Investor Day

JUNE 18, 2024

Forward-looking statements

This presentation 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 market conditions, inflation, rising interest rates, unemployment levels and the increased probability of a recession, and the related impact on consumer payment rates, savings rates and other behavior; global political and public health events and conditions, including ongoing wars and military conflicts; future credit performance, including the level of future delinquency and write-off rates; the loss of, or reduction in demand from, significant brand partners or customers in the highly competitive markets in which we compete; the concentration of our business in U.S. consumer credit; inaccuracies in the models and estimates on which we rely, including the amount of our Allowance for credit losses and our credit risk management models; 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 legislation, 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 with respect to late fees, interchange fees or other charges; impacts arising from or relating to the transition of our credit card processing services to third party service providers that we completed in 2022; 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 tax liability, disputes or other adverse impacts arising out of or relating to the spinoff of our former LoyaltyOne segment or the bankruptcy filings of Loyalty Ventures Inc. and certain of its subsidiaries. In addition, the CFPB recently issued a final rule that, absent a successful legal challenge, will place significant limits on credit card late fees, which would have a significant impact on our business and results of operations for at least the short term and, depending on the effectiveness of the mitigating actions that we may take in response to the final rule, potentially over the long term; we cannot provide any assurance as to the effective date of the rule, the result of any pending or future challenges or other litigation relating to the rule, or our ability to mitigate or offset the impact of the rule on our business and results of operations. 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 audited 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, Pretax pre-provision earnings (PPNR) is calculated by increasing/decreasing Income from continuing operations before income taxes by the net provision/release in Provision for credit losses. PPNR less gain on portfolio sales then decreases PPNR by the gain on any portfolio sales in the period. We use PPNR and PPNR less gain on portfolio sales as metrics to evaluate our results of operations before income taxes, excluding the volatility that can occur within Provision for credit losses and the one-time nature of a gain on the sale of a portfolio. Tangible common equity over Tangible assets (TCE/TA) represents Total stockholders' equity reduced by Goodwill and intangible assets, net, (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 cover potential losses. Tangible book value per common share represents TCE divided by shares outstanding. We use Tangible book value per common share as a metric to estimate the Company's potential value. 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."

bread financial™

$28B+
Annual spend

800M+
Annual transaction volume

39M+
Active credit accounts

~100
Card partners

$18B+
Loan portfolio

Note: Figures represent full year 2023.

Today's focus

Highlight how 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

Agenda

Company overview:
Position of strength

Ralph Andretta, President & CEO

Products, partners and customers:
Diversified and growing

Val Greer, EVP & Chief Commercial Officer

Dennis McCarthy, SVP & Chief Client Officer

Technology transformation:
Accelerating capabilities

Allegra Driscoll, EVP & Chief Technology Officer

Break

Credit risk process:
Proactive portfolio management

Tammy McConnaughey,
EVP & Chief Credit Risk and Operations Officer

Financials:
Responsible and resilient

Perry Beberman, EVP & CFO

Closing:
Committed to long-term value creation

Ralph Andretta, President & CEO

Moderated discussion

Q&A

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Company overview:

Building on our position of strength

Ralph Andretta

President & CEO

- Joined in February 2020
- 30+ years of industry experience

PREVIOUS EXPERIENCE

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

Ralph Andretta
President & CEO
of Bread Financial

Roger Ballou
Former CEO & Director
of CDI Corporation

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.

Sharen Turney
Former CEO
of Victoria's Secret

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

Accomplishments

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

Primary product offerings

Private label and co-brand credit cards

Programs that assist many well-known brands and retailers in driving sales and loyalty

Bread Pay™

Our buy now, pay later (BNPL) payment technology solution, which includes both our installment loans and SplitPay 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 private label, co-brand and general-purpose credit card programs and Bread Pay™ products

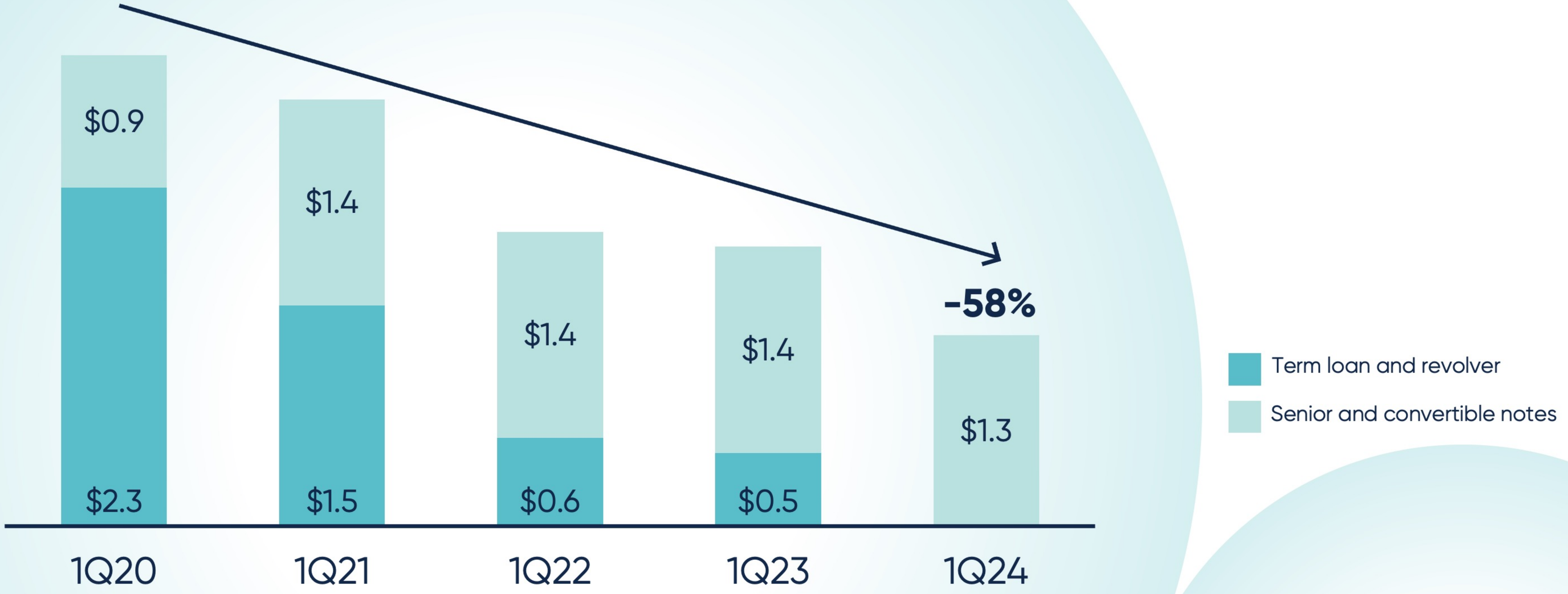
Integrated marketing, data and analytics

We capture and analyze transaction data to understand consumer behavior to design and implement strategies that assist our partners in acquiring, retaining and creating 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

