



# Code of Ethics

Bread Financial Holdings, Inc.  
and subsidiaries





**Our common thread:**

**Doing the right thing.  
Always.  
It's who we are.**

## **Contents**

- P 3 **CEO letter**
- P 4 **Part one: The basics**
- P 7 **Part two: Our commitment to each other**
- P 10 **Part three: Our obligation to our stockholders**
- P 17 **Part four: Our commitment to our customers and business partners**
- P 21 **Part five: Our pledge to our communities**
- P 23 **Important contact information**
- P 24 **Alphabetical index**



# Colleagues,

One of Bread Financial's most valuable assets is its reputation, which is largely built from the trust that we earn from our stakeholders. That trust is earned through the daily actions of our associates, whether working with business partners, consumers, communities, investors or each other. Since the company's inception 28 years ago, we have maintained an unwavering commitment to "do the right thing" — four simple words that encapsulate our approach to responsible business practices.

Our Code of Ethics is more than a policy that each of us is required to review annually. Rather, our Code is a valuable resource that outlines the values and principles we agree to embody, maintain and protect, and provides guidance to help us consistently make sound decisions and perform our duties ethically and responsibly. Every decision we make — and each of our daily actions — reflects our values, beliefs and behaviors. Individually and collectively, we are focused on driving business performance and protecting our reputation as a responsible and compliance-centric organization.

I encourage you to read our Code of Ethics and let it guide you in your daily work. If you have a concern or suspect unethical conduct — speak up. If you are unsure about the right course of action to take — seek guidance. By working together to uphold the high standards to which Bread Financial is accountable, we can build on the success we have achieved to drive our future performance.

Thank you for your continued commitment to our stakeholders and each other, and for embodying the beliefs and behaviors that will ensure our sustainable success for the next 28 years and beyond.

*Ralph J. Arduetta*

# Part one:

## The basics

### Why do we have a Code of Ethics?

Our Code of Ethics (the “Code”) is at the center of everything we do. The Code communicates our core values, the kind of company we are and the kind of conduct we want our associates to employ every day.

The Code is our roadmap for doing business the right way and provides guidance for behaving ethically and responsibly. We should use the Code in conjunction with the policies, standards and procedures that govern how we do business. If a business unit policy contains restrictions in addition to those in a policy or guideline contained in the Code, associates within that business unit must also comply with those restrictions.

### Where can I find information about the ethics program?

Bread Financial’s Ethics Office offers important information about its ethics program on Bread Financial’s intranet. Or, if you’re reading this document online, just click [here](#) and you’ll be linked to the Code of Ethics. On the intranet site, you can find an electronic copy of the Code, a description of, and a link to, the Ethics Helpline and a description of Bread Financial’s ethics program. For associates without access to the intranet, a copy of the Code may be found at [breadfinancial.com](http://breadfinancial.com) under the Investors tab.



### Contact the Ethics Office



#### Write

Ethics Office  
Bread Financial  
7500 Dallas Parkway  
Suite 700  
Plano, Texas 75024



#### Call

214-494-3507



#### Email

[corporateethics@breadfinancial.com](mailto:corporateethics@breadfinancial.com)

### Contact the Ethics Helpline:



#### Call

877-217-6218 (United States and Canada)

000 800 9191 189 (India)



#### Online

[breadfinancial.ethicspoint.com](http://breadfinancial.ethicspoint.com)

### Who must follow the Code?

The Code applies to everyone at Bread Financial and its subsidiaries, including our associates, officers and members of our board of directors. Whatever your role is at Bread Financial, the principles of our Code should be at the core of every business decision you make.

### What if I have a question?

You may say to yourself, “I’m not sure how to interpret this section of the Code.” or “I’m not sure I’m in compliance with everything in the Code. What should I do?”

The answer is simple: **Ask.** We’re all expected to bring any questions we have concerning this Code and its application to our supervisor, manager or senior leader. Also, any questions specifically relating to the interpretation of laws or regulations and their applicability to Bread Financial’s operations should be referred to the Legal department.

### What are my responsibilities as an associate?

You’re responsible for understanding and following the Code, as well as the company policies and laws that apply to the work you do and the decisions you make. Our Code, together with our company policies, gives you the information needed to perform your job ethically and responsibly.

It’s also your responsibility to speak up if you’re aware of a potential violation of this Code, our policies or the law so the issue can be addressed.

You also have a **responsibility** to cooperate with any investigation of reported unethical behavior whether undertaken internally by Bread Financial or externally by a third party.

You have several channels to seek guidance or make a report, including:

- **Your immediate supervisor, another manager or a People & Culture representative.**
  - In many cases, your immediate supervisor, manager or People & Culture representative will be able to address concerns related to company and job-specific policies and processes, work responsibilities, co-worker issues, discipline disputes, promotion opportunities and the work environment. Please note, however, you’re not required to report any violations to any individual you believe is harassing you, discriminating or retaliating against you or otherwise violating the Code.
- **The Ethics Office**
- **The Ethics Helpline**

For issues involving actual or potential Code or other legal or ethical violations, you should contact the Ethics Office or the Ethics Helpline as set forth on the previous page. Ethics Helpline is available 24 hours a day, seven days a week and is a resource for associates and others to report suspected misconduct or violations or to ask questions. Reports to the Ethics Helpline are confidential and can be made anonymously if you wish.



