Investor presentation

Second quarter 2026

Building a stronger, more focused tech-forward financial services company

Accomplishments

- New leadership & refreshed Board
- Rebranded and expanded our product suite
- Accelerated technology and digital capabilities
- Added and extended partnerships
- Enhanced risk management
- Strengthened balance sheet

Our resilient business model delivers strong returns and sustainable long-term value through responsible, disciplined capital allocation

Strong, resilient returns and capital generation + Disciplined capital allocation = Sustainable long-term shareholder value

Capital priorities

Support profitable growth and fund innovation	Optimize capital metrics	Return excess capital to shareholders

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$28B
annual customer spend

$3.9B
annual revenue

30MM+
open and outstanding accounts

~100
card partners

$18B
loan portfolio

Note: Figures as of 12/31/2025 per the 10-K.

Primary product offerings

Co-brand and private label credit cards
Programs that assist many well-known brands and retailers in driving sales and loyalty

Bread Pay® installment loans
Our pay-over-time payment technology solution, which includes both our installment loans and split-pay offerings

Direct-to-consumer cards
General purpose credit cards include Bread Cashback® and Bread Rewards® American Express© Credit Cards

Bread Savings®
Online platform providing direct-to-consumer deposit products in the form of certificates of deposit and savings accounts

Services supporting our primary product offerings

Risk management
We process millions of credit card applications each year using automated proprietary scoring technology and verification procedures for responsible risk-based underwriting and origination decisions

Loan processing and servicing
We manage the loans that we originate for co-brand, private label, and general purpose credit card programs and Bread Pay® products

Integrated marketing, data and analytics
We capture and analyze transaction data to understand consumer behavior to design and implement strategies that assist our partners in acquiring and retaining a more loyal customer base

Digital and mobile capabilities
We drive growth for our brand partners by providing a seamless, personalized digital and mobile experience that is responsive to customers' evolving expectations

Partnership focused business model providing simple, personalized payment, lending, and saving solutions

Full product offering with unique value proposition

- Suite of financial products meets the needs of customers across generations with various financing needs and provides balance sheet diversification

Long history of brand partnership success

- Fueling card partner loyalty and consumer adoption with our ~100 card partners in multiple industry verticals
- Our 10 largest programs are secured into at least 2028

Diverse customer base across total addressable market

- Product optimization and graduation strategies presents relevant products to the customer at the right time and supports profitable growth throughout economic cycles

Strong balance sheet and funding base

- Industry leading risk-adjusted returns
- Strong capital levels and quality funding to support responsible balance sheet growth

Iconic brand partners

AAA

CAESARS ENTERTAINMENT

crypto.com

ETHAN ALLEN

Ford

SEPHORA

VICTORIA'S SECRET

Robust pipeline of new opportunities

Building on our position of strength by focusing on four key areas

2026 focus areas

Responsible growth

Accelerate sustainable growth through our diversified product suite and expand revenue generation opportunities, delivering value to our brand partners and customers

Proactive, strategic risk management

Execute strategies to improve credit performance and maintain strong risk and control effectiveness while reinforcing regulatory vigilance

