors. Average active accounts increased 0.3% and decreased 1.1% for the three and six months ended June 30, 2026, respectively.

Corp, Other

($ in millions)	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Purchase volume	$ —	$ 146	$ —	$ 267
Period-end loan receivables	$ 73	$ 124	$ 73	$ 124
Average loan receivables, including held for sale	$ 91	$ 329	$ 91	$ 327
Average active accounts (in thousands)	17	152	18	161
Interest and fees on loans	$ 1	$ 14	$ 2	$ 27
Other income	$ 36	$ (6)	$ 32	$ (7)

Other income increased by $42 million and $39 million for the three and six months ended June 30, 2026, primarily driven by a gain of $30 million related to the exchange of Visa Class B-2 common stock.

Loan Receivables

Loan receivables are our largest category of assets and represent our primary source of revenue. The following discussion provides supplemental information regarding our loan receivables portfolio. See Note 2. *Basis of Presentation and Summary of Significant Accounting Policies* and Note 4. *Loan Receivables and Allowance for Credit Losses* to our condensed consolidated financial statements for additional information related to our loan receivables.

The following table sets forth the composition of our loan receivables portfolio by product type at the dates indicated:

($ in millions)	At June 30, 2026	%	At December 31, 2025	%
Loan receivables				
Credit cards	$ 94,233	92.2 %	$ 96,346	92.8 %
Consumer installment loans	5,233	5.1	5,548	5.3
Commercial credit products	2,681	2.6	1,833	1.8
Other	61	0.1	81	0.1
Total loan receivables	$ 102,208	100.0 %	$ 103,808	100.0 %

Loan receivables decreased 1.5% to $102.2 billion at June 30, 2026, compared to $103.8 billion at December 31, 2025, primarily driven by the seasonality of our business and the effects of higher payment rates, partially offset by higher purchase volume, including the impact of the acquisition of the Lowe's commercial co-branded credit card portfolio.

Loan receivables increased 2.4% to $102.2 billion at June 30, 2026, compared to $99.8 billion at June 30, 2025 reflecting higher purchase volume, including the impact of the acquisition of the Lowe's commercial co-branded credit card portfolio, partially offset by the effects of higher payment rates.

Our loan receivables portfolio had the following geographic concentration at June 30, 2026:

($ in millions) **State**	Loan Receivables Outstanding	% of Total Loan Receivables Outstanding
Texas	$ 11,299	11.1 %
California	$ 10,352	10.1 %
Florida	$ 9,587	9.4 %
New York	$ 4,783	4.7 %
North Carolina	$ 4,339	4.2 %

Delinquencies

Over-30 day loan delinquencies as a percentage of period-end loan receivables decreased by 2 basis points to 4.16% at June 30, 2026 from 4.18% at June 30, 2025, and decreased by 33 basis points from 4.49% at December 31, 2025.

Net Charge-Offs

Net charge-offs consist of the unpaid principal balance of loans held for investment that we determine are uncollectible, net of recovered amounts. We exclude accrued and unpaid finance charges and fees and third-party fraud losses from charge-offs. Charged-off and recovered finance charges and fees are included in Interest and fees on loans while third-party fraud losses are included in Other expense. Charge-offs are recorded as a reduction to the Allowance for credit losses and subsequent recoveries of previously charged-off amounts are credited to the Allowance for credit losses. Costs incurred to recover charged-off loans are recorded as collection expense and included in Other expense in our Condensed Consolidated Statements of Earnings.

The tables below set forth the net charge-offs and ratio of annualized net charge-offs to average loan receivables, including held for sale, ("net charge-off rate") for the periods indicated:

	Three months ended June 30,			
	2026		2025	
($ in millions)	Amount	Rate	Amount	Rate
Credit cards	$ 1,236	5.34 %	$ 1,304	5.72 %
Consumer installment loans	96	7.28 %	77	5.43 %
Commercial credit products	32	5.00 %	30	6.07 %
Other	—	— %	—	— %
Total net charge-offs	$ 1,364	5.43 %	$ 1,411	5.70 %

	Six months ended June 30,			
	2026		2025	
($ in millions)	Amount	Rate	Amount	Rate
Credit cards	$ 2,469	5.35 %	$ 2,766	6.04 %
Consumer installment loans	179	6.71 %	170	5.95 %
Commercial credit products	62	5.64 %	63	6.64 %
Other	—	— %	—	— %
Total net charge-offs	$ 2,710	5.43 %	$ 2,999	6.04 %

Allowance for Credit Losses

The allowance for credit losses totaled $10.3 billion at June 30, 2026, compared to $10.4 billion at December 31, 2025, and $10.6 billion at June 30, 2025, and reflects our estimate of expected credit losses for the life of the loan receivables on our Condensed Consolidated Statements of Financial Position.

The decreases in allowance for credit losses compared to December 31, 2025 and June 30, 2025 were primarily driven by continued asset quality trends that reflect the impact of prior credit actions and elevated customer payment rates, as well as expectations of the macroeconomic environment. Our allowance for credit losses as a percentage of total period-end loan receivables increased to 10.09% at June 30, 2026, from 10.06% at December 31, 2025 and decreased from 10.59% at June 30, 2025. See Note 4. *Loan Receivables and Allowance for Credit Losses* to our condensed consolidated financial statements for additional information.

Funding, Liquidity and Capital Resources

We maintain a strong focus on liquidity and capital. Our funding, liquidity and capital policies are designed to ensure that our business has the liquidity and capital resources to support our daily operations, our business growth, our credit ratings and our regulatory and policy requirements, in a cost effective and prudent manner through expected and unexpected market environments.

Funding Sources

Our primary funding sources include cash from operations, deposits (direct and brokered deposits), securitized financings and senior and subordinated unsecured notes.

The following tables summarize information concerning our funding sources during the periods indicated:

	2026			2025		
Three months ended June 30 ($ in millions)	**Average Balance**	**%**	**Average Rate**	**Average Balance**	**%**	**Average Rate**
Deposits[1]	$ 82,279	83.4 %	3.7 %	$ 82,014	83.5 %	4.2 %
Securitized financings	8,915	9.0	5.0 %	7,926	8.1	5.3 %
Senior and subordinated unsecured notes	7,514	7.6	5.2 %	8,269	8.4	5.1 %
Total	$ 98,708	100.0 %	4.0 %	$ 98,209	100.0 %	4.3 %

(1) Excludes $419 million and $412 million average balance of non-interest-bearing deposits for the three months ended June 30, 2026 and 2025, respectively. Non-interest-bearing deposits comprise less than 10% of total deposits for the three months ended June 30, 2026 and 2025.

	2026			2025		
Six months ended June 30 ($ in millions)	**Average Balance**	**%**	**Average Rate**	**Average Balance**	**%**	**Average Rate**
Deposits[1]	$ 81,993	83.7 %	3.8 %	$ 82,191	83.6 %	4.3 %
Securitized financings	8,700	8.9	5.0 %	8,058	8.2	5.2 %
Senior and subordinated unsecured notes	7,286	7.4	5.2 %	8,061	8.2	5.2 %
Total	$ 97,979	100.0 %	4.0 %	$ 98,310	100.0 %	4.4 %

(1) Excludes $417 million and $415 million average balance of non-interest-bearing deposits for the six months ended June 30, 2026 and 2025, respectively. Non-interest-bearing deposits comprise less than 10% of total deposits for the six months ended June 30, 2026 and 2025.

Deposits

We obtain deposits directly from retail customers, affinity relationships and commercial customers ("direct deposits") and through third-party firms that offer our deposits to their customers ("brokered deposits"). At June 30, 2026, we had $76.7 billion in direct deposits and $6.1 billion in brokered deposits consisting of certificates of deposit and network deposit sweeps procured through a program arranger that channels account deposits to us. A key part of our liquidity plan and funding strategy is to continue to utilize our direct deposit base as a source of stable and diversified low-cost funding.

Our direct deposits are primarily from retail customers and include a range of FDIC-insured deposit products, including certificates of deposit, IRAs, money market accounts, savings accounts and affinity deposits.

Brokered deposits are primarily from retail customers of large brokerage firms. We have relationships with multiple brokers that offer our deposits through their networks. Our brokered deposits primarily consist of certificates of deposit that bear interest at a fixed rate. These deposits generally are not subject to early withdrawal.

Our ability to attract deposits is sensitive to, among other things, the interest rates we pay, and therefore, we bear funding risk if we fail to pay higher rates, or interest rate risk if we are required to pay higher rates, to retain existing deposits or attract new deposits. To mitigate these risks, our funding strategy includes a range of deposit products, and we seek to maintain access to multiple other funding sources, such as securitized financings (including our undrawn committed and uncommitted capacity) and unsecured debt.

The following tables summarize certain information regarding our interest-bearing deposits by type (all of which constitute U.S. deposits) for the periods indicated:

	2026			2025		
Three months ended June 30 ($ in millions)	**Average Balance**	**%**	**Average Rate**	**Average Balance**	**%**	**Average Rate**
Direct deposits:						
Certificates of deposit (including IRA certificates of deposit)	$ 43,582	53.0 %	4.0 %	$ 40,163	49.0 %	4.4 %
Savings, money market, and demand accounts	33,046	40.1	3.4 %	33,270	40.6	3.9 %
Brokered deposits	5,651	6.9	4.0 %	8,581	10.4	4.5 %
Total interest-bearing deposits	$ 82,279	100.0 %	3.7 %	$ 82,014	100.0 %	4.2 %

	2026			2025		
Six months ended June 30 ($ in millions)	**Average Balance**	**%**	**Average Rate**	**Average Balance**	**%**	**Average Rate**
Direct deposits:						
Certificates of deposit (including IRA certificates of deposit)	$ 43,255	52.8 %	4.0 %	$ 40,499	49.3 %	4.5 %
Savings, money market, and demand accounts	32,970	40.2	3.4	32,601	39.7	3.9 %
Brokered deposits	5,768	7.0	4.0	9,091	11.0	4.4 %
Total interest-bearing deposits	$ 81,993	100.0 %	3.8 %	$ 82,191	100.0 %	4.3 %

Our deposit liabilities provide funding with maturities ranging from one day to ten years. At June 30, 2026, the weighted average maturity of our interest-bearing time deposits was approximately one year. See Note 7. *Deposits* to our condensed consolidated financial statements for more information on the maturities of our time deposits.

The standard FDIC deposit insurance amount is $250,000 per depositor, for each account ownership category. Our estimate of the uninsured portion of total deposit balances, excluding any intercompany balance, at June 30, 2026 was $7.1 billion.

The following table summarizes the portion of uninsured deposits that are certificates of deposit by contractual maturity at June 30, 2026:

($ in millions)	**3 Months or Less**	**Over 3 Months but within 6 Months**	**Over 6 Months but within 12 Months**	**Over 12 Months**	**Total**
Certificates of deposit (including IRA certificates of deposit)	$ 1,031	$ 794	$ 1,516	$ 1,073	$ 4,414

Securitized Financings

We access the asset-backed securitization market using the Synchrony Card Issuance Trust ("SYNIT") through which we may issue asset-backed securities through both public transactions and private transactions funded by financial institutions and commercial paper conduits. In addition, we issue asset-backed securities in private transactions through the Synchrony Credit Card Master Note Trust ("SYNCT") and the Synchrony Sales Finance Master Trust ("SFT").

The following table summarizes expected contractual maturities of the investors' interests in securitized financings, excluding debt premiums, discounts and issuance costs at June 30, 2026:

($ in millions)	Less Than One Year[(2)]	One Year Through Three Years	Four Years Through Five Years	After Five Years	Total
Scheduled maturities of borrowings—owed to securitization investors:					
SYNCT	$ 1,050	$ 600	$ —	$ —	$ 1,650
SFT	300	975	—	—	1,275
SYNIT[(1)]	2,500	3,500	—	—	6,000
Total borrowings—owed to securitization investors	$ 3,850	$ 5,075	$ —	$ —	$ 8,925

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(1) Excludes any subordinated classes of SYNIT notes that we owned at June 30, 2026.
(2) Includes $1.0 billion of fixed securitized borrowings which matured and were repaid in July 2026.

We retain exposure to the performance of trust assets through: (i) in the case of SYNCT, SFT and SYNIT, subordinated retained interests in the loan receivables transferred to the trust in excess of the principal amount of the notes for a given series that provide credit enhancement for a particular series, as well as a pari passu seller's interest in each trust and (ii) in the case of SYNIT, any subordinated classes of notes that we own.

All of our securitized financings include early repayment triggers, referred to as early amortization events. The occurrence of an early amortization event would limit or terminate our ability to issue future series out of the trust in which the early amortization event occurred. No early amortization event has occurred with respect to any of the securitized financings in SYNCT, SFT or SYNIT. For more information related to early amortization events with respect to our securitized financings, see "*Funding, Liquidity and Capital Resources—Securitized Financings*" in our 2025 Form 10-K.

The following table summarizes for each of our trusts the three-month rolling average excess spread at June 30, 2026:

	Note Principal Balance ($ in millions)	# of Series Outstanding	Three-Month Rolling Average Excess Spread[(1)]
SYNCT	$ 1,650	3	~ 16.6% to 17.1%
SFT	$ 1,275	5	13.8 %
SYNIT	$ 6,000	1	16.9 %

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(1) Represents the excess spread (generally calculated as interest income collected from the applicable pool of loan receivables less applicable net charge-offs, interest expense and servicing costs, divided by the aggregate principal amount of loan receivables in the applicable pool) for SFT or, in the case of SYNCT, a range of the excess spreads relating to the particular series issued within such trust or, in the case of SYNIT, the excess spread relating to the one outstanding series issued within such trust, in all cases omitting any series that have not been outstanding for at least three full monthly periods and calculated in accordance with the applicable trust or series documentation, for the three securitization monthly periods ended June 30, 2026.

Senior and Subordinated Unsecured Notes

The following table provides a summary of our outstanding senior and subordinated unsecured notes at June 30, 2026, which includes $750 million of senior unsecured notes issued by Synchrony Financial in February 2026:

Issuance Date	Interest Rate[1]	Interest Rate Reset Date	Floating Rate Spread[2]	Maturity	Principal Amount Outstanding[3]
($ in millions)					
Fixed rate senior unsecured notes:					
Synchrony Financial					
August 2016	3.700%	—	—	August 2026	500
December 2017	3.950%	—	—	December 2027	1,000
March 2019	5.150%	—	—	March 2029	650
October 2021	2.875%	—	—	October 2031	750
Synchrony Bank					
August 2022	5.625%	—	—	August 2027	600
Fixed-to-floating rate senior unsecured notes:					
Synchrony Financial					
August 2024	5.935%	August 2, 2029	213 bps	August 2030	750
March 2025	5.450%	March 6, 2030	168 bps	March 2031	800
July 2025	5.019%	July 29, 2028	139.5 bps	July 2029	500
July 2025	6.000%	July 29, 2035	207 bps	July 2036	500
February 2026	4.947%	February 25, 2031	153 bps	February 2032	750
Fixed rate subordinated unsecured notes:					
Synchrony Financial					
February 2023	7.250%	—	—	February 2033	750
Total senior and subordinated unsecured notes					$ 7,550

(1) Weighted average interest rate of all senior and subordinated unsecured notes at June 30, 2026 was 5.05%.
(2) Floating rate applicable at interest reset date through maturity, based on compounded Secured Overnight Financing Rate plus floating rate spread noted above.
(3) The amounts shown exclude unamortized debt discounts, premiums and issuance costs.

Short-Term Borrowings

Except as described above, there were no material short-term borrowings for the periods presented.

Covenants

The indentures pursuant to which our senior and subordinated unsecured notes have been issued include various covenants. If we do not satisfy any of these covenants, the maturity of amounts outstanding thereunder may be accelerated and become payable. We were in compliance with all of these covenants at June 30, 2026.

At June 30, 2026, we were not in default under any of our credit facilities.

Credit Ratings

Our borrowing costs and capacity in certain funding markets, including securitizations and senior and subordinated debt, may be affected by the credit ratings of the Company, the Bank and the ratings of our asset-backed securities.