**Q. My People & Culture manager asked me to talk to her about an investigation she was doing that involved my supervisor allegedly harassing another associate on my team. I don’t want to talk to her because I’m afraid my supervisor will find out. Do I have to answer her questions?**

A. Yes. You have a responsibility as a Bread Financial associate to participate in any ongoing Bread Financial investigation. Your supervisor won’t necessarily know that you talked to People & Culture, but even if your supervisor does know, Bread Financial strictly prohibits anybody from retaliating against you for participating in the investigation.

## PART ONE: THE BASICS

### What happens after I make a report?

All reported instances of alleged violations or unethical conduct will be reviewed and investigated. If asked, you have a responsibility to cooperate with any investigation of reported unethical behavior. Upon completion of the investigation, depending on the outcome, corrective actions, ranging from training and coaching to employment consequences, including termination, may be recommended as appropriate.

### What do the terms anti-retaliation and whistleblowing mean?

We all have an obligation to report our good faith concerns regarding unlawful or unethical conduct or violations of policies or procedures. Bread Financial won't retaliate or tolerate retaliation against any person who reports in good faith a concern about potential illegal or unethical conduct, or a violation of policies or procedures. Bread Financial also won't retaliate against any associate who assists or participates in the resolution of a report or in an internal or external investigation or proceeding.

If Bread Financial determines that an associate has suffered retaliation for engaging in a protected activity, including reporting unethical behavior, we'll take appropriate remedial action immediately. Any person who retaliates against an associate for raising in good faith issues of unethical or unlawful behavior may be immediately terminated. All associates are expected to comply with Bread Financial's anti-retaliation policy and all applicable laws on anti-retaliation and whistleblowing.

For more information, please refer to Bread Financial's **United States Equal Employment Opportunity, Anti-Discrimination, Anti-Harassment, Anti-Retaliation Policy and Complaint Procedure**.

### What are the consequences for violating the Code?

Although this Code doesn't constitute a contract or create any specific employment rights between associates and Bread Financial, we're all required to comply with it. Any failure to comply with the Code may result in a range of corrective action including termination of employment and, depending on the violation, civil or criminal liability. Although various sections of the Code may reference potential consequences of ethical or legal misconduct, Bread Financial reserves the right to take any action it deems appropriate under the circumstances.



# Part two: Our commitment to each other

## Providing equal employment opportunity

Bread Financial is firmly committed to providing our applicants and our associates equal employment opportunity. That means we recruit, hire, train, promote, compensate, develop and retain the most qualified people from a diverse candidate pool, and **we won't discriminate based on protected categories, including race, religious creed, color, national origin, ancestry, physical or mental disability, medical condition, genetic information, marital status, sex and gender, gender identity and gender expression, age, sexual orientation, Civil Air Patrol status, military and veteran status or any other status protected by law or by Bread Financial policy.**

Bread Financial complies with applicable federal, state and local laws governing non-discrimination in employment in every location in which the company has facilities. Retaliation against any associate who raises in good faith concerns about illegal discrimination or harassment won't be tolerated. For more information, please refer to Bread Financial's **Anti-Harassment, Anti-Discrimination and Anti-Retaliation Policy.**

## Treating others fairly, it's the right thing to do

Bread Financial is committed to a work environment **free of harassment** and intimidation of any type. We don't tolerate harassment, bullying, abuse or any other intimidating behavior that interferes with someone's work or otherwise creates a hostile work environment.

Harassment can be a type of unlawful discrimination if it's based on a protected category (defined above), but can also be any unwelcome, offensive or degrading comments or conduct, including any form of bullying or threatening actions.

Harassment of any kind is determined by the reasonable perception

of your actions by others, regardless of your intention.

Harassment, bullying and intimidation take many forms, including:

- Verbal conduct, including taunting, jokes, threats, epithets, derogatory comments or slurs
- Visual and/or written conduct, including derogatory posters, photographs, calendars, cartoons, drawings, websites, emails, instant messaging, text messages or gestures
- Physical conduct, including assault, unwanted touching or blocking normal movement
- Unwanted sexual advances, requests for sexual favors, or visual, verbal or physical conduct of a sexual nature

## PART TWO: OUR COMMITMENT TO EACH OTHER

As associates of Bread Financial, we should act professionally and treat each other with respect. If you experience or witness any type of harassment or bullying it's your duty to speak up and report it. Any supervisor or manager who's aware of harassment and takes no action to stop it is also subject to corrective action, up to and including termination of employment.

We're committed to taking necessary steps to prevent discrimination and harassment, including investigating all reports and ensuring appropriate action is taken. Any associate who reports an incident or participates in an investigation shouldn't fear any retaliation.

### Providing an open door

Bread Financial has an open door policy that encourages open communication, feedback and discussion between an associate and the associate's leaders and/or People & Culture representative to help resolve problems or concerns.

Whether it's a problem, a complaint, a suggestion or an observation, we want to hear from you. By listening to your concerns or issues, the company is able to improve, address complaints, find solutions and help associates understand the reasons for the company's practices, processes and decisions.