Operational excellence

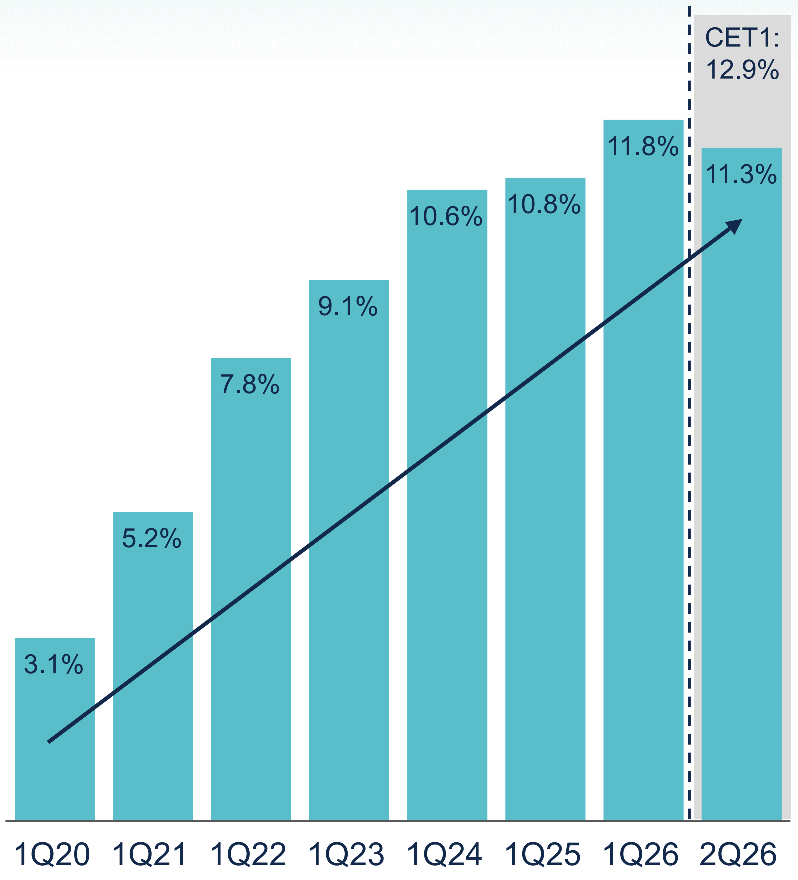
Accelerate initiatives to deliver AI capabilities, technology advancements, improved customer satisfaction, reduced risk exposure, and enterprise-wide efficiency

Disciplined capital allocation

Effectively manage capital ensuring appropriate returns on investments to achieve our long-term financial targets while maintaining a strong balance sheet

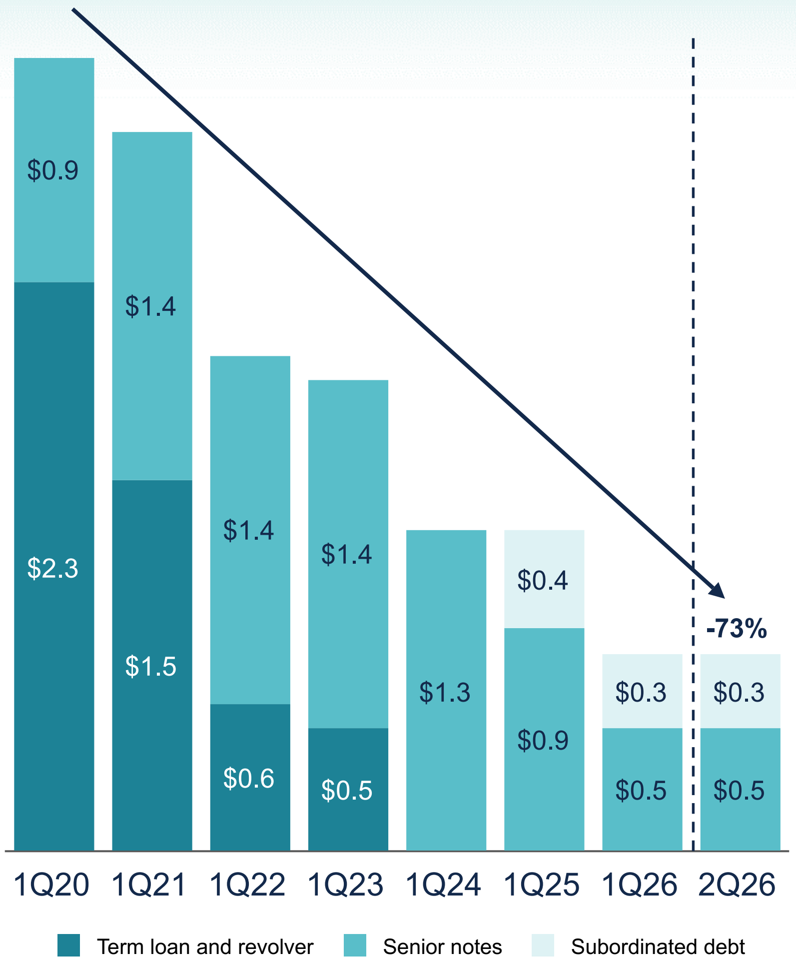
Strengthened balance sheet evidenced by impressive long-term trends

