



Political Contributions and Activity Policy

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1.0 Policy Overview

1.1 Purpose

The Political Contributions and Activity Policy (the “**Policy**”) governs the political contributions and activities of (i) Bread Financial Holdings, Inc. (“**Bread Financial**”) and its subsidiaries (collectively, the “**Company**”), (ii) Bread Financial Political Action Committee (“**BFPAC**”), and (iii) all Company associates. The Policy is designed to advance the Company’s business and stockholder interests, promote transparency with the public, and promote compliance with applicable laws, as well as the Company’s Code of Ethics.

1.2 Scope

This Policy applies to the Company and its associates, as well as the directors of Bread Financial and its subsidiaries, including Comenity Bank and Comenity Capital Bank. For purposes of this Policy, Company associates and directors are collectively referred to as “associates.”

2.0 Policy Elements

2.1 Company Political Contributions and Activities

The Company is subject to public policy issues that have the potential to impact its business, associates, business partners and stockholders, as well as the communities in which it operates. The Company believes that in certain cases it may be appropriate and in the Company’s best interests to use its resources to make political contributions or otherwise participate in political activities. This is, however, an extremely sensitive area that is strictly governed and regulated by federal, national, state, and local laws. Only authorized associates acting within the scope of their professional duties for the Company or at the direction of the BFPAC Board of Directors may commit to or make political contributions or otherwise participate in political activities on behalf of the Company. Any political contributions made by or on behalf of the Company, whether direct or in-kind, must be in accordance with applicable law and must be approved in advance and in writing by Bread Financial’s Chief Legal Officer, or an approved designee acting within the scope of their professional duties for the Company. The Company seeks to ensure compliance with all applicable laws and regulations governing its political contributions and activities. The Company’s engagement in political contributions and activities is currently limited to the United States.

The Company participates in direct advocacy on certain public policy issues relating to economic growth and financial stability, as well as other issues that have the potential to impact the Company and its business partners. In prioritizing public policy issues, the Company considers the challenges facing its operations and opportunities for expansion, with a goal of prioritizing public policies that will increase stockholder value and contribute to the Company’s success. The Company seeks to ensure compliance with all federal, national, state, and local laws that require disclosure of lobbying activities and expenses, including, but not limited to, the Honest Leadership and Open Government Act of 2007 and the Lobbying Disclosure Act of 1995. Further, if the Company chooses to structure or facilitate any grassroots lobbying efforts, any related activities and expenditures will be made and reported in accordance with applicable law.

The Company participates in a number of trade associations that provide expertise and insight on issues and trends impacting our industry and that advance important public policy efforts regarding issues of concern to our industry. The Company annually evaluates its memberships in these trade organizations to ensure that they serve the long-term interests of the

Company. Participation as a member of these associations does not mean we always agree with all of the positions of the organizations, or those of other members.

2.2 Bread Financial Political Action Committee (*only applicable in the United States*)

The Company formed the BFPAC to enable eligible individuals to participate more effectively in the political process, currently limited to federal and State of Ohio elections, and act together in support of federal congressional and State of Ohio candidates who share the Company's business interests and goals. The BFPAC is an independent, multi-candidate, non-partisan, voluntary fund that is supported by eligible individuals. Only voluntary contributions may fund the BFPAC and each contributor to the BFPAC must be a U.S. citizen (including those with dual citizenship). The Company does not contribute funds to the BFPAC, but Company funds were used to establish the BFPAC and continue to be used to administer and solicit contributions to the BFPAC as permitted by applicable law. All political contributions made by the BFPAC are reported to the Federal Election Commission ("**FEC**") and are publicly available on the FEC website, <http://www.fec.gov/disclosure.shtml>. All solicitations for BFPAC contributions are made in accordance with the statutes and regulations set forth by the FEC and other applicable federal and State of Ohio laws.

The BFPAC Board of Directors governs the BFPAC, reviews and determines whose campaigns the BFPAC will support, and ensures compliance with applicable laws and regulations. The BFPAC Board does not determine which candidates to support based on personal preference, but rather has adopted the following guidelines to assist it in making such determinations:

- the candidate's understanding of or willingness to learn about the Company's business;
- whether the candidate's election could positively affect the Company's business interests;
- the location of Bread Financial's U.S.-based associates and/or facilities in the candidate's jurisdiction;
- the candidate's service on key legislative committees; and
- the candidate's financial need and chances of being elected or re-elected.

2.3 Associate Political Contributions and Activities

The Company respects and supports the right of its associates to participate in political activities. The Company does not restrict an associate's private involvement in the political process, nor does it discriminate on the basis of political support or affiliation. The Company, however, does not endorse any private participation by its associates in the political process and it will not reimburse associates directly or indirectly for their private political contributions or expenses.

Company associates making political contributions or engaging in political activities on their own behalf must do so in a manner that does not in any way suggest the Company's support, nor provide any attribution to the Company or the BFPAC. Further, associates may not use their position with the Company to coerce or pressure other associates to contribute to, support, or oppose any political candidate, election, or initiative.

Associates engaging in political activities must also adhere to applicable provisions of the Company's Code of Ethics. Associates may not use corporate resources, including corporate funds, property, services, facilities, equipment, personnel, e-mail, phones, computers, supplies, office space or associate time during work hours for private political contributions, activities, or campaigns.

If an associate plans to run for or hold public office, whether elective or appointive, or requests an extended leave of absence for the purpose of engaging in political activities, he or she must obtain prior written approval from Bread Financial's Chief Legal Officer to ensure such position or activities do not create a conflict of interest or any other people & culture issues for the Company.

2.4 Consequences

Any violation of this Policy may have repercussions under federal, national, state, or local law. Any associate found to have violated this Policy, or to be the cause of a violation, may be subject to corrective action, up to and including termination of employment. Please contact Bread Financial's Office of the Chief Legal Officer with any questions regarding this Policy, including whether it applies to a particular contribution or activity.

3.0 Policy Maintenance

3.1 Policy Owner

Bread Financial's Chief Legal Officer owns and maintains this Policy.

3.2 Policy Approver

This Policy will be reviewed and approved by the Policy & Governance Committee ("**P&GC**") on an annual basis, or more frequently as necessary.

3.3 Policy Exceptions/Non-Compliance

Requests for exceptions to, or issues of non-compliance with, this Policy must be escalated to the Policy Owner for review and disposition. The Policy Owner will document such issues and decisions, and if appropriate, escalate to the Policy Approver for review.

3.4 Policy Changes

The Policy Owner is responsible for managing the Policy review process and identifying, implementing and owning all changes.

3.5 Policy Retirement

The Policy Owner must request and justify the retirement of the Policy. The Policy Approver is responsible for approving the retirement request.

4.0 Related Documents

Please refer to the following documents for additional information related to this Policy:

- Code of Ethics
- Summary of Disbursement Authorization (SODA) Policy/Matrix
- Regulations set out by the Federal Election Commission, Title 52, Chapter 301 of the United States Code and 11 C.F.R. §114.