

| OMB APPROVAL | |
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| | | |
|---|---|---|
| 1. Name and Address of Reporting Person* <u>Beberman Perry S</u> (Last) (First) (Middle) 5 HILLMAN DRIVE, SUITE 103 (Street) CHADDS PA 19317 FORD (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>BREAD FINANCIAL HOLDINGS, INC.</u> [BFH] | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>EVP, Chief Financial Officer</u> |
| | 3. Date of Earliest Transaction (Month/Day/Year) 03/24/2023 | |
| | 4. If Amendment, Date of Original Filed (Month/Day/Year) | |

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) | | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|--------|---|------------|-------|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock | 03/24/2023 | | A | (1)(3) | 16,873 | A | (1) | 54,063 | D | |
| Common Stock | 03/24/2023 | | A | (2)(3) | 25,310 | A | (2) | 79,373 ⁽⁴⁾ | D | |

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|--|--|-----------------|---|--|--|---|--|
| | | | | | | Date Exercisable | Expiration Date | | | | | |
| | | | | | | | | | | | | |

Explanation of Responses:

- The new grant is for 16,873 shares of common stock represented by time-based restricted stock units (RSUs). These time-based RSUs will vest over a three-year period, with 5,568 units vesting on each of 3/25/24 and 2/18/25 and 5,737 units vesting on 2/17/26, subject to continued employment (subject to certain limited exceptions) by the Reporting Person on the vesting dates.
- The new grant is for 25,310 shares of common stock represented by performance-based RSUs, which may be adjusted up or down at the time the performance targets are measured at the end of the three-year performance period. These performance-based RSUs may vest on 2/17/26 contingent on meeting predetermined performance measures and subject to continued employment (subject to certain limited exceptions) by the Reporting Person on the vesting date.
- Due to evolving macroeconomic conditions impacting the process of setting the appropriate performance-based RSU targets, these grants were approved later than usual in the grant cycle. However, for administrative convenience, the second and third years of the time-based RSUs and, if the performance targets are achieved, the three-year performance-based RSUs will vest on the Company's typical vesting schedule in mid-February of the applicable year.
- The total number of securities beneficially owned includes: (a) 6,786 unrestricted shares; (b) 7,628 unvested units from an award of 11,385 time-based restricted stock units granted 7/15/21; (c) 3,623 unvested performance-based restricted stock units granted 7/15/21; (d) 5,914 unvested units from an award of 8,826 time-based restricted stock units granted 2/15/22; (e) 13,239 unvested performance-based restricted stock units granted 2/15/22; (f) the new grant for 16,873 time-based restricted stock units; and (g) the new grant for 25,310 performance-based restricted stock units.

Benjamin L. Morgan, 03/27/2023
Attorney in Fact

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.