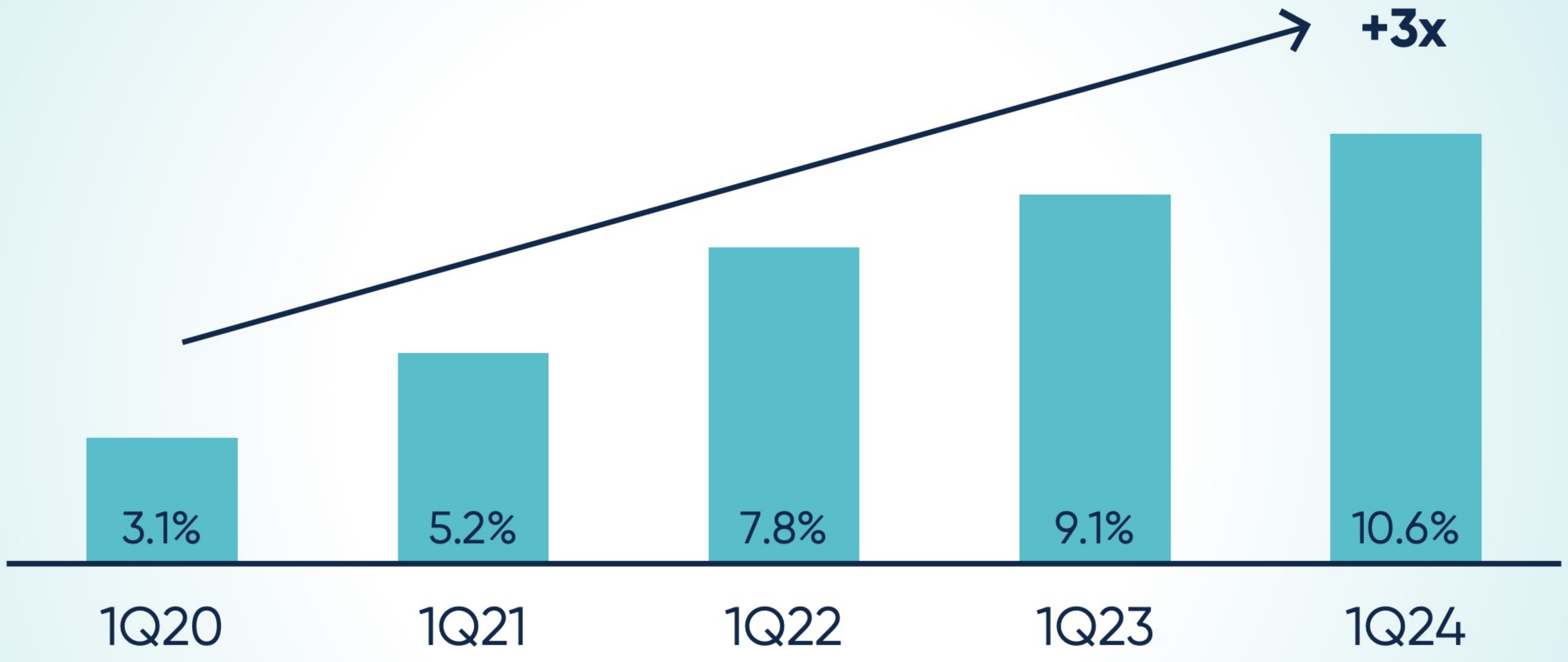
Strengthened balance sheet by paying down $1.8 billion in parent-level debt since 2020



Parent-level debt outstanding

$ in billions

Improved capital metrics by increasing tangible common equity by $1.5 billion since 2020



Total company tangible common equity/tangible assets ratio[1]

(1) Tangible common equity (TCE) represents Total stockholders' equity reduced by Goodwill and intangible assets, net. Tangible assets (TA) represents Total assets reduced by Goodwill and intangible assets, net. TCE and TA are non-GAAP financial measures. See the Non-GAAP financial measures section and the Reconciliation of GAAP to non-GAAP financial measures included in the deck.

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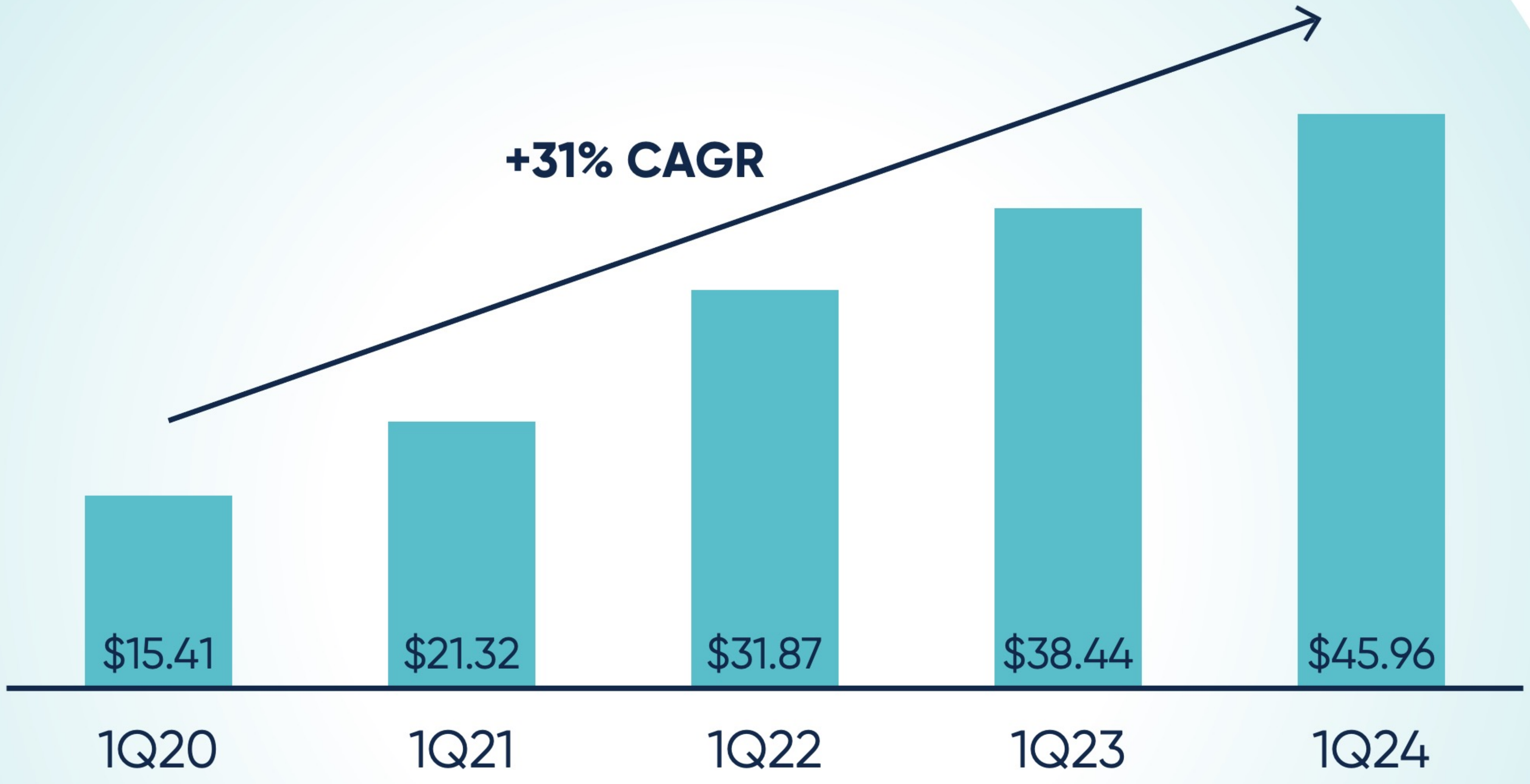
Increased shareholder value by nearly tripling tangible book value per share since 2020



Tangible book value per share[1]

(1) Tangible book value per common share represents TCE divided by shares outstanding. TCE is a non-GAAP financial measure. See the Non-GAAP financial measures section and the Reconciliation of GAAP to non-GAAP financial measures included in the deck.

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

Responsible growth

Scale and diversify product offerings to align with the changing macroeconomic landscape, while optimizing brand partner growth and revenue opportunities

Manage macroeconomic and regulatory environment

Proactively execute strategies to mitigate business impacts resulting from government regulation and macroeconomic challenges

Accelerate digital and technology capabilities

Drive our digital-first strategy to enhance product offerings, increase customer self-servicing and improve the overall customer experience

Operational excellence

Accelerate continuous improvement gains to drive technology advancements, improved customer satisfaction, control enhancements, enterprise-wide efficiency and value creation

Capital priorities continue to evolve as we execute on our strategic transformation to deliver long-term shareholder value

Support profitable growth

Improve capital metrics

Reduce parent-level debt

Corporate responsibility, governance and community engagement are integrated in our overall business strategy

Sustainability strategic framework

- **Managing our business responsibly**
- **Empowering our customers**
- **Engaging our associates**
- **Creating possibilities for our communities**
- **Protecting our planet**

Recognition of our efforts

Customer Service Center CERTIFIED Center of Excellence Awarded by BenchmarkPortal The SOURCE for Contact Centers

Great Place To Work® Certified™

Bloomberg Gender-Equality Index 2023

Ragan WORKPLACE WELLNESS AWARDS WINNER!

