



Code of Conduct and Business Ethics Supplement

CODE OF ETHICS FOR SENIOR FINANCIAL OFFICERS

Discover Financial Services has adopted a Code of Conduct and Business Ethics (“**Code of Conduct**”) applicable to all directors, officers, and employees of Discover Financial Services and its subsidiaries and affiliates (collectively, “**Discover**” or the “**Company**”). In addition to the Code of Conduct, the Chief Executive Officer (“**CEO**”), Chief Financial Officer, Chief Accounting Officer, Controller, and all other individuals performing similar functions (collectively, “**Senior Financial Officers**”) are also subject to the provisions contained herein. The provisions of this Code of Ethics for Senior Financial Officers (“**SFO Supplement**”) supplement, but do not replace, the Code of Conduct. Adherence to this SFO Supplement is a term and condition of employment for all Senior Financial Officers. In the event of a conflict between this SFO Supplement and the Code of Conduct, the requirements under this SFO Supplement shall prevail.

1. All Senior Financial Officers are expected to engage in honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships.
2. All Senior Financial Officers are responsible for full, fair, accurate, timely, and understandable disclosure in the Company’s reports and documents filed with, or submitted to, the Securities and Exchange Commission, the Federal Reserve, the Federal Deposit Insurance Corporation, and other regulatory authorities and in other public communications made by the Company.
3. All Senior Financial Officers are expected to act in compliance with applicable governmental laws, rules, and regulations.
4. It is the responsibility of each Senior Financial Officer, without unreasonable delay under the circumstances, to bring to the attention of the Company’s internal Disclosure Committee and Chief Legal Officer (“**CLO**”) any material information of which he or she may become aware that affects the disclosures made by the Company in its public filings and otherwise assist the Disclosure Committee in fulfilling its responsibilities.
5. Each Senior Financial Officer shall, without unreasonable delay under the circumstances, bring to the attention of the Disclosure Committee, the Audit Committee, and the CLO any information he or she may have concerning:
 - (i) significant deficiencies in the design or operation of internal controls which could adversely affect the Company’s ability to record, process, summarize, and report financial data; or
 - (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company’s financial reporting, disclosures, or internal controls.
6. Each Senior Financial Officer shall, without unreasonable delay under the circumstances, bring to the attention of the CLO and to the Audit Committee any information, which has not already been recorded or noted through the Company’s normal processes, he or she may have concerning:



(i) any violation of this SFO Supplement or the Company's Code of Conduct, including any actual or apparent conflicts of interest between personal and professional relationships, involving Senior Financial Officers or any management or other employees who have a significant role in the Company's financial reporting, disclosures, or internal controls; or

(ii) any information he or she may have concerning evidence of a material violation of the securities or other laws, rules, or regulations applicable to the Company and the operation of its business, by the Company or any agent thereof, or of a violation by any Senior Financial Officer of the Code of Conduct or of this SFO Supplement. The Audit Committee, subject to review by the Board of Directors (the "**Board**"), shall, using reasonable discretion and within a reasonable time following any violation of the Code of Conduct or of this SFO Supplement by the Senior Financial Officers, determine, or designate appropriate persons to determine, appropriate actions to be taken under the circumstances. Such actions shall be reasonably designed to deter wrongdoing and to promote accountability for adherence to the Code of Conduct and this SFO Supplement, up to and including written notices to the individual involved that the Board has determined that there has been a violation, censure by the Board, demotion or re-assignment of the individual involved, suspension with or without pay or benefits (as determined by the Board), and termination of the individual's employment with the Company.

7. Any waiver of this SFO Supplement may be made only by the Audit Committee, shall be reported to the Board, and will be promptly disclosed as required by law or stock exchange regulation.
8. Discover prohibits retaliation or reprisal against any person who makes a good faith report about any potential or actual violation of this SFO Supplement. Discover also prohibits any retaliation or reprisal against any person who assists with an inquiry or investigation of any such violation.
9. Any individual who has questions arising from the provisions of this SFO Supplement, including questions about the meaning or applicability of any provision or requirement herein, should contact the CLO.
10. Any reports and records made pursuant to this SFO Supplement will be confidential information, and unless otherwise required by law or this SFO Supplement, such matters shall not be disclosed to anyone other than the CLO, the Board, and counsel to the Company.
11. Following any reports made to the CLO pursuant to this SFO Supplement, the CLO is authorized to apply this SFO Supplement based on the circumstances, interpret this SFO Supplement in good faith, and take actions he or she considers advisable to investigate actual or potential violations, consulting as appropriate with the Audit Committee, the Board (or members thereof), or external counsel to the Company.