



## Bread Financial Releases 2022 ESG Report, Showcases Progress Amid Multi-Year Business Transformation

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- Tenth annual report highlights progress within environmental, social and governance initiatives, while supporting long-term financial and reputational goals
- 2022 report commemorates first year of aligning to Task Force on Climate-related Financial Disclosures (TCFD) in its reporting and disclosures

COLUMBUS, Ohio--(BUSINESS WIRE)-- [Bread Financial](#) (NYSE: BFH), a tech-forward financial services company providing simple, personalized payment, lending and saving solutions, today released its [2022 Environmental, Social and Governance \(ESG\) Performance Report](#), highlighting the significant progress made against Bread Financial's recently enhanced ESG strategy and framework. In its 10<sup>th</sup> year of public ESG reporting, the Company's 2022 report represents a significant milestone for Bread Financial, marking a decade of increased transparency and accountability regarding its responsible business practices.



# Managing Our Business Responsibly

The report showcases Bread Financial's ESG performance across five key areas: *managing business responsibly, empowering customers, engaging associates, protecting the planet and creating possibilities for communities.* Building on its strong foundation, in 2022 the Company made advancements by deepening cross-functional internal engagement and further embedding environmental and social criteria throughout its business model.

"I am extremely proud of the progress Bread Financial has made to advance our ESG initiatives, as illustrated in our 2022 report," said Ralph Andretta, president and chief executive officer, Bread Financial. "By integrating environmental stewardship, social responsibility and good governance practices into our business strategy, we are not only driving financial performance, but also creating a more resilient, competitive organization that benefits all of our stakeholders. As we continue to evolve as a purpose-driven financial services company, our well-established ESG practices enable us to reduce risks, deliver responsible growth, and ensures we hold ourselves accountable to the ever-changing needs of our society and planet."

In 2022, Bread Financial made notable progress to align ESG principles with its business goals and governance strategy through actions such as:

- Placing significant focus on the integration of environmental and social criteria into its enterprise risk management program and

Integrating ESG criteria into our overall governance, risk management, business strategy and priorities (Graphic: Business Wire)

developing an ESG risk framework.

- Fulfilling all objectives in its 2022 Climate Action Roadmap, including a comprehensive energy

audit of company facilities, a climate risk assessment and scenario analysis.

- Holding an education session for its Board of Directors on ESG best practices for reporting, frameworks and expectations from investors.
- Redefining the Company's community investment strategy in alignment with its brand transformation.

"Together with our Board of Directors, the Bread Financial leadership team and all associates, we are accelerating our ESG ambitions and deepening our commitment to responsible business practices," said Dana Beckman, head of sustainability, Bread Financial. "2022 was a year about solidifying the integration of ESG into our key business imperatives, governance and operations. As we look forward to communicating our continued progress, we will shift our focus to creating even more long-term value and opportunity for our many stakeholders."

The 2022 report also details the company's actions and impacts during the year across critical focus areas, including:

- **Engaging in responsible business practices** through an enhanced supplier diversity program to ensure minority-owned and small businesses are considered in every vendor request for proposal, with diverse and minority owned supplier spend totaling 6% in 2022.
- **Promoting consumer financial wellness** by establishing an internal cross-functional taskforce and partnering with industry expert Financial Health Network to inform and develop a holistic consumer-focused financial health strategy.
- **Creating frictionless customer experiences** by incrementally investing more than \$125 million in innovation, tech modernization and product development to create a more seamless customer experience.
- **Engaging associates** by launching a mental wellness resource that includes free therapy, 24/7 crisis support, coaching and personalized support.
- **Protecting the planet** through a third-party partnership to evaluate low carbon solutions aimed at reducing GHG emissions and completing a comprehensive energy audit to quantify energy consumption across sites.
- **Creating possibilities for our communities** by investing more than \$9 million in the community, matching nearly \$950,000 in associate community investment gifts and logging over 3,700 volunteer hours.

Of particular note, the 2022 report is also the inaugural year for the Company to align its ESG disclosures in accordance with the [Task Force on Climate-related Financial Disclosures \(TCFD\)](#) for improved and increased reporting on its climate-related risks and exposures. In addition to the TCFD, Bread Financial also referenced other established ESG reporting frameworks and standards including, Sustainability Accounting Standards Board (SASB) Consumer Finance Standard and Global Reporting Initiative (GRI) in developing its reporting and disclosures framework.

#### **About Bread Financial™**

[Bread Financial™](#) (NYSE: BFH) is a tech-forward financial services company providing simple, personalized payment, lending and saving solutions. The company creates opportunities for its customers and partners through digitally enabled choices that offer ease, empowerment, financial flexibility and exceptional customer experiences. Driven by a digital-first approach, data insights and white-label technology, Bread Financial delivers growth for its partners through a comprehensive product suite, including private label and co-brand credit cards, installment lending, and buy now, pay later (BNPL). Bread Financial also offers direct-to-consumer solutions that give customers more access, choice and freedom through its branded [Bread Cashback™](#), [American Express® Credit Card](#) and [Bread Savings™](#) products.

Headquartered in Columbus, Ohio, Bread Financial is powered by its 7,500+ global associates and is committed to sustainable business practices. To learn more about Bread Financial, visit [BreadFinancial.com](#) or follow us on [Facebook](#), [LinkedIn](#), [Twitter](#) and [Instagram](#).



Rachel Stultz  
[rachel.stultz@breadfinancial.com](mailto:rachel.stultz@breadfinancial.com)

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