HEALTHY WORKSITE 2023 HEALTHY BUSINESS COUNCIL OF OHIO GOLD LEVEL EMPLOYER

Key takeaways

Confidence in our resilient business model

A vibrant, adaptive and effective business strategy

Ability to deliver strong returns

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

Responsible, disciplined capital allocation

Committed to sound, value-driven capital allocation

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Products, partners and customers:

Diversified and growing

Val Greer

EVP, Chief Commercial Officer

- Joined in July 2020
- 35+ years of industry experience

PREVIOUS EXPERIENCE

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Dennis McCarthy

SVP, Chief Client Officer

- Joined in February 2021
- 35+ years of industry experience

PREVIOUS EXPERIENCE

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Empowering customers and driving engagement through frictionless products and experiences

Offer full suite of products and supporting features that meet evolving needs of the customer with easy integration into customer journeys

- Full product suite and enhanced capabilities to engage customers in their channel of choice
- Advancement in data and marketing drive partner sales and increased customer lifetime value
- Continue to expand and diversify our brand partner relationships and product offerings
- Developing new partnerships and delivering value to our existing partners

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Full product suite that meets the evolving needs of the customer

Private label credit cards

Co-brand credit cards

Proprietary cards

Installment loans

SplitPay

Broad product suite improves top-of-funnel conversion rate

Budget/cash flow ⟷ Rewards/convenience

- Installment loans
- Private label credit card
- Co-brand credit card
- Proprietary credit card
- SplitPay (BNPL)
- Savings products

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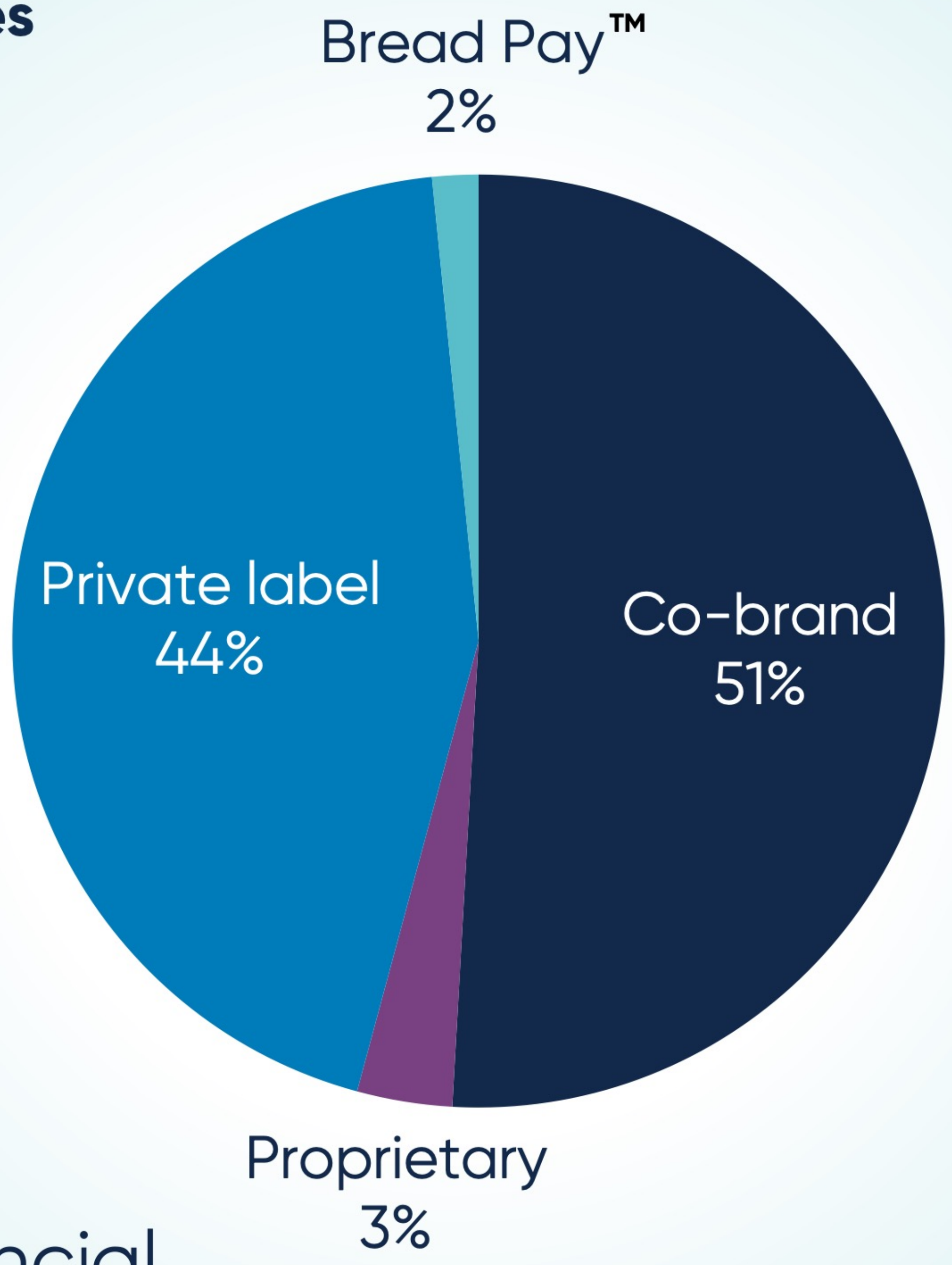
Expanded product suite has balanced and diversified our sales mix

Q1 2024 credit sales



Product graduation

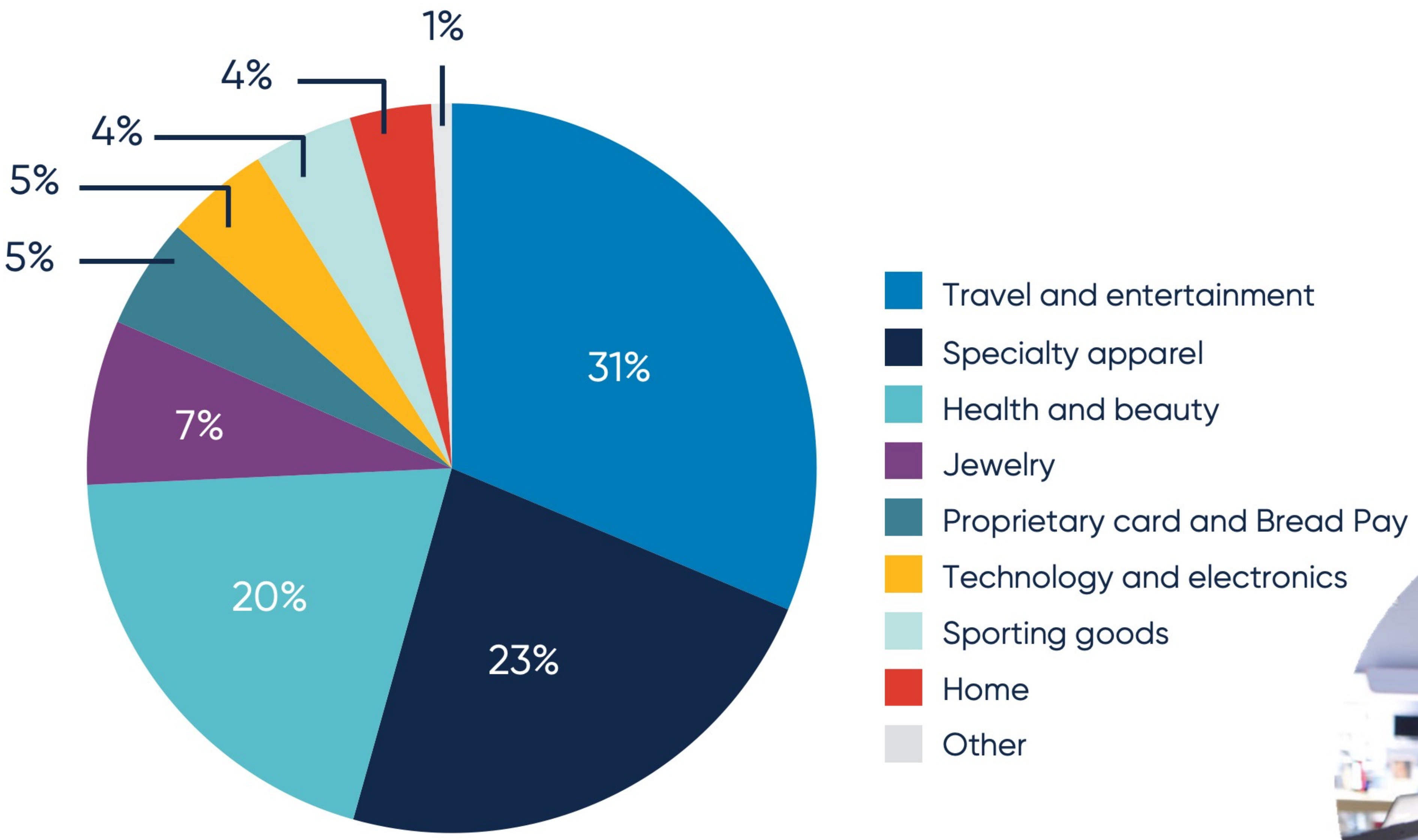
from credit-building products to a full suite of financial offerings

