

October 2021

Loyalty Ventures Overview



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We believe that our expectations are based on reasonable assumptions. Forward-looking statements, however, are subject to a number of risks and uncertainties that could cause actual results to differ materially from the projections, anticipated results or other expectations expressed in this presentation, and no assurances can be given that our expectations will prove to have been correct. These risks and uncertainties include, but are not limited to, factors set forth in the Risk Factors section of both (1) Alliance Data Systems Corporation’s Annual Report on Form 10-K for the most recently ended fiscal year, which may be updated in Item 1A of, or elsewhere in, its Quarterly Reports on Form 10-Q filed for periods subsequent to such Form 10-K; and (2) our Registration Statement on Form 10-12B. Our forward-looking statements speak only as of the date made, and we undertake no obligation, other than as required by applicable law, to update or revise any forward-looking statements, whether as a result of new information, subsequent events, anticipated or unanticipated circumstances or otherwise.

In addition to the results presented in accordance with generally accepted accounting principles, or GAAP, the Company may present financial measures that are non-GAAP measures, such as Pro Forma Adjusted EBITDA. Pro Forma Adjusted EBITDA eliminates the non-cash depreciation of tangible assets and amortization of intangible assets, including certain intangible assets that were recognized in business combinations, and the non-cash effect of stock compensation expense. Pro Forma Adjusted EBITDA also eliminates the effect of gains on the sale of a business and/or certain investments, strategic transaction costs and restructuring and other charges, and incorporates synergies from restructuring actions. Pro Forma Adjusted EBITDA is also impacted by estimated incremental expenses for Loyalty Ventures Inc. Corporate. In addition, Precima®, a provider of strategy and customer data application and analytics, which has historically been reported within the AIR MILES Reward Program segment in the historical carve-out financial statements, was excluded from the financial information presented as it was sold on January 10, 2020.

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- 3 | Long Runway For Growth
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SECTION 1

Leading Provider of Tech-Enabled Loyalty Programs Globally

Comprehensive Global Business With Unparalleled Scale



10MM

Collector Accounts

2/3

Of Canadian Households

300+

Brands / Suppliers



The Number One Loyalty Program in Canada

brandloyalty

155MM

Short-Term Rewards⁽¹⁾

5.3Bn+

Instant Loyalty Rewards⁽¹⁾

200

Retailers⁽¹⁾ in...

54

...Countries



Premier Global Provider of Campaign-Based Loyalty Solutions

Source: Company information.

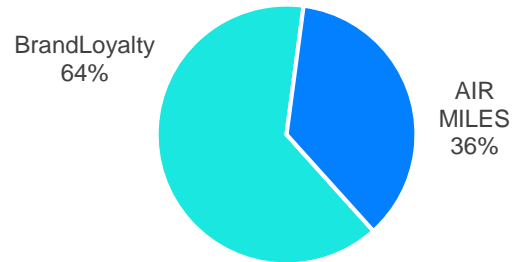
Notes:

1. FY 2016 – FY 2020.

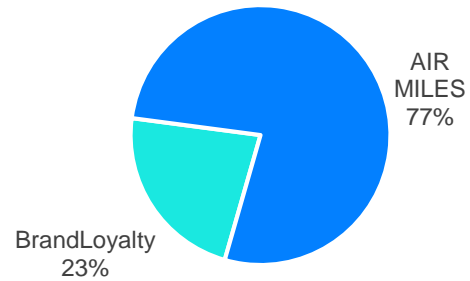
Financial Overview

Financial Breakdown (FY 2020)

Revenue by Business



PF Adj. EBITDA By Business



Revenue ⁽¹⁾⁽³⁾

\$MM



PF Adj. EBITDA ⁽¹⁾⁽²⁾⁽³⁾

\$230

\$171

\$187

% Margin

24%

22%

24%

Source: Company information

Notes:

- Adjusted for sale of Precima in January 2020
- Pro Forma Adj. EBITDA is unburdened for stock-based compensation and one-time expenses and burdened for estimated incremental expenses for Loyalty Ventures Corporate
- Financial estimates are forward-looking statements based on current information and management's reasonable assumptions. The estimates are subject to risks and uncertainties, and actual results may differ

