

#### VISION

To be the leading direct bank and payments partner.

#### MISSION

To help people spend smarter, manage debt better and save more so they achieve a brighter financial future.

#### VALUES

Doing the right thing

Innovation

Simplicity

Collaboration

Openness

Volunteerism

Enthusiasm

Respect

DISCOVER®

2500 Lake Cook Road • Riverwoods, Illinois 60015 • [Discover.com/company](http://Discover.com/company)

2015

CORPORATE RESPONSIBILITY REPORT

DISCOVER®



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## COMMITMENT TO CARING

The Discover culture is built on the fundamental belief that helping our customers, communities and our people makes our world a better place and our company stronger. It has been part of the fabric of our organization since we were founded 30 years ago.

This founding principle has shaped our mission of helping people achieve a brighter financial future and has guided the products and services we offer our customers to help them meet their financial goals. It has also helped us retain some of the best talent in the industry.

We are committed to being a good corporate citizen and making a difference in the lives of people we serve. Discover's award-winning customer service is driven by our philosophy of putting our customers first. Focusing on culture and inclusion has provided a diverse employee community at Discover that has fostered innovation and growth. Preserving the environment is our responsibility to generations to come.

Inside this report, you'll find information about Discover's corporate responsibility efforts over the last two years, highlights of which include:

- Bringing financial education to nearly 1 million students in schools across the country through the expansion of our Pathway to Financial Success program.
- Expanding our focus on diversity and inclusion, illustrated by the nearly 60 percent of employees who are part of our Employee Resource Groups.
- Ranking "Highest in Customer Satisfaction with Credit Card Companies, Two Years in a Row" by J.D. Power.
- Supporting our communities through the 50,000+ hours of volunteer time that Discover employees give annually across the country.

These accomplishments would not have been possible without the work of Discover employees. By working together, we have been able to make an impact on our community and in the world around us. Looking ahead, we will continue our commitment to caring, taking into account the needs of all of our constituents.

I'm proud of our efforts every day, and remain inspired by the opportunities to continue to make a real difference in the future.

David Nelms  
Chairman and Chief Executive Officer

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# OUR COMPANY

## ACHIEVING A BRIGHTER FINANCIAL FUTURE

Since 1986, our company has helped people spend smarter, manage debt better and save more. We care for our cardmembers, and have built our company and designed our products and services to meet their needs. Discover's customer-first approach extends through everything we do, and fuels our social responsibility efforts. Our continued focus on customer service is central to our business and success as a Fortune 500 company.

### We finished 2015 with:



A net income of **\$2.3 billion**



Growth in total loans of **3.5%**



## BRINGING FLEXIBILITY AND FEATURES TO CARDMEMBERS

We care for customers by offering financial services that make reaching their goals possible. We help people achieve a brighter financial future, with everything from Discover-branded credit cards and student loans to our PULSE® ATM/debit network and global payments network Diners Club International®.

In 2015, we unveiled a new feature designed with innovation and customers' security in mind. The Freeze It<sup>SM</sup> feature acts like an on/off switch to stop new purchases and just as easily turn them back on. The Freeze It feature provides:

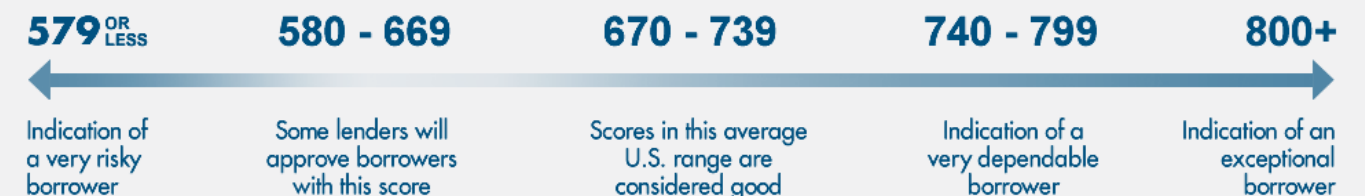
- ✓ Easy activation from a mobile device, online or over the phone
- ✓ Continued activity for some account elements, like recurring bills, returns and reward redemptions
- ✓ Alerts if a transaction is declined while Freeze It is activated

Also in 2015, we gave cardmembers the ability to connect their Discover cards to Apple Pay. Benefits include:

- ✓ Extra 10 percent *Cashback Bonus* for cardmembers in the U.S. through the end of 2015
- ✓ The same protection, services and benefits offered by Discover, including \$0 Fraud Liability Guarantee
- ✓ Convenience of mobile payment using cell phone



Discover was the first major card issuer to offer its cardmembers free access to their FICO scores back in 2013. Along with job-loss support, payment flexibility and cashback rewards, free FICO is yet another way we arm our customers with important and valuable information to help them make smart financial decisions.



## VALUING ETHICS AND INTEGRITY

We bring our principles of integrity to life through our corporate social responsibility efforts and service to communities across the nation. Discover employees are held to the high standards outlined in our Code of Conduct. We offer a hotline run by an independent vendor so employees have a channel to report incidents anonymously and confidentially.





