Synchrony Financial

Locations: Connecticut (HQ)
Industries: Diversified Financials

RISK LEVEL:

High Risk

DESCRIPTION:

Synchrony scored a 100 on the 2023 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group. By complying with the HRCâ€™s controversial demands, Synchrony increases the risk of dividing employees, alienating customers and harming shareholders. The company covers transgender-related medical costs for its employees and their children and provides specific sexual orientation and gender identity-based benefits. It also uses sex and gender ideology criteria in employee recruitment, vendor selection, marketing, and philanthropic support. Synchrony forces employees to undergo multiple ideological trainings and uses its reputation, corporate funds, and political influence to support controversial sex and gender ideologies, organizations, and legislation. The company supports the Equality Act. Synchrony has thoroughly committed itself to the proliferation of DEI strategies in the private sector, as the company is a member of several coalitions including OneTen and the Fintech Equality Coalition. The company ties components of its employee's cash incentive compensation to ESG factors and provides gender affirming healthcare for its employees. The company's CEO signed the CEO Action for Diversity and Inclusion pledge and discriminates against some religious organizations in its charitable giving. Synchrony opposed various state and local legislation intended to protect parental rights, girlsâ€™ sports, bathroom facilities, and gendered spaces. For these reasons, Synchrony Financial receives a High Risk rating.

Corporate Weaponization

Has denied service to customers, suppliers, or vendors due to their political views or religious beliefs OR corporately boycotts, divests, or sanctions regions, people groups, or industries. — **Medium Risk**

Synchrony received a score of 100recruits employees based on sexual identity issues. The company discriminates against vendors that do not promote divisive sex and gender policies, indicating it prioritizes sexual issues over merit (1)(2).

Charitable giving (including employee matching programs) policies or practices discriminate against charitable organizations based on views or religious beliefs. — **High Risk**

SynchronyHRC CEI rating indicates the company will not donate to non-religious charities unless they embrace controversial sexual identity policies (1)(2).

Employment policies fail to protect against discrimination based on political affiliation/views and/or religion. — **High Risk**

Synchronyindicates the company forces employees to attend multiple, controversial trainings on gender identity, sexual orientation, *transgender issues, and divisive racial ideology. The company provides gender transition guidelines for its employees and specific benefits guide with a comprehensive explanation of transgender services funded by the company (1)(2). Synchrony is a member of OneTen, which has a mission to spread DEI in corporate America and holds employee DEI training (3)(4)(5). The company's CEO signed the CEO Action for Diversity & Inclusion pledge, which includes a commitment to promote DEI through bias education training in the workplace (6). Synchrony does not provide viewpoint protections for its employees (7).*

Corporate Governance and Public Policy

Uses corporate reputation to support ideological causes and/or organizations hostile to freedom of expression. **High Risk**

Synchrony signed an open letter in support of the Equality Act and transgender participation in women's and girls' sports (1)(2). The company opposed the Florida Parental Rights in Education Act, which would prohibit teaching gender identity and sexual orientation to kids in K-3rd grade (3). Synchrony's CEO is a member of the Business Roundtable but has not supported ideological initiatives (4). The company is a member of the Fintech Equality Coalition, which "is focused on redesigning a more inclusive and equitable financial ecosystem" (5). Synchrony is a signatory of the NVCA Human Capital Pledge, "publicly demonstrating their commitment to advancing DEI" (67). The companyindicates the company agrees to allow a controversial stakeholder group focused on sexual identity issues to dictate marketing or advertising strategy (8)(9). By doing so, the company risks dividing employees, alienating customers and harming shareholders.

Uses corporate funds to advance ideological causes, organizations, or policies hostile to freedom of expression. **High Risk**

Synchronyindicates the company covers transgender related costs for its employees and their children, including paid short-term leave, puberty blockers, cross-sex hormones, chest surgeries, genital surgeries, medical visits and lab monitoring, travel and lodging. Additionally, the company has pledged philanthropic support of at least one organization or event that promotes sex and gender ideology (1)(2). By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers and harming shareholders. 3)(4). Synchrony Financial ties components of employee cash incentive compensation to ESG factors such as "increasing diverse representation year-over-year" (5). The company expanded its "Gender Affirming coverage to include the most common and safe surgeries available" as part of its employee benefits (6).

Uses corporate political contributions for ideological, non-business purposes. **High Risk**

Synchronyindicates the company publicly advocated for controversial sex and gender ideology through local, state or federal legislation or initiatives (1)(2). By allowing a political stakeholder group to dictate operations, the company risks dividing employees, alienating customers and harming shareholders. Synchrony has not used its PAC donations or lobbied for ideological purposes (3)(4)(5).

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