Loyalty Venture's Global Scale and Geographic Reach

Loyalty Venture's Footprint Spans the Globe



1

Continent

1

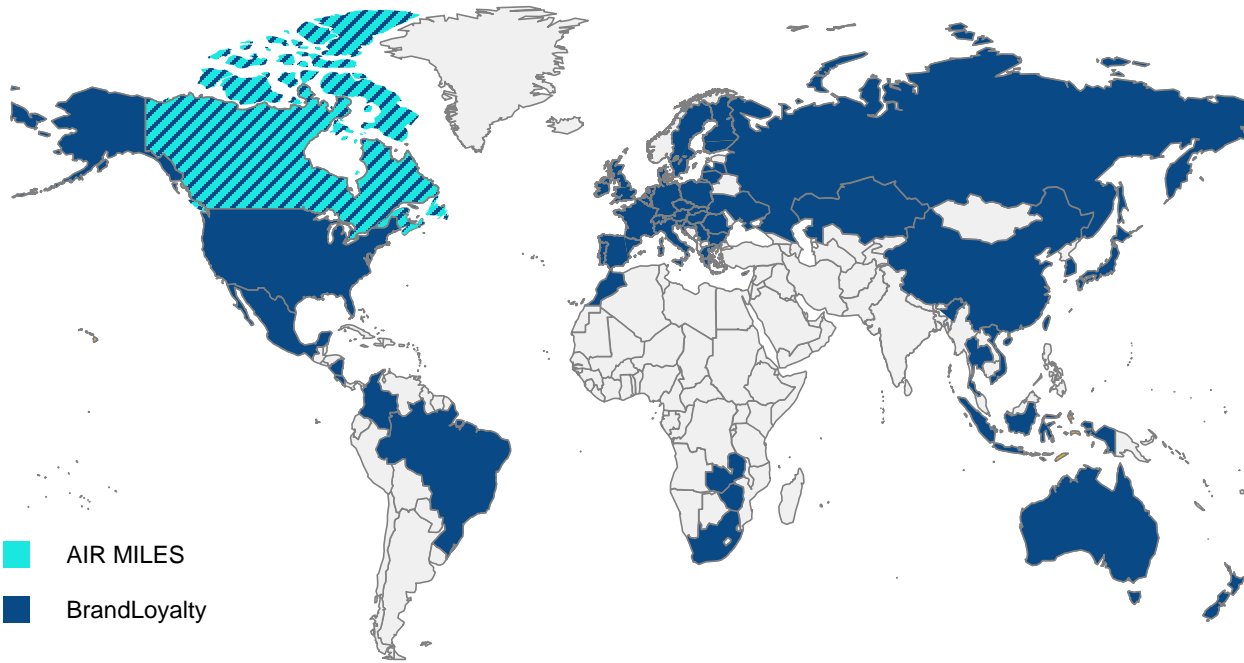
Country

300+

Brands

~8,300 (1)

Locations to Earn



■ AIR MILES
■ BrandLoyalty

Revenue by Geography



brandloyalty

6

Continents

54

Countries

20

Sales offices

~200 (2)

Retailers

~112,000 (2)

Stores

Source: Company information.
Notes:
1. Represents number of sponsor locations
2. FY 2016 – FY 2020.

Loyalty Ventures' Clients Are Focused On Acquiring And Retaining Loyal And Profitable Shoppers



Provide value to clients and partners by *generating incremental sales and profits...*

...And to shoppers by allowing them to *earn rewards on everyday purchases*



brandloyalty

Both AIR MILES and BrandLoyalty are *data-driven, with deep historical databases* that enable the businesses to *optimize programs to fit retailers' goals*