# OUR PEOPLE

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We believe that investing in employee growth and happiness only strengthens the products and services we provide our customers.

We care about growing the careers of our employees, and believe it is important to recognize and reward their good work. We want to support what they care about most inside the office and out – their development and growth, their health and their families – so we are proud to offer a robust suite of employee benefits, services and tools that focus on these priorities.

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# OUR PEOPLE

## FOCUSING ON CULTURE AND INCLUSION

We are committed to drawing from different backgrounds and perspectives to attract the best talent possible. These varying viewpoints drive broader thinking, as well as innovations and products to meet the changing needs of our customers and communities.

With a diverse employee community comes the need to ensure every Discover employee feels a sense of belonging and inclusion. In recent years, we transformed and grew our diversity initiatives and education. To better connect employees and build communities, we provided groups, tools and resources. For example, we offer e-training courses focusing on diversity, including topics like “Business Case for Diversity,” “Diversity on the Job” and “Managing Diversity.”



**60% of employees**  
are a part of at least  
one resource group

The Discover employee community is about 15,000 members strong, connected through a powerful sense of community and support of others. These characteristics led us to create our Employee Resource Groups (ERGs), which help employees come together not only to support Discover’s business goals, but to create an inclusive environment and grow their careers. As they grow, these groups continue to shape our company’s culture and values.

Since 2013, ERGs have grown from just seven in our Riverwoods, Illinois, headquarters to 35 across our offices in the U.S. and in Shanghai. In total, there are nearly 8,500 ERG members.



## Recognizing diversity and inclusion milestones

2013		2014	
Introduced ERGs to employees, starting in our Riverwoods headquarters		Hosted an inaugural two-day ERG Leadership Academy	
2015			
Created Diversity Dashboards across all lines of business to outline current representation of women and minorities and help all business units enhance diversity	Participated in the Men on Board program sponsored by the Global Women’s Leadership Forum, and shared learnings from Discover to promote a culture that supports sponsorship plans for female protégés	Asia Society presented Asian Professionals at Discover ERG with four Best Employer distinctions	Earned a perfect score for the Human Rights Campaign Corporate Equality Index annual survey, for the second consecutive year. The survey is used as a national benchmarking tool on corporate policies and practices relevant to lesbian, gay, bisexual and transgender people

## CONTINUOUS LEARNING

The financial industry is ever-changing. Every Discover employee has the opportunity to advance their skills and meet the needs of their evolving role through professional and leadership development. But we don’t stop with individual employees. Our manager-level employees each have a “People Goal” that prioritizes their personal development as well as the development of their team members.



# CAPTURING THE VALUE OF EMPLOYEE RESOURCE GROUPS



## Honoring Military Veterans

“I always was proud of my service to the country, but listening to the diversity of others who served or had families in the military has provided me with an amount of pride that I didn’t have before.”

- Chris Martin



## Professional Women Impacting Results

“My goal in taking a leadership role within PWIR is to provide members with an environment that increases engagement and enhances leadership results, and to inspire individuals to realize their potential and be more than they think they can be.”

- Suzanne Smits



## PRIDE

“Being a part of PRIDE has been one of the highlights of my career at Discover. I love that I can bring my passion for social justice and LGBT equality into the workplace on a daily basis.”

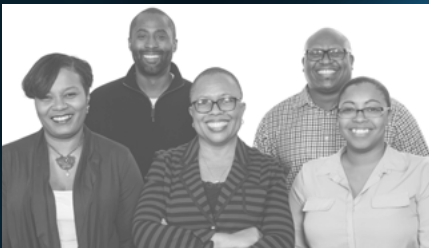
- Michael D. Payne



## Asian Professionals at Discover

“I’ve received a wealth of leadership experience since joining Asian Professionals at Discover and have improved my network, not only with our executive sponsor and his senior staff, but with parts of Discover I would normally not interact with through my work alone.”

- Kelvin Leung



## Black Organizational Leadership at Discover

“As a longtime Discover employee, serving in an [employee resource group] has provided a new avenue for me to develop and demonstrate my leadership skills.”

- Kim Holmes



## Generations of Leaders at Discover

“I have been at Discover for five years and have always enjoyed the sense of community we have here. I looked at joining GOLD as an expansion of that community and a way to cultivate relationships with employees outside my normal work area. I see GOLD as a group where any employee can feel welcome to join and participate. It allows employees from multiple areas and backgrounds to come together and exemplifies Discover’s core values.”

- Michael Frasca



## Helping Organize Latino Achievement

“Being part of HOLA challenges me to be a better person by giving back to our communities through Junior Achievement. I also get motivated by listening and learning from others. Most importantly, engaging HOLA members, getting to know them and working together in HOLA initiatives is highly rewarding to me.”