The table below reflects our current credit ratings and outlooks:

	S&P	Fitch Ratings
Synchrony Financial		
Senior unsecured debt	BBB-	BBB
Subordinated unsecured debt	BB+	BBB-
Preferred stock	BB-	BB-
Outlook for Synchrony Financial	Positive	Stable
Synchrony Bank		
Senior unsecured debt	BBB	BBB
Outlook for Synchrony Bank	Positive	Stable

In addition, certain of the asset-backed securities issued by SYNIT are rated by Fitch, S&P and/or Moody's. A credit rating is not a recommendation to buy, sell or hold securities, may be subject to revision or withdrawal at any time by the assigning rating organization, and each rating should be evaluated independently of any other rating. Downgrades in these credit ratings could materially increase the cost of our funding from, and restrict our access to, the capital markets.

Liquidity

We seek to ensure that we have adequate liquidity to sustain business operations, fund asset growth, satisfy debt obligations and to meet regulatory expectations under normal and stress conditions.

We maintain policies outlining the overall framework and general principles for managing liquidity risk across our business, which is the responsibility of our Asset and Liability Management Committee, a management committee under the oversight of the Risk Committee of our Board of Directors. We employ a variety of metrics to monitor and manage liquidity. We perform regular liquidity stress testing and contingency planning as part of our liquidity management process. We evaluate a range of stress scenarios including Company specific and systemic events that could impact funding sources and our ability to meet liquidity needs.

We maintain a liquidity portfolio, which at June 30, 2026 had $19.8 billion of liquid assets, primarily consisting of cash and equivalents, less cash in transit which is not considered to be liquid, compared to $16.6 billion of liquid assets at December 31, 2025. The increase in liquid assets was primarily due to deposit growth, issuances of senior unsecured debt, securitized debt and preferred stock, as well as the seasonality of our business. We believe our liquidity position at June 30, 2026 remains strong as we continue to operate in a period of uncertain economic conditions and we will continue to closely monitor our liquidity as economic conditions change.

As a general matter, investments included in our liquidity portfolio are expected to be highly liquid, giving us the ability to readily convert them to cash. The level and composition of our liquidity portfolio may fluctuate based upon the level of expected maturities of our funding sources as well as operational requirements and market conditions.

We also have access to several additional sources of liquidity beyond our liquidity portfolio. At June 30, 2026, we had an aggregate of $13.1 billion of available borrowing capacity through the Federal Reserve's discount window. In addition, we had $2.6 billion of undrawn capacity on our securitized financings, subject to customary borrowing conditions, from private lenders under our securitization programs, of which $2.1 billion was committed and $450 million was uncommitted. We also have other unencumbered assets in the Bank available to be used to generate additional liquidity through secured borrowings or asset sales or to be pledged to the Federal Reserve Board for credit at the discount window.

We rely significantly on dividends and other distributions and payments from the Bank for liquidity; however, bank regulations, contractual restrictions and other factors limit the amount of dividends and other distributions and payments that the Bank may pay to us. For a discussion of regulatory restrictions related to the Bank's ability to pay dividends, see "*Regulation—Risk Factors Relating to Regulation—We are subject to restrictions that limit our ability to pay dividends and repurchase our common stock; the Bank is subject to restrictions that limit its ability to pay dividends to us, which could limit our ability to pay dividends, repurchase our common stock or make payments on our indebtedness,*" "*Regulation—Regulation Relating to Our Business—Savings Association Regulation—Dividends and Stock Repurchases*" and *—Liquidity,"* and *"Regulation—Savings and Loan Holding Company Regulation—Liquidity"* in our 2025 Form 10-K.

Capital

Our primary sources of capital have been earnings generated by our business and existing equity capital. We seek to manage capital to a level and composition sufficient to support the risks of our business, meet regulatory requirements, adhere to rating agency targets and support future business growth. The level, composition and utilization of capital are influenced by changes in the economic environment, strategic initiatives and legislative and regulatory developments. Within these constraints, we are focused on deploying capital in a manner that will provide attractive returns to our stockholders.

We are subject to the Federal Reserve Board's formal capital plan submission requirements and submitted our 2026 capital plan to the Federal Reserve Board. We are also subject to supervisory stress tests on a biennial basis, in even calendar years, and the 2026 supervisory stress test was the first stress test in which we participated. In February 2026, the Federal Reserve Board voted to maintain banking organizations' current stress capital buffer requirements until 2027 at the earliest. As a result, following completion of the 2026 supervisory stress test, we remain subject to our initial stress capital buffer of 2.5% and as we are only subject to supervisory stress tests on a biennial basis, we will receive a new stress capital buffer in 2028. For more information, see "*Regulation—Savings and Loan Holding Company Regulation*" in our 2025 Form 10-K.

Dividend and Share Repurchases

Common Stock Cash Dividends Declared	Month of Payment	Amount per Common Share	Amount
Three months ended ($ in millions, except per share data)			
March 31, 2026	February 2026	$ 0.30	$ 104
June 30, 2026	May 2026	0.30	100
Total dividends declared		$ 0.60	$ 204

		Series A		Series B	
Preferred Stock Cash Dividends Declared	**Month of Payment**	**Amount per Preferred Share**	**Amount**	**Amount per Preferred Share**	**Amount**
Three months ended ($ in millions, except per share data)					
March 31, 2026	February 2026	$ 14.06	$ 10	$ 20.63	$ 11
June 30, 2026	May 2026	14.06	11	20.63	10
Total dividends declared		$ 28.12	$ 21	$ 41.26	$ 21

In April 2026, the Board approved an increase of our quarterly dividend to $0.34 per common share commencing in the third quarter of 2026. In addition, in June 2026, we issued depositary shares representing $500 million of 7.250% fixed rate reset non-cumulative perpetual preferred stock, Series C, with dividends payable quarterly beginning in August 2026. The declaration and payment of future dividends to holders of our common and preferred stock will be at the discretion of the Board and will depend on many factors.

Common Shares Repurchased Under Publicly Announced Programs	Total Number of Shares Purchased	Dollar Value of Shares Purchased
Three months ended ($ and shares in millions)		
March 31, 2026	12.5	$ 900
June 30, 2026	11.7	850
Total	24.2	$ 1,750

In April 2026, the Company announced that the Board approved a new share repurchase program of up to $6.5 billion of the Company's common stock, which commenced in the second quarter of 2026 and, in a change from our prior share repurchase programs, does not have an expiration date (the "2026 program"). The new share repurchase program replaced the Company's prior program, which was scheduled to expire on June 30, 2026. At June 30, 2026, we had a total remaining share repurchase authorization of $5.7 billion under the 2026 program. The pace and amount of share repurchases under the program are flexible, and will be executed from time to time subject to various factors, including capital levels, financial performance, market conditions and legal and regulatory requirements, and in accordance with our capital plans.

The Company's share repurchase program may be executed through open market purchases or privately negotiated transactions, including through Rule 10b5-1 plans, and may be modified, suspended or terminated at any time.

For a discussion of regulatory and other restrictions on our ability to pay dividends and repurchase stock, see "*Regulation—Risk Factors Relating to Regulation—We are subject to restrictions that limit our ability to pay dividends and repurchase our common stock; the Bank is subject to restrictions that limit its ability to pay dividends to us, which could limit our ability to pay dividends, repurchase our common stock or make payments on our indebtedness*" in our 2025 Form 10-K.

Regulatory Capital Requirements - Synchrony Financial

For Synchrony Financial to be a well-capitalized savings and loan holding company, Synchrony Bank must be well-capitalized and Synchrony Financial must not be subject to any written agreement, order, capital directive, or prompt corrective action directive issued by the Federal Reserve Board to meet and maintain a specific capital level for any capital measure. At June 30, 2026, Synchrony Financial met all minimum capital ratio requirements and the requirements to be deemed well-capitalized.

The following table sets forth the composition of our capital ratios for the Company calculated under the Basel III Standardized Approach rules at June 30, 2026 and December 31, 2025, respectively:

	At June 30, 2026		At December 31, 2025[(1)]	
($ in millions)	Amount	Ratio[(2)]	Amount	Ratio[(2)]
Total risk-based capital	$ 17,782	16.9 %	$ 17,691	16.7 %
Tier 1 risk-based capital	$ 15,616	14.9 %	$ 15,512	14.6 %
Tier 1 leverage	$ 15,616	13.0 %	$ 15,512	13.3 %
Common equity Tier 1 capital	$ 13,900	13.2 %	$ 14,290	13.5 %
Risk-weighted assets	$ 104,969		$ 105,934	

(1) Amounts and ratios at December 31, 2025 have been recast to reflect the change in presentation of internal-use capitalized software on our Condensed Consolidated Statements of Financial Position. See Note 2. *Basis of Presentation and Summary of Significant Accounting Policies* to our condensed consolidated financial statements for additional information.
(2) Tier 1 leverage ratio represents total Tier 1 capital as a percentage of total average assets, after certain adjustments. All other ratios presented above represent the applicable capital measure as a percentage of risk-weighted assets.

The decrease in our common equity Tier 1 capital ratio compared to December 31, 2025 was primarily due to share repurchases and common and preferred dividends in the six months ended June 30, 2026, partially offset by net earnings during the same period.

Regulatory Capital Requirements - Synchrony Bank

At June 30, 2026 and December 31, 2025, the Bank met all applicable requirements to be deemed well-capitalized pursuant to the Office of the Comptroller of the Currency of the U.S. Treasury (the “OCC”) regulations and for purposes of the Federal Deposit Insurance Act. The following table sets forth the composition of the Bank’s capital ratios calculated under the Basel III Standardized Approach rules at June 30, 2026 and December 31, 2025:

	At June 30, 2026		At December 31, 2025[1]	
($ in millions)	**Amount**	**Ratio[2]**	**Amount**	**Ratio[2]**
Total risk-based capital	$ 16,427	16.5 %	$ 16,162	16.1 %
Tier 1 risk-based capital	$ 14,321	14.4 %	$ 14,045	14.0 %
Tier 1 leverage	$ 14,321	12.6 %	$ 14,045	12.7 %
Common equity Tier 1 capital	$ 14,321	14.4 %	$ 14,045	14.0 %

(1) Amounts and ratios at December 31, 2025 have been recast to reflect the change in presentation of internal-use capitalized software on our Condensed Consolidated Statements of Financial Position. See Note 2. *Basis of Presentation and Summary of Significant Accounting Policies* to our condensed consolidated financial statements for additional information.
(2) Tier 1 leverage ratio represents total Tier 1 capital as a percentage of total average assets, after certain adjustments. All other ratios presented above represent the applicable capital measure as a percentage of risk-weighted assets.

For additional information on the minimum capital requirements for both Synchrony Financial and the Bank, See “*Regulation—Regulation Relating to Our Business—Capital"* for both *Savings and Loan Holding Company Regulation* and *Savings Association Regulation,* as applicable in our 2025 Form 10-K. Failure to meet minimum capital requirements can result in the initiation of certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could limit our business activities and have a material adverse effect on our business, results of operations and financial condition. See “*Regulation—Risk Factors Relating to Regulation—Failure by Synchrony and the Bank to meet applicable capital adequacy and liquidity requirements could have a material adverse effect on us*” in our 2025 Form 10-K.

Off-Balance Sheet Arrangements and Unfunded Lending Commitments

We do not have any material off-balance sheet arrangements, including guarantees of third-party obligations. Guarantees are contracts or indemnification agreements that contingently require us to make a guaranteed payment or perform an obligation to a third-party based on certain trigger events. At June 30, 2026, we had not recorded any contingent liabilities in our Condensed Consolidated Statements of Financial Position related to any guarantees. See Note 5. *Variable Interest Entities* to our condensed consolidated financial statements for more information on our investment commitments for unconsolidated variable interest entities.

We extend credit, primarily arising from agreements with customers for unused lines of credit on our credit cards, in the ordinary course of business. Each unused credit card line is unconditionally cancellable by us. See Note 4. *Loan Receivables and Allowance for Credit Losses* to our condensed consolidated financial statements for more information on our unfunded lending commitments.

Critical Accounting Estimates

In preparing our condensed consolidated financial statements, we have identified certain accounting estimates and assumptions that we consider to be the most critical to an understanding of our financial statements because they involve significant judgments and uncertainties. The critical accounting estimates we have identified relate to allowance for credit losses and fair value measurements. These estimates reflect our best judgment about current, and for some estimates future, economic and market conditions and their effects based on information available as of the date of these financial statements. If these conditions change from those expected, it is reasonably possible that these judgments and estimates could change, which may result in incremental losses on loan receivables, or material changes to our Condensed Consolidated Statements of Financial Position, among other effects. See “*Management's Discussion and Analysis—Critical Accounting Estimates*” in our 2025 Form 10-K, for a detailed discussion of these critical accounting estimates.

New Accounting Standards

See Note 2. *Basis of Presentation and Summary of Significant Accounting Policies - New Accounting Standards*, to our condensed consolidated financial statements for additional information related to recent accounting pronouncements.

Regulation and Supervision

Our business, including our relationships with our customers, is subject to regulation, supervision and examination under U.S. federal, state and foreign laws and regulations. These laws and regulations cover all aspects of our business, including lending and collection practices, treatment of our customers, safeguarding deposits, customer privacy and information security, capital structure, liquidity, dividends and other capital distributions, transactions with affiliates, and conduct and qualifications of personnel. Such laws and regulations directly and indirectly affect key drivers of our profitability, including, for example, capital and liquidity, product offerings, risk management, and costs of compliance.

As a savings and loan holding company and a financial holding company, Synchrony is subject to regulation, supervision and examination by the Federal Reserve Board. As a large provider of consumer financial services, we are also subject to regulation, supervision and examination by the CFPB.

The Bank is a federally chartered savings association. As such, the Bank is subject to regulation, supervision and examination by the OCC, which is its primary regulator, and by the CFPB. In addition, the Bank, as an insured depository institution, is supervised by the FDIC.

On March 19, 2026, the federal banking agencies issued several rulemaking proposals to revise the U.S. regulatory capital framework. If finalized as proposed, the new rule would revise the standardized approach to calculating risk-weighted assets, including a 10% reduction in risk-weighting of retail exposures, and would require Category III and Category IV banking organizations, including Synchrony, to include most elements of accumulated other comprehensive income ("AOCI") in their common equity Tier 1 capital, thereby requiring all net unrealized gains and losses on holdings of available-for-sale debt securities from changes in fair value to flow through to regulatory capital, the effects of which would be phased in over a five-year transitional period. We are evaluating the potential impacts of the proposals on the Company.

On June 25, 2026, the FDIC issued two proposals that would modify certain requirements applicable to the Bank. The first would streamline resolution planning requirements for insured depository institutions by eliminating, among other things, the need for institutions to provide a strategy for their own resolution and to provide interim resolution plan supplements annually, and also by removing the FDIC's ability to deem resolution plans, which would be renamed "resolution submissions," not credible. The second proposal would decrease initial base deposit insurance assessment rates for institutions with total assets of $30 billion or more, including the Bank, by one basis point. This proposal would provide an additional downward adjustment of 0.5 basis points to such an institution's assessment rate if the institution successfully completed a virtual data room testing exercise, and a further downward adjustment of 0.5 basis points if the institution provided the FDIC with temporary access to certain data service providers and/or internal data systems. We are evaluating the potential impact of these two proposals on the Company.

See "*Regulation—Regulation Relating to Our Business*" in our 2025 Form 10-K for additional information on regulations that apply to us, and "*—Capital*" above, for discussion of the impact of regulations and supervision on our capital and liquidity, including our ability to pay dividends and repurchase stock.

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INDEX TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

ITEM 1. FINANCIAL STATEMENTS

Synchrony Financial and subsidiaries
Condensed Consolidated Statements of Earnings (Unaudited)

	Three months ended June 30,		Six months ended June 30,	
($ in millions, except per share data)	**2026**	**2025**	**2026**	**2025**
Interest income:				
Interest and fees on loans (Note 4)	$ 5,380	$ 5,328	$ 10,793	$ 10,640
Interest on cash and debt securities	203	258	393	496
Total interest income	5,583	5,586	11,186	11,136
Interest expense:				
Interest on deposits	767	855	1,537	1,737
Interest on borrowings of consolidated securitization entities	111	104	217	208
Interest on senior and subordinated unsecured notes	97	106	189	206
Total interest expense	975	1,065	1,943	2,151
Net interest income	4,608	4,521	9,243	8,985
Retailer share arrangements	(1,027)	(992)	(2,097)	(1,887)
Provision for credit losses (Note 4)	1,201	1,146	2,536	2,637
Net interest income, after retailer share arrangements and provision for credit losses	2,380	2,383	4,610	4,461
Other income:				
Interchange revenue	300	268	564	506
Protection product revenue	161	144	322	291
Loyalty programs	(436)	(360)	(797)	(671)
Other	112	66	181	141
Total other income	137	118	270	267
Other expense:				
Employee costs	516	509	1,031	1,015
Professional fees	220	236	429	453
Marketing and business development	137	127	251	243
Information processing	248	215	510	434
Other	210	158	426	343
Total other expense	1,331	1,245	2,647	2,488
Earnings before provision for income taxes	1,186	1,256	2,233	2,240
Provision for income taxes (Note 13)	301	289	543	516
Net earnings	$ 885	$ 967	$ 1,690	$ 1,724
Net earnings available to common stockholders	$ 864	$ 946	$ 1,648	$ 1,682
Earnings per share (Note 11)				
Basic	$ 2.61	$ 2.51	$ 4.89	$ 4.42
Diluted	$ 2.59	$ 2.50	$ 4.85	$ 4.38

See accompanying notes to condensed consolidated financial statements.