Experienced Management Team

Deep History Of Public Company Leadership Experience



Charles Horn

CEO

Loyalty Ventures



Blair Cameron

President

AIR MILES



Claudia Mennen

CEO

BrandLoyalty



Jeff Chesnut

CFO

Loyalty Ventures

Years of Experience⁽¹⁾

12 Years at Loyalty Ventures | 27 Years of Experience

16 Years at Loyalty Ventures | 26 Years of Experience

9 Years at Loyalty Ventures | 25 Years of Experience

10 Years at Loyalty Ventures | 24 Years of Experience

Select Companies

LoyaltyOne Senior Vice President And Senior Advisor

LoyaltyOne Senior Vice President And Chief Client Officer

LoyaltyOne Chief Financial Officer

AllianceData Senior Vice President And Treasurer

AllianceData CFO and Interim CEO

Mark's Head Of Marketing And Merchandising

GreenGas Chief Financial Officer

Notes:
1. Years at Loyalty Ventures includes time at ADS

SECTION 2

Our Business

AIRMILES: #1 Loyalty Program in Canada Built Over Three Decades

25+ Year Operating History with Headquarters in Toronto, Ontario



Our Technology Stack

Loyalty Platform



Data & Analytics Services



Marketing Services



Our Network

Our Solutions & Services

Loyalty Program Management



Fully Managed Loyalty Platform **Loyalty Consulting & Optimization** **Coalition-Based Currency**

Real-time loyalty platform and expert teams to help Sponsors manage program, diagnose performance, understand trends and maximize ROI

Collector Intelligence



Data **Analytics** **Data Hub**

Using world-class data management and analytics platforms to integrate shopper information and turn it into meaningful Collector insights

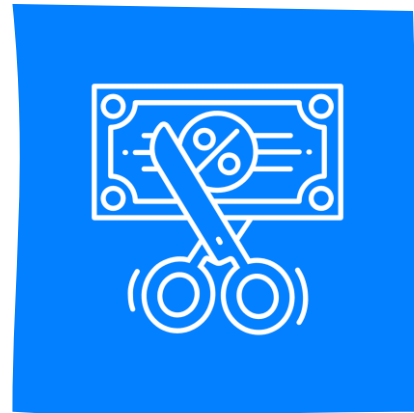
Collector Engagement



Cross Channel Orchestration **Lifecycle Management** **Digital Properties**

Using traditional and AI-powered marketing tools to reach and engage Collectors across channels

