

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported):
February 23, 2021

ALLIANCE DATA SYSTEMS CORPORATION
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-15749
(Commission
File Number)

31-1429215
(IRS Employer
Identification No.)

3075 LOYALTY CIRCLE
COLUMBUS, OH 43219
(Address and Zip Code of Principal Executive Offices)

(614) 729-4000
(Registrant's Telephone Number, including Area Code)

NOT APPLICABLE
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading symbol</u>	<u>Name of each exchange on which registered</u>
Common stock, par value \$0.01 per share	ADS	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. []

Item 7.01 Regulation FD Disclosure.

On February 23, 2021, the Company issued a press release announcing that it will host a virtual investor event on the morning of Tuesday, May 18, 2021. A copy of this press release is furnished as Exhibit 99.1.

Attached as Exhibit 99.2 is a presentation to be given to investors and others by senior officers of Alliance Data Systems Corporation.

With more favorable losses in January 2021 and our improving delinquency rates, we expect first quarter losses to come in below 6%, a slight improvement from the outlook we provided on January 28, 2021. Other than as stated above, our guidance remains consistent with that provided on January 28, 2021.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit**No.****Document Description**

99.1	Press Release dated February 23, 2021.
99.2	Investor Presentation Materials.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

The information contained in this report (including Exhibits 99.1 and 99.2) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such a filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Alliance Data Systems Corporation

Date: February 23, 2021

By: /s/ Joseph L. Motes III
Joseph L. Motes III
Executive Vice President, Chief
Administrative Officer, General
Counsel and Secretary



Alliance Data to Host Virtual Investor Event on May 18, 2021

COLUMBUS, Ohio, February 23, 2021 – Alliance Data Systems Corporation (NYSE: ADS), a leading provider of data-driven marketing, loyalty and payment solutions, today announced it will host a virtual investor event on the morning of Tuesday, May 18, 2021.

Featuring presentations from Alliance Data president and chief executive officer Ralph Andretta and other members of the executive leadership team, the event will discuss the Company's three-year strategic plan, as well as its long-term financial targets across key metrics. Following the presentations, the executive leadership team will host a question and answer session with analysts and investors.

A more detailed agenda and link to register for the live webcast will be available at a later date.

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About Alliance Data

Alliance Data® (NYSE: ADS) is a leading provider of data-driven marketing, loyalty and payment solutions serving large, consumer-based industries. The Company creates and deploys customized solutions that measurably change consumer behavior while driving business growth and profitability for some of today's most recognizable brands. Alliance Data helps its partners create and increase customer loyalty across multiple touch points using traditional, digital, mobile and emerging technologies. A FORTUNE 500 and S&P MidCap 400 company headquartered in Columbus, Ohio, Alliance Data consists of businesses that together employ nearly 8,000 associates at 45 locations worldwide.

Alliance Data's Card Services business is a comprehensive provider of market-leading private label, co-brand, general purpose and business credit card programs, digital payments, including Bread®, and Comenity-branded financial services. LoyaltyOne® owns and operates the AIR MILES® Reward Program, Canada's most recognized loyalty program, and Netherlands-based BrandLoyalty, a global provider of tailor-made loyalty programs for grocers. More information about Alliance Data can be found at www.AllianceData.com.

Follow Alliance Data on Twitter, Facebook, LinkedIn, Instagram and YouTube.

Forward Looking Statements

This release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements give our expectations or forecasts of future events and can generally be identified by the use of words such as "believe," "expect," "anticipate," "estimate," "intend," "project," "plan," "likely," "may," "should" or other words or phrases of similar import. Similarly, statements that describe our business strategy, outlook, objectives, plans, intentions or goals also are forward-looking statements. Examples of forward-looking statements include, but are not limited to, statements we make regarding, and the guidance we give with respect to, our anticipated operating or financial results, initiation or completion of strategic initiatives, future dividend declarations, and future economic conditions, including, but not limited to, fluctuation in currency exchange rates, market conditions and COVID-19 impacts related to relief measures for impacted borrowers and depositors, labor shortages due to quarantine, reduction in demand from clients, supply chain disruption for our reward suppliers and disruptions in the airline or travel industries.