Product optimization

presents the right product to the right customer at the right time

Diversifying our product and partner mix to deliver sustainable, profitable growth

Q1 2024 credit sales



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Tailored payment and lending solutions for ever-changing customer preferences

Consumer expectations are changing

Customer financial flexibility and purchasing power

Frictionless experiences in channel of choice

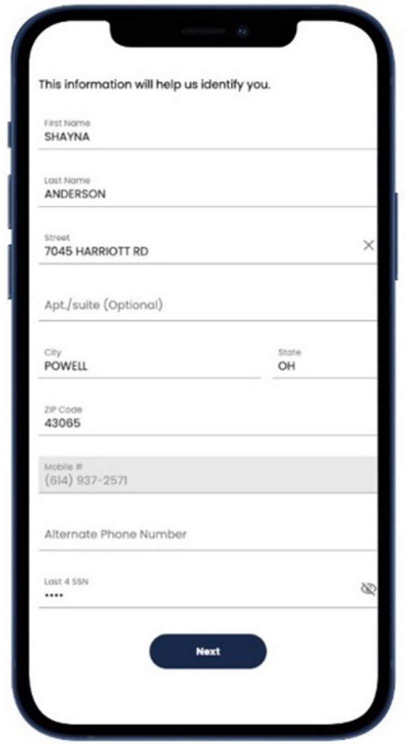
Empowering our customers and partners

Brands are responding

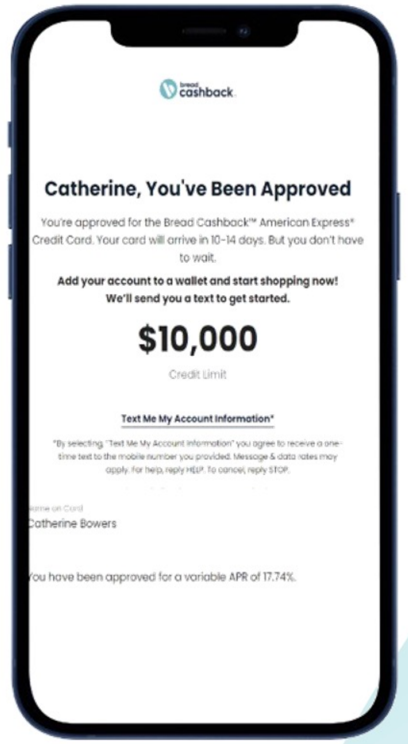
Easy-to-integrate capabilities via APIs

Programs that deepen loyalty and drive sales

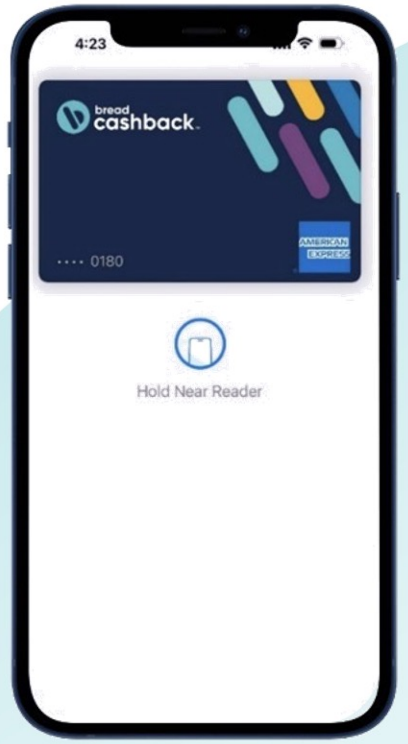
Driving engagement and efficiency by offering seamless experiences for our customers



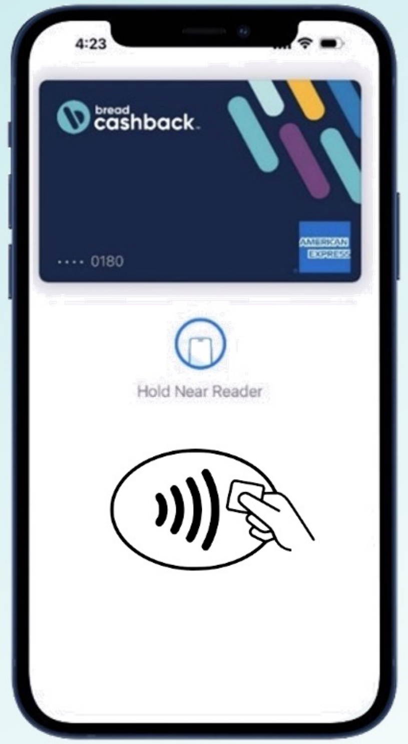
Application loads and pre-fills name and address information



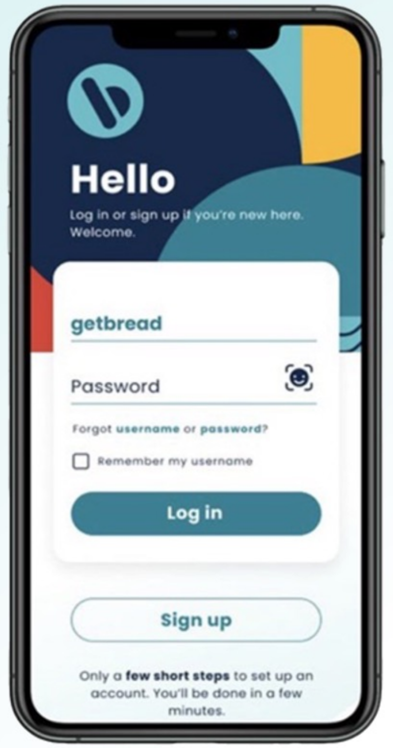
Instant decision



Link to provision digital wallet



Check out with instant contactless payment



Manage in app

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Suite of integrated marketing and financing offers drives higher acquisition, sales and order values

Enables consistent services to tailor the **best solutions for our diverse brands**

Supports **~33 million daily dynamic marketing messages**

18% incremental lift in digital applications via personalization

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Rewards programs provide significant value to our customers in their channel of choice

Seamless

Multiple **redemption options and flexibility** on when and how to choose

Personalized

Cash-equivalent and **experience-based rewards**

Convenient

Ability to **redeem in multiple channels**

11B

Annual points awarded

$240M

Value redeemed

Note: Figures represent full year 2023.

Long history of brand partner success driving brand loyalty and retention

9

of our 10 largest programs are secured through at least 2028

~100

card partners across various industries and more than 1,000 e-commerce partnerships

1 in 7

American adults has one of our cards in their wallet

10+

year average tenure for card programs

Note: Figures as of May 2024.

