

ONE CULTURE

The people behind our passion

Thanks to all our associates, 2013 was another incredible year for LoyaltyOne. We were once again recognized as one of the Best Employers in Canada (that's 5 years in a row), and we're proud to have been named one of Canada's Top Employers for Young People. And those are just a few of our accomplishments!



AMPED Charity Event 2013



2013 Environmental Fair

Who we are

We are a team of accountable, curious, bold, passionate risk-takers. We are an energetic, agile team that works to foster collaboration and celebrate success. We are a team committed to sparking positive change in our communities through practical solutions.

Why we're here

To put it simply, we're in the business of enriching relationships – between companies and customers, Canadians and the environment, business and communities, people and their health.

LoyaltyOne by the numbers

Metric	2009	2010	2011	2012
Total workforce ¹	1,386	1,298	1,340	1,451
Male	529	498	538	600
Female	857	800	802	851
Associate engagement score (percent) ²	85	83	n/a	86
Turnover rate (percent) ³	11	17	18.5	18
Associates receiving annual performance reviews (percent)	100	100	100	100
Associates per office location				
Toronto	941	845	867	828
Mississauga	244	162	131	266
Calgary	24	19	28	26
Montreal	40	35	40	39
United States	7	22	28	30
Work from Home	130	215	236	240
Notes: Other	n/a	n/a	10	22

1. Headcount data as at year end (i.e., December 31 for each year).

* Total Canadian Work at Home associates, including two non-customer care associates.

“We’re in the business of enriching relationships, and that starts right within our own organization – as we continue to build a culture in which we visibly celebrate each other’s efforts, experiments, learning, and successes.”

Never stop learning

Learning and development have always been an important part of our culture and our success. We recognize that development is about more than sitting in a classroom; it's something we strive for every day.

Here are the ways LoyaltyOne associates never stop learning:

Loyalty 101/102 – all associates begin their LoyaltyOne experience with Loyalty 101, our onboarding program. It provides them with information on all aspects of our company to help integrate them quickly and effectively into our team. Loyalty 102 is designed to help our people become leaders, with additional focus on modules such as performance management, employee relations, compensation, and recruitment. In 2013, we changed the format of the program so associates could complete the program in less time. This year, there were 98 graduates of the onboarding program.

“3i” Leadership Model – we expect our leaders to embody the three “i”s: provide inspiration to their teams, encourage intellectual growth, and guide the implementation of ideas that move the business forward. We encourage leadership at all levels, regardless of position.

Senior Leadership Team (SLT) and Management High Potential Development Programs – offsite learning for SLT members and high-potential middle management to help enhance LoyaltyOne’s leadership capabilities and strategic vision.

Manager Once Removed meetings (MORs) – associates meet with their MOR at least twice a year (and sometimes much more often) to discuss career goals and continued development.

Women in Leadership Series – female leaders from a variety of industries join us to share their experiences and advice with all associates.

Lunch and Learn Sessions – we frequently have lunch hour discussions (with healthy food choices) on topics that are of interest to our associates. In support of our new strategic vision, we developed a series called “Behind the Strategies” hosted by the heads of our departments. These sessions provide insight and a behind the scenes look at the different initiatives in the company.

Tuition Reimbursement Program – we generously support external formal education for both full-time and part-time permanent associates.



See what else makes LoyaltyOne a great place to work at :

loyalty.com/accountabilityreport

Women in Leadership

Fostering the leadership skills of female associates remains critical to our success. This year, our Women in Leadership Initiative (WLI) Committee invited top female leaders to inspire both our female and male associates.

The WLI also held their annual 9 & Dine Golf Tournament, a learn-how-to-network event, and ran a popular mentorship program.

Road maps to success

To make it easier for associates to plan their career roadmaps, our HR Business Partners, Talent Management team, and leaders in the business partnered together to create “Career Pathways,” a comprehensive guide to career building at LoyaltyOne.

“Career Pathways” outlines the functional and behavioural skills required for each job, and outlines career options – both lateral and vertical – for associates in a given role. This project has been incredibly well-received by both managers and associates alike, helping both groups to plan next steps in associates’ development plans.

An engagement to remember

Over the past decade, our annual Associate Engagement Survey has been essential to helping us create and foster a culture of open communication and continuous improvement. We are committed to taking action when associates tell us that things can be improved.

In 2013, we conducted a pulse engagement survey with a fantastic response rate of 86%! Our engagement level continues to be best-in-class for our industry.