Synchrony Financial and subsidiaries
Condensed Consolidated Statements of Comprehensive Income (Unaudited)

	Three months ended June 30,		Six months ended June 30,	
($ in millions)	**2026**	**2025**	**2026**	**2025**
Net earnings	$ 885	$ 967	$ 1,690	$ 1,724
Other comprehensive income (loss)				
Debt securities	(9)	3	(15)	11
Currency translation adjustments	(5)	5	(7)	4
Employee benefit plans and other	(1)	—	(1)	(1)
Other comprehensive income (loss)	(15)	8	(23)	14
Comprehensive income	$ 870	$ 975	$ 1,667	$ 1,738

Amounts presented net of taxes.

See accompanying notes to condensed consolidated financial statements.

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Synchrony Financial and subsidiaries
Condensed Consolidated Statements of Financial Position (Unaudited)

($ in millions)	At June 30, 2026		At December 31, 2025	
Assets				
Cash and equivalents	$	16,193	$	14,973
Debt securities (Note 3)		4,365		2,348
Loan receivables: (Notes 4 and 5)				
Unsecuritized loans held for investment		80,367		81,408
Restricted loans of consolidated securitization entities		21,841		22,400
Total loan receivables		102,208		103,808
Less: Allowance for credit losses		(10,312)		(10,442)
Loan receivables, net		91,896		93,366
Goodwill		1,363		1,363
Intangible assets, net		152		104
Other assets (Note 6)		7,961		6,941
Total assets	$	121,930	$	119,095
Liabilities and Equity				
Deposits: (Note 7)				
Interest-bearing deposit accounts	$	82,376	$	80,748
Non-interest-bearing deposit accounts		430		396
Total deposits		82,806		81,144
Borrowings: (Notes 5 and 8)				
Borrowings of consolidated securitization entities		8,916		8,415
Senior and subordinated unsecured notes		7,516		6,767
Total borrowings		16,432		15,182
Accrued expenses and other liabilities		5,795		6,003
Total liabilities	$	105,033	$	102,329
Equity:				
Preferred stock, par value $0.001 per share; 300 million shares authorized, 1.26 million and 1.25 million shares issued and outstanding at June 30, 2026 and December 31, 2025, respectively (Note 12)	$	1,716	$	1,222
Common stock, par value $0.001 per share; 4.0 billion shares authorized; 834 million shares issued at both June 30, 2026 and December 31, 2025; 325 million and 347 million shares outstanding at June 30, 2026 and December 31, 2025, respectively		1		1
Additional paid-in capital		9,876		9,902
Retained earnings		25,968		24,598
Accumulated other comprehensive income (loss):				
Debt securities		(21)		(6)
Currency translation adjustments		(57)		(50)
Employee benefit plans and other		7		8
Treasury stock, at cost; 509 million and 487 million shares at June 30, 2026 and December 31, 2025, respectively		(20,593)		(18,909)
Total equity		16,897		16,766
Total liabilities and equity	$	121,930	$	119,095

See accompanying notes to condensed consolidated financial statements.

Synchrony Financial and subsidiaries
Condensed Consolidated Statements of Changes in Equity (Unaudited)

	Preferred Stock		Common Stock						
($ in millions, shares in thousands)	Shares Issued	Amount	Shares Issued	Amount	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total Equity
Balance at January 1, 2025	1,250	$ 1,222	833,985	$ 1	$ 9,853	$ 21,635	$ (59)	$ (16,072)	$ 16,580
Net earnings	—	—	—	—	—	757	—	—	757
Other comprehensive income (loss)	—	—	—	—	—	—	6	—	6
Purchases of treasury stock	—	—	—	—	—	—	—	(605)	(605)
Stock-based compensation	—	—	—	—	(49)	(65)	—	75	(39)
Dividends - Series A preferred stock ($14.06 per share)	—	—	—	—	—	(11)	—	—	(11)
Dividends - Series B preferred stock ($20.63 per share)	—	—	—	—	—	(10)	—	—	(10)
Dividends - common stock ($0.25 per share)	—	—	—	—	—	(97)	—	—	(97)
Balance at March 31, 2025	1,250	$ 1,222	833,985	$ 1	$ 9,804	$ 22,209	$ (53)	$ (16,602)	$ 16,581
Net earnings	—	—	—	—	—	967	—	—	967
Other comprehensive income (loss)	—	—	—	—	—	—	8	—	8
Purchases of treasury stock	—	—	—	—	—	—	—	(504)	(504)
Stock-based compensation	—	—	—	—	32	(5)	—	8	35
Dividends - Series A preferred stock ($14.06 per share)	—	—	—	—	—	(10)	—	—	(10)
Dividends - Series B preferred stock ($20.63 per share)	—	—	—	—	—	(11)	—	—	(11)
Dividends - common stock ($0.30 per share)	—	—	—	—	—	(114)	—	—	(114)
Balance at June 30, 2025	1,250	$ 1,222	833,985	$ 1	$ 9,836	$ 23,036	$ (45)	$ (17,098)	$ 16,952

($ in millions, shares in thousands)	Preferred Stock Shares Issued	Preferred Stock Amount	Common Stock Shares Issued	Common Stock Amount	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total Equity
Balance at January 1, 2026	1,250	$ 1,222	833,985	$ 1	$ 9,902	$ 24,598	$ (48)	$ (18,909)	$ 16,766
Net earnings	—	—	—	—	—	805	—	—	805
Other comprehensive income (loss)	—	—	—	—	—	—	(8)	—	(8)
Purchases of treasury stock	—	—	—	—	—	—	—	(907)	(907)
Stock-based compensation	—	—	—	—	(58)	(68)	—	72	(54)
Dividends - Series A preferred stock ($14.06 per share)	—	—	—	—	—	(10)	—	—	(10)
Dividends - Series B preferred stock ($20.63 per share)	—	—	—	—	—	(11)	—	—	(11)
Dividends - common stock ($0.30 per share)	—	—	—	—	—	(104)	—	—	(104)
Balance at March 31, 2026	1,250	$ 1,222	833,985	$ 1	$ 9,844	$ 25,210	$ (56)	$ (19,744)	$ 16,477
Net earnings	—	—	—	—	—	885	—	—	885
Other comprehensive income (loss)	—	—	—	—	—	—	(15)	—	(15)
Issuance of preferred stock	5	494	—	—	—	—	—	—	494
Purchases of treasury stock	—	—	—	—	—	—	—	(859)	(859)
Stock-based compensation	—	—	—	—	32	(6)	—	10	36
Dividends - Series A preferred stock ($14.06 per share)	—	—	—	—	—	(11)	—	—	(11)
Dividends - Series B preferred stock ($20.63 per share)	—	—	—	—	—	(10)	—	—	(10)
Dividends - common stock ($0.30 per share)	—	—	—	—	—	(100)	—	—	(100)
Balance at June 30, 2026	1,255	$ 1,716	833,985	$ 1	$ 9,876	$ 25,968	$ (71)	$ (20,593)	$ 16,897

See accompanying notes to condensed consolidated financial statements.

Synchrony Financial and subsidiaries
Condensed Consolidated Statements of Cash Flows (Unaudited)

	Six months ended June 30,	
(*$ in millions*)	**2026**	**2025**
Cash flows - operating activities		
Net earnings	$ 1,690	$ 1,724
Adjustments to reconcile net earnings to cash provided from operating activities		
Provision for credit losses	2,536	2,637
Deferred income taxes	34	31
Depreciation and amortization	288	247
All other operating activities	378	280
Changes in operating assets and liabilities, net of effects of acquisitions and dispositions		
(Increase) decrease in interest and fees receivable	(238)	(65)
(Increase) decrease in other assets	37	(9)
Increase (decrease) in accrued expenses and other liabilities	(122)	(85)
Cash provided from (used for) operating activities	4,603	4,760
Cash flows - investing activities		
Maturity and sales of debt securities	855	1,205
Purchases of debt securities	(2,885)	(1,006)
Acquisition of loan receivables	(809)	—
Net (increase) decrease in loan receivables, including held for sale	(436)	1,607
All other investing activities	(388)	(444)
Cash provided from (used for) investing activities	(3,663)	1,362
Cash flows - financing activities		
Borrowings of consolidated securitization entities		
Proceeds from issuance of securitized debt	498	1,495
Maturities and repayment of securitized debt	—	(1,000)
Senior and subordinated unsecured notes		
Proceeds from issuance of senior and subordinated unsecured notes	745	794
Maturities and repayment of senior and subordinated unsecured notes	—	(750)
Dividends paid on preferred stock	(42)	(42)
Proceeds from issuance of preferred stock	494	—
Net increase (decrease) in deposits	1,659	195
Purchases of treasury stock	(1,778)	(1,109)
Dividends paid on common stock	(204)	(211)
All other financing activities	(89)	(70)
Cash provided from (used for) financing activities	1,283	(698)
Increase (decrease) in cash and equivalents, including restricted amounts	2,223	5,424
Cash and equivalents, including restricted amounts, at beginning of period	15,017	14,755
Cash and equivalents at end of period:		
Cash and equivalents	16,193	19,457
Restricted cash and equivalents included in other assets	1,047	722
Total cash and equivalents, including restricted amounts, at end of period	$ 17,240	$ 20,179

See accompanying notes to condensed consolidated financial statements.

NOTE 1. BUSINESS DESCRIPTION

Synchrony Financial (the "Company") provides a range of credit products through financing programs it has established with a diverse group of national and regional retailers, local merchants, manufacturers, buying groups, industry associations and healthcare service providers. Through Synchrony Bank (the "Bank"), we primarily offer private label credit cards, co-branded credit cards, comprising our Dual Card offering and general purpose co-branded credit cards, and a Synchrony-branded general purpose credit card, as well as short- and long-term installment loans, and savings products insured by the Federal Deposit Insurance Corporation ("FDIC"). We conduct our operations through a single business segment. See Note 14. *Segment Reporting* for additional information.

References to the "Company", "we", "us" and "our" are to Synchrony Financial and its consolidated subsidiaries unless the context otherwise requires.

NOTE 2. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying condensed consolidated financial statements were prepared in conformity with U.S. generally accepted accounting principles ("GAAP").

Preparing financial statements in conformity with U.S. GAAP requires us to make estimates based on assumptions about current, and for some estimates, future, economic and market conditions (for example, unemployment, interest rates and market liquidity) which affect reported amounts and related disclosures in our condensed consolidated financial statements. Although our current estimates contemplate current conditions and how we expect them to change in the future, as appropriate, it is reasonably possible that actual conditions could be different than anticipated in those estimates, which could materially affect our results of operations and financial position. Among other effects, such changes could result in incremental losses on loan receivables, future impairments of debt securities, goodwill and intangible assets, increases in reserves for contingencies, establishment of valuation allowances on deferred tax assets and increases in our tax liabilities.

We primarily conduct our business within the United States and substantially all of our revenues are from U.S. customers. The operating activities conducted by our non-U.S. affiliates use the local currency as their functional currency. The effects of translating the financial statements of these non-U.S. affiliates to U.S. dollars are included in equity. Asset and liability accounts are translated at period-end exchange rates, while revenues and expenses are translated at average rates for the respective periods.

Consolidated Basis of Presentation

The Company's financial statements have been prepared on a consolidated basis. Under this basis of presentation, our financial statements consolidate all of our subsidiaries – i.e., entities in which we have a controlling financial interest, most often because we hold a majority voting interest, as well as certain variable interest entities ("VIE's").

Interim Period Presentation

The condensed consolidated financial statements and notes thereto are unaudited. These statements include all adjustments (consisting of normal recurring accruals) that we considered necessary to present a fair statement of our results of operations, financial position and cash flows. The results reported in these condensed consolidated financial statements should not be considered as necessarily indicative of results that may be expected for the entire year. These condensed consolidated financial statements should be read in conjunction with our 2025 annual consolidated financial statements and the related notes in our Annual Report on Form 10-K for the year ended December 31, 2025 (our "2025 Form 10-K").

Change in Presentation

At June 30, 2026, we changed the presentation of costs incurred to develop or acquire internal-use capitalized software, previously included in Intangible assets, to now be presented as a component of Premises and equipment, included within Other assets on our Condensed Consolidated Statement of Financial Position to better align presentation of these costs with assets that have similar characteristics. Prior period amounts of $1.2 billion, net of accumulated amortization, have been reclassified to conform with the current period presentation. See Note 6. *Other Assets* for additional information.

Goodwill and Intangible Assets

We do not amortize goodwill but test it at least annually for impairment at the reporting unit level pursuant to FASB Account Standards Codification ("ASC 350"), Intangibles—Goodwill and Other. A reporting unit is defined under GAAP as the operating segment, or one level below that operating segment (the component level) if discrete financial information is prepared and regularly reviewed by segment management. Our single operating segment comprises a single reporting unit, based on the level at which segment management regularly reviews and measures the business operating results.

When a portion of a reporting unit constitutes a business that is being disposed of, the amount of goodwill to be included in the carrying amount of the business classified as held for sale is based upon the relative fair values of the business to be disposed of and the portion of the reporting unit that will be retained.

Goodwill impairment risk is first assessed by performing a qualitative review of entity-specific, industry, market and general economic factors for our reporting unit. If potential goodwill impairment risk exists that indicates that it is more likely than not that the carrying value of our reporting unit exceeds its fair value, a quantitative test is performed. The quantitative test compares the reporting unit's estimated fair value with its carrying value, including goodwill. If the carrying value of our reporting unit exceeds its fair value, an impairment loss is recognized in an amount equal to that excess, limited to the amount of goodwill allocated to the reporting unit. The qualitative assessment for each period presented in the condensed consolidated financial statements was performed without hindsight, assuming only factors and market conditions existing as of those dates, and resulted in no potential goodwill impairment risk for our reporting unit. Consequently, goodwill was not deemed to be impaired for any of the periods presented.

Definite-lived intangible assets primarily consist of customer-related assets, including purchased credit card relationships, which are amortized over their estimated useful lives. Definite-lived intangible assets are evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable. The evaluation compares the cash inflows expected to be generated from each intangible asset to its carrying value. If cash flows attributable to the intangible asset are less than the carrying value, the asset is considered impaired and written down to its estimated fair value.

Other Assets

Other assets primarily consist of deferred income taxes, premises and equipment, which includes internal-use capitalized software, investments in affordable housing properties, equity method investments, and contract costs related to our retail partner agreements. Certain costs incurred to develop or acquire internal-use software are capitalized and amortized on a straight-line basis over their respective estimated useful life, generally five years, and the amortization is included as a component of Information processing costs in our Condensed Consolidated Statements of Earnings. We review these assets for impairment using the same impairment methodology used for definite-lived intangible assets. Retail partner contract costs are recognized over the life of the contract with the retail partner and are included as a component of Marketing and business development expense in our Condensed Consolidated Statements of Earnings.

New Accounting Standards

Recently Issued But Not Yet Adopted Accounting Standards

In November 2024, the FASB issued ASU 2024-03, Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40). This ASU requires disaggregated information about certain income statement line items in a tabular format in the notes to the financial statements. The Company will adopt this guidance on its effective date, which for us is beginning within our December 31, 2027 Form 10-K, and is currently determining the method of adoption, however, it is not expected to have a material impact on our Consolidated Financial Statements.