- Hilda Leo



## Young Professionals Organization at Discover

“I initially joined YPOD to expand my Discover network and learn more about other areas of the business. However, I quickly learned the best part of YPOD is the incredible group of passionate people that go above and beyond and because of this, YPOD has taken innovation to a whole level in terms of career development, TEDx, ThinkTank, Community and Technology at Discover. It’s really exciting to be a part of that.”

- Binti Patel



## Accentuating Discover Abilities

“My goal in co-founding the ADA Employee Resource Group was to improve upon our inclusion of employees with disabilities in the workplace, as well as increase resources for employees who are family members of individuals with disabilities. ADA helps to ensure that Discover is tapping into the unique talents of one of the largest underrepresented populations, while also providing the resources needed for employees to reach their full potential.”

- Sarah Helm



# OUR PEOPLE

## LEADERSHIP TRAINING

We know the best talent often comes from within the walls of Discover. It's our responsibility to give employees the training they need to realize their full potential.

Our managers are equipped to help their team members receive the training they want, set and establish a development plan and build our internal talent pipeline. Nearly one-third of open positions at Discover were filled internally in 2015.

At our Salt Lake Customer Care Center, we've formalized a process that gives employees the skills they need to grow

from customer care center roles to leadership positions. Launched in January 2015, the Leadership Education Advancement Program (LEAP) provides employees leadership training and one-on-one mentoring through a partnership with Westminster College in Utah.

Employees nominated for LEAP have flexible schedules that ensure they can study, complete homework and attend classes, all while working at Discover.

“

The thing I enjoy most about the LEAP program is the amount of support... it could never be matched by attending college on my own time and own dime.

- Ellen Stephenson

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## EMPLOYEE DEVELOPMENT



We have provided more than 1 million hours of employee education every year through our award-winning training and development program.

Our investment in employee training and development is gaining attention within the industry. In 2014 and 2015, Discover was awarded Best Call Center Training Program by the International Quality and Productivity Center (IQPC).





# OUR PEOPLE

## EARNING INDUSTRY ACCOLADES

### TOP SPOT FROM J.D. POWER

Customer satisfaction has been a priority for Discover since the Discover card was introduced in 1986, and we continue to grow our company on the belief that customers come first. That’s why we are so proud that Discover ranked “Highest for Customer Satisfaction with Credit Card Companies, Two Years in a Row,” according to the J.D. Power U.S. Credit Card Satisfaction Study<sup>SM, 1</sup>



**Highest ranking**  
Earned by Discover  
in J.D. Power study

“

**The recognition by J.D. Power as a leader in customer satisfaction with credit card companies in the U.S. would not be possible without our tremendously loyal cardmembers. Discover has all of its call centers here in the United States, and our employees pride themselves on creating the best possible experience for our cardmembers.**

”

*- David Nelms, Discover Chairman and CEO*

In 2015, Discover received its highest-ever overall score in the nine years J.D. Power has recognized credit card companies’ customer satisfaction. Based on more than 20,000 credit card users’ opinions, Discover was rated highest in every major category including credit card terms, billing and payment, rewards, benefits and services, problem resolution and channel activities.

<sup>1</sup>Discover received the highest numerical score among credit card issuers in the proprietary J.D. Power 2014 - 2015 Credit Card Satisfaction Studies<sup>SM</sup>, tied in 2014. 2015 study based on responses from 20,730 consumers measuring 10 card issuers and measures opinions of consumers about the issuer of their primary credit card. Proprietary study results are based on experiences and perceptions of consumers surveyed in September 2014 - May 2015. Your experiences may vary. Visit [jdpower.com](http://jdpower.com).

### DISCOVER RECOGNIZED BY THE WHITE HOUSE

In 2015, Discover’s training and development program took the national stage. We joined 150 employers, labor leaders, foundations, nonprofits, educators and technology innovators across America at the White House Upskill Summit. The summit recognizes employers that equip workers with the skills they need to advance toward better-paying jobs.

As part of the summit, Discover was recognized for its investment in the training, development, coaching and mentoring of frontline agents in our four customer care centers.





# OUR PEOPLE

## HONORING OUR FEMALE LEADERSHIP

We work hard to support our female employees and set a precedent to be a leader within the industry. Nearly 30 percent of Discover’s Executive Committee is comprised of women, which reflects the emphasis we place on fostering the advancement and recognition of women.

With 25 percent female Board representation, Discover was recognized as a top company on Women’s Forum Inc.’s list of 2015 Corporate Champions.

### Two women on our Executive Committee have recently been in the spotlight.



**Diane Offereins,**  
Executive Vice President and President of Payment Services, was listed as No. 4 in *American Banker’s* 2015 “Most Powerful Woman in Finance.” Diane was also named one of PaymentsSource’s “Most Influential Women in Payments” for the past three years.



**Kelly McNamara Corley,**  
Executive Vice President and General Counsel, was honored with a POW! Award from *Womenetics*, which provides high-caliber content, programs and services to accelerate business by advancing women leaders. She was also listed on the GC Powerlist as one of the most powerful corporate advisors.

