

BREAD FINANCIAL HOLDINGS, INC. CORPORATE GOVERNANCE GUIDELINES

The Board of Directors (the “*Board*”) of Bread Financial Holdings, Inc. (the “*Company*”), acting on the recommendation of the Nominating & Corporate Governance Committee, has adopted the following corporate governance guidelines (the “*Guidelines*”), which provide a framework for the governance of the Company. The Board will review the Guidelines at least annually and will amend or supplement the Guidelines from time-to-time as it deems necessary or appropriate.

Role and Responsibilities of the Board of Directors

The Board is elected by the stockholders of the Company to oversee their interest in the financial strength and overall health and success of the Company, with the primary objective of optimizing stockholder value over the long term. The Board selects the Chief Executive Officer (the “*CEO*”) and oversees the senior management team, who are responsible for the day-to-day conduct of the Company’s business. The Board’s role includes overseeing, and interacting with senior management with respect to, among other things, Company strategy, risk assessment and mitigation, compliance, leadership development and succession planning, operational performance, executive compensation, corporate governance and sustainability. Directors also provide general advice and counsel to the CEO and other senior management.

The Board’s core responsibility is to exercise its business judgment to act in what each director reasonably believes to be the best interests of the Company and its stockholders. Where appropriate, directors will also take into consideration the interests of other stakeholders, including associates and members of the communities in which the Company operates. Directors must fulfill their responsibilities consistent with their fiduciary duties to the stockholders and in compliance with applicable laws, rules and regulations.

Qualification and Selection of Directors; Orientation and Compensation

- ***Qualification and Selection.*** The Board will include at least a majority of directors who meet the criteria for independence established by the New York Stock Exchange. The Board will annually review and determine the independence and qualifications of each director. In making its determination, the Board will carefully consider all facts and circumstances it deems relevant to the determination. Directors have an affirmative obligation to promptly inform the General Counsel of changes in their circumstances or any transactions or relationships that may impact their designation by the Board as “independent.”

Directors may be nominated by the Board or by stockholders in accordance with the Company’s Bylaws. The Nominating & Corporate Governance Committee, using a skills matrix based on the Company’s strategic plans, will review the desired experiences, mix of skills, and other qualities for existing and new directors and make nomination recommendations to the Board. The Board determines the nominees to be recommended to stockholders for election to the Board, taking into consideration the recommendations of the Nominating & Corporate Governance Committee. While there are no firm prerequisites to qualify as a candidate, the Board strives to identify individuals who will make a significant contribution to the Board, to the Company and to its stockholders.

Accordingly, the Board seeks a diverse group of candidates who possess the requisite judgment, background, skill, expertise and time, as well as, where appropriate, diversity with respect to race, ethnicity and gender, to strengthen and increase the diversity, breadth of skills and qualifications of the Board. Determinations with respect to independence and other qualifications will be made by the full Board.

- ***Orientation/Education.*** The Company will conduct an orientation program for new directors. The orientation program will include presentations by senior management with respect to director duties and other relevant topics, which may include the Company's policies, key associates, strategic plans, financial reporting, Code of Ethics and auditing processes, among others. In addition, from time to time the Company will provide the Board with presentations from Company and/or third party experts on topics that will assist directors in carrying out their responsibilities. The Company also encourages directors to attend endorsed third-party director education courses as deemed necessary or appropriate. New directors are encouraged to visit the Company's primary offices.
- ***Director Compensation.*** Directors who are associates of the Company shall not receive additional compensation for service as a director. The compensation of non-associate directors will be periodically reviewed by the Compensation & Human Capital Committee, or such other appropriate committee of the Board as the Board may determine from time to time.

Board Leadership

- ***Selection of Board Chair and Chief Executive Officer.*** The Board believes that whether to have the same person occupy the offices of chair of the Board and Chief Executive Officer should be decided by the Board from time to time, in its business judgment after considering relevant circumstances. The Board currently believes having a non-executive chair is the best practice. The chair of the Board and the chair of each Board committee will be selected by the Board. The Board may also select from among its members a lead director to preside at meetings where the Board chair does not preside.

Board Structure

- ***Size of the Board.*** The Board will determine the appropriate size of the Board from time to time within the requirements set forth in the Company's Certificate of Incorporation and Bylaws.
- ***Committees of the Board.*** The current standing committees of the Board include: an Audit Committee, a Compensation & Human Capital Committee, a Nominating & Corporate Governance Committee and a Risk Committee. Each committee member must satisfy the membership requirements set forth in the relevant committee charter. The Board may from time to time establish or eliminate such other standing or special committees as it deems necessary or appropriate. Committee members will be appointed by the Board. Consideration will be given to rotating committee members periodically, but rotation will not be mandated as a policy. Each committee (other than any *ad hoc* committee formed from time to time for one or more limited purposes) will have its own charter. The charter will set forth the purpose of the committee as well as qualifications for committee membership. Any proposed changes to any committee charter shall be recommended

to the Board for approval. The chair of each committee will determine the frequency and length of committee meetings and will develop the committee's agenda for each meeting.

- ***Director Time Commitments.*** Each director is expected to ensure that other existing and planned future commitments do not materially interfere with his or her service as a director. Directors must advise the chair of the Board in advance of accepting an invitation to serve on the board of any other public company or for-profit organization, so that the effect, if any, of such position on the director's independence may be evaluated. In addition, no director may serve on more than four other public company boards, and a director who is also the CEO may not serve on more than one other public company board. A director who serves on the Audit Committee shall not simultaneously serve on more than two other public company audit committees. The Nominating & Corporate Governance Committee will review and consider director commitment levels to ensure directors are able to comply with the Company's expectations on a director's time and availability.
- ***Term Limits; Mandatory Retirement.*** The Board does not have term limits. Such limits may cause the Board to lose the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company. As an alternative to term limits, the Board, taking into consideration the recommendations of the Nominating & Corporate Governance Committee, will evaluate the qualifications and performance of each incumbent director before recommending the nomination of that director for an additional term.