How AIR MILES Makes Money

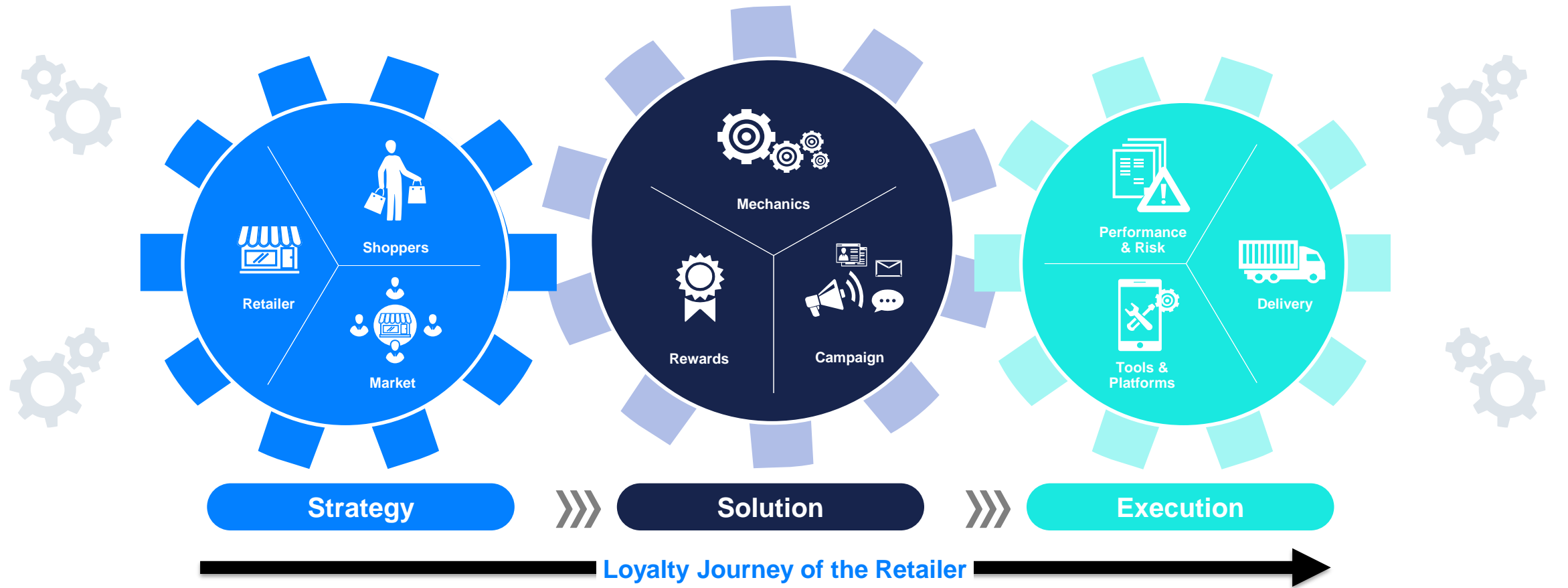


$$\begin{array}{ccccccccc} \text{Miles Issued} & \times & \text{Price per Mile} & + & \text{Non-Miles Revenue} & - & \text{Cost of Redemption} & = & \text{Net Revenue}^{(1)} \end{array}$$

Notes:
1. Net Revenue calculation simplified for illustrative purposes – depiction does not account for revenue recognition standards

BrandLoyalty: Changing Shopper Behavior On A Mass Scale Through Campaign-Based Loyalty Solutions

Optimizing Client KPIs to Deliver Maximum Impact



How BrandLoyalty Makes Money



Rewards
Redeemed



Selling
Price



Campaign
Revenue

We Help Clients Retain and Grow Existing Shoppers While Attracting New Ones



Client KPIs



Basket Size



Shopper Lifetime Value



Shopper Churn

Solutions



Shopper Insights



Tailored Campaigns



Shopper Rewards

Tools & Services



Campaign Predictor



Performance Dashboard



BrightStamps



StorePal

Capabilities



AI / ML Analytics



Image Recognition



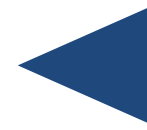
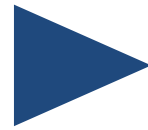
Data Visualization



Social Media Plugins

Key Part of Everyday Commerce

Loyalty Ventures Serves Retailers in High Frequency, Non-Discretionary Verticals



brandloyalty

Grocery



Financial



Gas



Pharmacy



Key Highlights

- **#1 loyalty program in Canada⁽¹⁾** with 300+ sponsors and rewards suppliers across ~8,300 locations⁽²⁾
- Sponsor base **covers ~80%⁽³⁾ of the average household spend categories** in Canada
- Stable client base generates **recurring campaign demand**
- **Global retailer and supplier network** in 54 countries
- Maintains close relationships with **20 national sales offices**

Notes:

1. Based on internal research studies on Loyalty Brand Awareness and Loyalty Program handling of COVID-19; Research sample included both Canadian AIR MILES Collectors and non-Collectors
2. Represents number of sponsor locations
3. Coverage of household spend calculated using Canadian Census Program data, excludes mortgages and taxes

Exclusive Relationships Are Point of Differentiation



Sponsors derive substantial benefits from coalition membership due to exclusivity in specific categories and regions

brandloyalty

Meaningful partner to global suppliers, whose products and IP are exclusive to BrandLoyalty's campaigns

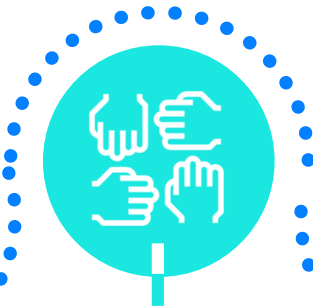
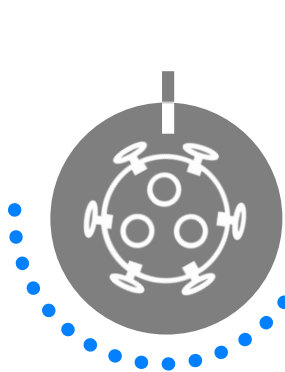
Resilient Performance During COVID with Strong Recovery Potential

Loyalty Ventures Proactively Addressed Numerous COVID-Related Disruptions...