**Q. Several of my co-workers have been emailing each other sexually explicit cartoons. I've received the email and I don't like it, but I'm afraid that if I say something I'll get in trouble. What should I do?**

A. You should contact your supervisor or People & Culture representative as soon as possible. Bread Financial strictly prohibits emailing or displaying offensive or sexually explicit material on company computers, mobile devices or otherwise. Also, retaliation against you for reporting this situation won't be tolerated.



## PART TWO: OUR COMMITMENT TO EACH OTHER

### Keeping your information private

Your privacy is important to you, and it's important to us. That's why Bread Financial uses mechanisms designed to maintain all of our associates' data in a secure manner and protect against the unauthorized disclosure of or access to such data.

### Complying with the law

We all know how important it is to obey the law. Bread Financial associates are required to comply with federal, national, state, and local laws and regulations that affect our business. Bread Financial's compliance efforts are designed to deter, prevent and detect wrongdoing. This Code constitutes one of the core documents of our ethics program. For this and other reasons, no associate should take, or permit to be taken, any action on behalf of Bread Financial that they know, or reasonably should know, violates any applicable governmental law or regulation.

To the extent we conduct business internationally, we must also abide by the national and local laws of the countries in which we operate, unless such laws or practices violate U.S. law. If you find yourself working abroad and local customs and business or social practices differ from the standards contained in the Code, you should consult with the Ethics Office or the Legal department to determine the proper way to conduct Bread Financial business in that location.



# Part three:

## Our obligation to our stockholders

### Keeping accurate financial records

The results of Bread Financial's operations must be presented in accordance with generally accepted accounting principles. Both Bread Financial policy and various laws require Bread Financial to maintain accurate and complete books, records and accounts. Any attempt to conceal or misstate information in company records is a serious offense and may result in disciplinary action, including termination of employment and/or criminal penalties. You're responsible for reporting any suspected violations of the company's accounting policies and procedures. Also, no one should interfere with or attempt to improperly influence Bread Financial's independent auditors in any way.

No false or misleading entries should be made in any books or records of Bread Financial for any reason, and no fund, asset or account of Bread Financial should be established or acquired for any purpose unless such fund, asset or account is accurately recorded in Bread Financial's books and records. Additionally, no corporate funds or assets should be used for any unlawful or unethical purpose. Instead, Bread Financial assets are to be acquired, used and disposed of for the benefit of Bread Financial and its stockholders, and not for the personal enrichment of its associates.

In addition to this Code, we've adopted a Code of Ethics for Senior Financial Officers, which governs their professional and ethical conduct, including, among other things, the fair and accurate presentation of Bread Financial's financial statements, confidentiality of business information, compliance with the law, document retention and conflicts of interest.



## PART THREE: OUR OBLIGATION TO OUR STOCKHOLDERS

### Insider trading

Through your work, you may learn of certain confidential information that qualifies as “material non-public information” about Bread Financial or a customer, business partner, competitor or other third party. Information is considered to be material non-public information if:

- It’s not generally available to the investing public; and
- A reasonable investor would consider it important in making a decision to buy or sell a particular security.

Trading in securities of Bread Financial or the securities of another company involved with Bread Financial while you’re in possession of material non-public information of Bread Financial or the other company is considered “insider trading” and is illegal.

You must not disclose material non-public information to anyone inside the company whose job doesn’t require the person to have the information, or outside the company, including family members and friends.

For more information, please refer to Bread Financial’s **Insider Trading Policy** and **Supplemental Insider Trading Policy**.

### Records retention

Each of us is responsible for ensuring that our company records are maintained, retained and destroyed in compliance with all legal and regulatory record-keeping requirements. To properly manage our company records, you’re required to:

- Comply with our Records Management Policy and Record Retention Schedule.
- Keep company records only as long as necessary for a legitimate business purpose or as legally required in accordance with the retention period specified in the Record Retention Schedule.
- If you’re notified that your documents, communications or other company records are relevant to an anticipated or pending lawsuit, investigation or audit, follow the instructions in the “Legal Hold” notice you receive.

You should consult with the Legal department if you have specific questions about the retention period of a document or if you have questions concerning the documents referred to in a Legal Hold notification. Destruction of documents subject to a Legal Hold, even inadvertently, could expose our company and you to civil and criminal liability.



**Q. I recently became aware that the company will likely exceed its quarterly revenue guidance estimates, but this information hasn’t been announced publicly. I’m so excited. Can I purchase shares of Bread Financial stock?**

A. No. If you have material non-public information regarding the company, you must not trade or advise anyone else to trade in company securities until the information has been made public and after a period of time has elapsed to allow the financial markets to absorb the information. You should consult Bread Financial’s Insider Trading Policy and Supplemental Insider Trading Policy for more detailed guidelines.

## PART THREE: OUR OBLIGATION TO OUR STOCKHOLDERS

### Safeguarding our assets

At Bread Financial, we must all comply with company procedures to protect and preserve confidential information and assets. For that purpose, Bread Financial requires all associates to sign a confidentiality agreement. The confidentiality agreement informs associates that they must protect and take precautionary measures to prevent unauthorized disclosure of Bread Financial's proprietary and confidential information while working for Bread Financial and even after ceasing employment or association with Bread Financial.