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 in our Annual Report on Form 10-K for the most recently ended fiscal year, which may be updated in Item 1A of, or elsewhere in, our Quarterly Reports on Form 10-Q filed for periods subsequent to such Form 10-K. 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.

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Alliance Data

KBW Virtual Fintech Payments Conference

February 23, 2021

Ralph Andretta – President & CEO

Tammy McConnaughey – EVP, Card Ops & Credit Risk

Tim King – EVP & CFO



Forward-Looking Statements

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Agenda

Presentation

Ralph Andretta – President & CEO

- Opening Remarks
- A Year in Review (Ralph's one year anniversary with ADS)
- Business Updates
- Areas of Focus

Tammy McConnaughey – EVP, Card Services Operations & Credit Risk

- Macroeconomic Impacts on Credit
- Lending Philosophy & Underwriting
- Portfolio Mix

Fireside chat with Ralph, Tammy, and Tim

Alliance Data Overview

Leading provider of data-driven solutions to drive growth for partners



AllianceData.

- ~8,000 associates worldwide
- Founded in 1996
- Top 3 in PLCC Industry*
- FORTUNE 500 company



AllianceData.
CARD SERVICES

- Leader in payment and lending solutions
- Branded private label and cobrand credit card programs with over 40 million active cardmembers
- Diversified across growing verticals, including beauty, pet, and home
- Brand-centric programs supported by data and analytics, digital capabilities, and our balanced risk approach in underwriting



Bread

- Recently acquired point-of-sale technology platform offering installment loans & buy now, pay later solutions
- White-label solutions with over 500 partners

LoyaltyOne® Segment



brandloyalty
happy people

- AIR MILES® is Canada's most recognized loyalty program representing approximately 2/3 of Canadian households
- BrandLoyalty is a global leader in short-term campaigns targeting mainly the grocery (or high frequency) retail vertical located in Europe, Asia Pacific, and the Americas



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* Source: 2020 Nilson Report

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A Year in Review

Deliberate and thoughtful progress balancing the pandemic and future growth

These action items aim to restore profitable growth & drive enhanced long-term shareholder value

Recover ✓

- Associate safety & health
- Recession readiness plan
- Right-size expense base
- Disciplined risk management
- Review partner economics

Rebuild

- Expand digital offerings
- Technology flexibility & upgrades
- Enhance data & analytics
- Prudent balance sheet management

Regrow

- Focused investment
- Further digital enhancements
- Sustained, profitable growth
- Expense flexibility and discipline
- Drive shareholder value



EnhancedDigitalSuite™

fiserv.



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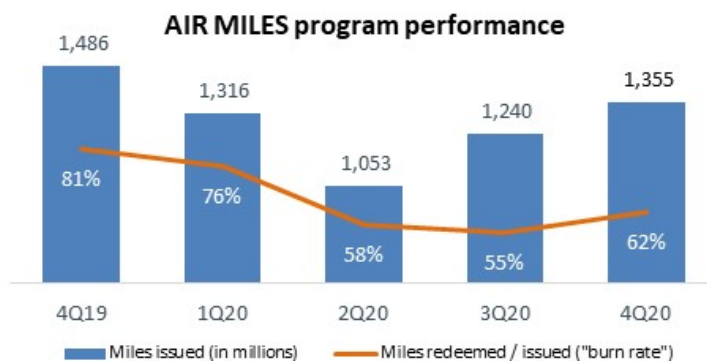
LoyaltyOne Update

Expectation for revenue growth in 2021



brandloyalty
happy people

- Continued gradual recovery in Reward miles issued and redeemed in 2H20
- AIR MILES continues to pivot the rewards portfolio to emphasize more non-travel options, driving higher merchandise redemptions
- Building potential opportunity in 2H21 due to pent-up travel demand
- Revenue improvements driven by growth in Europe and Asian Pacific regions
- Developed new concepts for programs based on pandemic-related themes like 'bring the world to your home' or 'health and hygiene'
- Providing sustainability-focused offers using 100% recycled plastic for rewards like luggage and kids promotions.