In September 2025, the FASB issued ASU 2025-06, Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40). This ASU amends certain aspects of the accounting for and disclosure of software costs. This ASU requires an entity to start capitalizing software costs when both management has authorized and committed to funding the software project, and it is probable that the project will be completed and the software will be used to perform the function intended. The amendments in this update are effective for the Company beginning in January 2028, through either a prospective, modified, or retrospective transition approach, with early adoption permitted. The Company is currently evaluating the updated guidance to assess the impact and the method of adoption.

In November 2025, the FASB issued ASU 2025-08, Financial Instruments – Credit Losses (Topic 326) – Purchased Loans. This ASU expands the population of purchased financial assets subject to the gross-up approach in Topic 326. As a result of this update, loans (excluding credit cards) acquired without credit deterioration and deemed “seasoned” as defined in the ASU will follow the gross-up approach at acquisition and the initial allowance for credit losses at acquisition is added to the amortized cost basis of the loans. The Company is currently evaluating the updated guidance, which is effective prospectively beginning January 2027, with early adoption permitted.

In December 2025, the FASB issued ASU 2025-11, Interim Reporting (Topic 270), which improves the navigability of the required interim disclosures, provides clarity as to when it is applicable, and provides additional guidance on what disclosures are required in interim reporting periods by establishing a disclosure principle. The guidance is effective for interim reporting periods beginning in 2028 and can be applied either prospectively or retrospectively. The Company is currently evaluating the updated guidance to assess the impact and determining its method of adoption.

See Note 2. *Basis of Presentation and Summary of Significant Accounting Policies* to our 2025 annual consolidated financial statements in our 2025 Form 10-K, for additional information on our significant accounting policies.

NOTE 3. DEBT SECURITIES

All of our debt securities are classified as available-for-sale and are held to meet our liquidity objectives or to comply with the Community Reinvestment Act (“CRA”). Our debt securities consist of the following:

	June 30, 2026				December 31, 2025			
($ in millions)	Amortized cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value	Amortized cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value
U.S. government and federal agency	$ 3,465	$ 2	$ (7)	$ 3,460	$ 1,485	$ 7	$ —	$ 1,492
State and municipal	34	—	(1)	33	35	—	—	35
Residential mortgage-backed[a]	334	—	(23)	311	318	1	(22)	297
Asset-backed[b]	551	1	—	552	509	6	—	515
Other	8	1	—	9	8	1	—	9
Total[c]	$ 4,392	$ 4	$ (31)	$ 4,365	$ 2,355	$ 15	$ (22)	$ 2,348

(a) Our residential mortgage-backed securities have been issued by government-sponsored entities and are collateralized by U.S. mortgages.
(b) Our asset-backed securities are collateralized by credit card and auto loans.
(c) At June 30, 2026 and December 31, 2025, the estimated fair value of debt securities pledged by the Bank as collateral to the Federal Reserve to secure Federal Reserve discount window advances was $288 million and $470 million, respectively.

The following table presents the estimated fair values and gross unrealized losses of our available-for-sale debt securities:

	In loss position for			
	Less than 12 months		12 months or more	
($ in millions)	Estimated fair value	Gross unrealized losses	Estimated fair value	Gross unrealized losses
At June 30, 2026				
U.S. government and federal agency	$ 2,178	$ (7)	$ —	$ —
State and municipal	25	(1)	5	—
Residential mortgage-backed	86	(1)	200	(22)
Asset-backed	199	—	—	—
Other	—	—	—	—
Total[a]	$ 2,488	$ (9)	$ 205	$ (22)
At December 31, 2025				
U.S. government and federal agency	$ —	$ —	$ —	$ —
State and municipal	17	—	5	—
Residential mortgage-backed	—	—	229	(22)
Asset-backed	—	—	—	—
Other	—	—	—	—
Total[a]	$ 17	$ —	$ 234	$ (22)

(a) Consists of 253 and 211 securities in gross unrealized loss positions at June 30, 2026 and December 31, 2025, respectively.

We regularly review debt securities for impairment resulting from credit loss using both qualitative and quantitative criteria, as necessary, based on the composition of the portfolio at period end. Based on our assessment, no material impairments from credit losses were recognized during the period.

We presently do not intend to sell our debt securities that are in an unrealized loss position and believe that it is not more likely than not that we will be required to sell these securities before recovery of our amortized cost.

Contractual Maturities of Investments in Available-for-Sale Debt Securities

At June 30, 2026 ($ in millions)	Due within 1 year	Due after 1 year through 5 years	Due after 5 years through 10 years	Due after 10 years	Total
U.S. government and federal agency	$ 2,228	$ 1,232	$ —	$ —	$ 3,460
State and municipal	—	6	—	27	33
Residential mortgage-backed	—	40	91	180	311
Asset-backed	178	374	—	—	552
Other	—	9	—	—	9
Total estimated fair value	$ 2,406	$ 1,661	$ 91	$ 207	$ 4,365
Amortized cost	$ 2,406	$ 1,666	$ 100	$ 220	$ 4,392
Weighted average yield[(a)]	4.0 %	4.0 %	1.4 %	4.2 %	3.9 %

(a) Weighted average yield is calculated based on the amortized cost of each security. In calculating yield, no adjustment has been made with respect to any tax-exempt obligations.

All securities are presented above based upon contractual maturity date, except our asset-backed securities which are allocated based upon expected final payment date. We expect actual maturities to differ from contractual maturities because borrowers have the right to prepay certain obligations.

There were no material realized gains or losses recognized for the six months ended June 30, 2026 and 2025.

Although we generally do not have the intent to sell any specific securities held at June 30, 2026, in the ordinary course of managing our debt securities portfolio, we may sell securities prior to their maturities for a variety of reasons, including diversification, credit quality, yield, liquidity requirements and funding obligations.

NOTE 4. LOAN RECEIVABLES AND ALLOWANCE FOR CREDIT LOSSES

($ in millions)	June 30, 2026	December 31, 2025
Credit cards	$ 94,233	$ 96,346
Consumer installment loans	5,233	5,548
Commercial credit products	2,681	1,833
Other	61	81
Total loan receivables, before allowance for credit losses[(a)(b)(c)]	$ 102,208	$ 103,808

(a) Total loan receivables include $21.8 billion and $22.4 billion of restricted loans of consolidated securitization entities at June 30, 2026 and December 31, 2025, respectively. See Note 5. *Variable Interest Entities* for further information.

(b) At June 30, 2026 and December 31, 2025, loan receivables included deferred costs, net of purchase discounts and deferred income, of $(4) million and $(53) million, respectively.

(c) At June 30, 2026 and December 31, 2025, $19.5 billion and $18.3 billion, respectively, of loan receivables were pledged by the Bank as collateral to the Federal Reserve to secure Federal Reserve discount window advances.

Loan Receivables Acquired

In April 2026, we completed our acquisition of the Lowe's commercial co-branded credit card portfolio, comprising $0.7 billion of outstanding loan receivables. This transaction was accounted for as an asset purchase.

Allowance for Credit Losses

($ in millions)	Balance at April 1, 2026	Provision charged to operations	Gross charge-offs	Recoveries	Other[b]	Balance at June 30, 2026
Credit cards	$ 9,704	$ 1,142	$ (1,653)	$ 417	$ —	$ 9,610
Consumer installment loans	614	(27)	(110)	14	—	491
Commercial credit products	109	86	(35)	3	47	210
Other	1	—	—	—	—	1
Total	$ 10,428	$ 1,201	$ (1,798)	$ 434	$ 47	$ 10,312

($ in millions)	Balance at April 1, 2025	Provision charged to operations[a]	Gross charge-offs	Recoveries	Other	Balance at June 30, 2025
Credit cards	$ 10,133	$ 1,077	$ (1,674)	$ 370	$ —	$ 9,906
Consumer installment loans	584	38	(92)	15	—	545
Commercial credit products	110	32	(33)	3	—	112
Other	1	—	—	—	—	1
Total	$ 10,828	$ 1,147	$ (1,799)	$ 388	$ —	$ 10,564

($ in millions)	Balance at January 1, 2026	Provision charged to operations[a]	Gross charge-offs	Recoveries	Other[b]	Balance at June 30, 2026
Credit cards	$ 9,789	$ 2,290	$ (3,295)	$ 826	$ —	$ 9,610
Consumer installment loans	543	127	(211)	32	—	491
Commercial credit products	109	116	(68)	6	47	210
Other	1	—	—	—	—	1
Total	$ 10,442	$ 2,533	$ (3,574)	$ 864	$ 47	$ 10,312

($ in millions)	Balance at January 1, 2025	Provision charged to operations[a]	Gross charge-offs	Recoveries	Other	Balance at June 30, 2025
Credit cards	$ 10,259	$ 2,413	$ (3,496)	$ 730	$ —	$ 9,906
Consumer installment loans	542	173	(202)	32	—	545
Commercial credit products	127	48	(68)	5	—	112
Other	1	—	—	—	—	1
Total	$ 10,929	$ 2,634	$ (3,766)	$ 767	$ —	$ 10,564

(a) Provision for credit losses in our Condensed Consolidated Statements of Earnings also includes amounts associated with off-balance sheet credit exposures recorded in Accrued expenses and other liabilities in our Condensed Consolidated Statements of Financial Position.
(b) Primarily represents allowance for credit losses associated with a loan portfolio purchase completed in the period, previously recorded in Accrued expenses and other liabilities in our Condensed Consolidated Statements of Financial Position.

The reasonable and supportable forecast period used in our estimate of credit losses at June 30, 2026 was 12 months, consistent with the forecast period utilized since the adoption of CECL. Beyond the reasonable and supportable forecast period, we revert to historical loss information at the loan receivables segment level over a 6-month period on a straight-line basis, and utilize historical loss information thereafter for the remaining life of the portfolio.

Losses on loan receivables, including those which are modified for borrowers experiencing financial difficulty, are estimated and recognized upon origination of the loan, and updated based on expected credit losses for the life of the loan balance at the period end date. Expected credit loss estimates are developed using both quantitative models and qualitative adjustments, and incorporates a macroeconomic forecast. The current and forecasted economic conditions at the balance sheet date are reflected in our current estimate of expected credit losses, as well as expectations of the macroeconomic environment. Our allowance for credit losses decreased to $10.3 billion at June 30, 2026, as compared to $10.4 billion at December 31, 2025, reflecting continued asset quality trends during the six months ended June 30, 2026. See Note 2. *Basis of Presentation and Summary of Significant Accounting Policies* to our 2025 annual consolidated financial statements within our 2025 Form 10-K, for additional information on our significant accounting policies related to our allowance for credit losses.

Delinquent and Non-accrual Loans

The following tables provide information on our delinquent and non-accrual loan receivables:

At June 30, 2026 ($ in millions)	**30-89 days delinquent**	**90 or more days delinquent**	**Total past due**	**90 or more days delinquent and accruing**	**Total non-accruing**
Credit cards	$ 1,983	$ 1,976	$ 3,959	$ 1,976	$ —
Consumer installment loans	120	29	149	—	29
Commercial credit products	96	45	141	45	—
Total delinquent loans	$ 2,199	$ 2,050	$ 4,249	$ 2,021	$ 29
Percentage of total loan receivables	2.2 %	2.0 %	4.2 %	2.0 %	— %

At December 31, 2025 ($ in millions)	**30-89 days delinquent**	**90 or more days delinquent**	**Total past due**	**90 or more days delinquent and accruing**	**Total non-accruing**
Credit cards	$ 2,223	$ 2,181	$ 4,404	$ 2,181	$ —
Consumer installment loans	144	31	175	—	31
Commercial credit products	45	36	81	36	—
Total delinquent loans	$ 2,412	$ 2,248	$ 4,660	$ 2,217	$ 31
Percentage of total loan receivables	2.3 %	2.2 %	4.5 %	2.1 %	— %

Credit Quality Indicators

Our loan receivables portfolio includes both secured and unsecured loans. Secured loan receivables are largely comprised of consumer installment loans secured by equipment. Unsecured loan receivables are largely comprised of our open-end consumer and commercial revolving credit card loans. As part of our credit risk management activities, on an ongoing basis, we assess overall credit quality by reviewing information related to the performance of a customer's account with us, including delinquency information, as well as information from credit bureaus relating to the customer's broader credit performance. We utilize VantageScore credit data and scores to assist in our assessment of consumer credit quality. VantageScore credit data and scores are obtained at origination of the account and are refreshed, at a minimum quarterly, but could be as often as weekly, to assist in predicting customer behavior. We categorize these credit scores into the following three credit score categories: (i) 651 or higher, which are considered the strongest credits; (ii) 591 to 650, considered moderate credit risk; and (iii) 590 or less, which are considered weaker credits. There are certain customer accounts, including for our commercial credit products, for which a VantageScore credit score may not be available where we use alternative sources to assess their credit quality and predict behavior. The following table provides the most recent VantageScore credit scores, or equivalent, available for our revolving credit card and commercial credit product customers at June 30, 2026, December 31, 2025 and June 30, 2025, respectively, as a percentage of each class of loan receivables.

The table below excludes 0.4%, 0.4% and 0.3% of our total loan receivables balance for our credit cards and commercial credit products at June 30, 2026, December 31, 2025 and June 30, 2025, respectively, which represents those customer accounts for which a VantageScore credit score, or equivalent, is not available.

	June 30, 2026			December 31, 2025			June 30, 2025		
	651 or higher	591 to 650	590 or less	651 or higher	591 to 650	590 or less	651 or higher	591 to 650	590 or less
Credit cards	74 %	18 %	8 %	74 %	18 %	8 %	74 %	18 %	8 %
Commercial credit products	83 %	9 %	8 %	83 %	11 %	6 %	83 %	11 %	6 %

Consumer Installment Loans

Delinquency trends are the primary credit quality indicator for our consumer installment loans, which we use to monitor credit quality and risk within the portfolio. The tables below include information on our consumer installment loans by origination year.

Consumer Installment Loans by Origination Year

	By origination year						
At June 30, 2026 ($ in millions)	2026	2025	2024	2023	2022	Prior	Total
Amortized cost basis	$ 990	$ 1,503	$ 1,178	$ 836	$ 510	$ 216	$ 5,233
30-89 days delinquent	$ 13	$ 30	$ 29	$ 24	$ 16	$ 8	$ 120
90 or more days delinquent	$ 3	$ 8	$ 7	$ 5	$ 4	$ 2	$ 29

	By origination year						
At December 31, 2025 ($ in millions)	2025	2024	2023	2022	2021	Prior	Total
Amortized cost basis	$ 1,959	$ 1,524	$ 1,091	$ 655	$ 241	$ 78	$ 5,548
30-89 days delinquent	$ 37	$ 37	$ 35	$ 23	$ 9	$ 3	$ 144
90 or more days delinquent	$ 9	$ 9	$ 7	$ 4	$ 1	$ 1	$ 31

Gross Charge-offs for Consumer Installment Loans by Origination Year

	By origination year						
For the six months ended ($ in millions)	2026	2025	2024	2023	2022	Prior	Total
June 30, 2026	$ 12	$ 69	$ 47	$ 42	$ 29	$ 12	$ 211
June 30, 2025	$ —	$ 1	$ 71	$ 66	$ 44	$ 20	$ 202

Loan Modifications to Borrowers Experiencing Financial Difficulty

The following tables provide information on our loan modifications made to borrowers experiencing financial difficulty during the periods presented, which do not include loans that are classified as loan receivables held for sale:

Three months ended June 30	2026		2025	
($ in millions)	**Amount[(a)]**	**% of Total Class of Loan Receivables**	**Amount**	**% of Total Class of Loan Receivables**
Long-term modifications				
Credit cards	$ 341	0.4 %	$ 383	0.4 %
Consumer installment loans	—	— %	—	— %
Commercial credit products	4	0.1 %	2	0.1 %
Short-term modifications				
Credit cards	196	0.2 %	206	0.2 %
Consumer installment loans	—	— %	—	— %
Commercial credit products	—	— %	—	— %
Total	$ 541	0.5 %	$ 591	0.6 %

Six months ended June 30	2026		2025	
($ in millions)	**Amount[(a)]**	**% of Total Class of Loan Receivables**	**Amount**	**% of Total Class of Loan Receivables**
Long-term modifications				
Credit cards	$ 739	0.8 %	$ 822	0.9 %
Consumer installment loans	—	— %	—	— %
Commercial credit products	6	0.2 %	5	0.3 %
Short-term modifications				
Credit cards	414	0.4 %	461	0.5 %
Consumer installment loans	—	— %	—	— %
Commercial credit products	1	— %	1	— %
Total	$ 1,160	1.1 %	$ 1,289	1.3 %

(a) Represents balance at enrollment date. Long-term and short-term loan modifications made to borrowers for the six months ended June 30, 2026 had amortized cost balances at June 30, 2026 of $661 million and $117 million, respectively.