## OTHER AWARDS

We are proud of the awards and distinctions we’ve earned in recent years related to our people:

### America’s Most Honored Companies

by *Institutional Investor Magazine*, 2016 All-America Executive Team ranking

### Midwest Acquirers Association Industry Achievement Award

presented at the MWAA annual conference

### Top 25 Most Influential Companies for Veteran Hiring

from *Diversity Journal*

### Best Places to Work for LGBT Equality

for the third consecutive year, after receiving a perfect score on the annual Corporate Equality Index administered by the Human Rights Campaign Foundation

### Four Best Asian Pacific American Employer Awards

presented by the Asia Society

### Scott C. Solberg Award for Outstanding Commitment to Pro Bono Service

presented by the Legal Aid Society of Metropolitan Family Services

### Top spot in the credit card category in customer brand loyalty

for the 19th consecutive year, according to the 2015 Brand Keys Customer Loyalty Engagement Index®

### Best Training and Development Program & Best Marketing Team that Supports CS category

at the Internal Quality & Productivity Center (IQPC) Call Center Week

### Best of State award in the financial services category

earned by our Utah Customer Care Center

### No. 11 Top Places to Work

*The Salt Lake Tribune*

### No. 22 in Top 100 Workplaces

*Chicago Tribune*

### No. 5 Top Workplaces

*The Delaware News Journal*

### CareerBuilder’s Top Companies to Work for in Arizona

*The Arizona Republic*

# OUR PEOPLE



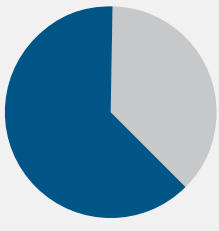
## SUPPORTING PROFESSIONAL AND PERSONAL GOALS

We believe that when employees feel better, they help make the company better. That’s why we developed “LiveWell,” a suite of employee benefits and programs that allow Discover employees to focus on their health and wellness.

### HEALTH EVALUATIONS AND COACHING



Employees have access to **free health coaching** once they complete a health evaluation



More than **8,500 employees** took the health evaluation in 2015



Up to **\$500 credit** earned by employees who complete the health evaluation

### ONSITE CENTERS AND CLINICS: BY THE NUMBERS



**5** fitness centers



**3,600** employee members



**5** clinics



Our fitness centers offer basketball and volleyball leagues, along with seated massage therapy



In 2015, through an annual weight loss challenge, over 2,250 employees together lost more than **5,600 lbs** over a 17-week period



# OUR PEOPLE

## ONSITE WEIGHT WATCHERS® PROGRAM

Employees join other members of the Discover community to meet their weight-loss goals through an onsite Weight Watchers® program. This popular program is offered at six Discover locations and the cost of the program is fully reimbursed to participants.

“

**The best part about the program was the convenience of having our Weight Watchers meetings on campus. Having your colleagues at work participate in the program alongside you also keeps you motivated to stay on the program and lose weight. Weight Watchers is a lifestyle for me now. I’ve met my weight loss goal and I’m still ‘in it to win it’ and can’t wait to help the newest group of Weight Watchers employees meet theirs.**