Total company tangible common equity / tangible assets ratio*

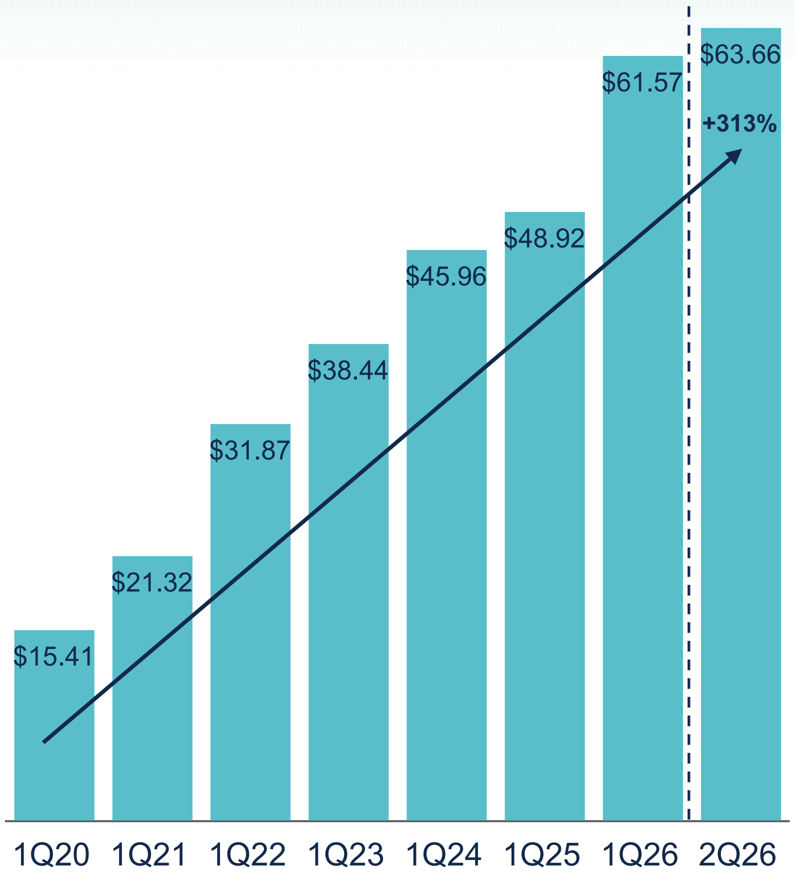


Parent-level debt outstanding

$ in billions



Tangible book value per common share*



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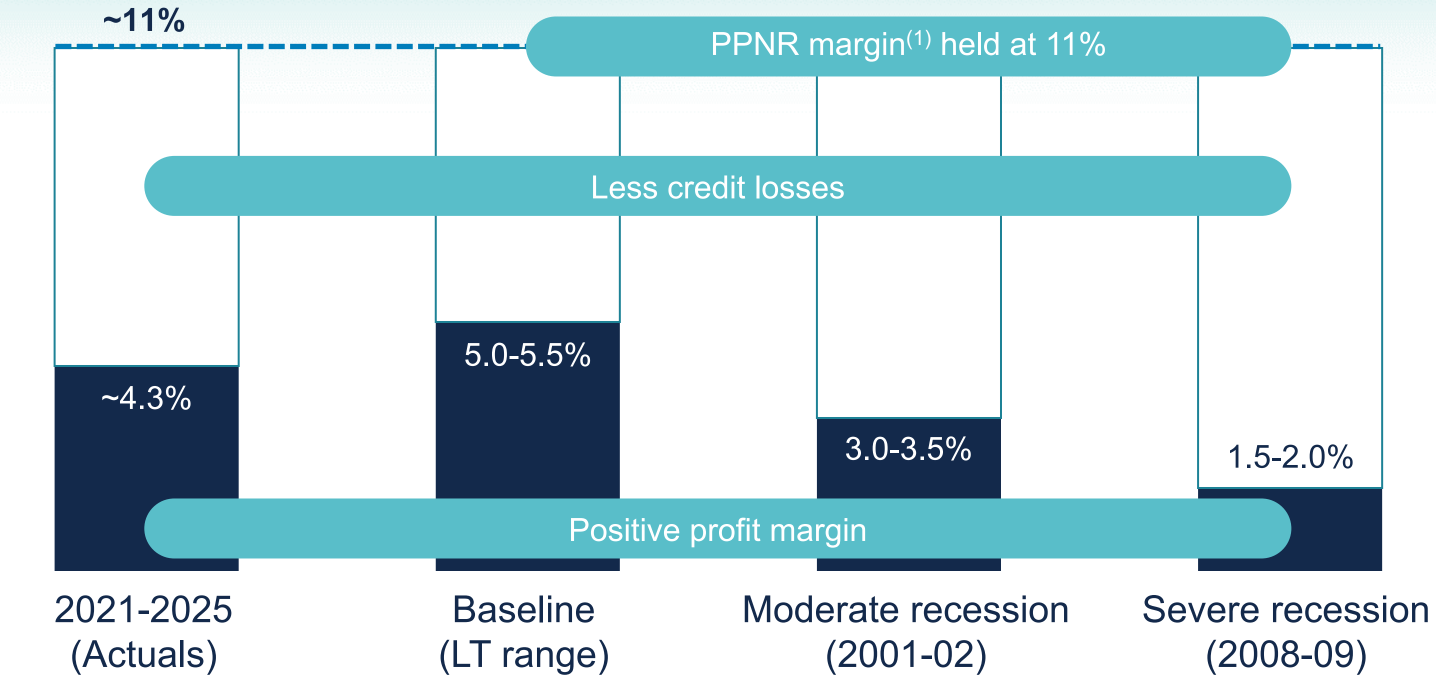
*Represents a non-GAAP financial measure. See "Non-GAAP financial measures" and "Reconciliation of GAAP to non-GAAP financial measures."

Strong, durable profit margin provides confidence in financial resilience through different economic scenarios

Positive profit margin maintained in stressed scenarios



Net loss rate	Range of net loss rates		
6.7%	5.5 - 6.0%	7.5 - 8.0%	9.0 - 9.5%

Expect to outperform historic loss levels in stressed scenarios due to enhanced credit risk management

- **Attractive risk-adjusted loan yield[2] of 19.5%** over the previous four quarters. Over 300 basis points higher than the closest peer.
- **Loan loss reserve materially higher.** Reserve rate of 11.2%, up 500+ basis points from year-end 2019 and prior pre-recession periods.
- **Capital ratios significantly improved.** CET1[3] at 12.9%, an increase of 400+ basis points from 1Q21.
- **Credit mix shifting to higher quality.** Risk score mix now at 65% >650, above pre-pandemic levels.
- **Improved funding and efficiency** through balance sheet optimization and an ongoing focus on operational excellence.

Note: Figures as of 2Q26.

(1) Pretax pre-provision earnings (PPNR) margin represents Adjusted PPNR divided by average loans. Adjusted PPNR excludes gains on portfolio sales and impacts from debt repurchases. Adjusted PPNR is a non-GAAP financial measure. See "Non-GAAP Financial Measures" and "Reconciliation of GAAP to Non-GAAP Financial Measures."
(2) Risk-adjusted loan yield represents loan yield less the net principal loss rate.
(3) Common equity tier 1 capital ratio represents tier 1 capital divided by total risk-weighted assets. In the calculation of tier 1 capital, we follow the Basel III Standardized Approach and therefore Total stockholders' equity has been reduced, primarily by Goodwill and intangible assets, net.