Financial Effects of Loan Modifications to Borrowers Experiencing Financial Difficulty

As part of our loan modifications to borrowers experiencing financial difficulty, we may provide multiple concessions to minimize our economic loss and improve long-term loan performance and collectability.

For long-term modifications made in the three and six months ended June 30, 2026 and 2025, the financial effect of these modifications reduced the weighted-average interest rates by 97% for all periods presented. For short-term modifications made in the three months ended June 30, 2026 and 2025, unpaid balances of $11 million and $13 million, respectively, were forgiven related to borrowers who successfully exited the program. For short-term modifications made in the six months ended June 30, 2026 and 2025, unpaid balances of $105 million and $118 million, respectively, were forgiven related to borrowers who successfully exited the program.

Performance of Loans Modified to Borrowers Experiencing Financial Difficulty

The following tables provide information on the performance of loans modified to borrowers experiencing financial difficulty which have been modified within the previous 12 months from the applicable balance sheet date and remained in a modification program at June 30, 2026 and 2025, respectively:

	Amortized cost basis			
At June 30, 2026 ($ in millions)	**Current**	**30-89 days delinquent**	**90 or more days delinquent**	**Total past due[(a)]**
Long-term modifications				
Credit cards	$ 915	$ 127	$ 100	$ 227
Consumer installment loans	—	—	—	—
Commercial credit products	6	1	1	2
Short-term modifications				
Credit cards	56	29	32	61
Consumer installment loans	—	—	—	—
Commercial credit products	—	—	—	—
Total loans modified	$ 977	$ 157	$ 133	$ 290
Percentage of total loan receivables	1.0 %	0.2 %	0.1 %	0.3 %

	Amortized cost basis			
At June 30, 2025 ($ in millions)	**Current**	**30-89 days delinquent**	**90 or more days delinquent**	**Total past due[(a)]**
Long-term modifications				
Credit cards	$ 997	$ 148	$ 117	$ 265
Consumer installment loans	—	—	—	—
Commercial credit products	4	1	1	2
Short-term modifications				
Credit cards	56	30	38	68
Consumer installment loans	—	—	—	—
Commercial credit products	—	—	—	—
Total loans modified	$ 1,057	$ 179	$ 156	$ 335
Percentage of total loan receivables	1.1 %	0.2 %	0.2 %	0.3 %

(a) Once a loan has been modified, it only returns to current status if the borrower pays the total minimum payment due or if the loan is re-aged after three consecutive monthly program payments are received post the modification date.

Payment Defaults

The following table presents loans to borrowers experiencing financial difficulty that enrolled in a long-term modification program within the previous 12 months from the applicable balance sheet date, and experienced a payment default and charged-off during the period presented:

	Three months ended June 30,		**Six months ended June 30,**	
($ in millions)	**2026**	**2025**	**2026**	**2025**
Credit cards	$ 88	$ 103	$ 166	$ 190
Consumer installment loans	—	—	—	—
Commercial credit products	1	1	1	1
Total	$ 89	$ 104	$ 167	$ 191

Of the loans modified to borrowers experiencing financial difficulty that enrolled in a short-term modification program within the previous 12 months from the applicable balance sheet date, 62% and 63% had fully completed all required payments and successfully exited the program during the six months ended June 30, 2026 and 2025, respectively.

Unfunded Lending Commitments

We manage the potential risk in credit commitments by limiting the total amount of credit, both by individual customer and in total, by monitoring the size and maturity of our portfolios and by applying a consistent underwriting approach for all of our credit products. Unused credit card lines available to our customers totaled approximately $453 billion and $440 billion at June 30, 2026 and December 31, 2025, respectively. While these amounts represented the total available unused credit card lines, we have not experienced and do not anticipate that all of our customers will access their entire available line at any given point in time.

Interest Income by Product

The following table provides additional information about our interest and fees on loans, including merchant discounts, from our loan receivables, including held for sale:

	Three months ended June 30,		Six months ended June 30,	
($ in millions)	2026	2025	2026	2025
Credit cards[(a)]	$ 5,092	$ 5,076	$ 10,244	$ 10,131
Consumer installment loans	187	207	375	418
Commercial credit products	100	43	172	88
Other	1	2	2	3
Total[(b)]	$ 5,380	$ 5,328	$ 10,793	$ 10,640

(a) Interest income on credit cards that was reversed related to accrued interest receivables written off was $609 million and $578 million for the three months ended June 30, 2026 and 2025, respectively, and $1.2 billion for both the six months ended June 30, 2026 and 2025.
(b) Deferred merchant discounts to be recognized in interest income at June 30, 2026 and December 31, 2025, were $1.7 billion and $1.8 billion, respectively, which are included in Accrued expenses and other liabilities in our Condensed Consolidated Statements of Financial Position.

NOTE 5. VARIABLE INTEREST ENTITIES

We use VIEs to securitize loan receivables and arrange public and private asset-backed financing in the ordinary course of business through Synchrony Card Issuance Trust, as well as private asset-backed financing through Synchrony Credit Card Master Note Trust and Synchrony Sales Finance Master Trust. Investors in these entities only have recourse to the assets owned by the entity and not to our general credit. We do not have implicit support arrangements with any VIE and we did not provide non-contractual support for previously transferred loan receivables to any of these VIEs in the three and six months ended June 30, 2026 and 2025. Our VIEs are able to accept new loan receivables and arrange new asset-backed financings, consistent with the requirements and limitations on such activities placed on the VIE by existing investors. Once an account has been designated to a VIE, the contractual arrangements we have require all existing and future loan receivables originated under such account to be transferred to the VIE. The amount of loan receivables held by our VIEs in excess of the minimum amount required under the asset-backed financing arrangements with investors may be removed by us under removal of accounts provisions. All loan receivables held by a VIE are subject to claims of third-party investors.

The loan receivables in these entities have risks and characteristics similar to our other loan receivables and were underwritten to the same standard. Accordingly, the performance of these assets has been similar to our other comparable loan receivables, and the blended performance of the pools of receivables in these entities reflects the eligibility criteria that we apply to determine which receivables are selected for transfer. Contractually, the cash flows from these loan receivables must first be used to pay third-party debt holders, as well as other expenses of the entity. Excess cash flows, if any, are available to us. The creditors of these entities have no claim on our other assets.

The table below summarizes the assets and liabilities of our consolidated securitization VIEs described above:

($ in millions)	June 30, 2026	December 31, 2025
Assets		
Loan receivables, net[a]	$ 19,884	$ 20,457
Other assets[b]	1,050	46
Total	$ 20,934	$ 20,503
Liabilities		
Borrowings	$ 8,916	$ 8,415
Other liabilities	27	28
Total	$ 8,943	$ 8,443

(a) Includes $2.0 billion and $1.9 billion of related allowance for credit losses resulting in gross restricted loan receivables of $21.8 billion and $22.4 billion at June 30, 2026 and December 31, 2025, respectively.
(b) Includes $1.0 billion and $42 million of segregated funds held by the VIEs at June 30, 2026 and December 31, 2025, respectively, which are classified as restricted cash and equivalents and included as a component of Other assets in our Condensed Consolidated Statements of Financial Position.

The balances presented above are net of intercompany balances and transactions that are eliminated in our condensed consolidated financial statements, including amounts related to servicing of the loan receivables held by our VIEs.

We provide servicing for all of our consolidated VIEs. Collections are required to be placed into segregated accounts owned by each VIE in amounts that meet contractually specified minimum levels. These segregated funds are invested in cash and cash equivalents and are restricted as to their use, principally to pay maturing principal and interest on debt and the related servicing fees. Collections above these minimum levels are remitted to us on a daily basis.

The table below summarizes selected financial metrics of our consolidated securitization VIEs described above:

	Three months ended June 30,		Six months ended June 30,	
($ in millions)	2026	2025	2026	2025
Interest and fees on loans	$ 1,144	$ 1,067	2,269	$ 2,117
Provision for credit losses	$ 220	$ 260	$ 461	$ 462
Interest expense	$ 111	$ 104	$ 217	$ 208

These amounts do not include intercompany transactions, which are eliminated in our condensed consolidated financial statements.

Non-consolidated VIEs

As part of our community reinvestment initiatives, we invest in funds that invest in affordable housing properties and receive affordable housing tax credits for these investments. We account for these investments using the proportional amortization method, where the costs of the investment are amortized in proportion to the income tax credits and other income tax benefits received. These investments are included in Other assets within our Condensed Consolidated Statements of Financial Position and totaled $904 million and $943 million at June 30, 2026 and December 31, 2025, respectively. At June 30, 2026, we are committed to provide funding related to these investments of $456 million, which is expected to be paid between 2026 and 2042, and is reported within Accrued expenses and other liabilities within our Condensed Consolidated Statements of Financial Position.

The table below summarizes amortization expense and tax credits and other tax benefits associated with investments in affordable housing properties included in Provision for income taxes in our Condensed Consolidated Statements of Earnings:

	Three months ended June 30,		Six months ended June 30,	
($ in millions)	**2026**	**2025**	**2026**	**2025**
Amortization expense	$ 39	$ 46	$ 79	$ 73
Tax credits and other benefits	$ (48)	$ (55)	$ (97)	$ (88)

Our other investments in non-consolidated VIEs totaled $312 million and $301 million at June 30, 2026 and December 31, 2025, respectively, and are included in Other assets within our Condensed Consolidated Statements of Financial Position. At June 30, 2026, the Company also had investment commitments of $196 million related to these investments. We may be required to fund these commitments between 2026 and 2046.

NOTE 6. OTHER ASSETS

	June 30, 2026	December 31, 2025
Deferred income tax assets, net	$ 2,051	$ 2,078
Premises and equipment, net	1,217	1,248
Restricted cash	1,047	44
Investments in affordable housing properties	904	943
Equity method investments	841	834
Other	1,901	1,794
Total other assets	$ 7,961	$ 6,941

At June 30, 2026, we changed the presentation of costs incurred to develop or acquire internal-use capitalized software, previously included in Intangible assets, to now be presented as a component of Premises and equipment, net in the table above. Amounts at December 31, 2025 have been recast to include $1.2 billion of internal-use capitalized software, net of accumulated amortization, within Premises and equipment, net to conform with the current period presentation.

The gross carrying amount for internal-use capitalized software, included in Premises and equipment, was $3.2 billion and $3.1 billion at June 30, 2026 and December 31, 2025, respectively, with accumulated amortization of $2.1 billion and $1.9 billion, respectively.

During the six months ended June 30, 2026, we recorded additions to internal-use capitalized software subject to amortization of $178 million.

Amortization expense related to internal-use capitalized software was $101 million and $84 million for the three months ended June 30, 2026 and 2025, respectively, and $203 million and $168 million for the six months ended June 30, 2026 and 2025, respectively, and is included as a component of Information processing in our Condensed Consolidated Statements of Earnings.

NOTE 7. DEPOSITS

($ in millions)	June 30, 2026	December 31, 2025
Interest-bearing deposits:		
Money market and other demand deposits	$ 3,010	$ 2,837
Savings	29,905	29,777
Certificates of deposit:		
Direct	43,321	42,229
Brokered	3,466	3,316
Brokered sweep accounts	2,674	2,589
Total interest-bearing deposits	82,376	80,748
Total non-interest-bearing deposits	430	396
Total deposits	$ 82,806	$ 81,144

Certificates of Deposit

At June 30, 2026, our certificates of deposit maturing for the remainder of 2026 and over the next four years and thereafter were as follows:

($ in millions)	2026	2027	2028	2029	2030	Thereafter
Certificates of deposit	$ 18,919	$ 21,517	$ 2,498	$ 1,356	$ 2,096	$ 401

At June 30, 2026 and December 31, 2025, direct certificates of deposit of $12.8 billion and $12.3 billion, respectively, were of denominations at or exceeding applicable FDIC insurance limits, which are generally $250,000 per depositor for each account ownership category. These amounts include partially insured certificates of deposit. At June 30, 2026 and December 31, 2025, the portion of these direct certificates of deposit estimated to be uninsured was $4.4 billion and $4.2 billion, respectively. Brokered certificates of deposit are assumed to be individual deposit balances within applicable FDIC insurance limits.

Brokered Sweep Deposits

Our brokered sweep deposits are sourced through a third-party program arranger that channels deposit accounts to us. Unless extended, the related agreements are scheduled to terminate between 2026 and 2030.

NOTE 8. BORROWINGS

($ in millions)	June 30, 2026 Maturity date	June 30, 2026 Interest Rate	June 30, 2026 Weighted average interest rate	June 30, 2026 Outstanding Amount[(a)(b)]	December 31, 2025 Outstanding Amount[(a)(b)]
Borrowings of consolidated securitization entities:					
Fixed securitized borrowings[(c)]	2026 - 2029	4.06% - 5.74%	4.90 %	$ 5,991	$ 5,490
Floating securitized borrowings	2027 - 2028	4.32% - 4.75%	4.48 %	2,925	2,925
Total borrowings of consolidated securitization entities			4.76 %	8,916	8,415
Senior unsecured notes:					
Synchrony Financial senior unsecured notes:					
Fixed senior unsecured notes	2026 - 2031	2.88% - 5.15%	3.90 %	2,893	2,892
Fixed-to-floating senior unsecured notes[(d)]	2029 - 2036	4.95% - 6.00%	5.46 %	3,281	2,534
Synchrony Bank senior unsecured notes:					
Fixed senior unsecured notes	2027	5.63%	5.63 %	599	599
Total senior unsecured notes			4.81 %	6,773	6,025
Subordinated unsecured notes:					
Synchrony Financial subordinated unsecured notes:					
Fixed subordinated unsecured notes	2033	7.25%	7.25 %	743	742
Total senior and subordinated unsecured notes			5.05 %	7,516	6,767
Total borrowings				$ 16,432	$ 15,182

(a) Includes unamortized debt premiums, discounts and issuance costs.
(b) The Company may redeem certain borrowings prior to their original contractual maturity dates in accordance with the optional redemption provision specified in the respective instruments.
(c) Includes $1.0 billion of fixed securitized borrowings which matured and were repaid in July 2026.
(d) Includes $750 million principal amount issued in February 2026, interest rate fixed at 4.947% through February 24, 2031; resets February 25, 2031 to floating rate based on compounded Secured Overnight Financing Rate ("SOFR") plus 153 basis points through maturity in February 2032.

Additional Sources of Liquidity

We have undrawn committed and uncommitted capacity under our credit facilities from private lenders under our securitization programs, subject to customary borrowing conditions, and also have access to the Federal Reserve discount window. At both June 30, 2026 and December 31, 2025, we had:

- an aggregate of $2.6 billion of undrawn capacity under our securitization financings, of which $2.1 billion was committed and $450 million was uncommitted, and
- available borrowing capacity through the Federal Reserve discount window of $13.1 billion at June 30, 2026 and $10.0 billion at December 31, 2025, based on the amount and type of assets pledged.

NOTE 9. FAIR VALUE MEASUREMENTS

For a description of how we estimate fair value, see Note 2. *Basis of Presentation and Summary of Significant Accounting Policies* in our 2025 annual consolidated financial statements within our 2025 Form 10-K.

The following tables present our assets measured at fair value on a recurring basis. Liabilities measured at fair value on a recurring basis were not material for the periods presented.

Recurring Fair Value Measurements

At June 30, 2026 ($ in millions)	Level 1	Level 2	Level 3	Total[(a)]
Assets				
Debt securities				
U.S. government and federal agency	$ —	$ 3,460	$ —	$ 3,460
State and municipal	—	—	33	33
Residential mortgage-backed	—	311	—	311
Asset-backed	—	552	—	552
Other	—	—	9	9
Other[(b)]	35	—	5	40
Total	$ 35	$ 4,323	$ 47	$ 4,405

At December 31, 2025 ($ in millions)	Level 1	Level 2	Level 3	Total[(a)]
Assets				
Debt securities				
U.S. government and federal agency	$ —	$ 1,492	$ —	$ 1,492
State and municipal	—	—	35	35
Residential mortgage-backed	—	297	—	297
Asset-backed	—	515	—	515
Other	—	—	9	9
Other[(b)]	15	—	7	22
Total	$ 15	$ 2,304	$ 51	$ 2,370

(a) For the six months ended June 30 2026 and 2025, there were no fair value measurements transferred between levels and changes in our Level 3 assets were not material.
(b) Other is primarily comprised of equity investments measured at fair value, which are included in Other assets in our Condensed Consolidated Statements of Financial Position.

