

Environmental Policy Statement

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. Bread Financial understands it has a role to play in protecting and preserving the environment, and is committed to address environmental risks by adopting sustainable and responsible practices throughout its business, including those related to climate change, energy efficiency and resource conservation.

Bread Financial's Commitment

Bread Financial is committed to responsibly managing the environmental impact of its operations, incorporating environmental stewardship considerations throughout its business and promoting awareness among its stakeholders on sustainability and related initiatives. Bread Financial intends to honor this environmental commitment through the following actions and efforts:

- We will adhere to our internally-established Environmental, Social and Governance (ESG) Framework, to ensure Bread Financial appropriately considers, assesses and manages its climate and environmental risks and opportunities.
- We will continue to measure, analyze and report on our company's greenhouse gas (GHG) emissions, and will establish goals to reduce our emissions over time.
- We will evaluate and act on opportunities to reduce our carbon footprint and develop a roadmap for effective management of emissions in the future.
- We will seek opportunities to provide financial products and services that promote environmentally-beneficial business practices.
- We will prioritize the use of renewable energy, as well as promote energy efficiency and conservation within our office buildings and care centers.
- We will manage the consumption of energy, water, paper and other resources used in our day-to-day operations and implement initiatives to reduce the waste we generate, reuse resources and increase recycling efforts.
- We will seek to minimize emissions from commuting through work-from-home programs and associate adoption of sustainable commuter transport options, including electric vehicles, ride sharing and cycling to work.
- We will endeavor to reduce business travel and promote alternatives when possible.
- We will work to incorporate environmental considerations into procurement processes and encourage our suppliers to operate in an environmentally responsible and efficient manner.
- We will raise awareness regarding the importance of preserving the environment and conserving energy and natural resources, and promote responsible behavior on behalf of our company, our associates and other stakeholders.
- We will seek to identify and invest in sustainability initiatives that engage our associates and align our biggest impact areas.
- We will regularly engage with both internal and external stakeholders – including our associates, investors, clients and other partners – to solicit their feedback and understand their sentiments regarding ESG matters believed to affect our business performance and long-term success. This engagement will enable us to identify, prioritize and validate our most material topics and related actions.
- We will provide effective governance and oversight over our environmental and climate-related risks. We will inform and educate the Nominating & Corporate Governance Committee of our Board of Directors, as well as key cross-functional leadership, on our climate-related risks, strategies, practices and mitigating actions.