Associates should never use information concerning any aspect of Bread Financial's business, or information acquired as a result of their employment with Bread Financial, for their own personal interests.

This includes information not in the public domain concerning third parties with whom Bread Financial is doing business or negotiating a transaction (e.g., suppliers, clients or investment partnerships). Moreover, such information shouldn't be disclosed to any other person or entity, except as required in the performance of Bread Financial duties or as expressly authorized by Bread Financial.

It's also Bread Financial's policy that you may not bring to Bread Financial confidential information of any former employer, or use such information to aid the business of Bread Financial, without the prior consent of your former employer.

You can find additional information regarding the protection of Bread Financial information and information systems in Bread Financial's **Global Information Security Policy and Data Privacy and Protection Policy**.



**Q. My wife recently started a business, and I just realized that a lot of information I have access to would create the perfect email distribution list for her. Can I give her this information?**

A. No. Not only is the information Bread Financial confidential information, but you'd be using this information for personal gain.

## PART THREE: OUR OBLIGATION TO OUR STOCKHOLDERS

### Abiding by disclosure policies

As a public company, Bread Financial is committed to providing timely, orderly, consistent and credible dissemination of information in accordance with legal and regulatory requirements. This commitment allows us to develop and maintain realistic investor expectations by making all required disclosures on a broadly disseminated basis and without being unduly optimistic on prospects for future company performance.

Bread Financial has authorized company spokespersons that provide this information, respond to inquiries from associates and outside parties, conduct conference calls and one-on-one meetings with analysts and investors, attend industry conferences, conduct site visits at Bread Financial facilities, and review and comment on analyst reports and statements. Most often, these authorized spokespersons are Bread Financial's Chief Executive Officer, Chief Financial Officer, Investor Relations and other officers as appropriate.

Unless you're an authorized company spokesperson, you must refer all inquiries from the financial community, stockholders and media to the appropriate person authorized to speak on behalf of the company.

Additional information regarding disclosure can be found in Bread Financial's **Disclosure Policy**.

### Avoiding conflicts of interest

All associates must avoid any activity, interest or relationship that would create, or might appear to create, a conflict between Bread Financial's interest and their own personal interests. While it's important that we preserve the privacy of our associates and their right to conduct their personal affairs without interference, a full and timely disclosure of potential conflicts is necessary to avoid problems. The determination, however, as to whether there's a conflict, or appearance of a conflict, is to be made by Bread Financial and not the associate involved.

If you feel you may be (or appear to be) in a conflicting situation, you must submit the **Conflict of Interest Disclosure Report**, and the Ethics Office will then determine how to address the situation.

All Bread Financial associates, at every level and wherever located, must be able to perform their duties and exercise their judgment on behalf of Bread Financial without impairment, or the appearance of impairment, by reason of their personal interests.



## PART THREE: OUR OBLIGATION TO OUR STOCKHOLDERS

### Participating in outside business interests and outside employment

Associates should avoid having any interest, financial or otherwise, in any competitor, supplier, vendor, customer or other such entity with whom Bread Financial is doing business or negotiating a transaction, which could influence the associate's objectivity or judgment in performing their duties or create a conflict of interest or an appearance of one.

Associates must also abstain from negotiating or approving any loan or other transaction between Bread Financial and an outside organization with which they're affiliated.

It's Bread Financial's practice to select a supplier or vendor on the basis of price, quality and performance. If an associate is involved in the selection of a supplier in which the associate has an interest, it may appear that the supplier was selected for reasons other than price, quality and performance. A conflict generally exists where an associate's duties or position enable them to influence the decision as to whether Bread Financial acquires goods, services, supplies, properties or facilities from an organization in which they have an interest. This is what we must avoid.

Stock ownership in a Bread Financial competitor, supplier, vendor, customer or other such entity won't be deemed a conflict of interest if the stock is publicly traded and the amount owned by the associate and their relatives doesn't exceed one-tenth of 1% of the outstanding capital stock of such entity.

Bread Financial associates may not engage in outside employment that interferes, competes directly or indirectly, or conflicts with Bread Financial's interests, or otherwise impairs the associate's ability to meet their regular job responsibilities at Bread Financial. For example, employment with another company that provides the same types of services we provide may present a conflict.



## PART THREE: OUR OBLIGATION TO OUR STOCKHOLDERS

### Doing business with and supervising family members

You must always avoid situations where your relationship with a family member conflicts, or appears to conflict, with your duties as a Bread Financial associate.

That means you should never make or influence a decision relating to whether Bread Financial engages in business with one of your relatives. A relative means your spouse, domestic partner, siblings, parents or anyone acting in the role of a parent, in-laws, children, aunts or uncles, grandparents, nieces or nephews or anyone living in your household. Also, you should never put yourself in a position to derive any benefit from a Bread Financial transaction involving a relative. You must disclose on the **Conflict of Interest Disclosure Report** any situation in which a relative has an interest in a competitor, supplier, vendor, customer or other such entity with which Bread Financial is doing business, or in any Bread Financial transaction.