2026 financial outlook

As of 7/23/2026

Full year 2025 actuals	Full year 2026 outlook	Commentary
Average loans 2025: $17,850	Up low- to mid-single digits	Based on our current economic outlook and visibility into our pipeline and partner growth, we now expect 2026 average credit card and other loans growth to be up low- to mid-single digits from full year 2025.
Revenue 2025: $3,845 million	Up low- to mid-single digits	Revenue growth is now expected to be up low- to mid-single digits from 2025, primarily driven by average loan growth.
Adjusted total non-interest expenses[(1)] 2025: $1,914 million	Positive operating leverage	Expense growth is managed based on revenue generation and ongoing investment in our business. We expect to deliver positive operating leverage in 2026, excluding the pretax impacts from our debt repurchases. We continue to invest in AI capabilities, technology modernization, marketing, and product innovation to drive growth and efficiencies.
Net loss rate 2025: 7.7%	7.0% to 7.1%	2026 net loss rate is expected to improve from 2025 given a resilient consumer, our disciplined credit management, and continued risk and product mix shifts.

(1) Represents a Non-GAAP financial measure. We are unable to provide a quantitative reconciliation of the forward-looking 2026 financial outlook for this Non-GAAP financial measure to its most directly comparable forward-looking GAAP measure as we cannot reliably predict all of the necessary components of such a forward-looking GAAP measure without unreasonable effort. In the calculation of Full year 2025 actuals, Adjusted total non-interest expenses excludes from Total non-interest expenses a $74 million pre-tax impact from our debt repurchases.

Financial targets

As of 7/23/2026

Financial targets	Near term: Sustainable, responsible growth	Long term: Enhance shareholder value
Loan growth	Low- to mid-single digit loan growth	Mid- to high-single digit loan growth
CET1	Maintain CET1 ratio of 13-14% • Optimize capital mix	Maintain CET1 ratio of 12-13% • Optimized capital mix
Net loss rate	Continued progression toward net loss rate of 6%	Net loss rate of 6%
Operating leverage	Annual positive operating leverage	Annual positive operating leverage
Capital Returns	**Low-20% ROTCE(1)**	**Mid-20% ROTCE(1)**

Building on our position of strength

Positioned to deliver responsible growth, strong returns, and capital distribution opportunities over time

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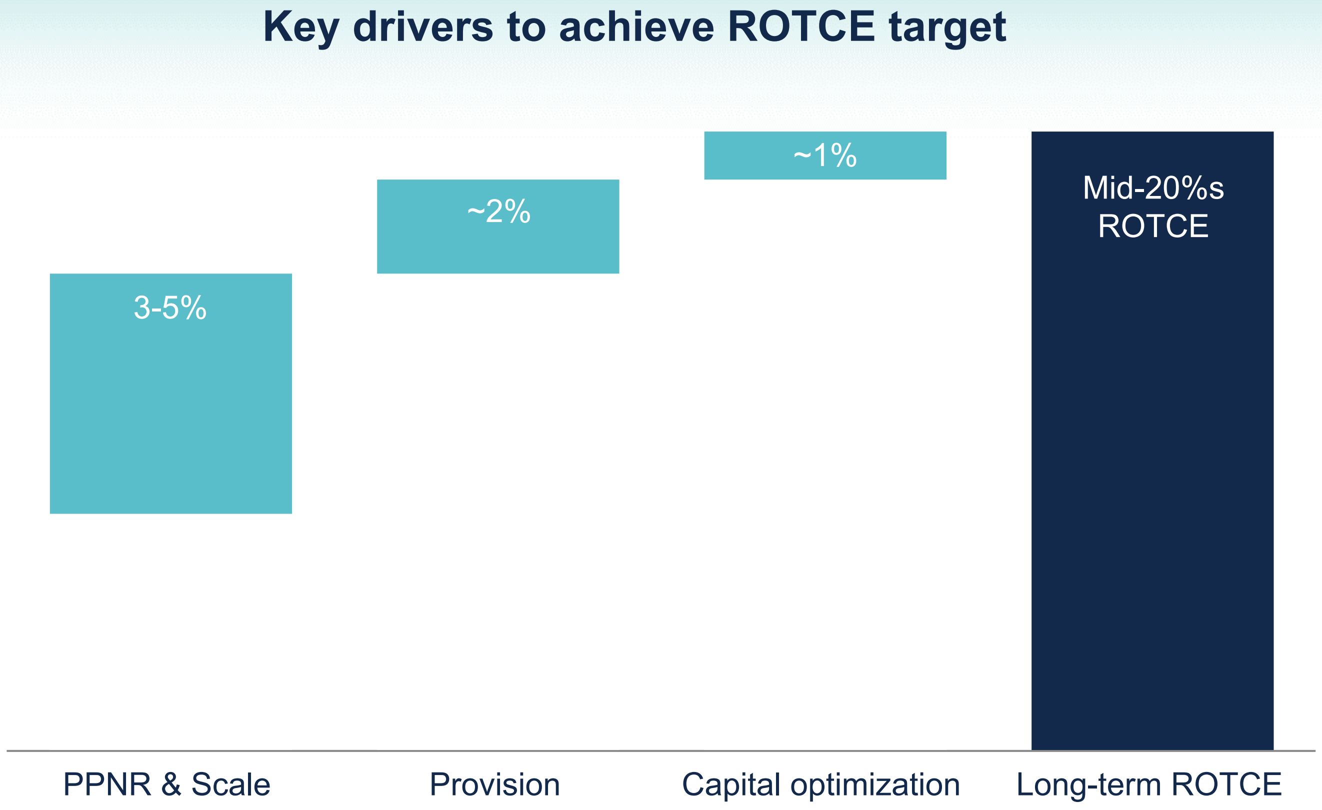
(1) Represents a Non-GAAP financial measure. See "Non-GAAP Financial Measures" and "Reconciliation of GAAP to Non-GAAP Financial Measures." We are unable to provide a quantitative reconciliation of the forward-looking targets for this Non-GAAP financial measure to its most directly comparable forward-looking GAAP measure as we cannot reliably predict all of the necessary components of such a forward-looking GAAP measure without unreasonable effort.