Level 3 Fair Value Measurements

Our Level 3 recurring fair value measurements primarily relate to state and municipal and corporate debt instruments, which are valued using non-binding broker quotes or other third-party sources. See Note 2. *Basis of Presentation and Summary of Significant Accounting Policies* in our 2025 annual consolidated financial statements within our 2025 Form 10-K for a description of our process to evaluate third-party pricing servicers. Our state and municipal debt securities are classified as available-for-sale with changes in fair value included in Accumulated other comprehensive income in our Condensed Consolidated Statements of Financial Position.

Financial Assets and Financial Liabilities Carried at Other Than Fair Value

At June 30, 2026 ($ in millions)	Carrying value	Corresponding fair value amount			
		Total	Level 1	Level 2	Level 3
Financial Assets					
Financial assets for which carrying values equal or approximate fair value[(a)]:					
Cash and equivalents	$ 16,193	$ 16,193	$ 16,193	$ —	$ —
Accrued interest receivable	$ 38	$ 38	$ 38	$ —	$ —
Other assets[(b)]	$ 1,047	$ 1,047	$ 1,047	$ —	$ —
Financial assets carried at other than fair value:					
Loan receivables, net[(c)]	$ 91,894	$ 105,027	$ —	$ —	$ 105,027
Financial Liabilities					
Financial liabilities for which carrying values equal or approximate fair value[(a)]:					
Accrued interest payable	$ 286	$ 286	$ 286	$ —	$ —
Financial liabilities carried at other than fair value:					
Deposits[(d)]	$ 82,806	$ 83,009	$ —	$ 83,009	$ —
Borrowings of consolidated securitization entities	$ 8,916	$ 8,913	$ —	$ 5,993	$ 2,920
Senior and subordinated unsecured notes	$ 7,516	$ 7,488	$ —	$ 7,488	$ —

At December 31, 2025 ($ in millions)	Carrying value	Corresponding fair value amount			
		Total	Level 1	Level 2	Level 3
Financial Assets					
Financial assets for which carrying values equal or approximate fair value[(a)]:					
Cash and equivalents	$ 14,973	$ 14,973	$ 14,973	$ —	$ —
Accrued interest receivable	$ 27	$ 27	$ 27	$ —	$ —
Other assets[(b)]	$ 44	$ 44	$ 44	$ —	$ —
Financial assets carried at other than fair value:					
Loan receivables, net[(c)]	$ 93,364	$ 106,591	$ —	$ —	$ 106,591
Financial Liabilities					
Financial liabilities for which carrying values equal or approximate fair value[(a)]:					
Accrued interest payable	$ 287	$ 287	$ 287	$ —	$ —
Financial liabilities carried at other than fair value:					
Deposits[(d)]	$ 81,144	$ 81,374	$ —	$ 81,374	$ —
Borrowings of consolidated securitization entities	$ 8,415	$ 8,477	$ —	$ 5,559	$ 2,918
Senior and subordinated unsecured notes	$ 6,767	$ 6,870	$ —	$ 6,870	$ —

(a) Carrying value approximates fair value as the financial assets and liabilities are liquid in nature or have a short-term maturity.

(b) This balance relates to restricted cash and equivalents, which is included in Other assets in our Condensed Consolidated Statements of Financial Position.

(c) Excludes financial assets for which we have elected the fair value option. Under certain retail partner program agreements, the expected sales proceeds in the event of a sale of their credit card portfolio may be limited to the amounts owed by our customers, which may be less than the fair value indicated above.
(d) Includes demand deposits with no defined maturity.

Equity Securities Without Readily Determinable Fair Values

	Three months ended				Six months ended			
At or for the periods ended June 30 ($ in millions)	2026		2025		2026		2025	
Carrying value[a]	$	266	$	275	$	266	$	275
Upward adjustments[b]	$	—	$	—	$	—	$	—
Downward adjustments[b]	$	(2)	$	—	$	(2)	$	—

(a) Carrying value reflects cumulative purchases and sales in addition to upward and downward carrying value changes, and at December 31, 2025 was $269 million.
(b) Between January 1, 2018 and June 30, 2026, cumulative upward and downward carrying value adjustments for equity securities held at June 30, 2026 were $201 million and $(12) million, respectively.

NOTE 10. REGULATORY AND CAPITAL ADEQUACY

At June 30, 2026 and December 31, 2025, Synchrony Financial met all minimum capital requirements and the applicable requirements to be deemed well-capitalized pursuant to Federal Reserve Board regulations. At June 30, 2026 and December 31, 2025, the Bank also met all applicable requirements to be deemed well-capitalized pursuant to OCC regulations and for purposes of the Federal Deposit Insurance Act. There are no conditions or events subsequent to June 30, 2026 that management believes have changed the Company's or the Bank’s capital category.

The actual capital amounts, ratios and the applicable required minimums of the Company and the Bank are as follows:

Synchrony Financial

At June 30, 2026 ($ in millions)	Actual			Minimum for capital adequacy purposes
	Amount		Ratio[a]	Ratio[b]
Total risk-based capital	$	17,782	16.9 %	8.0 %
Tier 1 risk-based capital	$	15,616	14.9 %	6.0 %
Tier 1 leverage	$	15,616	13.0 %	4.0 %
Common equity Tier 1 Capital	$	13,900	13.2 %	4.5 %

At December 31, 2025 ($ in millions)	Actual[c]			Minimum for capital adequacy purposes
	Amount		Ratio[a]	Ratio[b]
Total risk-based capital	$	17,691	16.7 %	8.0 %
Tier 1 risk-based capital	$	15,512	14.6 %	6.0 %
Tier 1 leverage	$	15,512	13.3 %	4.0 %
Common equity Tier 1 Capital	$	14,290	13.5 %	4.5 %

Synchrony Bank

At June 30, 2026 ($ in millions)	Actual		Minimum for capital adequacy purposes	Minimum to be well-capitalized under prompt corrective action provisions
	Amount	Ratio[(a)]	Ratio[(b)]	Ratio
Total risk-based capital	$ 16,427	16.5 %	8.0 %	10.0 %
Tier 1 risk-based capital	$ 14,321	14.4 %	6.0 %	8.0 %
Tier 1 leverage	$ 14,321	12.6 %	4.0 %	5.0 %
Common equity Tier 1 capital	$ 14,321	14.4 %	4.5 %	6.5 %

At December 31, 2025 ($ in millions)	Actual[(c)]		Minimum for capital adequacy purposes	Minimum to be well-capitalized under prompt corrective action provisions
	Amount	Ratio[(a)]	Ratio[(b)]	Ratio
Total risk-based capital	$ 16,162	16.1 %	8.0 %	10.0 %
Tier 1 risk-based capital	$ 14,045	14.0 %	6.0 %	8.0 %
Tier 1 leverage	$ 14,045	12.7 %	4.0 %	5.0 %
Common equity Tier 1 capital	$ 14,045	14.0 %	4.5 %	6.5 %

(a) Capital ratios are calculated based on the Basel III Standardized Approach rules.
(b) At June 30, 2026 and December 31, 2025, Synchrony Financial and the Bank also must maintain a stress capital buffer or capital conservation buffer, as applicable, in excess of minimum risk-based capital ratios, which exclude the Tier 1 leverage ratio, by at least 2.5 percentage points to avoid limits on capital distributions and certain discretionary bonus payments to executive officers and similar employees.
(c) Amounts and ratios at December 31, 2025 have been recast to reflect the change in presentation of internal-use capitalized software on our Condensed Consolidated Statements of Financial Position. See Note 2. *Basis of Presentation and Summary of Significant Accounting Policies* for additional information.

The Bank may pay dividends on its stock, with consent or non-objection from the OCC and the Federal Reserve Board, among other things, if its regulatory capital would not thereby be reduced below the applicable regulatory capital requirements.

For additional information on the minimum capital requirements for both Synchrony Financial and the Bank, see "*Regulation—Regulation Relating to Our Business—Capital for both Savings and Loan Holding Company Regulation and Savings Association Regulation,*" as applicable, in addition to Note 11. *Regulatory and Capital Adequacy*, in our 2025 Form 10-K.

NOTE 11. EARNINGS PER SHARE

Basic earnings per share is computed by dividing earnings available to common stockholders by the weighted average number of common shares outstanding for the period. Diluted earnings per common share reflects the assumed conversion of all dilutive securities, which are calculated using the treasury stock method.

The following table presents the calculation of basic and diluted earnings per common share:

	Three months ended June 30,		Six months ended June 30,	
($ and shares in millions, except per share data)	2026	2025	2026	2025
Net earnings	$ 885	$ 967	$ 1,690	$ 1,724
Preferred stock dividends	(21)	(21)	(42)	(42)
Net earnings available to common stockholders	$ 864	$ 946	$ 1,648	$ 1,682
Weighted average common shares outstanding, basic	331.3	376.2	336.8	380.7
Effect of dilutive securities	2.8	2.9	3.2	3.5
Weighted average common shares outstanding, dilutive	334.1	379.1	$ 340.0	384.2
Earnings per basic common share	$ 2.61	$ 2.51	$ 4.89	$ 4.42
Earnings per diluted common share	$ 2.59	$ 2.50	$ 4.85	$ 4.38

We have issued stock-based awards under the Synchrony Financial 2024 Long-Term Incentive Plan, along with prior incentive plans. Awards that were considered anti-dilutive and therefore were excluded from the computation of diluted earnings per common share were less than 1 million shares for each of the periods presented.

NOTE 12. EQUITY AND OTHER STOCK RELATED INFORMATION

Preferred Stock

At June 30, 2026 and December 31, 2025, the Company had 1.26 million and 1.25 million shares, respectively, of preferred stock outstanding, which had previously been approved by our Board for issuance. In addition, subject to approval from the Board, we have the ability to issue additional series of preferred stock up to a maximum of 300 million shares at a par value of $0.001 per share authorized for issuance. The following table summarizes the Company's preferred stock issued and outstanding at June 30, 2026 and December 31, 2025.

Series	Issuance Date	Redeemable by Issuer Beginning	Per Annum Dividend Rate	Liquidation Preference per Share	Total Shares Outstanding	June 30, 2026	December 31, 2025
($ in millions, except per share data)							
Series A[(a)]	November 14, 2019	November 15, 2024	5.625%	$1,000	750,000	$ 734	$ 734
Series B[(a)]	February 23, 2024	May 15, 2029	8.25%[(b)]	$1,000	500,000	$ 488	$ 488
Series C[(a)]	June 5, 2026	August 15, 2031	7.25%[(c)]	$100,000	5,000	$ 494	$ —
						$ 1,716	$ 1,222

(a) Issued as depositary shares, each representing a 1/40th interest in a share of Series A and B non-cumulative perpetual preferred stock, and representing a 1/100th interest in a share of Series C non-cumulative perpetual preferred stock. Dividends are payable quarterly on February 15, May 15, August 15 and November 15 of each calendar year at a fixed rate, in each case when, as and if declared by the Board of Directors.
(b) Through May 14, 2029; resets May 15, 2029 and each date falling on the fifth anniversary at 5-Year Treasury Rate plus 4.044%.
(c) Through August 14, 2031; resets August 15, 2031 and each date falling on the fifth anniversary at 5-Year Treasury Rate plus 3.078%.

NOTE 13. INCOME TAXES

Unrecognized Tax Benefits

($ in millions)	June 30, 2026	December 31, 2025
Unrecognized tax benefits, excluding related interest expense and penalties[(a)]	$ 237	$ 218
Portion that, if recognized, would reduce tax expense and effective tax rate[(b)]	$ 187	$ 172

(a) Interest and penalties related to unrecognized tax benefits were not material for all periods presented.
(b) Comprised of federal unrecognized tax benefits and state and local unrecognized tax benefits net of the effects of associated U.S. federal income taxes. Excludes amounts attributable to any related valuation allowances resulting from associated increases in deferred tax assets.

We establish a liability that represents the difference between a tax position taken (or expected to be taken) on an income tax return and the amount of taxes recognized in our financial statements. The liability associated with the unrecognized tax benefits is adjusted periodically when new information becomes available.

In the current year, the Company executed a Memorandum of Understanding with the IRS to participate voluntarily in the IRS Compliance Assurance Process ("CAP") program for the 2026 tax year, and thus the tax year is under IRS review. The IRS is also examining our 2025 tax year, and we expect the review will be completed in the current year. Additionally, we are under examination in various states going back to 2019.

We believe that there are no issues or claims that are likely to significantly impact our results of operations, financial position or cash flows. We further believe that we have made adequate provision for all income tax uncertainties that could result from such examinations.

NOTE 14. SEGMENT REPORTING

We conduct our operations through a single business segment, which derives interest and fee income earned on our credit products we offer to our customers. There have not been any changes to the basis of segmentation or the measurement of performance as compared to our 2025 Form 10-K.

The following table presents segment information for the periods presented herein:

	Three months ended June 30,		Six months ended June 30,	
($ in millions)	**2026**	**2025**	**2026**	**2025**
Interest and fees on loans	$ 5,380	$ 5,328	$ 10,793	$ 10,640
Interest on cash and debt securities	203	258	393	496
Total interest income	5,583	5,586	11,186	11,136
Total interest expense	975	1,065	1,943	2,151
Net interest income	4,608	4,521	9,243	8,985
Retailer share arrangements	(1,027)	(992)	(2,097)	(1,887)
Reserve build (release)	(163)	(265)	(174)	(362)
Net charge-offs	1,364	1,411	2,710	2,999
Provision for credit losses	1,201	1,146	2,536	2,637
Other income:				
Other income	137	118	270	267
Total other income	137	118	270	267
Other expense:				
Employee costs	516	509	1,031	1,015
Professional fees	220	236	429	453
Marketing and business development	137	127	251	243
Information processing	248	215	510	434
Fraud-related operational losses	78	34	166	75
Other segment items[(a)]	132	124	260	268
Total other expense	1,331	1,245	2,647	2,488
Provision for income taxes	301	289	543	516
Net earnings	$ 885	$ 967	$ 1,690	$ 1,724

(a) Represents the total amount of other expenses included in Net earnings, including postage and various other corporate overhead items, such as facilities costs and telephone charges.

Our segment assets represent our Total assets as presented on our Condensed Consolidated Statements of Financial Position.

NOTE 15. LEGAL PROCEEDINGS AND REGULATORY MATTERS

In the normal course of business, from time to time, we have been named as a defendant in various legal proceedings, including arbitrations, class actions and other litigation, arising in connection with our business activities. Certain of the legal actions include claims for substantial compensatory and/or punitive damages, or claims for indeterminate amounts of damages. We are also involved, from time to time, in reviews, investigations and proceedings (both formal and informal) by governmental agencies regarding our business (collectively, “regulatory matters”), which could subject us to significant fines, penalties, obligations to change our business practices or other requirements resulting in increased expenses, diminished income and damage to our reputation. We contest liability and/or the amount of damages as appropriate in each pending matter. In accordance with applicable accounting guidance, we establish an accrued liability for legal and regulatory matters when those matters present loss contingencies which are both probable and reasonably estimable.

Legal proceedings and regulatory matters are subject to many uncertain factors that generally cannot be predicted with assurance, and we may be exposed to losses in excess of any amounts accrued.

For some matters, we are able to determine that an estimated loss, while not probable, is reasonably possible. For other matters, including those that have not yet progressed through discovery and/or where important factual information and legal issues are unresolved, we are unable to make such an estimate. We currently estimate that the reasonably possible losses for legal proceedings and regulatory matters, whether in excess of a related accrued liability or where there is no accrued liability, and for which we are able to estimate a possible loss, are immaterial. This represents management’s estimate of possible loss with respect to these matters and is based on currently available information. This estimate of possible loss does not represent our potential maximum loss exposure. The legal proceedings and regulatory matters underlying the estimate will change from time to time and actual results may vary significantly from current estimates.