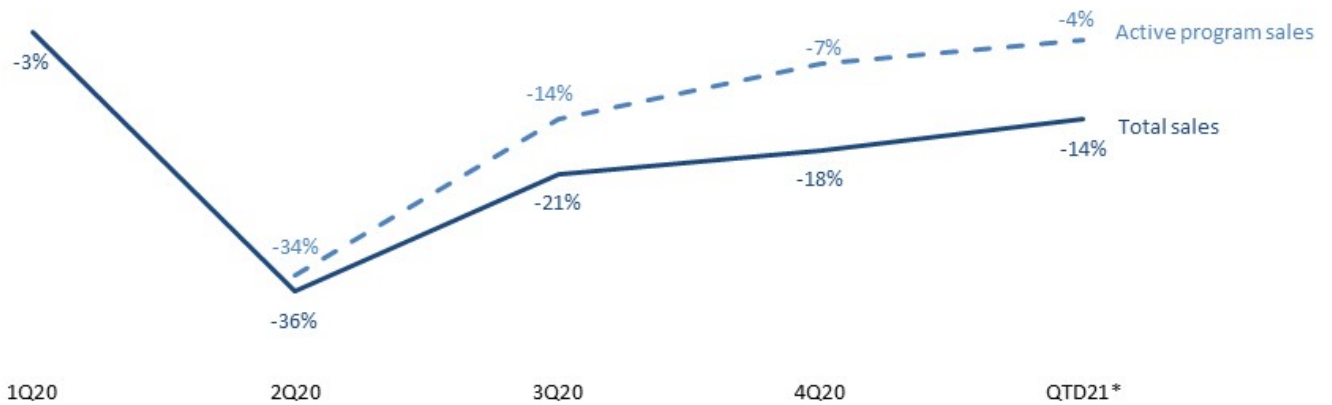
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Card Services Update

Gradual recovery in credit sales continues from pandemic lows

- Credit sales declined 14% year-over-year through February 15 with active* program sales down 4%
- Online sales remained over 40% of total quarter-to-date
- New account volume continues to vary with an improvement in January

Year-over-year credit sales improving at a modest pace for total & active program sales












* Includes programs with active contracts as of February 15, 2021 and Comenity card balances



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Bread Update

Full-spectrum product offering with improved customer experience

	Direct Acquisition (e.g. Bread / ADS)	Distribution (in discussions)	Tech Platform (e.g. RBC)
Merchant Relationships (Owns Merchant Relationship)	 	Hybrid – Merchant Relationships	
Network / Platform (Always Bread)			
Issuer / Loan Originator (Owns Consumer Relationship)			

Installment loan and BNPL product can be white-labeled or branded Bread in the Direct Acquisition and Distribution model

- 2020 A/R of ~\$118 million expected to more than double in 2021 with long-term scalable expansion
- Significant investment in Bread platform in 2021 - majority of \$100 million incremental technology expense
- Developing a unified Software Development Kit (SDK) for Bread and the Enhanced Digital Suite
 - Common front-end for product offerings
 - Integrated data analytics & insights
 - Consumer choice of financing payment product