Executing on initiatives to deliver a mid-20% ROTCE



- **PPNR improvement**
  - Responsible, profitable loan growth
  - Annual positive operating leverage
- **Net loss rate progressing towards 6%**
  - Aligned with lower provision / reserve rate
- **Continued capital optimization**
  - Issuance of preferred equity reduces level of common equity required to achieve target capital levels

Appendix

Multi-year board refreshment program yielded a highly engaged and diverse board of directors

Ralph Andretta
President & CEO
of Bread Financial

John Fawcett
Former EVP & CFO
of CIT Group Inc.

John Gerspach
Former CFO
of Citigroup, Inc.

Praniti Lakhwara
Chief Information
Officer of Zscaler

Rajesh Natarajan
Chief Product and Strategy
Officer of Globalization Partners

Joyce St. Clair
Former EVP & Chief
HR Officer of Northern
Trust Corporation

Timothy Theriault
Former EVP & Global CIO
and Advisor to the CEO of
Walgreens Boots Alliance, Inc.

Laurie Tucker
Former SVP,
Corporate Marketing
of FedEx Services, Inc.

Sharon Turney
Former CEO
of Victoria's Secret

Experienced leaders with proven ability to execute business strategy and manage through uncertainty

Ralph Andretta
President,
Chief Executive Officer

Joined in February 2020

40+ years of industry experience

Previous experience:

citi
BANK OF AMERICA
AMERICAN EXPRESS

Perry Beberman
EVP,
Chief Financial Officer

Joined in July 2021

35+ years of industry experience

Previous experience:

BANK OF AMERICA
mbna

Valerie Greer
EVP,
Chief Commercial Officer

Joined in June 2020

30+ years of industry experience

Previous experience:

citi
JPMORGAN CHASE & CO.
HSBC

Tammy McConnaughey
EVP, Chief Credit Risk and Operations Officer

Joined in June 1992

30+ years of industry experience

Previous experience:

AllianceData.