Here is an overview of the results:

- **Associates gave us a best-in-class engagement score of 87%**
- **96%** of associates believe LoyaltyOne helps to make the communities in which we operate a better place to live and work
- **96%** of associates rate LoyaltyOne as a good corporate citizen
- **86%** of associates believe LoyaltyOne does a good job of communicating a clear vision and strategy
- Our manager effectiveness index sits at **84%**
- **83%** of associates believe that when they do excellent work, their accomplishments are recognized

Rewarding recognition

Our associates give their best to LoyaltyOne, and we reward them for their commitment, performance, and contributions.

We offer a robust **Total Rewards Program** that includes competitive compensation, comprehensive health and dental benefits, financial advantages, and programs that promote work-life blending.

Our **Associate Anniversary Program** also celebrates service milestones for all our associates. Starting at year one, our associates receive a gift of AIR MILES reward miles for every year they work here. Every 5 years, our associates also receive an additional paid 2-weeks sabbatical.

We also participate in an international program called **Customer Service Week**. During the week, we celebrate our Customer Care team with breakfasts, gifts, contests, giveaways, and events where associates can participate and feel appreciated knowing their contributions make a difference.

Our annual **President's Circle Award** recognizes associates who demonstrate success in the workplace. This is a peer-nominated award where recipients are chosen by a panel of previous President's Circle winners. Nominees are recognized in the following areas:

- Understanding
- Inspiring Change
- Innovation
- Taking Risks
- Leadership
- Community and Environment

All winners receive AIR MILES reward miles redeemable for a wide range of items and are also invited to join fellow honourees for an all-expenses paid weekend at a resort.

Keeping associates in the know

There are many ways that we show associates how their work and feedback help us succeed:

Associate Engagement Survey – regular surveys let us measure associate commitment, motivation, and active involvement in LoyaltyOne's success, with "pulse" checks along the way to ensure we stay on track.

Making performance management fun – we plan performance by defining expectations and goals, reviewing progress regularly, recognizing accomplishments, and keeping it fun.

Town Halls – hosted twice a year by Executive Committee members, these meetings provide associates in all locations with consistent, reliable updates on important LoyaltyOne news.

Strategic 3 Magazine – an internal publication for associates featuring the latest LoyaltyOne news from around the globe.



2013 CommunityOne Day

Promoting wellness

We strive to create an engaged workforce by celebrating our associates and offering a healthy, rewarding, and meaningful work experience. The newly established Wellness strategy is shared between Workplace Services and Human Resources to ensure the portfolio of initiatives satisfies the lifestyle and health needs of our global workforce.

The identified strategies are:

- We believe in empowering all LoyaltyOne associates to enjoy the highest level of well-being
- We exist to support associates in achieving well-being that's designed for real life
- We accomplish this with a support system of wellness benefits, tools, and services that are realistically achievable and rewarding

Some Wellness Program Objectives include:

- Lead a shared culture and understanding of what constitutes realistic, sustainable well-being throughout the organization
- Develop an annual LoyaltyOne Wellness plan that contributes to wellness measurements and LoyaltyOne's Best Employer status
- Create a holistic support system that responds to associates' evolving needs, as well as any changing circumstances that could negatively impact well-being
- Formalize data collection and track the status of associates' well-being against key dimensions to measure and report on progress

Key areas of focus for 2013 were: keep moving, mental health, and healthy living.

A cross-functional team of associates planned and implemented our annual wellness fair. The theme for our 2013 wellness fair was "Take your health to heart," which promotes healthy active living.

We're committed to helping our associates lead healthier lives at work and home. Here are some of the ways we do that:

- Free BIXI bike memberships for associates to bike to meetings
- Onsite bike racks and showers for associates who commute by cycling
- \$300 wellness subsidy to help offset gym, fitness, and weight management programs
- Onsite gym called The Sweatshop that offers associates subsidized memberships
- Gym features a wide range of classes, including: yoga, Pilates, tone and sculpt, Zumba, spin, walking club, and more!
- Promote participation in activity-based charitable activities, including Princess Margaret Weekend to End Women's Cancers, Walk So Kids Can Talk, and *motionball* Marathon of Sport
- Guest speakers join us to talk about nutrition and wellness
- A cross-functional wellness committee dedicated to associate health and well-being



2013 Sweat for Charity Event



2013 Marathon of Sport