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Areas of Focus

Continued progress on the execution of our strategic initiatives

Technology
Innovation

Digital
Advancement

Product Diversification
and Development

Data Science and Analytics

Key Foundational Elements

Proactive risk management

Prudent balance sheet management

Disciplined expense management

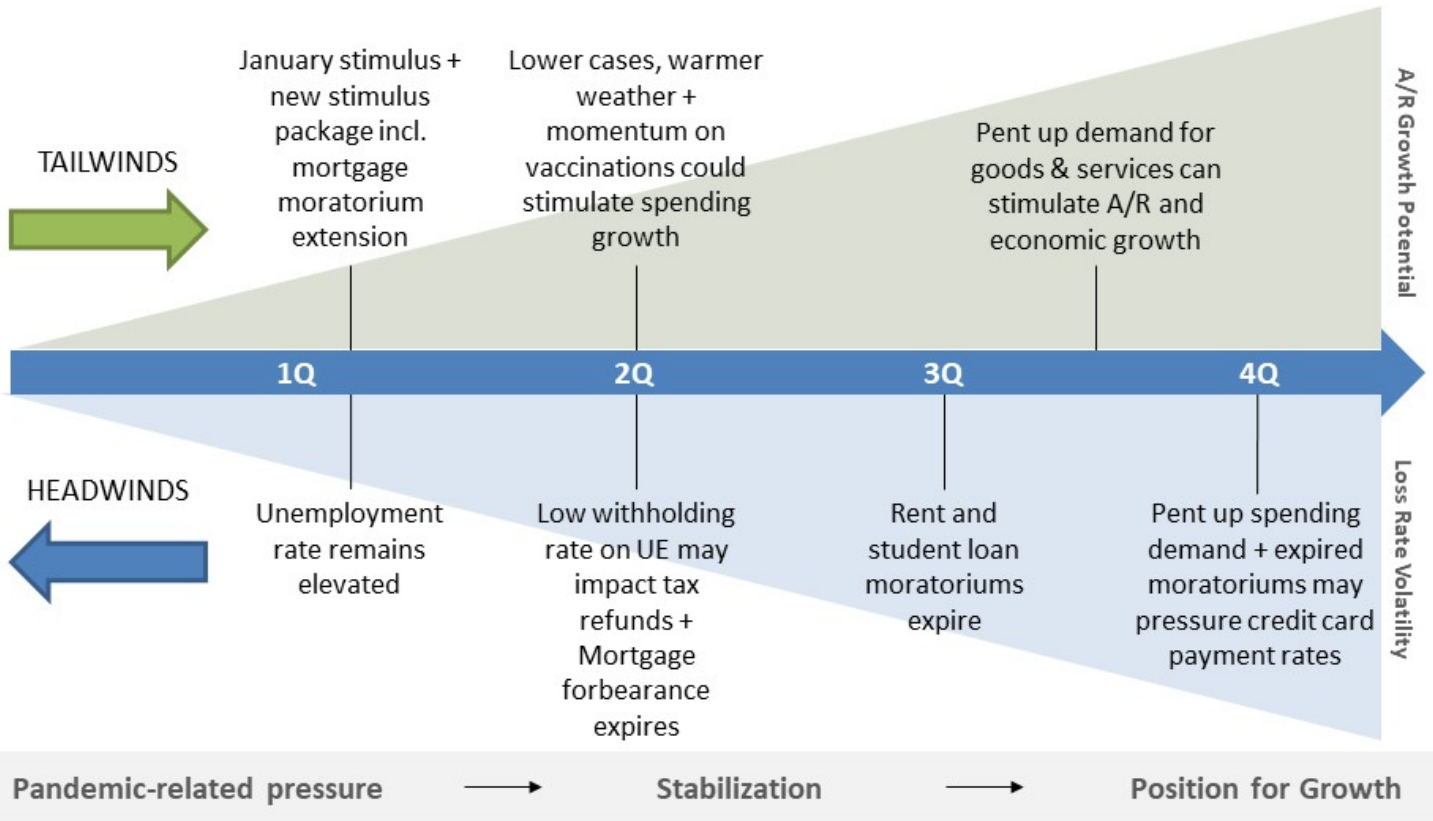
Tammy McConnaughey

EVP, Card Services Operations & Credit Risk



Macroeconomic Impacts on Credit

Near term payment rates remain strong; uncertainty remains in 2H21



AllianceData.

* Pending stimulus legislation may shift key dates.