Avoiding these types of conflicts also means that you may never directly report to, supervise or have effective control over a relative. Effective control is when your work responsibilities, wages, hours, career progress, benefits, or other terms and conditions of employment could be influenced by your relative. If you find yourself in this situation, you must report it immediately to your manager or the Ethics Office and submit the **Conflict of Interest Disclosure Report**.

Also, you must disclose to your manager or the Ethics Office any intimate relationship you have with a person who directly or indirectly reports to you. Associates who marry or become domestic partners while employed at Bread Financial will become subject to this policy when the marriage or domestic partnership takes place. If, in Bread Financial's opinion, a conflict arises as a result of the relationship, one of the associates may be transferred at the earliest practical time.

Any exceptions to this policy must be approved by the Ethics Office and the executive officer for the business unit in which the relatives work.



**Q. I was recently assigned to a project to develop a new workplace violence policy. I'll need to hire a consultant to advise me on specific aspects of this project. My brother-in-law happens to work in law enforcement and does consulting on the side. Can I hire my brother-in-law to help me?**

A. A conflict of interest could exist in this situation because your brother-in-law performs the type of consulting you need, and your relationship might appear to have influenced you in your decision-making process. At a minimum, you must disclose the relationship to your supervisor who might then ask others to share in the decision or investigate other consulting firms who may perform the same services.

## PART THREE: OUR OBLIGATION TO OUR STOCKHOLDERS

### Serving on a board of directors

Serving as a director of another business entity or as a director on a standing committee of some organizations, including government agencies, may create a conflict of interest, whether or not it's related to your job.

Before accepting an appointment to the board or a committee of any organization whose interests may conflict with Bread Financial's, you must submit the **Conflict of Interest Disclosure Report** and obtain the approval of the Ethics Office. You must also obtain additional approval from Bread Financial's General Counsel before accepting an appointment for which you'll be paid.

### Accepting corporate opportunities

You shouldn't accept, nor divert to any other person or entity, a business or financial opportunity that you know, or reasonably could anticipate, Bread Financial would have an interest in pursuing.

### Giving presentations and other outside activities

Associates may be asked to become involved in industry-related activities outside of work, such as giving a presentation, participating in a panel discussion or seminar, teaching a course or writing an article. In connection with these activities, you may be offered an honorarium or other payment for your participation.

Before accepting any such opportunity or payment, you must submit the Conflict of Interest Disclosure Report and obtain approval from the Ethics Office.

The Ethics Office will consider, among other things, whether the sponsor of the activity has an existing or potential relationship (including a competitive relationship) with Bread Financial and whether participation in the activity could result in the disclosure of Bread Financial confidential, proprietary or sensitive information.

Associates who are participating in presentations, panel discussions or other industry or job-related activities, or any activity that's likely to be picked up by the media, must disclose such activity to the Corporate Affairs department and obtain their approval. Corporate Affairs (and the Legal department if applicable) must also have the opportunity to review and approve any materials, speeches, articles or presentations before they're delivered or published to ensure proper messaging.





# Part four: Our commitment to our customers and business partners

## Marketing our services truthfully

Truth in advertising isn't simply a phrase to us. Advertising used by Bread Financial is legally required to be true and not deceptive in any manner. All product and service claims must be substantiated by supporting data before such claims are made. We must be careful not to disappoint our clients by making claims about our products and services that aren't supported by performance. The purpose of our advertising has been to emphasize the quality of our products and services and the fairness of our prices. We believe that a properly informed client will be a loyal client.

## Compete fairly

Competition laws, also known as antitrust laws, are designed to ensure that competition is fair and honest.

Never enter into any agreement or understanding with a competitor to:

- Set prices on our products and services
- Divide customers, markets or territories
- Prevent another company from entering the market
- Participate in any form of bid rigging
- Refuse to deal with a customer or supplier for improper reasons
- Boycott another company
- Limit production of goods or services

Bread Financial is also subject to the anti-tying provisions of Section 106 of the Bank Holding Company Act because of its affiliations with various banking entities. Communicating to a potential or existing customer that the price or availability of a Bread Financial product or service is predicated upon the potential or existing customer agreeing to purchase from, or provide to, Bread Financial another product or service (a practice known as "tying") is unlawful in certain instances. Violations of these laws can lead to serious consequences for both Bread Financial and any individual involved in such activities. If you have questions relating to competition laws, contact the Legal department.