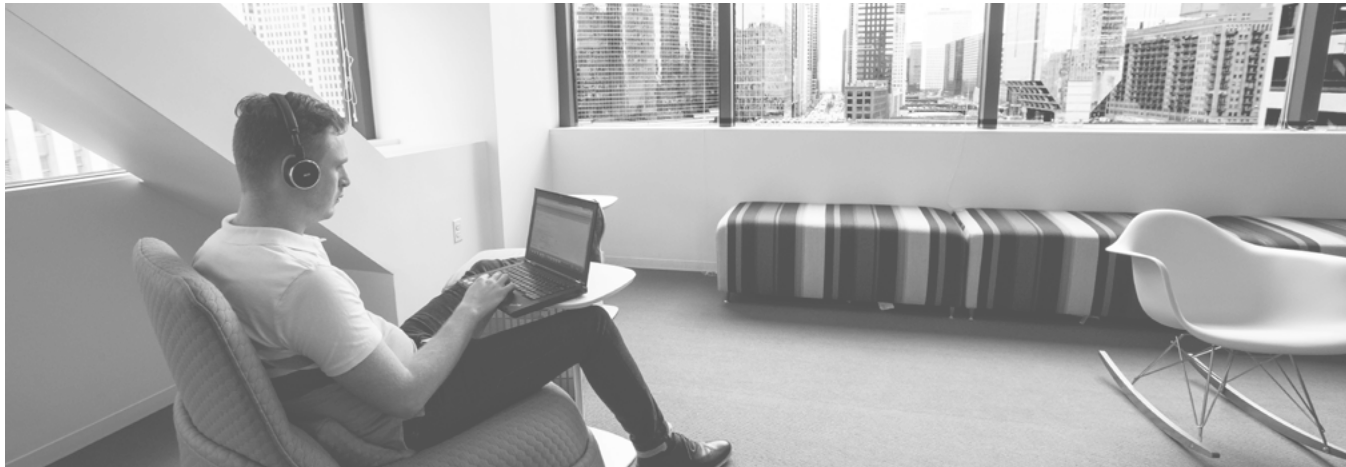
*- Deanna Ore, New Albany, OH*

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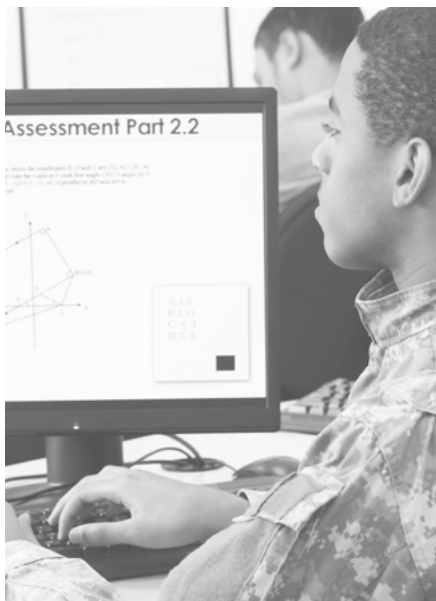
## WORKPLACE & SCHEDULE FLEXIBILITY

For employees, increased flexibility on the hours or location in which they work can help strike a balance between professional and personal time. This is why Discover continues to offer employees flexible work arrangements, such as part-time, flex-time, compressed workweek, job-sharing, reduced work schedule and telecommuting to meet their individual needs.

In 2014, we opened a satellite office in downtown Chicago, with space for up to 300 of our Chicago-area employees. Sixteen percent of our local workforce lives within Chicago’s city limits, and the satellite office gives them the opportunity to work downtown where they can access company files and systems.



## MILITARY EMPLOYMENT OPPORTUNITIES



Discover works to attract, develop and retain active-duty military members, veterans, reservists and military family members because of the distinctive skills and experiences they bring to our organization. We also understand the unique set of challenges that military employees and their families face when it comes to securing full-time employment.

Discover’s Work-@-Home program, part of our military outreach program, was created by a Discover employee who grew up in a military family and recalled the struggles his parents faced when trying to

find employment. The Work-@-Home program offers employees who are military personnel and their families more flexible, local employment that accommodates the uncertainty of their schedules. Employees in the program are able to work where they can be most efficient and productive while still getting the structure and support of a large company.

The program was founded at Discover Bank in Delaware, but has since expanded to 11 states.

## TUITION REIMBURSEMENT

Discover’s Tuition Reimbursement program is based on the principle that university classes and degree programs provide measurable value to both our employees and our business. If employees meet necessary eligibility, including administrative responsibilities, Discover provides the following reimbursements:

- \$2,500 toward an associate degree (nontaxable)
- \$5,250 toward a bachelor’s degree (nontaxable)
- \$10,000 toward a graduate degree (\$5,250 is nontaxable, the remaining \$4,750 is taxable)
- Reimbursement covers up to 90 percent of all tuition costs (books/general fees are not covered)

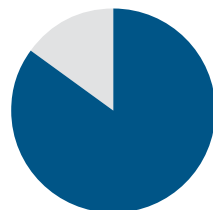
In recent years, we’ve partnered with various universities to host onsite higher-learning events. A key benefit of our university relationships is the option to defer tuition so employees don’t need to pay the total cost of classes upfront.





# OUR PEOPLE

## 401(K) RETIREMENT PROGRAM



**86% of our employees** participate in the 401(k) program

Our mission to help people spend smarter, manage debt better, and save more so they can achieve a brighter future applies not only to our customers, but also our employees. Discover offers a robust 401(k) program that automatically enrolls employees at a 3 percent contribution rate, unless employees opt out. Discover also provides a fixed contribution, even if our employees don't make individual contributions, and we match a portion of employee contributions.

## SAFETY & WELL-BEING



Keeping our employees safe and secure while they're at work is critical. To ensure their physical safety and security of the property, we've introduced new policies and equipment:

- Our enterprise-wide video management system allows us to access and monitor all cameras from Riverwoods headquarters.
- Across our company, we have 47 EMTs and paramedics who are trained to help during an emergency.
- Through free classes offered each quarter, 167 employees have been trained and certified in First Aid, CPR and AED use.
- In the past two years, we've added more defibrillators and have already expanded our program in 2016.



# OUR PEOPLE



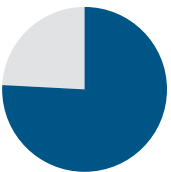
## EMPLOYEE DISTINCTIONS

Rewarding employees for their hard work is an important part of our culture. We believe such recognition motivates employees and drives engagement. The following awards reflect employees’ positive contributions.

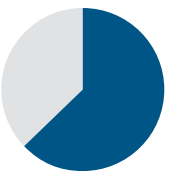
### PRESIDENT’S PLATE AWARD

This long-standing award is given to employees who achieve exemplary business results while demonstrating Discover’s values and leadership behaviors. Employees who earn the award are recognized during a company-wide ceremony. In 2015, 260 employees were awarded the President’s Plate.