Expanded total addressable market with vertical expansion and products relevant to today's consumer

Full product suite

Offering customer choice and purchasing power

Vertical expansion

Relevant experiences and offerings across multiple industries

Customers

Balanced across generational segments

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Key takeaways

Confidence in our resilient business model

Business development and partnership teams focused on deepening relationships and driving responsible growth

Ability to deliver strong returns

Full product suite and digital capabilities enable growth across a diverse portfolio

Responsible, disciplined capital allocation

Investments and business opportunities optimize return on capital

Technology transformation roadmap:

Accelerating our capabilities

Allegra Driscoll

EVP, Chief Technology Officer

- Joined in January 2024
- 20+ years of industry experience

PREVIOUS EXPERIENCE

Technology is core to Bread Financial's commitment to be a leading tech-forward financial services provider

Drive product and delivery innovation to power business outcomes and creative solutions for our customers, partners and associates through the application of modern technologies and capabilities

- Drive world-class resiliency and efficiency
- Deliver growth for our partners through tech-forward offerings
- Scale seamless and simple omnichannel experiences
- Fuel innovation aligned to business outcomes by unifying technology and data

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Accelerated our technology investments to better serve our customers, partners and associates

Customers

39M+
active credit accounts

$28B+
annual spend

launched mobile app

Partners

Enriched **software development kits**

Created new **integrated product capabilities**

Associates

Modernized our tech capabilities to be **faster** and more **efficient**

Developed a nimble technology platform anchored on customer centricity, resiliency, security and growth

Development of **mobile app** and **Account Center upgrades**

New and deeper **engineering dashboards** for **improved monitoring**

Innovation through **data-driven GenAI**

Our technology platform

Our technology strategy drives product and delivery innovation

Delight our customers and partners

Build omnichannel experiences

Empower our associates

Innovate technology platforms

Seamlessly driven by cloud, data and AI capabilities

Key takeaways

Confidence in our resilient business model

Drive market differentiation through distinctive technology and data capabilities

Ability to deliver strong returns

Fuel growth through tech-forward offerings and efficiency leveraging a highly scalable and flexible platform

Responsible, disciplined capital allocation

Ensure our investments are customer centric and deliver value for our shareholders

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Credit risk process:

End-to-end proactive portfolio management

Tammy McConnaughey

EVP, Chief Credit Risk and Operations Officer

- Joined in June 1992
- 30+ years of industry experience

PREVIOUS EXPERIENCE

Alliance Data

End-to-end credit risk management is essential to Bread Financial's full-spectrum lending strategy

Drive profitability and fuel partner growth while meeting the needs of our customers and helping our partners grow by proactively managing credit risk throughout our customers' lifecycle from acquisition to active account management

- Full-spectrum capabilities calibrated to different product needs
- Data-informed and model-driven approach leveraging machine-learning models and thousands of potential attributes at each decision point
- Well-established credit risk appetite allows Bread Financial to balance credit risk and profitability
- Long-term focus on profitable, fair, responsible lending

Underwriting for optimal risk-adjusted returns within our defined risk appetite

Data-informed and model-driven

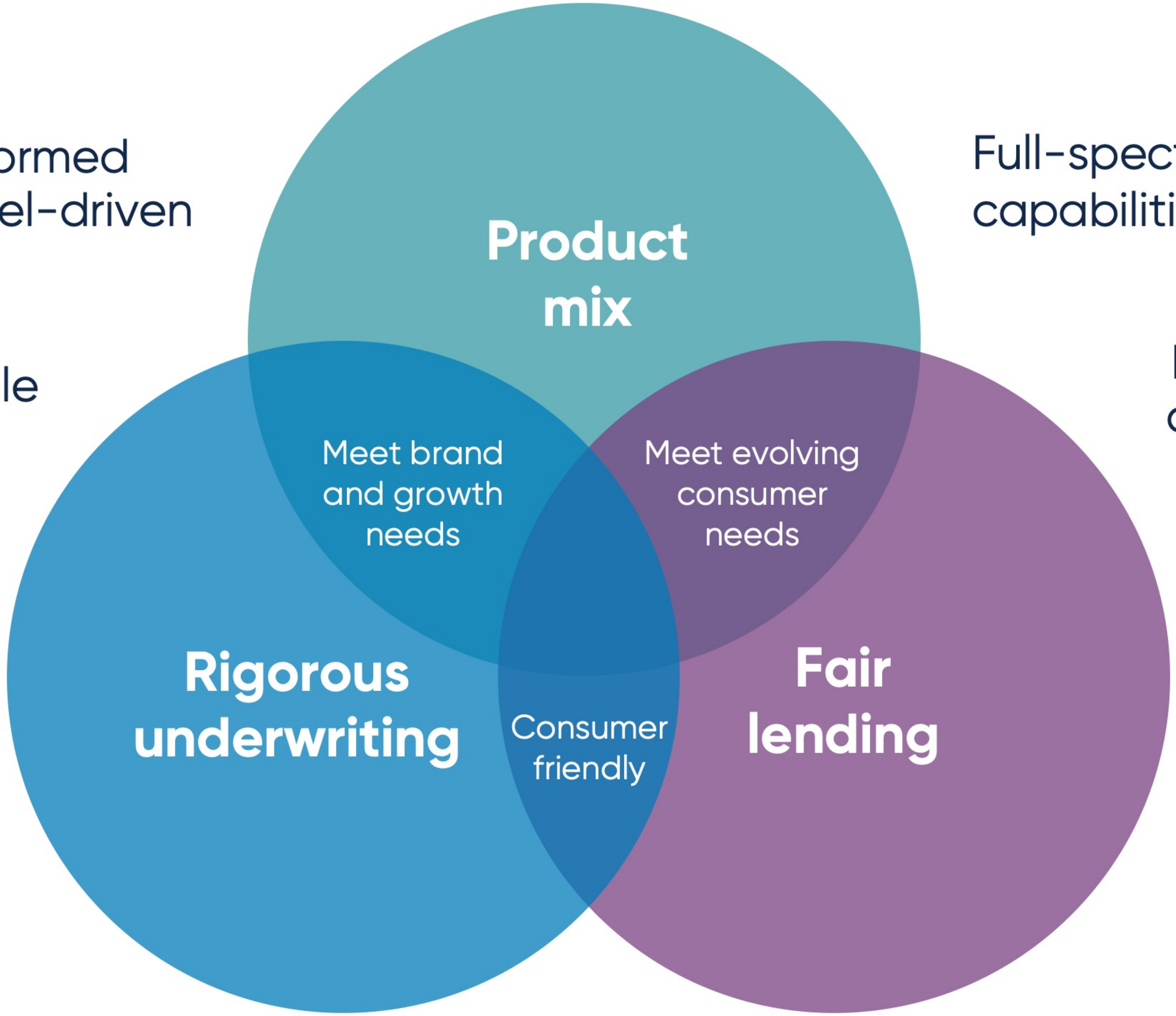
Flexible and agile

Leveraging 40+ models and thousands of attributes

Full-spectrum capabilities

Informed by macro and micro variables

Fully compliant predictive modeling



Proactively managing across the customer lifecycle from acquisition to active account management

Acquisition

- Multiple channels
- Flexible decisioning platform

Line management

- Grow and expand approach
- Dynamic line adjustment
- Risk detection

Collections

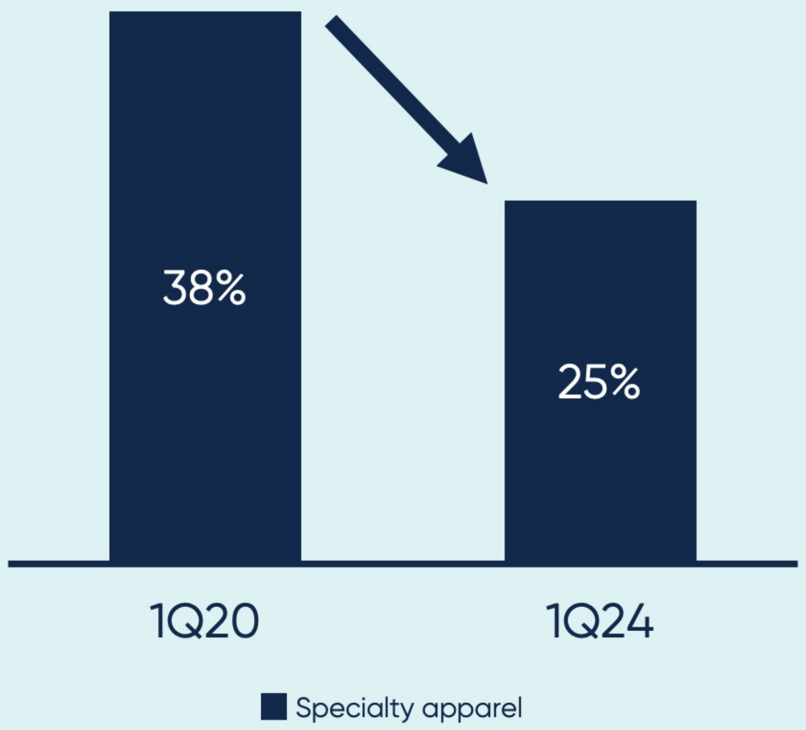
- Sophisticated approach leveraging data and models
- Enhanced technology