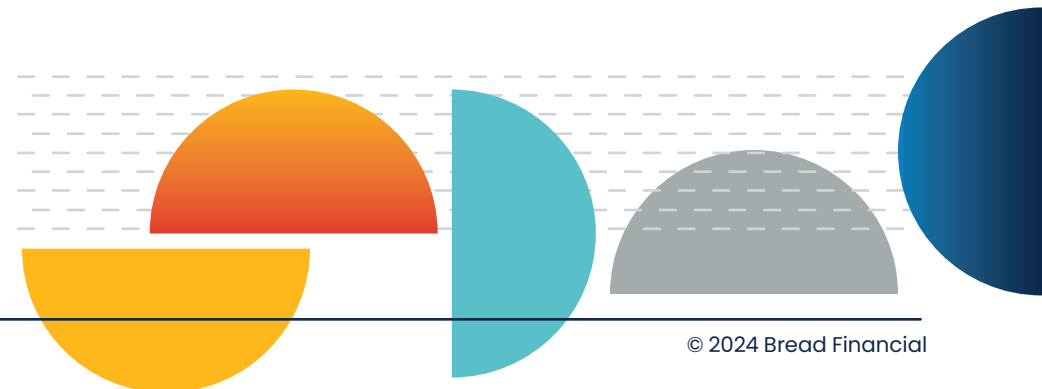
## When you're one of our customers

Bread Financial is affiliated with various banking entities on behalf of which certain Bread Financial associates perform services. No Bread Financial associate who performs work on behalf of any banking entity that's an affiliate or client of Bread Financial, or of such affiliate's or client's customers, should be involved in the credit approval/maintenance process if the account or transaction being considered will directly or indirectly benefit the associate, or a relative, friend or co-worker of the associate.

Although it's acceptable to utilize Bread Financial's credit products as a customer in the normal course of business, if you have access to account and related information in the course of your responsibilities as a Bread Financial associate, it's unethical to review, make revisions to or process transactions on your own account.

This policy doesn't preclude an associate from having accounts with the banking entities as long as the accounts are opened, credit limits are changed, and adjustments (if necessary) are made in accordance with Bread Financial's procedures and systems that govern the granting of credit or handling of service requests for non-associate customers, and the associate isn't involved in such activities in regard to their own account.

Any conflict of interest of this nature should be brought to the attention of and approved by the associate's supervisor, manager or senior leader.



## PART FOUR: OUR COMMITMENT TO OUR CUSTOMERS AND BUSINESS PARTNERS

### Fair lending

Fair lending is the consistent, objective and unbiased treatment of all consumers without regard to race, sex, religion or any other basis prohibited by law. Fair lending laws and regulations apply to all credit products and all credit-related services for both consumer and business purposes. Fair lending obligations apply to all aspects of credit transactions including new product development, advertising, marketing, application, credit risk and underwriting, pricing, account servicing activities and collections.

Each associate is responsible for demonstrating a commitment to fair lending in their regular activities and for assuring compliance with fair lending requirements in job duties. We'll provide consistent and high-quality assistance and service to all of our customers, regardless of race, sex, religion, or any other basis covered by the federal and state fair lending laws governing our banking entities, so all customers will have an equal chance to qualify for credit.

### Reporting suspicious activities

Bread Financial is committed to the fight against **money laundering** and **terrorist financing**, and actively guards against the use of our company's products and services for such activities.

"Money laundering" is the process by which criminal funds are moved through the financial system in order to hide all traces of their criminal origin. "Terrorist financing" refers to the destination and use of funds that may come from legitimate and/or criminal sources to finance terrorist activities. Bread Financial has implemented controls and procedures to prevent the use of our products and services for such activities and to monitor for suspicious activity with regard to accounts and transactions so that, when required, the suspicious activity will be reported to the appropriate government authorities.

We must be vigilant and exercise good judgment when encountering unusual transactions and escalate any situation that seems inappropriate or suspicious.

### Maintaining the privacy of our clients' and their customers' data

It's imperative that Bread Financial appropriately safeguards the financial and other personal data that relate to individual customers we service on behalf of our clients as well as the confidential information of our clients. To that end, we have a duty to abide by the systems, tools and practices designed to maintain our clients' and their customers' data in a secure manner and protect against the unauthorized disclosure of, or access to, such data. We're all expected to comply with Bread Financial's privacy and security policies and procedures, and all applicable laws on privacy. These policies, along with related guidance, are posted on Bread Financial's intranet. If you have questions regarding privacy, please contact Bread Financial's Privacy Office.

### Gifts and entertainment

It may be flattering to receive the offer of a gift, but be aware of the possible pitfalls. The acceptance of even a well-intentioned gift or offer of entertainment can be misinterpreted as an attempt by the donor to **improperly influence our behavior**. With this in mind, Bread Financial has placed restrictions on the types of gifts that associates can accept.

Never accept gifts or entertainment that are intended to influence us in the way we conduct our business. For purposes of this section, gifts or entertainment include, but aren't limited to, goods or services, discounts on goods or services, loans, securities, business opportunities, entertainment, meals, tickets, favorable terms on any products or services, transportation, use of another company's vehicle or vacation facilities and home improvements. These are just examples — the potential list is endless.

There may be certain circumstances, however, under which we can accept certain gifts or items of value, so long as the provision of those gifts or items of value isn't intended to influence us in conducting business. Some of those circumstances require approval from the Ethics Office, and some don't require any approval. The following are guidelines you should follow.