The President’s Plate Awards continue to excite and motivate employees, according to a recent survey:



**76% of employees** felt excited about the future of the company and their role after the recognition event



**63% of employees** said seeing winners receive company-wide recognition motivated them

### BRAVO! PROGRAM

Our online recognition program helps employees easily show their appreciation for one another. Employees accumulate points for their outstanding performance, which can be redeemed for different rewards, including merchandise, gift cards, tickets and more. As of December 2015, program successes included:



**More than 30,000 recognitions** sent from colleagues in just over three weeks



**More than 85% of managers** used the site to recognize employees

### PINNACLE OF EXCELLENCE AWARD

The Pinnacle of Excellence Award recognizes our customer care center agents, team leaders and customer service employees who demonstrate superior job performance and exemplify the Discover values. In 2015, winners from around the country were brought to our Riverwoods headquarters to be recognized by their colleagues and celebrate their accomplishments.



# OUR COMMUNITIES

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The Discover culture is built on the fundamental belief that giving back to the communities around us makes our communities and company stronger. Whether volunteering or promoting financial education in our schools, providing service to others is a pillar of our culture.

We focus on applying our business strengths and expertise to make the biggest impact possible in local communities. The Discover Cares program empowers Discover employees to give back by devoting time, knowledge and energy toward three main areas:

1. Creating brighter financial futures by supporting financial education
2. Driving success in schools by empowering our youth
3. Showing our commitment to the community by volunteering with existing partners in local communities

In 2015, Discover employees spent more than 55,000 total hours volunteering. They also donated more than \$350,000 to charities across the country during the same period, bringing communities together and positively impacting lives.

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# OUR COMMUNITIES

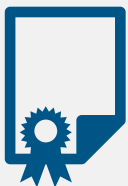
## 1. CREATING BRIGHTER FINANCIAL FUTURES

### PATHWAY TO FINANCIAL SUCCESS

Whether it's helping customers, employees or today's youth save more or manage debt better, Discover has always been committed to financial education. Since its launch in 2012, Discover's Pathway to Financial Success program has brought financial education to high school students in all 50 states.

Our 5-year, \$10 million-commitment provides teachers in public high schools with financial resources to implement financial education in the classroom and arm their students with financial skills and knowledge. The goal of the program is simple: Give students the skills they need to succeed, so they can achieve a brighter financial future.

In 2015, the Pathway program reached key milestones:



More than **1,200** total grants awarded



More than **900** schools and districts across the country provided personal finance instruction



Nearly **1 million** students exposed to financial education through the Pathway program

We are focused on increasing Pathway's reach through grants to entire school districts. Today, nearly 25 percent of our grants have been awarded to districts. Three of our largest grants in the past two years were given to Montgomery, Alabama; San Bernardino, California; and San Diego, California. To learn more about the program, visit [PathwayToFinancialSuccess.org](http://PathwayToFinancialSuccess.org).

When students were asked what they liked best about the personal finance course, they responded:

“ I liked that it taught you about things you need for your future. You don't get much help for these things, unless you get it from your parents, so it's nice that they have a course for it! ”

Discover has earned accolades and industry distinctions for the Pathway program, including:



2015 EverFi Innovation in Financial Education



2014 Excellence in Financial Literacy Education (EIFLE) Organization of the Year – Corporate Leadership



2014 Bronze Anvil for Consumer Services



2014 Publicity Club of Chicago Golden Trumpet

Beyond the Pathway program, we partner with organizations and schools nationwide to support our focus on financial education and enrichment for students.





# OUR COMMUNITIES

## JUNIOR ACHIEVEMENT

Discover is proud to be a long-standing partner of Junior Achievement (JA), an organization that works with millions of young people to accomplish workplace readiness, entrepreneurship and financial literacy. Discover reached new levels in terms of the number of JA classes taught and volunteer participation in 2015. Outside of the classroom, we support JA in two additional ways:



The “JA: You’re Hired!” program offers a flexible, hands-on way for our employees to introduce students to the world of business. As part of the program, local high school students visit our Riverwoods, Illinois, campus and hear from employees in a business setting. During the visit, students are coached on resumes, interviewing, networking, personal branding and financial planning.



In three cities across the U.S., Discover sponsors and provides volunteers at “JA City,” which consists of a day-long visit to a fully interactive, simulated free-market lab where students become adults for a day and practice their financial skills.

**Discover Bank, headquartered in Delaware, also provides financial support and programming for students. Highlights include:**

### Teach Children to Save Day



Volunteers taught **200 students** about financial literacy

### Bank at School

With the Delaware Financial Literacy Institute and University of Delaware Center for Economic Education



Discover volunteers support **four elementary schools and one middle school** by helping students set up savings accounts



**107 students** set up accounts, with total deposits of **\$4,800**





# OUR COMMUNITIES

## 2. DRIVING SUCCESS IN SCHOOLS

Beyond teaching financial education, Discover aims to Drive Success in Schools by empowering youth in all areas of development. Our employees and leaders have formed relationships with local organizations, schools and school districts that go beyond funding education-based programs, to organizing volunteer activities year-round and supporting local efforts in a variety of ways.