Customer lifecycle

Prudent credit risk management positions us to perform well through a full economic cycle

Diversification across products, partners and industry verticals

Specialty apparel, with a higher typical net loss rate, now makes up a quarter of average loans



Prudent and proactive credit management

Proactive actions have resulted in positive trends over the last four years

Average score of new accounts at historical high

715
Average VantageScore

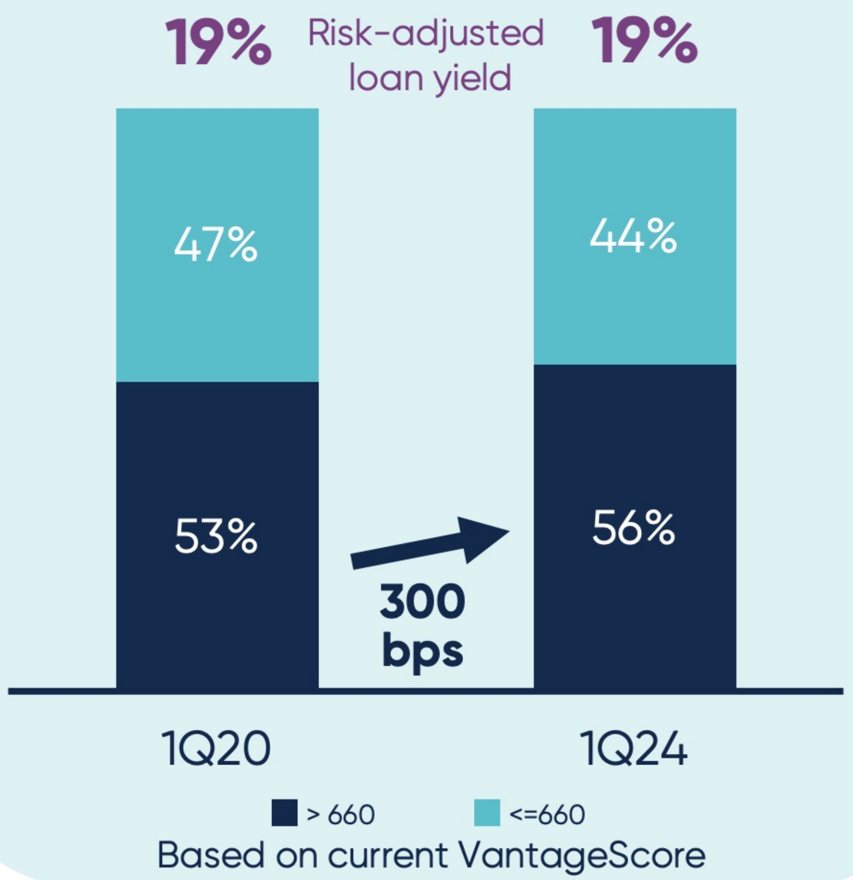
% of new accounts below prime down 600 bps

Contingent liability down >10%

Note: As of 1Q24 or change since 1Q20.

Credit mix shift to higher quality

Risk mix is better than pre-pandemic levels, while risk-adjusted loan yield remains strong



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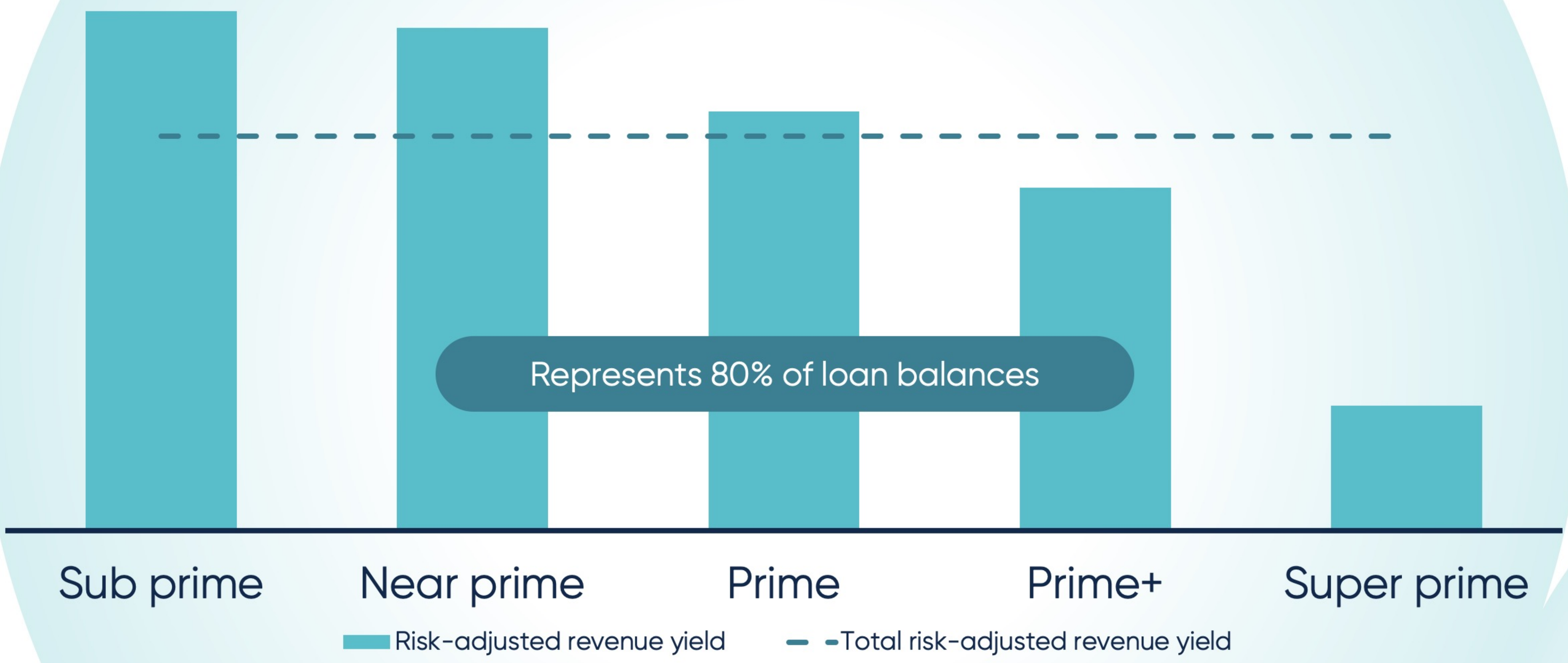
Our ability to underwrite deeper drives higher risk-adjusted revenue yield



Risk-adjusted revenue yield

Key takeaways

Confidence in our resilient business model

Responsible, fair, full-spectrum underwriting to meet partner and customer needs and deliver sustainable growth

Ability to deliver strong returns

Well-established credit risk appetite that drives profitability and optimizes growth

Responsible, disciplined capital allocation

Data-informed and model-driven end-to-end risk management to optimize customer lifetime value

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Financial overview:

A responsible and resilient company

Perry Beberman

EVP & CFO

- Joined in July 2021
- 35+ years of industry experience

PREVIOUS EXPERIENCE

BANK OF AMERICA

mbna

Bread Financial is committed to growing responsibly and delivering profitable, sustainable growth