## PART FOUR: OUR COMMITMENT TO OUR CUSTOMERS AND BUSINESS PARTNERS

### Gifts and entertainment that don't require approval before acceptance

Some gifts and entertainment are nominal enough that they don't require approval by anyone at Bread Financial. Unless otherwise prohibited, you may accept gifts and entertainment not to exceed in the aggregate **\$250 USD** (or local currency equivalent) from a single source in a 12-month period. **These include:**

- Occasional meals with a business associate
- Ordinary sports, theatre and other cultural events
- Other reasonable and customary gifts and entertainment
- Participation in business-related functions
- Promotional items of nominal value, such as pens, calendars, paperweights and coffee mugs
- Gift cards or certificates with a value of \$25 USD (or local currency equivalent) or less

### Gifts and entertainment that do require approval before acceptance

There are other items not specifically outlined in this Code that may or may not be acceptable depending on the circumstances. Therefore, you must submit the **Gifts and Entertainment Disclosure Report** and obtain the approval of your manager and the Ethics Office before accepting such gifts, entertainment or other items of value. **Such items include:**

- Gifts, entertainment or other items of value from a single source that exceed in the aggregate \$250 USD (or local currency equivalent) in a 12-month period
- Special events – such as a major sporting or entertainment event
- Travel or entertainment lasting more than a day

When making the decision of whether to approve such a gift or entertainment, the Ethics Office and your manager will take into consideration whether the gift or entertainment would be likely to influence our objectivity, whether there is a **business purpose** (i.e., business will be discussed as part of the event), what kind of precedent it would set for other associates, and how it would appear to other associates or third parties outside of Bread Financial.



**Q. I've been invited by a vendor to attend a three-day seminar on computer security that will be held at the Ritz-Carlton in Key Biscayne, Florida. They'll pay for my flight and hotel, as well as a golf outing and a fishing trip. We're currently negotiating a new contract with them, and I'm the person responsible for the contract. Can I accept the invitation?**

A. Accepting a lavish gift such as this would create the appearance that you may sign the new contract in exchange for the travel and entertainment provided by the vendor. This is an impermissible conflict.

## PART FOUR: OUR COMMITMENT TO OUR CUSTOMERS AND BUSINESS PARTNERS

### Gifts and entertainment that are **never** acceptable

In certain circumstances, accepting a gift, entertainment or other items of value is never permitted, either because it's illegal or appears to call your individual or Bread Financial's integrity into question. Associates may never:

- Accept any gift, entertainment or other items of value that would be illegal or result in any violation of law
- Accept any gift of cash or cash equivalent (such as gift cards or certificates greater than \$25 USD (or local currency equivalent) or loans, stock or stock options)
- Accept or request anything as part of an agreement to do anything in return for the gift, entertainment or other items of value
- Accept any entertainment that's unsavory or sexually oriented, or otherwise puts Bread Financial in an unfavorable light
- Participate in any activity that we know would cause the person giving the gift, entertainment or other items of value to violate their own employer's standards

### Giving gifts and entertainment

Like the acceptance of gifts, entertainment or other items of value, Bread Financial places restrictions on what we can give a third party. Offering social amenities or business courtesies of a nominal value, such as modest gifts, meals and entertainment, is very common and is meant to create goodwill and enhance business relationships. These types of gifts or offers of entertainment are perfectly acceptable.

However, in certain circumstances, giving a gift or providing entertainment isn't permitted. Associates may never offer to provide a gift, entertainment or anything else of value if it's:

- Illegal
- Known to violate the rules of the recipient's organization
- Cash or cash equivalent (such as gift cards or certificates greater than \$25 USD (or local currency equivalent) or loans, stock or stock options)
- Part of an agreement to do anything in return for the gift or entertainment
- Unsavory or sexually oriented or would otherwise put Bread Financial in an unfavorable light
- A gift with a monetary value of more than \$250 USD (or local currency equivalent) (unless the recipient's organization has a lower limit, in which case we must comply with that limit)
- Not recorded properly on Bread Financial's books

In summary, nothing should be accepted or offered that could impair, or appear to impair, an associate's ability to perform their duties, create the appearance of impropriety or cause embarrassment to you or to Bread Financial.

Notwithstanding the foregoing, offering gifts, entertainment or other items of value to government entities or officials could be perceived as a bribe or payoff and have serious legal implications. Any gifts, entertainment or other items of value to or from government entities or officials, regardless of form or value, must be precleared by Bread Financial's General Counsel and be reported on the **Gifts and Entertainment Disclosure Report**.

# Part five: Our pledge to our communities



## Following anti-bribery and anti-corruption laws

Bread Financial prohibits any form of bribery or corruption in business. You must not offer, promise, give or accept, directly or indirectly, a bribe or anything of value to or from any person to attempt to improperly influence any act or decision to obtain or retain business, or to secure any improper advantage for Bread Financial.

Many countries, states and local jurisdictions have laws restricting gifts, including meals, entertainment, transportation, lodging or other things of value to government officials. The U.S. Foreign Corrupt Practices Act of 1977 (“**FCPA**”) outlines serious provisions against bribery, including the payment, or promise of payment, of anything of value to **foreign officials** (including any person employed by or representing a foreign government, officials of a foreign political party, officials of public international organizations and candidates for foreign office). Bread Financial must comply with all applicable laws and regulations relating to bribery and corruption in each country in which it conducts business, including the FCPA and the Federal Bank Bribery Law. For more information, please review Bread Financial’s **Anti-Bribery and Anti-Corruption Policy**.

Bread Financial prohibits “**facilitating payments**” or “**expediting payments,**” which are small payments made to government officials to expedite or secure performance of a routine governmental action, such as processing a visa or obtaining a permit or license. If confronted with a request to make a facilitating payment, you should contact Bread Financial’s General Counsel immediately.