...With Favorable Results

Early 2020

- COVID-19 begins impacting retailers and supply chains

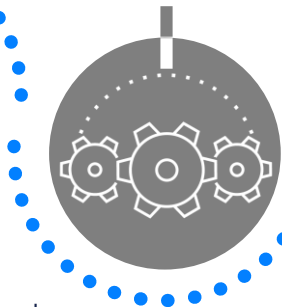


February 2020

- COVID task force formed
- Led deep supply chain collaboration
- Tactical commercial and legal actions
- Shift to digital where appropriate

Rest of 2020

- Retailers focused on operational challenges – not long term planning
- In-person sales force impacted
- Fewer AIR MILES redemptions

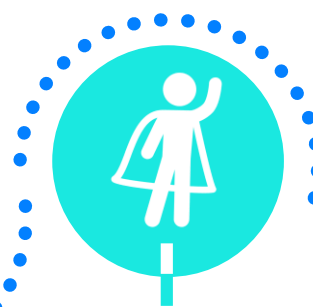
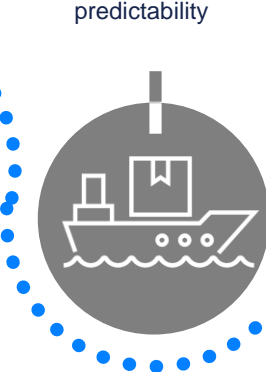


Q4'2020

- Refocused storyline around rewarding shoppers
- Retrained sales force to sell in a virtual environment

March 2021-Today

- Port and Suez Canal closures combined with 9x higher container costs, as well as low transparency / predictability



Today and Beyond

- Re-activation of COVID task-force
- Actioned price / contract adjustments
- Clear communication with clients and management

At-risk campaigns mostly postponed – **not cancelled** – throughout 2020 and YTD 2021

Limited items out of stock despite supply chain disruptions

Short term contract signing, **high sales from available stock** and **higher client uptake in 2021**

Reduced inventory



Challenge



Action

SECTION 3

Long Runway For Growth

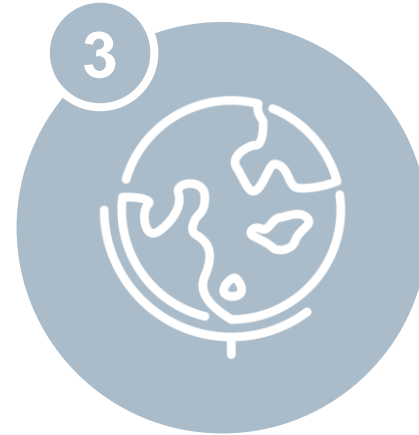
Growth Strategy



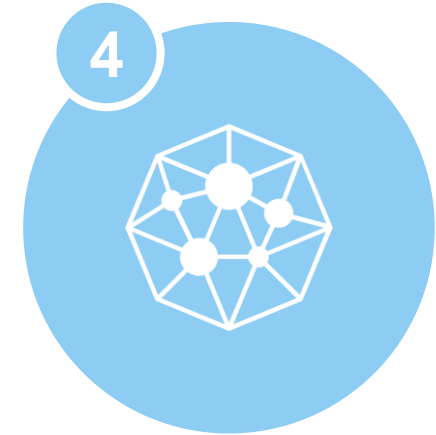
**Grow
Ecosystem**



**Attract
New Clients**



**Expand Into New
Geographies**



**New Technologies
& Solutions**

Growth Levers



Add **new verticals**, including QSR and home improvement



Broaden **merchandise offerings** to include “home trade” (e.g., kitchenware, landscaping, furnishings, fitness)



Transition travel redemptions to **self-serve digital** and **extend real time issuance**



Deploy **automated CRM platform and 1:1 personalization** to more sponsors

brandloyalty



Continue **growth in new markets**, including U.S., UK, Nordics and Brazil



Move into **additional high-frequency verticals**, including omni-channel food retail and convenience stores