**MENTORING**  
Discover has supported Big Brothers Big Sisters for six years. Discover mentors meet with their mentees each month to help with reading, homework, play games and develop social interaction skills.



**SCHOOL SUPPLIES**  
Discover employees packed backpacks to be distributed to nearly 4,500 children across the U.S. This work is important to us because it helps provide students with the tools and supplies they need to be successful in their education.



**PLAY SPACES**  
Our marketing employees partnered with KaBOOM! to build a playground in Park City, Illinois. Employees took a break from their desk jobs to create a 5,850-square-foot playground that will serve 2,300 children.

### BOYS & GIRLS CLUBS



Discover began supporting Boys & Girls Clubs of Chicago in 2014, which includes monthly volunteerism activities for employees at our adopted Logan Square Boys & Girls Club. Last summer, 150 Discover interns hosted an Olympic Day Zoo Scavenger Hunt with children.

We also support the Boys & Girls Club of Lake County, Illinois, to help its young members gain the skills they need for the future. Since 2009, we’ve provided funding that goes to support the “Power Hour,” an after-school program where children can go for homework help, as well as various volunteer activities and drives to support Club needs. Our support for the Club also has provided funding for local high school students to serve as interns at the Club, which provides students with essential career skills and experience and the Club with administrative support to serve more youth every day.

# OUR COMMUNITIES

## 3. COMMITMENT TO THE COMMUNITY

We believe being a good corporate citizen makes us a stronger company. Our partnerships with customers and communities extend beyond financial education, including:



### Reducing Hunger

In November 2015, Discover employees collected more than 21,000 pounds of food during a two-week food drive. In addition to the food, we donated \$5,000 to each local food bank near our centers. Additionally, in 2015 Discover partnered with Feed6, an organization dedicated to feeding hungry and food-insecure families across the U.S. In just two hours, volunteers packaged 20,000 meals to be distributed to people in need through local soup kitchens and community pantries.



### Supporting Military Families

We provide support to members of the military in many ways, both those within our Discover community and outside of it. These efforts range from providing employment to sending resources to military in combat. In 2015, our Phoenix employees held an event called “Operation Shower” in which they compiled and sent over 450 care packages consisting of clothing and bath sets to military personnel overseas.



### Granting Wishes

Last year, Discover employees in Arizona partnered with Make-A-Wish to help grant a wish for a boy named Ian, whose wish was to go to London to watch his favorite soccer team play. To help share the surprise trip with Ian, employees organized a scavenger hunt that took Ian to his favorite restaurant, movie theater and the local police department. The last clue brought Ian to an indoor soccer facility, where a flash mob helped reveal his trip to London.



### Supporting Juvenile Diabetes Research

Across the company, Discover employees come out to support the Juvenile Diabetes Research Foundation (JDRF), by participating in JDRF walk events to raise money for the foundation. Nearly 1,300 employees, family and friends from our Lake Park Customer Care Center supported the JDRF walk in 2015.



### Building Homes

Our support for Habitat for Humanity allows our employees to give back in a meaningful, hands-on way. Employees have the ability to be engaged in Habitat builds both on Discover property and at the actual build sites. This enriches both our employees and our community.



# OUR COMMUNITIES

## PROVIDING COMMUNITY GRANTS

As part of our efforts under the Community Reinvestment Act, which is intended to encourage financial institutions to help meet the credit needs of the communities in which they operate, Discover has made significant investments to help improve the neighborhoods and businesses around us.

### Community Development Financial Institution (CDFI) support:

- **\$115,000** grant to National Council on Agricultural Life, which provides loans for affordable housing, community revitalization and community facilities
- Funding for Virginia Community Capital to support educational initiatives
- **\$60,000** to First State Community Loan Fund to support small business technical assistance programs, including a new program targeting Hispanic business owners

### Small business lending grants:

- **\$380,000** to groups providing technical assistance, like accessing capital and developing business plans, to new and established small businesses
- Funding for Small Business Development Center, First State Community Loan Fund, First State Innovation and Emerging Enterprise Center

### Affordable housing support:

- **\$1.095 million**, including **\$40,000** to expand the number of shelter beds for homeless veterans and **\$300,000** to stabilize neighborhoods with a high foreclosure rate

### Education grants:

- **\$588,500** Discover Bank education related grants including support for the Delaware Financial Literacy Institute and the Delaware Technical Community College

## “YOU CARE, WE SHARE”



### YOU CARE WE SHARE

Discover recognizes employees who donate money or give time and resources via our longstanding “You Care, We Share” program. Employees who report their volunteer time or donations to their charity of choice can earn a company grant or donation match for these organizations. This program encourages and rewards employees’ involvement in Discover’s commitment to give back by making their donations go further. It also gives employees a sense of community and a way to support local initiatives.