Our estimate of reasonably possible losses involves significant judgment, given the varying stages of the proceedings, the existence of numerous yet to be resolved issues, the breadth of the claims (often spanning multiple years), unspecified damages and/or the novelty of the legal issues presented. Based on our current knowledge, we do not believe that we are a party to any pending legal proceeding or regulatory matters that would have a material adverse effect on our condensed consolidated financial condition or liquidity. However, in light of the uncertainties involved in such matters, the ultimate outcome of a particular matter could be material to our operating results for a particular period depending on, among other factors, the size of the loss or liability imposed and the level of our earnings for that period, and could adversely affect our business and reputation.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk refers to the risk that a change in the level of one or more market prices, rates, indices, correlations or other market factors will result in losses for a position or portfolio. We are exposed to market risk primarily from changes in interest rates.

We borrow money from a variety of depositors and institutions in order to provide loans to our customers. Changes in market interest rates cause our net interest income to increase or decrease, as some of our assets and liabilities carry interest rates that fluctuate with market benchmarks. The interest rate benchmark for our floating rate assets is generally the prime rate, and the interest rate benchmark for our floating rate liabilities is generally either the Secured Overnight Financing Rate ("SOFR"), U.S. Treasury bills, or the federal funds rate. The prime rate and the SOFR, U.S. Treasury bills or federal funds rate could reset at different times or could diverge, leading to mismatches in the interest rates on our floating rate assets and floating rate liabilities.

The following table presents the approximate net interest income impacts forecasted over the next twelve months from an immediate and parallel change in interest rates affecting all interest rate sensitive assets and liabilities at June 30, 2026:

Basis Point Change	**At June 30, 2026**	
($ in millions)		
-100 basis points	$	(114)
+100 basis points	$	39

For a more detailed discussion of our exposure to market risk, refer to “*Management's Discussion and Analysis—Quantitative and Qualitative Disclosures about Market Risk*” in our 2025 Form 10-K.

ITEM 4. CONTROLS AND PROCEDURES

Under the direction of our Chief Executive Officer and Chief Financial Officer, we evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), and based on such evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of June 30, 2026.

No change in internal control over financial reporting occurred during the fiscal quarter ended June 30, 2026 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

For a description of legal proceedings, see Note 15. *Legal Proceedings and Regulatory Matters* to our condensed consolidated financial statements in Part 1, Item 1 of this Quarterly Report on Form 10-Q.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors included in our 2025 Form 10-K under the heading *"Risk Factors Relating to Our Business"* and *"Risk Factors Relating to Regulation".*

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The table below sets forth information regarding purchases of our common stock primarily related to our share repurchase program that were made by us or on our behalf during the three months ended June 30, 2026:

($ in millions, except per share data)	Total Number of Shares Purchased[(a)]	Average Price Paid Per Share[(b)]	Total Number of Shares Purchased as Part of Publicly Announced Programs	Maximum Dollar Value of Shares That May Yet Be Purchased Under the Programs[(b)(c)]
April 1 - 30, 2026	2,074,797	$ 76.31	2,009,311	$ 6,346.2
May 1 - 31, 2026	7,894,919	$ 71.92	7,893,312	$ 5,778.5
June 1 - 30, 2026	1,819,961	$ 70.63	1,819,942	$ 5,650.0
Total	11,789,677	$ 72.49	11,722,565	$ 5,650.0

(a) Includes 65,486 shares, 1,607 shares and 19 shares withheld in April, May and June, respectively, to offset tax withholding obligations that occur upon the delivery of outstanding shares underlying performance stock awards, restricted stock awards or upon the exercise of stock options.

(b) Amounts exclude commission costs.

(c) In April 2026, the Company announced that the Board approved a new share repurchase program of up to $6.5 billion of the Company's common stock, which commenced in the second quarter of 2026 and, in a change from our prior share repurchase programs, does not have an expiration date. The new share repurchase program replaces the Company's prior program, which was scheduled to expire on June 30, 2026.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Rule 10b5-1 Trading Plans

On May 1, 2026, Curtis Howse, Executive Vice President and Chief Executive Officer, Home & Auto, entered into a trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c). Mr. Howse’s plan covers the sale of an aggregate amount of 104,602 of the Company’s securities, and will terminate on March 31, 2027, or an earlier date under certain circumstances specified under the terms of the plan, including if all trades are executed or all orders related to the trades under the plan expire. During the three months ended June 30, 2026, no other director or executive officer of the Company adopted, modified or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each such term is defined in item 408(a) of Regulation S-K.

ITEM 6. EXHIBITS

EXHIBIT INDEX

Exhibit Number	Description
3.1	Second Amended and Restated Certificate of Incorporation of Synchrony Financial (incorporated by reference to Exhibit 3.1 of Form 8-K filed by Synchrony Financial on June 13, 2024)
3.2	Amended and Restated Bylaws of Synchrony Financial (incorporated by reference to Exhibit 3.1 of Form 8-K filed by Synchrony Financial on November 1, 2016)
4.1	Certificate of Designations of 7.250% Fixed Rate Reset Non-Cumulative Perpetual Preferred Stock, Series C, dated June 4, 2026 (incorporated by reference to Exhibit 4.1 of Form 8-K filed by Synchrony Financial on June 5, 2026)
4.2	Deposit Agreement, dated June 5, 2026, by and among the Company, Computershare Inc. and Computershare Trust Company, N.A., collectively as Depositary, and the holders from time to time of the depositary receipts described therein (incorporated by reference to Exhibit 4.2 of Form 8-K filed by Synchrony Financial on June 5, 2026)
4.3	Form of Depositary Receipt – Series C (incorporated by reference to Exhibit 4.2 of Form 8-K filed by Synchrony Financial on June 5, 2026)
10.1+*	Amended and Restated Synchrony Financial Non-Employee Director Deferred Compensation Plan
31(a)*	Certification Pursuant to Rules 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as Amended
31(b)*	Certification Pursuant to Rules 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as Amended
32*	Certification Pursuant to 18 U.S.C. Section 1350
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2026, formatted in Inline XBRL (included as Exhibit 101)

* Filed electronically herewith.

\+ Management contract or compensatory plan or arrangement.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Synchrony Financial
(Registrant)

July 23, 2026	/s/ Brian J. Wenzel Sr.
Date	Brian J. Wenzel Sr. Executive Vice President and Chief Financial Officer (Duly Authorized Officer and Principal Financial Officer)

Exhibit 10.1

AMENDED AND RESTATED SYNCHRONY FINANCIAL
DEFERRED COMPENSATION PLAN

1. This document constitutes the Synchrony Financial Deferred Compensation Plan, as amended and restated effective June 1, 2026 (the "Plan"). The Plan is intended to provide to certain key employees of Synchrony Financial, a Delaware corporation (the "Company"), and participating Affiliates the opportunity to defer the receipt of a portion of their compensation otherwise payable by the Company or such Affiliates. The Plan is intended to be an unfunded plan maintained primarily for the purpose of providing deferred compensation to a select group of management or highly compensated employees within the meaning of sections 201(2), 301(a)(3) and 401(a)(1) of ERISA, and Department of Labor Regulation §2520.104-23, and is intended to satisfy the requirements of section 409A(a)(2), (3) and (4) of the Code.

1. Definitions. As used in the Plan, the following terms shall have the respective meanings set forth below:

(a) "Affiliate" means (i) any entity that, directly or through one or more intermediaries, is controlled by the Company and (ii) any entity in which the Company has a significant equity interest, as determined by the Plan Administrator.

(b) "Age Election" has the meaning set forth in Section 2(e)(i)(B).

(c) "Beneficiary" means the person or entity designated by a Participant in the manner determined by the Plan Administrator to receive the Participant's benefit under the Plan in the event of the Participant's death.

(d) "Board" means the Board of Directors of the Company.

(e) "Change in Control" means any of the following events, but only if such event constitutes a "change in control event" for purposes of Treasury Regulation section 1.409A-3(i)(5):

(i) the acquisition by any individual, entity or group (a "Person"), including any "person" within the meaning of section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 30% or more of either (A) the then outstanding shares of common stock of the Company (the "Outstanding Common Stock") or (B) the combined voting power of the then outstanding securities of the Company entitled to vote generally in the election of directors (the "Outstanding Voting Securities"); excluding, however, the following:

(1) any acquisition directly from the Company (excluding any acquisition resulting from the exercise of an exercise, conversion or exchange privilege unless the security being so exercised, converted or exchanged was acquired directly from the Company), (2) any acquisition by the Company, (3) any acquisition by an employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, or (4) any acquisition by any corporation pursuant to a transaction which complies with clauses (A), (B) and (C) of subsection (iii) of this Section 1(e); provided further, that for purposes of clause (2), if any Person (other than the Company or any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company) shall become the beneficial owner of 30% or more of the Outstanding Common Stock or 30% or more of the Outstanding Voting Securities by reason of an acquisition by the Company, and such Person shall, after such acquisition by the Company, become the beneficial owner of any additional shares of the Outstanding Common Stock or any additional Outstanding Voting Securities and such beneficial ownership is publicly announced, such additional beneficial ownership shall constitute a Change in Control;

(ii) during any twelve (12) month period, the cessation of individuals who constitute the Board (the "Incumbent Board") to constitute at least a majority of such Board; provided that any individual who becomes a director of the Company during such twelve (12) month period whose election, or nomination for election by the Company's stockholders, was approved by the vote of at least a majority of the directors then comprising the Incumbent Board shall be deemed a member of the Incumbent Board; and provided further, that any individual who was initially elected as a director of the Company as a result of an actual or threatened solicitation by a Person other than the Board for the purpose of opposing a solicitation by any other Person with respect to the election or removal of directors, or any other actual or threatened solicitation of proxies or consents by or on behalf of any Person other than the Board shall not be deemed a member of the Incumbent Board; or

(iii) the consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company (a "Corporate Transaction"); excluding, however, a Corporate Transaction pursuant to which (A) all or substantially all of the individuals or entities who are the beneficial owners, respectively, of the Outstanding Common Stock and the Outstanding Voting Securities immediately prior to such Corporate Transaction will beneficially own, directly or indirectly, more than 50% of, respectively, the outstanding shares of common stock, and the combined voting power of the outstanding securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Corporate Transaction (including, without limitation, a corporation which as a result of such transaction owns, directly or indirectly, the Company or all or substantially all of the Company's assets) in substantially the same proportions relative to each other as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Common Stock and the Outstanding Voting Securities, as the case may be, (B) no Person (other than: the Company; any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company; the corporation resulting from such Corporate Transaction; and any Person which beneficially owned, immediately prior to such Corporate Transaction, directly or indirectly, 30% or more of the Outstanding Common Stock or the Outstanding Voting Securities, as the case may be) will beneficially own, directly or indirectly, 30% or more of, respectively, the outstanding shares of common stock of the corporation resulting from such Corporate Transaction or the combined voting power of the outstanding securities of such corporation entitled to vote generally in the election of directors, and (C) individuals who were members of the Incumbent Board will constitute at least a majority of the members of the board of directors of the corporation resulting from such Corporate Transaction.

Notwithstanding anything to the contrary in the foregoing, (i) during the period that General Electric Company and its affiliates beneficially owned a majority of the Outstanding Common Stock, no Change in Control shall be deemed to have occurred, (ii) any transaction pursuant to which common stock of the Company was transferred from one wholly-owned subsidiary of General Electric Company to another wholly-owned subsidiary of General Electric Company shall not be deemed to be a Change in Control, and (iii) the transactions pursuant to which General Electric Company and its affiliates reduced their ownership of common stock of the Company shall not constitute a Change in Control; provided that in connection with any such transaction no other Person acquires beneficial ownership of common stock of the Company in an amount that would constitute a Change in Control pursuant to subsection (i) of this Section 1(e).

(f) "Code" means the Internal Revenue Code of 1986, as amended.

(g) "Company" means Synchrony Financial, a Delaware corporation.

(h) "Deferral Election" means an election to defer all or a portion of an Eligible Employee's compensation.

(i) "Deferred Compensation Account" has the meaning set forth in Section 3.

(j) "Effective Date" means June 1, 2026. The Plan was originally effective as of January 1, 2015, and this amendment and restatement is effective as of June 1, 2026.

(k) "Eligible Employee" means any employee of an Employer whose role is in the "Executive Band" or higher, "Grade 15" or above, or any comparable role or position (including any similar role or position if an Employer does not use the foregoing designations), all as determined by the Plan Administrator, in its sole discretion, other than any employee who is a nonresident alien (within the meaning of section 7701(b)(1)(B) of the Code) or is a resident of Puerto Rico. If an employee who satisfies this definition of “Eligible Employee” incurs, during any calendar year, (i) a change in role or position that would cause such employee to no longer be an Eligible Employee, or (ii) a transfer of employment to an Affiliate that is not an Employer, such employee shall continue to be considered an Eligible Employee with respect to any compensation earned with respect to such calendar year.

(l) “Employer” means the Company and any Affiliate that has adopted the Plan with the consent of the Company.

(m) “ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

(n) “Other Election” has the meaning set forth in Section 2(e)(ii)(B).

(o) “Participant” means an Eligible Employee who has made a Deferral Election and has had a portion of his or her compensation deferred under the Plan. Any person who becomes a Participant shall continue to be a Participant until his entire benefit under the Plan has been paid to, or on behalf, of such person.

(p) “Plan Administrator” means the Chief Human Resources Officer or other person holding the most senior position in the human resources department of the Company.

(q) “Separation from Service” means a “separation from service” as defined in Treasury Regulation section 1.409A-1(h).

2. Deferral Elections.

(a) In General. Each Deferral Election shall indicate the following: (i) the percentage and types of eligible compensation to be deferred, (ii) the time such deferred compensation shall be paid to, or on behalf of, the Participant, and (iii) the form in which such payment shall be made. An Eligible Employee’s Deferral Elections shall remain in effect until cancelled or modified.

(b) Timing of Elections.

(c) (i) Annual Elections. Except as set forth in paragraph (ii) below, Deferral Elections shall be made on or before December 31 (or such other date, as determined by the Plan Administrator) of the year prior to the calendar year to which the Deferral Election applies. Any Deferral Election under this paragraph shall (i) be irrevocable, except as otherwise determined by the Plan Administrator; provided, however, that in no event may such a Deferral Election be modified or revoked after December 31st of the year prior to the year in which such election is to be effective, and (ii) apply only with respect to compensation for services performed during the calendar year following the calendar year in which such election is made.

(d) (ii) Initial Eligibility. With respect to any individual who (1) first becomes an Eligible Employee after January 1 of any year, and (2) is not already eligible to participate in another nonqualified deferred compensation plan that would be aggregated with the Plan for purposes of section 409A of the Code, such Eligible Employee may make an initial Deferral Election no later than the thirtieth (30th) day after the date on which such individual becomes an Eligible Employee. Any Deferral Election under this paragraph shall (i) be irrevocable, and (ii) apply only with respect to compensation for services performed (y) after the date such election is effective, and (z) during the calendar year in which such election was made.

(e) Compensation Subject to Elections. A Deferral Election shall specify the portion of an Eligible Employee's compensation that shall be deferred under the Plan, in accordance with the following (and, in each case, only if permitted by the Plan Administrator): (i) up to 80% (or such lower percentage, as determined by the Plan Administrator), in whole percentage increments, of the Eligible Employee's base salary, (ii) up to 80% (or such lower percentage, as determined by the Plan Administrator), in whole percentage increments, of any bonus payable to the Eligible Employee, and (iii) all or a portion (as determined by the Plan Administrator) of such other compensation as may be payable to the Participant, as determined by the Plan Administrator.

(f) Form of Distributions. A Deferral Election shall indicate that the compensation subject to such Deferral Election (as adjusted for earnings equivalents) shall be paid in one of the following forms:

(i) Lump sum payment;

(ii) Five (5) annual installments;

(iii) Ten (10) annual installments; or

(iv) Fifteen (15) annual installments.

The amount of any annual installment paid in accordance with this Section shall, subject to Section 5, be equal to the balance of the portion of the Participant's Deferred Compensation Account attributable to the applicable Deferral Election, determined as of the close of business on the day before the distribution, divided by the number of remaining installments with respect to such Deferral Election.