To ensure compliance with local laws and the FCPA, any **gifts, entertainment or other items of value to or from government officials**, regardless of form or value, must be precleared by Bread Financial’s General Counsel and reported on the **Gifts and Entertainment Disclosure Report**. Under no circumstances may we offer anything of value to a government official (or to members of the official’s family) for the purpose of influencing the recipient to take or refrain from taking any official action, or to induce the recipient to conduct business with Bread Financial. Failure to follow procedures for the FCPA (and similar regulatory requirements) could result in serious consequences for all of us and for Bread Financial.

## Protecting the environment

Bread Financial recognizes the importance of environmental stewardship and the risks environmental challenges, including climate change, increasingly pose to our business, our associates, our clients, our customers and the communities we serve. We’re committed to responsibly managing the environmental impact of our operations, incorporating environmental stewardship considerations throughout our business, and promoting awareness among our stakeholders on sustainability and related initiatives.

## PART FIVE: OUR PLEDGE TO OUR COMMUNITIES

### Running for or holding public office

Bread Financial encourages associates' involvement in the political process on their own time. Bread Financial policy doesn't in any way restrict an associate's right to participate personally in political activities or to use personal funds for political purposes. However, if you run for or hold public office, whether elective or appointive, the potential for conflicts of interest, or the appearance of a conflict, will be taken into account in determining whether you'll remain employed at Bread Financial.

Bread Financial prohibits the use of Bread Financial facilities, equipment (e.g., telephones, copying machines, mailing lists) or personnel (e.g., secretarial help) to assist associates in engaging in the political process and prohibits political activities during an associate's work hours (these activities could also be illegal). Such activities must be restricted to the use of an associate's personal time, resources, equipment and facilities. An associate who requests an extended leave of absence for the purpose of engaging in political activities must obtain prior written approval from Bread Financial's General Counsel. There are potential restrictions against the payment of benefits (e.g., continuation of participation in benefit plans) by corporations in such circumstances.

### Getting involved in corporate political activities and making contributions

Bread Financial has a legitimate interest in the composition of our state, local and federal governments, and in laws that have the potential to impact our business. In certain cases, it may be appropriate and in Bread Financial's best interests to use corporate resources to make political contributions or otherwise participate in political activities. This is, however, an extremely sensitive area that's strictly governed and regulated. Any political contributions made by or on behalf of Bread Financial, whether direct or indirect, must be in accordance with applicable laws and must be approved in advance in writing by Bread Financial's General Counsel or approved designees. For more information, please review Bread Financial's **Political Contributions and Activity Policy**.



**Q. I've been asked to serve on the campaign committee of a state senatorial candidate in the role of campaign treasurer. This position also includes raising campaign contributions. Can I serve on this campaign committee?**

A. Yes, so long as you don't use Bread Financial facilities, equipment or personnel in helping you perform your campaign duties, and you perform these activities outside your normal work hours.

# Important contact information

## Contact the Ethics Helpline

### Make a report by phone

877-217-6218 (United States or Canada)  
000 800 9191 189 (India)

### Make a report online:

[breadfinancial.ethicspoint.com](https://breadfinancial.ethicspoint.com)

## Contact the Ethics Office



### Write

Ethics Office  
Bread Financial  
7500 Dallas Parkway  
Suite 700  
Plano, Texas 75024



### Call

214-494-3507



### Email

[corporateethics@breadfinancial.com](mailto:corporateethics@breadfinancial.com)

# Alphabetical index

## A

**Access numbers:** 23  
**Anonymous reporting:** 5, 6  
**Anti-corruption laws:** 21  
**Anti-retaliation:** 6, 8  
**Antitrust laws:** 17  
**Assets:** 12  
**Auditors:** 10, 11

## B

**Bank transactions:** 17, 18  
**Board of directors, serving on:** 16  
**Bribery:** 21

## C

**CEO letter:** 3  
**Competitors, competition laws:** 17  
**Competitors, investing in:** 14  
**Confidential information:** 12  
**Conflicts of interest:** 13, 14, 15, 16, 18, 19, 20  
**Corporate opportunities:** 16

## D

**Disclosure policy:** 13  
**Discrimination:** 7

## E

**Entertainment, government officials:** 20, 21  
**Environment:** 21  
**Equal employment opportunity:** 7

## F

**Family members, doing business with:** 15  
**Family members, supervising:** 15  
**Financial records:** 10

## G

**Gifts:** 18, 19, 20  
**Gifts, bribery:** 21  
**Gifts, government officials:** 21

## H

**Harassment:** 7, 8  
**Help:** 4, 23

## I

**Insider trading:** 11  
**Investigations:** 5, 6, 8, 11

## M

**Marketing:** 17  
**Media:** 13, 16

## O

**Open door:** 8

## P

**Personal relationships:** 15  
**Political activities and contributions:** 22  
**Privacy:** 9, 12, 18  
**Privacy, associate:** 9, 12  
**Privacy, client:** 18

## R

**Records retention:** 11  
**Reporting:** 4, 23

## S

**Sexual harassment:** 7, 8  
**Suspicious activity:** 18

## V

**Violations of our Code:** 5, 6

## W

**Whistleblowing:** 6