#### Employee giving

Offered year-round, this program enables employees to donate to their favorite local and national charities including disaster relief efforts. Discover matches employee donations.

#### Volunteer recognition program

When employees log 24 hours of volunteer time in a year, they are eligible for a company grant to the charitable organization(s) of their choice.

## SUPPORTING #GIVINGTUESDAY

### #GIVINGTUESDAY™

As a founding partner of #GivingTuesday, a national campaign supporting nonprofits at the start of the holiday season, Discover encourages cardmembers and employees to donate. Employees receive a bonus match on top of their You Care, We Share match when

they donate on #GivingTuesday. The company also matches cardmember donations to our *Cashback Bonus* charitable partners. Nearly \$117 million was raised for charities in one day as part of the 2015 #GivingTuesday campaign.

# OUR COMMUNITIES

## CORPORATE RESPONSIBILITY AWARDS

We are proud of the difference Discover and our employees have been able to make in our communities. We are grateful to be recognized for our efforts.

### Chicago Cares Leader Star Award

Awarded to Discover’s Business Technology group that partnered with Chicago Cares, a nonprofit organization that supports large-scale volunteer projects for companies in the Chicagoland area.

“ Their leadership year after year has led to the volunteers of Discover having a reputation for being fast and efficient ... they are heavily invested, and we’re so thankful for them. ”

– Jenne Myers, Executive Director of Chicago Cares

### Scott C. Solberg Pro Bono Award

Presented by the Legal Aid Society of Metropolitan Family Services, this award was given to Discover for its commitment to pro bono services in Illinois.

“ Providing legal service to those in need mirrors our core values of doing the right thing, respect and volunteerism. ”

– Kelly McNamara Corley, Executive Vice President,  
General Counsel and Secretary




### Children’s Home & Aid Corporate Partner of the Year

This prestigious award was given to Discover in April 2015, recognizing the dedication of Discover employees to the well-being of at-risk children and families in Illinois.

### Community Partners Award

Discover Bank was awarded the Community Partners award from the First State Community Action Agency for a 10-year partnership to address poverty issues in Delaware.





# OUR ENVIRONMENT

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Discover cares about protecting and preserving the environment for generations to come, and we look at our role in two ways. First, we do our part to make sure environmental sustainability is built into our business. Second, we help customers and partners achieve their own environmental goals when they do business with us.

For more than two decades, we've challenged ourselves to conserve natural resources, reduce carbon emissions and focus on sustainability in our everyday operations. By prioritizing better decisions that value the environment, we continue to make meaningful progress.

As we move forward, we will continue working hard to better understand and care for our environment while reducing our wider impact on the planet.

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# OUR ENVIRONMENT

## PRESERVING AND PROTECTING OUR RESOURCES

One way we reach our environmental goals is by improving the places where our employees work every day. Along with building and renovating with energy efficiency in mind, we help our employees reduce emissions during their commute and in the workplace.

### Building Sustainability Through Low Energy Use



**5** Discover construction and renovation projects on track to receive LEED Silver status

**400,000 square feet** of renovations with earned or anticipated LEED Silver status

### Shedding Light on Energy Savings



**\$11,300 annual energy savings** from switching to new lightbulbs in our Delaware facility parking lot



**12% energy savings** from retrofitting our headquarters with new smart lighting

### Clearing the Air With Reduced Emissions



**43% increase** in green parking spaces since 2013



**32% of employees** at our headquarters use commuter incentives

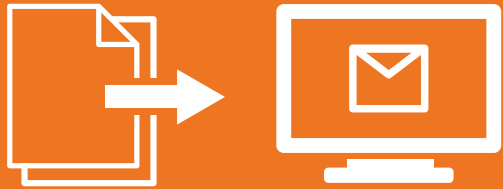
## SOURCE RESPONSIBLY AND REDUCE WASTE

Another way we respect the environment is by working with suppliers to follow and set good conservation practices. From reducing paper use to introducing more efficient office equipment, our choices reflect our dedication to sourcing responsibly.



## IMPLEMENTING BETTER SUPPLIER POLICIES

### Environmental Footprint



**- 39% -**  
Increase in paper saved after switching to paperless statements

**- 300 -**  
Multi-function devices replaced about 1,400 printers and fax machines


Our commitment to protect the environment extends to our partnerships with suppliers, who help us minimize our impact on natural resources. Our commitments include:

- Purchasing paper directly from suppliers that practice sustainable forestry
- Considering geographical location as part of our criteria for choosing suppliers, allowing us to prioritize partners which cuts down on the impact of travel and delivery

To strengthen our commitment to forest management and paper sourcing, we ask our suppliers to follow criteria set by the Forest Stewardship Council. We also require that our suppliers:

- Develop responsible forest management plans and follow legal and regulatory standards
- Don't source from countries that engage in illegal logging or abuse of human rights





**“We remain inspired  
by the opportunities  
to continue to make  
a real difference in  
the future.”**

**– David Nelms, Chairman and Chief Executive Officer**