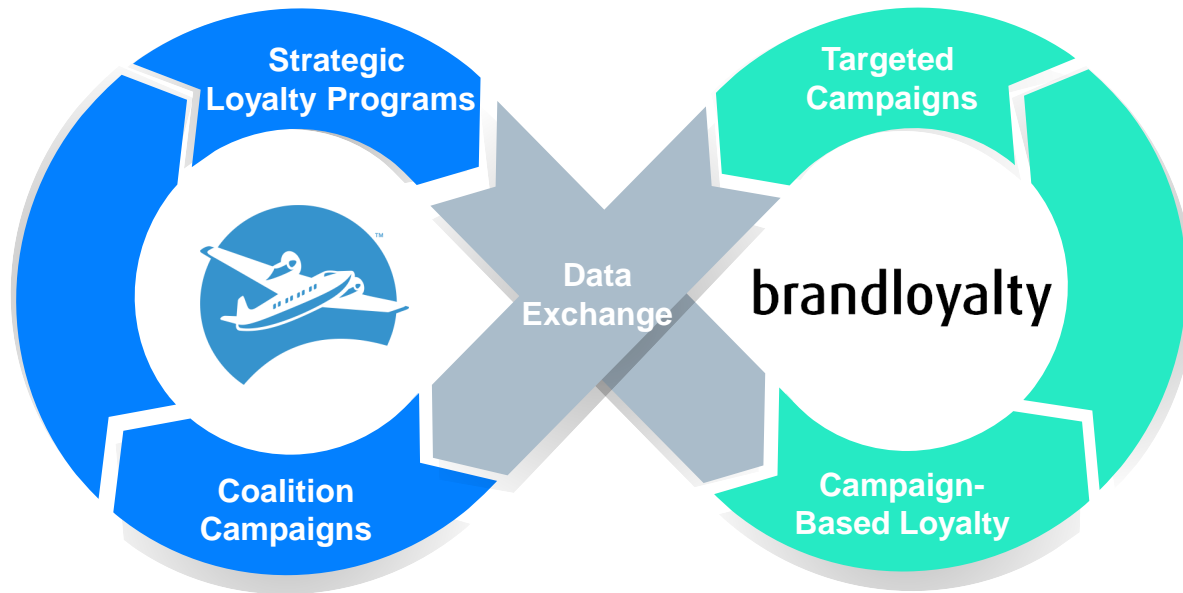
Drive **growth in existing markets** via post-COVID recovery, new grocer relationships, normalized logistics and resumption of supplier IP innovation



Activate **sustainability initiatives**

Imagine The Possibilities

Our Combined Offering Is Highly Synergistic and Unlocks Meaningful Value for Clients and Shoppers Alike



AIR MILES' *issuance engine, data lake and machine learning capabilities* and BrandLoyalty's *Bright Stamps platform* enable loyalty programs anywhere in the world at scale

Together, strong loyalty programs and targeted campaigns are highly complementary – *early trials have resulted in redemptions doubling*

Integrated data exchange and best-in-class analytics increasingly important in a privacy-centric, omnichannel retail environment