Effectively balancing growth and capital allocation to drive profitability and long-term value for shareholders while meeting the needs of our partners and customers

- Growing responsibly by scaling product offerings, driving partner growth, effectively managing credit and delivering strong returns
- Prudent balance sheet management including achieving targeted debt and capital ratios
- Disciplined capital allocation to drive long-term value creation
- Ongoing operational excellence focus to accelerate continuous improvement, enterprise-wide efficiency and value creation

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Prudent balance sheet management resulted in a strengthened balance sheet and funding mix

Since Q1 2020:

Capital ratios significantly improved	**+3x**	TCE/TA[1] ratio increased to **10.6%**
Reduced parent-level debt	**–58%**	debt reduction of **$1.8 billion**
Increased direct-to-consumer deposits	**+$5.8B**	DTC deposits increased to **$7.0 billion**
Loss absorption capacity materially higher	**+8.6%**	TCE+LLR[2] increased to **24.9%**

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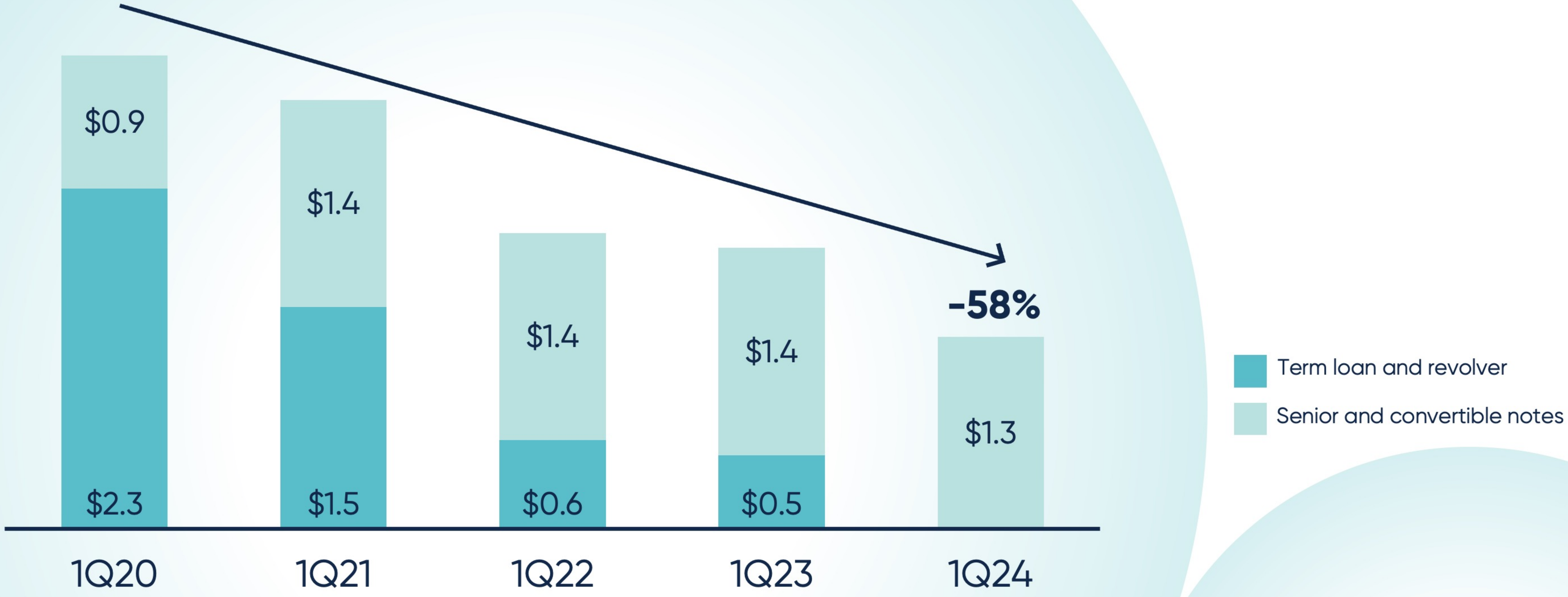
(1) Tangible common equity (TCE) represents Total stockholders' equity reduced by Goodwill and intangible assets, net. Tangible assets (TA) represents Total assets reduced by Goodwill and intangible assets, net. TCE and TA are non-GAAP financial measures. See the Non-GAAP financial measures section and the Reconciliation of GAAP to non-GAAP financial measures included in the deck.

(2) The "Tangible common equity + loan loss reserves" is calculated as the sum of Tangible common equity and Allowance for credit losses divided by End-of-period credit card and other loans. TCE is a non-GAAP financial measure. See the Non-GAAP financial measures section and the Reconciliation of GAAP to non-GAAP financial measures included in the deck.

Strengthened balance sheet by paying down $1.8 billion in parent-level debt since 2020



Parent-level debt outstanding

$ in billions

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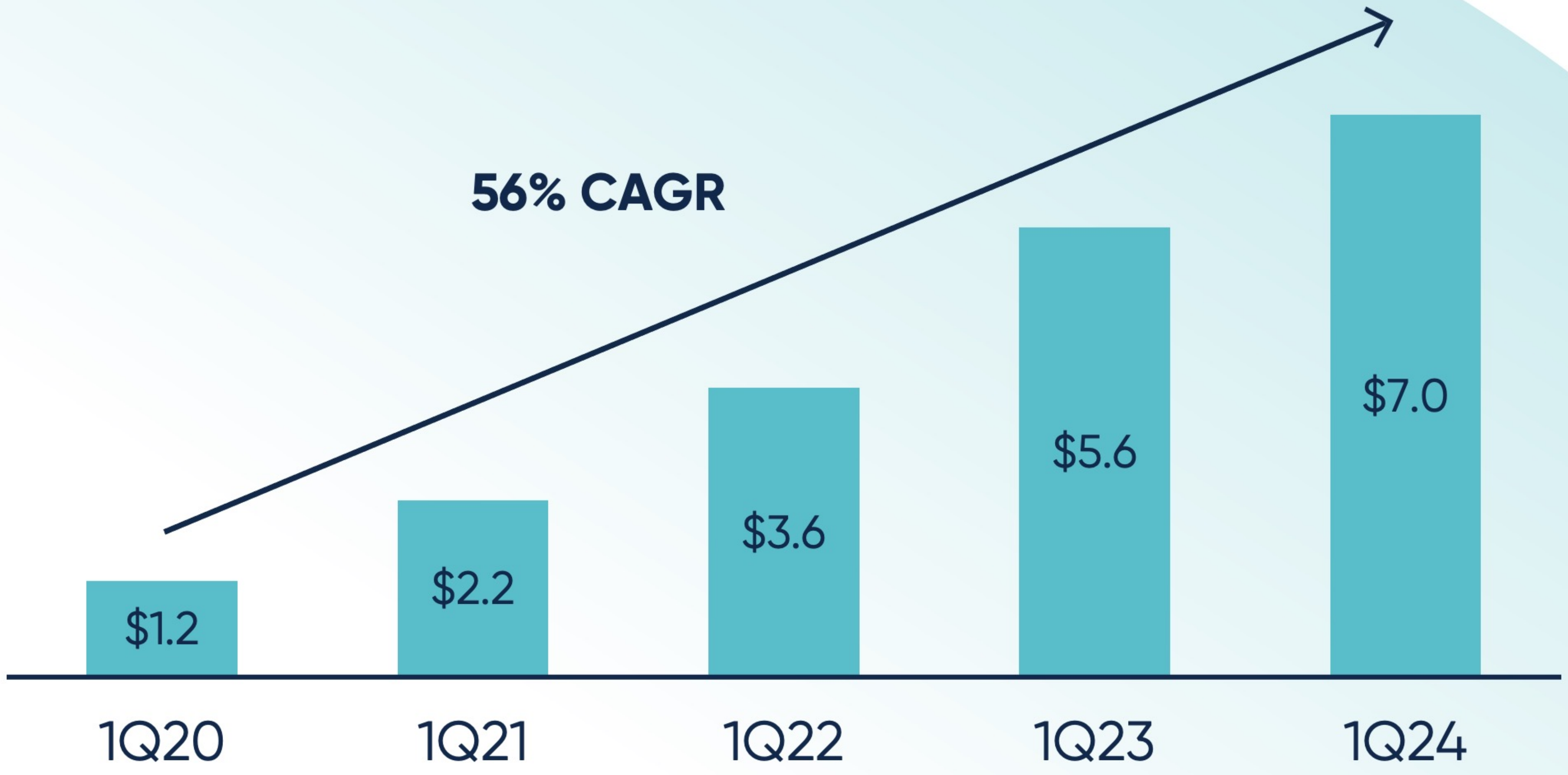
Our direct-to-consumer (DTC) deposits have grown to $7 billion, providing a strong, stable funding base