(g) Time of Distributions. A Deferral Election shall indicate that the compensation subject to such Deferral Election (as adjusted for earnings equivalents) shall be paid or payment shall commence, as applicable, upon:

(i) with respect to amounts credited to a Participant’s subaccount for years beginning on or before January 1, 2019, the later of:

(A) The month following the six (6) month anniversary of the Participant’s Separation from Service; and

(B) The month in which the Participant attains age 55, 60, 65 or 70, as elected by the Participant (the “Age Election”); and

(ii) with respect to amounts credited to a Participant’s subaccount for years beginning on or after January 1, 2020, either:

(A) The month following the six (6) month anniversary of the Participant’s Separation from Service; or

(B) The year selected by the Participant (which may be designated in any manner determined by the Plan Administrator, such as the year the Participant attains a specific age, a fixed number of years after the Participant attains a specific age or any other specific date) (such election, an “Other Election”). In the case of an election under this clause (B), the Plan Administrator shall have discretion to determine when in such year the applicable payments shall commence.

(h) Subsequent Deferral Elections. Subject to rules established by the Plan Administrator, a Participant may modify the “form of distribution” “Age Election” and/or the “Other Election” components of his or her Deferral Election (a “Subsequent Deferral Election”) in accordance with the following:

(i) a Participant may only make one (1) Subsequent Deferral Election with respect to each Deferral Election;

(ii) the Subsequent Deferral Election must be made at least twelve (12) months prior to the date on which the Participant would have received a distribution had no Subsequent Deferral Election been made;

(iii) the Subsequent Deferral Election will not take effect until twelve (12) months after such Subsequent Deferral Election was made;

(iv) the Subsequent Deferral Election will cause the Participant to receive a distribution no earlier than the fifth (5^{th}) anniversary of the date the Participant would have received a distribution had no Subsequent Deferral Election been made; and

(v) the Subsequent Deferral Election will be irrevocable.

(i) Default Elections. If a Deferral Election does not indicate a valid time of distribution, the Participant shall be deemed to have elected to receive the compensation subject to such Deferral Election on the six (6) month anniversary of the Participant's Separation from Service. If a Participant's Deferral Election does not indicate a valid form of distribution, the Participant shall be deemed to have elected to receive the compensation subject to such deferral in the form of a lump sum payment.

3. Deferred Compensation Accounts. The Company shall establish on its books an account (a "Deferred Compensation Account"). Each Deferred Compensation Account shall be divided into a separate subaccount with respect to each Deferral Election made by the Eligible Employee. Each subaccount shall be credited with the amount deferred for the year to which such Deferral Election applies. Each subaccount shall also be credited or debited with the amount ("earnings equivalents") equal to the rate of return or loss, as the case may be, attributable to the Participant's earnings elections. Deferred Compensation Accounts and the respective subaccounts shall be for bookkeeping purposes only, and neither the Company nor any Affiliate shall be obligated to set aside or segregate any assets in respect of such accounts.

4. Earnings Elections. The Plan Administrator shall from time to time designate two or more investment benchmarks, the rates of return or loss of which, based upon a Participant's earnings election, shall be used to determine the rate of return or loss to be credited to the subaccounts established within the Participant's Deferred Compensation Account. A Participant's earnings election shall specify the percentages (in whole percentage increments) of the investment benchmarks that shall be used to determine the rate of return or loss applicable to

his or her Deferred Compensation Account, and the Participant may change his or her earnings election at such time and in such manner as shall be specified by the Plan Administrator, from time to time.

5. Distribution.

(a) In General. Subject to the remaining subsections of this Section 5, distributions of amounts credited to a Participant's Deferred Compensation Account shall be made at the time and in the manner indicated in such Participant's Deferral Elections, taking into account any valid Subsequent Deferral Election. The amount of any distribution pursuant to this Section 5 shall be reduced by any amount required by law to be deducted or withheld, including income tax withholding.

(b) Distributions in the Event of Death. In the event of a Participant's death, the balance of the Participant's Deferred Compensation Account, if any, shall be distributed to the Participant's Beneficiary in a single lump sum within ninety (90) days following the Participant's death; provided, however, that if installment payments have commenced to the Participant, then all amounts subject to such installment payments shall continue to the Participant's Beneficiary.

(c) Small Amount Cash-Outs. Notwithstanding anything herein to the contrary, if the balance of a Participant's Deferred Compensation Account is, at any time following the Participant's Separation from Service equal to or less than the then applicable amount prescribed by section 402(g) of the Code, then the balance of the Deferred Compensation Account will be paid to the Participant or his or her Beneficiary, as applicable, in a lump sum during the later of (i) the month following the six (6) month anniversary of the Participant's Separation from Service, and (ii) the calendar month following the date such balance is determined to be equal to or less than such applicable amount.

(d) Distributions in the Event of a Change in Control. In the event of a Change in Control, the balance of the Participant's Deferred Compensation Account, if any, shall be distributed to the Participant or his or her Beneficiary, as applicable, in a single lump sum within ninety (90) days following such Change in Control.

(e) Acceleration of Payment Due to Unforeseeable Emergency. Upon written request of a Participant, the Plan Administrator may in its sole and absolute discretion permit early payment under the Plan in the event a Participant experiences an "unforeseeable emergency" within the meaning of Section 409A of the Code and the Treasury Regulations promulgated thereunder. An unforeseeable emergency generally would cause severe financial hardship to the Participant resulting from an illness or accident of the Participant, the Participant's spouse, the Participant's Beneficiary or the Participant's dependent (as defined in section 152 of the Code, without regard to sections 152(b)(1), (b)(2) and (d)(1)(B)); loss of the Participant's property due to casualty; or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. Whether a Participant is faced with an unforeseeable emergency permitting a distribution under this subsection (e) is to be determined by the Plan Administrator based on the relevant facts and circumstances of each case, but, in any case, a distribution on account of unforeseeable emergency may not be made to the extent that such emergency is or may be relieved through reimbursement or compensation from insurance or otherwise, by liquidation of the Participant's assets (to the extent the liquidation of such assets would not cause severe financial hardship), or by cessation of deferrals under the Plan. A distribution pursuant to this subsection (e) must be limited to the amount reasonably necessary to satisfy the emergency need.

6. Amendment and Termination. The Plan may be amended or terminated at any time by the Management Development and Compensation Committee of the Board (or a duly authorized delegate thereof), except that no such amendment or termination shall reduce or otherwise adversely affect the rights of a Participant in respect of amounts credited to his or her Deferred Compensation Account as of the date of such amendment or termination; provided, however, that the distribution of Deferred Compensation Accounts in connection with an amendment or termination of the Plan or any amendment to Section 7(c) in respect of the Company's obligation to establish or fund a trust upon a Change in Control shall be deemed not to constitute a reduction of, or to otherwise adversely affect, a Participant's rights in respect of amounts credited to his or her Deferred Compensation Account. The Plan Administrator shall have the right to amend the Plan at any time if such amendment (a) is required or advisable to satisfy or conform to any law or regulation or (b) is administrative in nature.

7. Application of ERISA.

8. (a) Plan Not Funded. The Plan shall not be a funded plan, and neither the Company nor any Affiliate shall be under any obligation to set aside any funds for the purpose of making payments under the Plan. Any payments hereunder shall be made out of the general assets of the Company.

(b) Trust. The Company may establish a trust subject to sections 671, et seq., of the Code to hold assets for the purposes of satisfying the Company's obligations under the Plan. Such trust shall not permit a reversion of any assets of the Company or any Affiliate following a Change in Control. Neither the establishment of, nor the contribution of assets to, any such trust shall relieve the Company of its liabilities hereunder, but such liabilities shall be reduced to the extent of any assets paid by such trust to a Participant.

(c) Funding upon a Change in Control. Upon a Change in Control, the Company shall establish the trust described in Section 7(b) to the extent such a trust has not already been established, and the Company shall deposit in such trust assets sufficient to satisfy its obligations under the Plan, determined as of the date of the Change in Control.

9. Administration. (a) Except as otherwise provided herein, the Plan shall be administered by the Plan Administrator. The Plan Administrator may delegate all or any of his or her authority hereunder. The Plan Administrator shall be charged with the administration of the Plan and shall have the power to interpret the Plan and to adopt such rules and guidelines for implementing the terms of the Plan as it may deem appropriate. Benefits will be paid under the Plan only if the Plan Administrator decides in its sole discretion that an individual is entitled to such benefits.

(b) Subject to the terms of the Plan and applicable law, the Plan Administrator shall have full power and authority to:

(i) interpret and administer the Plan and any instrument or agreement relating to the Plan;

(ii) establish, amend, suspend, or waive rules and guidelines of the Plan;

(iii) appoint such agents as it shall deem appropriate for the proper administration of the Plan;

(iv) make any other determination and take any other action that the Plan Administrator deems necessary or desirable for the administration of the Plan; and

(v) correct any defect, supply any omission, or reconcile any inconsistency in the Plan in the manner and to the extent it shall deem desirable to carry the Plan into effect.

(c) Unless otherwise expressly provided in the Plan, all designations, determinations, interpretations and other decisions under or with respect to the Plan shall be within the sole discretion of the Plan Administrator, may be made at any time and shall be final, conclusive and binding upon all persons, including the Company, any Affiliate, any Participant and any employee of the Company or of any Affiliate.

10. Claims Procedure.

11. (a) If any Participant or distributee believes he or she is entitled to benefits in an amount greater than those which he or she is receiving or has received, such Participant or distributee or his or her authorized representative may file a claim with the most senior employee of the Company and its Affiliates whose responsibilities and duties are primarily related to compensation matters (the "Claims Administrator") or such other employee of the Company which from time to time assumes the responsibilities with respect to the Plan which are allocated to the Claims Administrator. Such a claim shall be in writing and state the nature of the claim, the facts supporting the claim, the amount claimed, and the address of the claimant. The Claims Administrator shall review the claim and, unless special circumstances require an extension of time, within ninety (90) days after receipt of the claim, give written notice by registered or certified mail to the claimant of his or her decision with respect to the claim. If special circumstances require an extension of time, the claimant shall be so advised in writing within the initial ninety (90) day period and in no event shall such an extension exceed ninety (90) days. The notice of the decision of the Claims Administrator with respect to the claim shall be written in a manner calculated to be understood by the claimant and, if the claim is wholly or partially denied, set forth the specific reasons for the denial, specific references to the pertinent Plan provisions on which the denial is based, a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary, and an explanation of the claim review procedure under the Plan and the time limits applicable to such procedure, including a statement of the claimant's right to bring a claim under section 502(a) of ERISA following an adverse benefit determination upon review. The Claims Administrator also shall advise the claimant that such claimant or his or her duly authorized representative may request a review by the Plan Administrator of the denial by filing with the Plan Administrator within sixty (60) days after notice of the denial has been received by the claimant, a written request for such review. The claimant shall be informed, within the same sixty (60) day period, that he or she (a) may be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claimant's claims for benefits and (b) may submit written comments, documents, records and other information relating to the claim for benefits to the Plan Administrator. If a request is so filed, review of the denial shall be made by the Plan Administrator within, unless special circumstances require an extension of time, sixty (60) days after receipt of such request, and the claimant shall be given written notice of the Plan Administrator's final decision. If special circumstances require an extension of time, the claimant shall be so advised in writing

within the initial sixty (60) day period and in no event shall such an extension exceed sixty (60) days. The review shall take into account all comments, documents, records and other information submitted by the claimant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination. The notice of the Plan Administrator's final decision shall be written in a manner calculated to be understood by the claimant and shall include specific reasons for the decision, specific references to the pertinent Plan provisions on which the decision is based, a statement that the claimant is entitled to receive, upon request and free of charge, access to and copies of all documents, records and other information relevant to the benefit claim and a statement that the claimant has the right to bring a claim under section 502(a) of ERISA.

12. (b) No legal action for benefits or eligibility under the Plan or otherwise related to the Plan, including without limitation any lawsuit, may be brought by an Eligible Employee if he or she has not timely filed a claim and a review for such benefits or other matter pursuant to Section 9(a) and otherwise exhausted all administrative remedies under the Plan. No legal action, including without limitation any lawsuit, may be brought in connection with any matter related to the Plan more than one (1) year after the date the Plan Administrator provides written notice of its final decision on the underlying claim.

13. Dispute Resolution. The parties will settle any dispute, controversy or claim arising out of or related to the Plan or any benefits hereunder in accordance with the terms of any then effective Company alternative dispute resolution procedure (which may, from time to time, be referred to as "Solutions") to the extent such dispute, controversy or claim is covered by such procedure.

14. Nonassignment of Benefits. Unless the Plan Administrator agrees, in its sole discretion, to the assignment, alienation or transfer of benefits under the Plan (e.g., in connection with a domestic relations order), it shall be a condition of the payment of benefits under the Plan that neither such benefits nor any portion thereof shall be assigned, alienated or transferred to any person voluntarily or by operation of any law, including any assignment, division or awarding of property under state domestic law (including community property law).

15. No Guaranty of Employment. Nothing contained in the Plan shall be construed as a contract of employment between the Company or any Affiliate and any individual or as conferring a right on any individual to be continued in the employment of the Company or any Affiliate.

16. Miscellaneous.

17. (a) FICA Taxes. Notwithstanding Section 2, all federal and state income taxes and the tax imposed by section 3121 of the Code with respect to any amount deferred pursuant to the Plan shall be withheld and contributed from the portion of the Participant's salary not deferred pursuant to the Plan at the time and in the manner prescribed by law.

(b) Successors; Binding Agreement. The Plan shall inure to the benefit of and be binding upon the beneficiaries, heirs, executors, administrators, successors and assigns of the Company and the Participants, and any successor to the Company or an Affiliate.

(c) Headings. The headings and captions herein are provided for reference and convenience only, shall not be considered part of the Plan and shall not be employed in the construction of the Plan.

18. (d) Notices. Any notice or other communication required or permitted pursuant to the terms hereof shall have been duly given when delivered or mailed by United States mail, first class, postage prepaid, addressed to the intended recipient at his, her or its last known address.

(e) Employment with Affiliates. For purposes of the Plan, employment with the Company shall include employment with any of the Affiliates.

(f) Governing Law and Venue; Validity. The Plan shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Delaware (without regard to principles of conflicts of laws) to the extent not preempted by Federal law, which shall otherwise control. To the extent any claim or other legal action involving or related to the Plan may be brought in any court notwithstanding Section 10 of the Plan, such legal action must be brought in the United States District Court for the Northern District of New York and no other Federal or state court. If any provision of the Plan shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, and the Plan shall be construed and enforced as if such provision had not been included.

(g) Section 409A. The Plan is intended to comply with the requirements of section 409A of the Code and the regulations thereunder ("Section 409A") and shall be interpreted and construed consistently with such intent. In the event the terms of the Plan would subject any Participant or Beneficiary to taxes or penalties under Section 409A ("409A Penalties"), the Company may amend the terms of the Plan to avoid such 409A Penalties, to the extent possible. Notwithstanding the foregoing, under no circumstances shall the Company be responsible for any taxes, penalties, interest or other losses or expenses incurred by a Participant or other person due to any failure to comply with Section 409A.

IN WITNESS WHEREOF, the Plan Administrator has caused this instrument to be executed by its duly authorized officer on this 25th day of June, 2026.

By:/s/ David Casto____________________________

Name: David Casto

Title: EVP& Chief Human Resources Officer

Exhibit 31(a)

Certification Pursuant to
Rules 13a-14(a) or 15d-14(a) Under the Securities Exchange Act of 1934, as Amended

I, Brian D. Doubles, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Synchrony Financial;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: July 23, 2026

/s/ Brian D. Doubles

Brian D. Doubles
Chief Executive Officer

Exhibit 31(b)

Certification Pursuant to
Rules 13a-14(a) or 15d-14(a) Under the Securities Exchange Act of 1934, as Amended

I, Brian J. Wenzel Sr., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Synchrony Financial;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 23, 2026

/s/ Brian J. Wenzel Sr.

Brian J. Wenzel Sr.
Chief Financial Officer

Exhibit 32

Certification Pursuant to
18 U.S.C. Section 1350

In connection with the Quarterly Report of Synchrony Financial (the “registrant”) on Form 10-Q for the period ended June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the “report”), we, Brian D. Doubles, Chief Executive Officer, and Brian J. Wenzel Sr., Chief Financial Officer, of the registrant, certify, pursuant to 18 U.S.C. § 1350, that to our knowledge:

1. The report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

Date: July 23, 2026

/s/ Brian D. Doubles
Brian D. Doubles
Chief Executive Officer

/s/ Brian J. Wenzel Sr.
Brian J. Wenzel Sr.
Chief Financial Officer