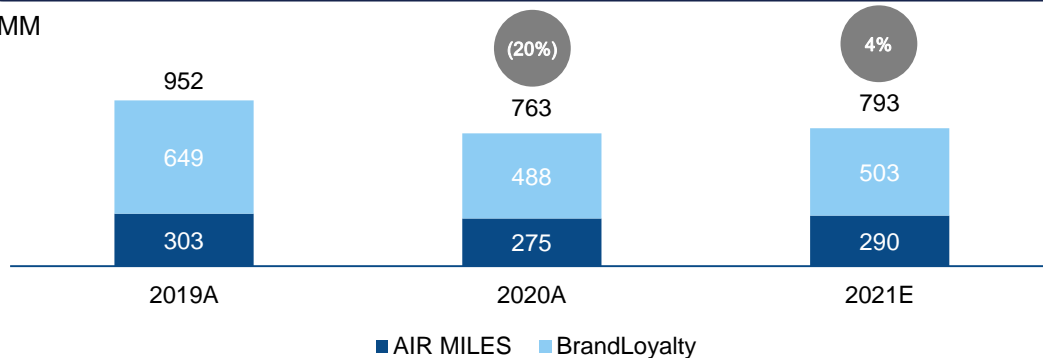
SECTION 4

Highly Attractive Financial Profile

Highly Attractive Financial Profile

Revenue ⁽¹⁾⁽³⁾

\$MM



Key Commentary



Revenue hitting *inflection point*



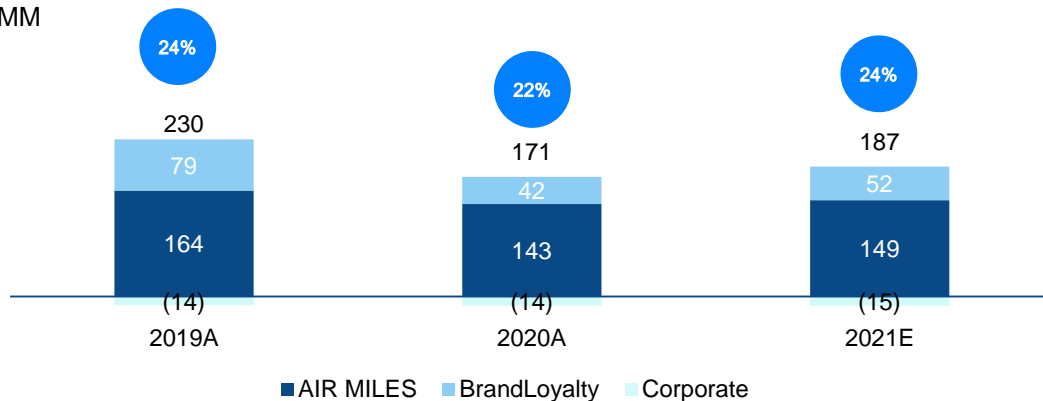
Stable Pro Forma Adj. EBITDA margin profile with variable cost structure – provides protection in downturns and showcased resiliency during COVID



Redemptions have *no impact to operating cash flow*

Pro Forma Adj. EBITDA ⁽¹⁾⁽²⁾⁽³⁾

\$MM



● Growth %

● Margin %

Source: Company information

Notes:

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Key Takeaways

- 1 | Increased Investment Amid Post-Pandemic Recovery Tailwinds Creates Significant Upside Potential
- 2 | Stability Of Underlying Business Proven Out By COVID Operating Environment
- 3 | Scalable, Portable And Unique Technology Platform Providing Client-Specific Consumer Insights That Drive Profitable Outcomes
- 4 | Top-Line Growth Plan Coupled With Strong Operating Margins
- 5 | Growth Accelerators Through Inorganic Opportunities In US And Worldwide
- 6 | Balanced Priorities Of Investing For Growth While De-Leveraging For Strength



Reconciliation of Non-GAAP Financial Information

\$MM

	FYE December 31,		
	2019A	2020A	2021E ⁽¹⁾
GAAP Revenue	\$1,033	\$765	\$793
Less: Precima Revenue	(81)	(2)	0
Revenue	\$952	\$763	\$793
Net income	\$75	\$75	\$99
Plus: Loss from investment in unconsolidated subsidiaries – related party, net of tax	2	0	0
Plus: Provision for income taxes	11	21	37
Plus (less): Interest (income) expense, net ⁽²⁾	2	(1)	(0)
Plus: Depreciation and amortization	80	78	37
Plus: Stock compensation expense	9	7	9
Plus (less): Restructuring, (gain on sale) and other costs	51	(9)	5
Less: Precima Adjusted EBITDA	(1)	(1)	0
Pro Forma Adjusted EBITDA	\$230	\$171	\$187

Source: Company information

Notes:

- Financial estimates are forward-looking statements based on current information and management's reasonable assumptions. The estimates are subject to risks and uncertainties, and actual results may differ
- Interest (income) expense, net does not include interest on term loan debt