The mandatory retirement age from service on the Board is age 75; provided, however, that upon attaining the age of 75, a director may continue to serve until the annual meeting of stockholders at which such director's term is set to expire; and, provided further, that if the Board determines that it is in the best interests of the Company and its stockholders, the Board, taking into consideration the recommendations of the Nominating & Corporate Governance Committee, may nominate for re-election a director who has already attained the age of 75.

- ***Change in Status.*** When a director's principal occupation or business association changes substantially during his or her tenure as a director, the director shall promptly notify the Nominating & Corporate Governance Committee and offer their resignation from the Board. The Nominating & Corporate Governance Committee will recommend to the Board the action, if any, to be taken with respect to the resignation, and the Board will determine whether to accept or decline any such resignation offer.

Board Processes; Director Responsibilities

- ***Agenda and Meetings; Board Information.*** The Board will hold regularly scheduled meetings. In addition, special meetings may be called from time to time as appropriate. The chair of the Board will establish the agenda for each Board meeting. Each director may suggest the inclusion of items on the agenda and may raise at any Board meeting subjects that are not on the agenda for that meeting. The chair of the Board may invite guest attendees to any Board meeting for the purpose of making presentations, responding to questions or providing counsel on specific matters within their areas of expertise.

Directors are expected to attend Board meetings and meetings of committees on which they serve and to spend the time needed to prepare for meetings. Information relating to the business to be conducted at a Board or committee meeting should generally be distributed to the directors early enough to properly prepare for the meeting. Proprietary or otherwise sensitive materials may be reserved for distribution at the meeting. Directors are expected to attend the Company's annual stockholder meeting.

- **Strategic Planning.** The Board will review the Company's long-term strategic plan during at least one Board meeting each year.
- **Chief Executive Officer Evaluation.** The performance of the Chief Executive Officer will be reviewed by the Board at least annually. Such review will consider recommendations from the Compensation & Human Capital Committee with respect to long- and short-term compensation goals and performance of the Chief Executive Officer.
- **Management Succession.** The Board (or a designated committee of the Board) shall review management succession plans annually. This shall include management development and succession plans for each member of the Company's executive leadership team. The Chief Executive Officer, or his designee, will report annually to the Board on the Company's program for talent management and succession planning. The Chief Executive Officer should make available to the Board his or her recommendations and evaluations of potential successors.
- **Access to Management and Advisors.** Directors shall have full access to executive officers and associates of the Company as needed to fulfill their oversight responsibilities. Each director will use his or her judgment to ensure that any such contact is not disruptive to the business operations of the Company and will, to the extent appropriate under the circumstances, coordinate any such contact with the Chief Executive Officer. The Board encourages management to, from time to time, invite key managers to Board meetings where they can share their expertise with respect to matters before the Board. This also enables the Board to gain exposure to key managers with future potential in the Company.

The Board and each committee may retain financial, legal or other independent advisors, at the Company's expense, as the Board or such committee deems necessary and appropriate and as provided in each such committee's charter.

- **Board Interaction with Company Constituencies and the Public.** Communications about the Company with the press, media and other constituencies should be made by management in accordance with the Company's Disclosure Policy. Individual directors may, from time to time, at the request of the Chief Executive Officer or General Counsel, meet or otherwise communicate with various constituencies on behalf of the Company. If contacted by the media regarding Company matters, directors should request that the media contact the Company's Chief Communications Officer. If contacted by an investor regarding Company matters, directors should direct the inquiry to the Company's Head of Investor Relations.
- **Executive Sessions.** The non-management directors may meet in executive session as a part of regularly scheduled Board meetings. Such sessions may include discussions of the performance of

the Chief Executive Officer or other members of senior management, management succession planning or any other matters as the non-management directors deem appropriate.

- ***Annual Performance Evaluations.*** The Board and its committees will conduct an annual self-evaluation of their performance, which may include an evaluation of individual directors, to help improve the overall effectiveness of the Board and its committees. The Nominating & Corporate Governance Committee will oversee and administer the evaluation process.
- ***Stockholder Communications with the Board.*** Stockholders and interested parties may send communications to the Board or any individual director by forwarding such communications to the Company's corporate secretary. Communications should be addressed to Corporate Secretary, Bread Financial Holdings, Inc., 7500 Dallas Parkway, Suite 700, Plano, Texas 75024. All communications will be compiled by the office of the corporate secretary and submitted to the Board or individual directors on a periodic basis.
- ***Policy Against Tax Gross Up Arrangements.*** The Company shall not enter into any contract, agreement or arrangement with an executive officer of the Company that obligates the Company to pay directly or reimburse such executive officer for any portion of the executive officer's individual tax liability for benefits provided by the Company (a "***tax gross-up benefit***"); provided, however, that this policy shall not prohibit any tax gross-up benefit provided pursuant to contracts, agreements, or arrangements assumed by the Company in connection with acquisitions or plans, policies, or arrangements applicable to Company associates generally.
- ***Stock Ownership Guidelines.*** Directors and executive officers are expected to maintain at least a minimum position in the Company's common stock so that their interests are aligned with those of other stockholders. The Compensation & Human Capital Committee periodically reviews the stock ownership guidelines and monitors compliance with such guidelines. The terms of the stock ownership guidelines are reported in the Company's annual meeting proxy statement.

November 28, 2023