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Lending Philosophy

Profitable, fair, and responsible full-spectrum lending

Alliance Data enables responsible and fair lending to meet consumers' desires.

We facilitate purchases through frictionless payment options designed to reward consumers and inform our partners to their customer's needs while generating leading returns for our shareholders.

Consistent tenets of our lending philosophy and underwriting discipline

Well-established risk
appetite metrics

Flexible technology
and multiple scores

Grow & expand
approach

Recent improvements

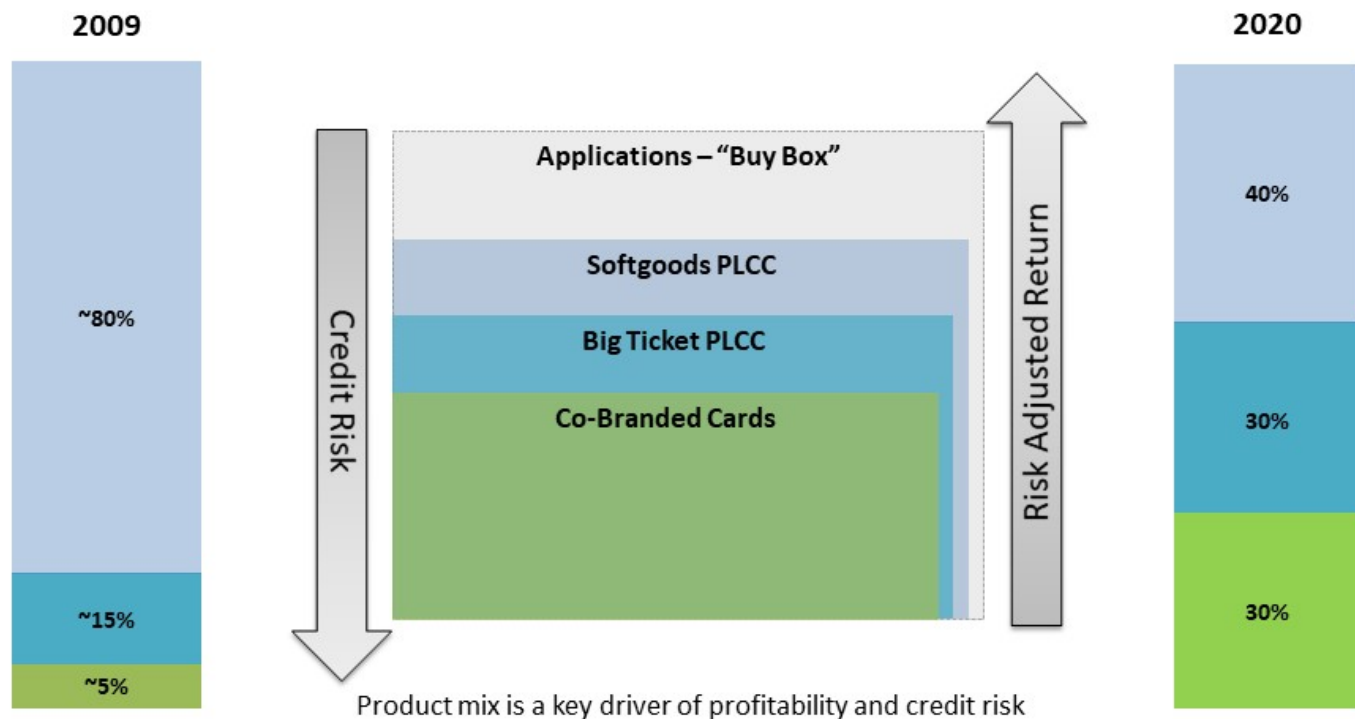
VantageScore 4.0:
Latest tri-bureau score to
further stratify "good"
vs. "bad" performers

Platform upgrades:
Cutting edge machine
learning and more
sophisticated strategies

Complex data model:
Leverage internal, bureau,
and alternative data

Portfolio Mix

Balanced product mix for strong returns and well managed losses and growth



Questions & Answers