Allegra Driscoll
EVP,
Chief Technology Officer

Joined in January 2024

20+ years of industry experience

Previous experience:

AMERICAN EXPRESS
CREDIT SUISSE
Goldman Sachs

Joseph Motes
EVP,
CAO & General Counsel

Joined in July 2015

35+ years of industry experience

Previous experience:

AllianceData.
Akin Gump STRAUSS HAUER & FELD LLP

Forward-looking statements

This release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements give our expectations or forecasts of future events and can generally be identified by the use of words such as “believe,” “expect,” “anticipate,” “estimate,” “intend,” “project,” “plan,” “likely,” “may,” “should” or other words or phrases of similar import. Similarly, statements that describe our business strategy, outlook, objectives, plans, intentions or goals also are forward-looking statements. Examples of forward-looking statements include, but are not limited to, statements we make regarding, and the guidance we give with respect to, our anticipated operating or financial results, future financial performance and outlook, future dividend declarations, and future economic conditions.

We believe that our expectations are based on reasonable assumptions. Forward-looking statements, however, are subject to a number of risks and uncertainties that are difficult to predict and, in many cases, beyond our control. Accordingly, our actual results could differ materially from the projections, anticipated results or other expectations expressed in this release, and no assurances can be given that our expectations will prove to have been correct. Factors that could cause the outcomes to differ materially include, but are not limited to, the following: macroeconomic conditions, including inflation, interest rates, labor market conditions, financial and capital market conditions, recessionary pressures or concerns over a prolonged economic slowdown, and the related impact on consumer spending behavior, payments, debt levels, savings rates and other behaviors; global political events and conditions, including significant shifts in trade policy, such as changes to, or the imposition of, tariffs and/or trade barriers and consequently any economic impacts, volatility, uncertainty and geopolitical instability resulting therefrom, as well as ongoing wars and military conflicts, and international tensions or hostilities; local or global public health issues, climate-related events, impacts to the power grid, and natural disasters; future credit performance, including the level of future delinquency and charge-off rates; loss of, or reduction in demand for services and/or products from, significant brand partners or customers in the highly competitive markets in which we operate, including competition from new and non-traditional competitors, such as financial technology companies, and with respect to new products, services and technologies, such as the emergence or increase in popularity of agentic commerce, digital payment platforms and currencies and other alternative payment and deposit solutions; the concentration of our business in U.S. consumer credit; inaccuracies in the models and estimates on which we rely, including our credit risk management models and the amount of our Allowance for credit losses; the inability to realize the intended benefits of acquisitions, dispositions and other strategic initiatives; our level of indebtedness and ability to access financial or capital markets; pending and future federal and state legislation, executive action, regulation, supervisory guidance, and regulatory and legal actions, including, but not limited to, those related to financial regulatory reform and consumer financial services practices, as well as any such actions that would place limits on credit card interest rates or late fees, interchange fees or other charges; failures or breaches in our operational or security systems, including as a result of cyberattacks, unanticipated impacts from technology modernization projects or otherwise; and any liability or other adverse impacts arising out of or related to the spinoff of our former LoyaltyOne segment or the bankruptcy filings of Loyalty Ventures Inc. (LVI) and certain of its subsidiaries, including the pending litigation against us in connection with the spinoff. The foregoing factors, along with other risks and uncertainties that could cause actual results to differ materially from those expressed or implied in forward-looking statements, are described in greater detail under the headings “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the most recently ended fiscal year, which may be updated in Item 1A of, or elsewhere in, our Quarterly Reports on Form 10-Q filed for periods subsequent to such Form 10-K. Our forward-looking statements speak only as of the date made, and we undertake no obligation, other than as required by applicable law, to update or revise any forward-looking statements, whether as a result of new information, subsequent events, anticipated or unanticipated circumstances or otherwise.

Non-GAAP financial measures

We prepare our Consolidated Financial Statements in accordance with accounting principles generally accepted in the United States of America (GAAP). However, certain information included herein constitutes Non-GAAP Financial Measures. Our calculations of Non-GAAP Financial Measures may differ from the calculations of similarly titled measures by other companies. In particular:

- *Return on average tangible common equity* (ROTCE) represents annualized Income from continuing operations less Dividends to preferred stockholders, divided by average Tangible common equity. Tangible common equity (TCE) represents Total stockholders' equity reduced by Preferred stock and Goodwill and intangible assets, net. We use *ROTCE* as a metric to evaluate the Company's performance.
- *Tangible common equity over Tangible assets* (TCE/TA) represents TCE divided by Tangible assets (TA), which is Total assets reduced by Goodwill and intangible assets, net. We use *TCE/TA* as a metric to evaluate the Company's capital adequacy and estimate its ability to absorb losses.
- *Tangible book value per common share* represents TCE divided by common shares outstanding. We use *Tangible book value per common share*, a metric used across the industry, to assess capital and performance, in conjunction with ROTCE.
- *Pretax pre-provision earnings* (PPNR) represents Income from continuing operations before income taxes and the Provision for credit losses. *PPNR excluding any gain on portfolio sale and impacts from debt repurchases* then excludes from PPNR the gain on any portfolio sale in the period, as well as the loss or gain on any debt repurchases in the period. We use *PPNR* and *PPNR excluding any gain on portfolio sale and impacts from debt repurchases* as metrics to evaluate our results of operations before income taxes, excluding the movements that can occur within Provision for credit losses and the one-time nature of a gain on the sale of a portfolio and/or the impacts from debt repurchases.
- We have previously repurchased and may, from time to time, in the future continue to repurchase debt, including any outstanding senior unsecured notes, subordinated notes or convertible notes. In such transactions, we may pay a premium to induce these repurchases, or in certain cases repurchase at a discount, which, from a GAAP perspective, would result in an impact to Total non-interest expenses. For our prior debt repurchases, we show adjustments to Total non-interest expenses to exclude the impacts from our debt repurchases. We use *Adjusted total non-interest expenses* to evaluate the ongoing operations of the Company excluding the volatility that can occur from the impacts of our debt repurchases.

We believe the use of these Non-GAAP financial measures provide additional clarity in understanding our results of operations and trends. For a reconciliation of these Non-GAAP financial measures to the most directly comparable GAAP measures, please see the "Reconciliation of GAAP to Non-GAAP Financial Measures."

Reconciliation of GAAP to Non-GAAP financial measures

($ in millions)	2Q26	1Q26	1Q25	1Q24	1Q23	1Q22	1Q21	1Q20
Tangible common equity (TCE)								
Total stockholders' equity	$ 3,365	$ 3,325	$ 3,068	$ 3,032	$ 2,716	$ 2,268	$ 1,764	$ 1,088
Less: Preferred stock	(201)	(72)	—	—	—	—	—	—
Less: Goodwill and intangible assets, net	(701)	(708)	(738)	(753)	(790)	(682)	(1,426)	(1,059)
Tangible common equity (TCE)	**$ 2,463**	**$ 2,545**	**$ 2,330**	**$ 2,279**	**$ 1,926**	**$ 1,586**	**$ 338**	**$ 29**
Tangible assets (TA)								
Total assets	$ 22,452	$ 22,308	$ 22,382	$ 22,299	$ 21,970	$ 21,970	$ 20,938	$ 25,235
Less: Goodwill and intangible assets, net	(701)	(708)	(738)	(753)	(790)	(682)	(1,426)	(1,059)
Tangible assets (TA)	**$ 21,751**	**$ 21,600**	**$ 21,644**	**$ 21,546**	**$ 21,180**	**$ 20,256**	**$ 19,737**	**$ 23,176**

($ in millions)	2025	2024	2023	2022	2021
Pretax pre-provision earnings (PPNR)					
Income from continuing operations before income taxes	$ 615	$ 381	$ 968	$ 300	$ 1,044
Provision for credit losses	1,242	1,397	1,229	1,594	544
Pretax pre-provision earnings (PPNR)	**$ 1,857**	**$ 1,778**	**$ 2,197**	**$ 1,894**	**$ 1,588**
Less: Gain on portfolio sale	(3)	(11)	(230)	—	(10)
Add: Impacts from debt repurchases	74	117	1	—	—
Adjusted PPNR	**$ 1,928**	**$ 1,884**	**$ 1,968**	**$ 1,894**	**$ 1,578**

Adjusted total non-interest expenses	2025
Total non-interest expenses	$ 958
Impacts from debt repurchases	15
Adjusted total non-interest expenses	**$ 943**