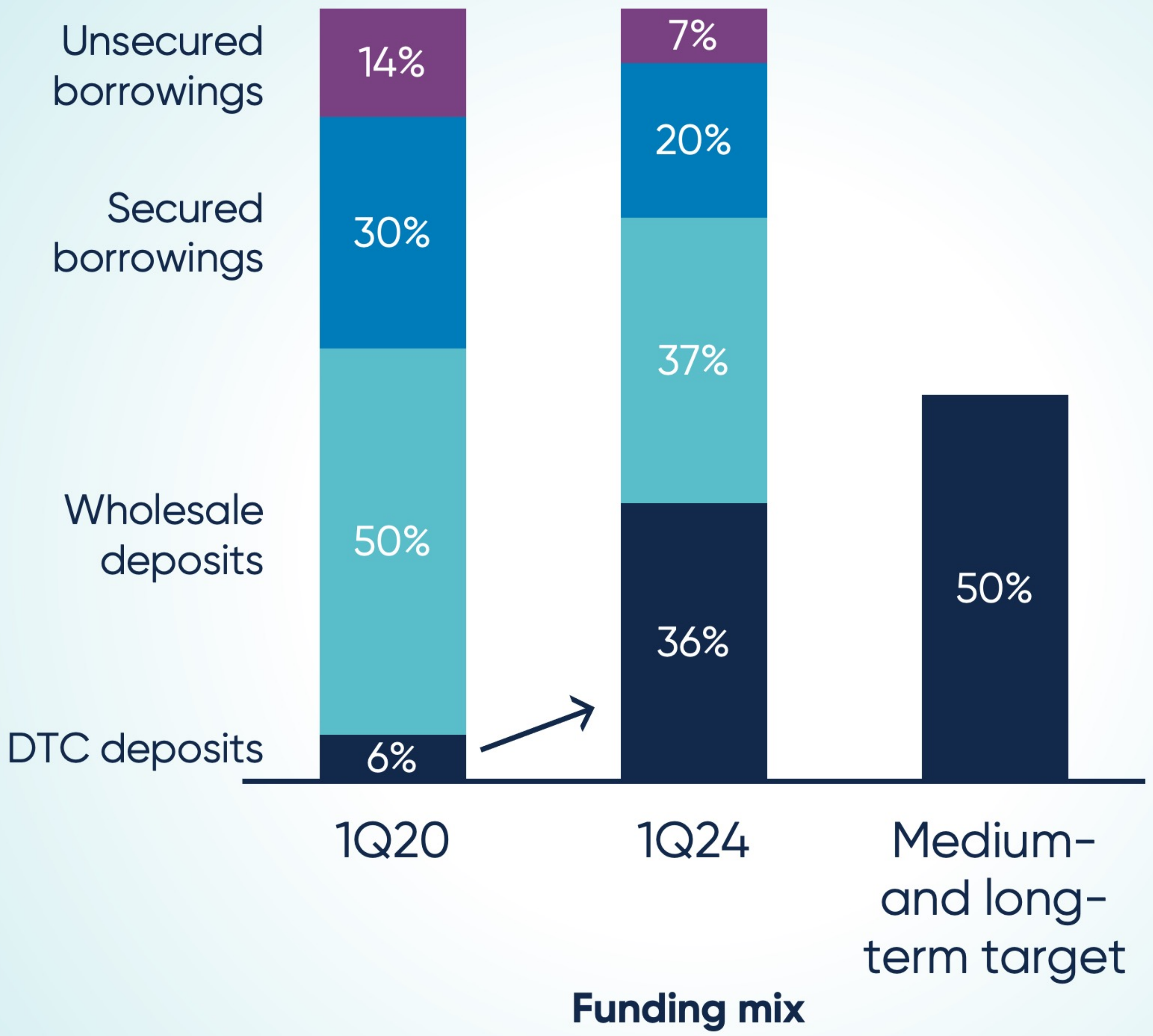


Direct-to-consumer deposits

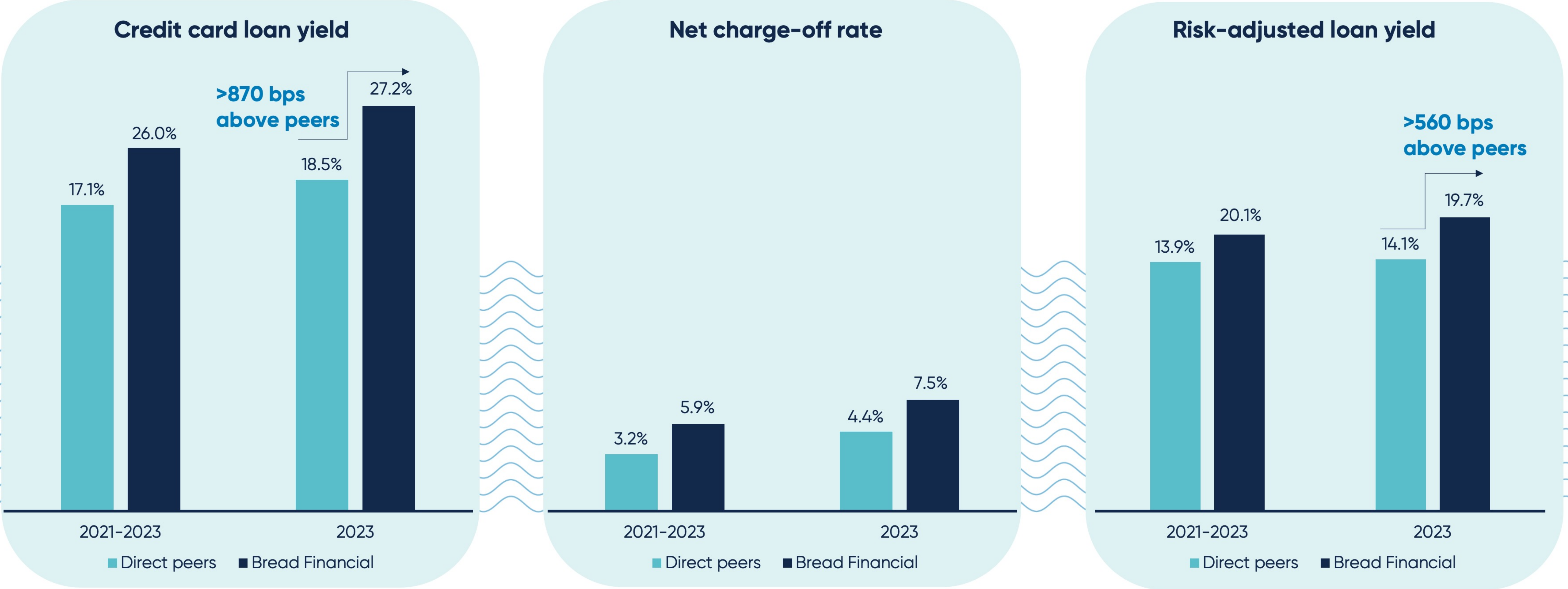
$ in billions

- Growing online DTC deposits; >90% FDIC insured
- Diverse, stable funding sources
- Re-entered public ABS market
- Obtained inaugural corporate credit ratings
- Executed parent debt plan, reducing parent debt and extending maturities

DTC deposit growth has improved funding mix, benefiting funding costs and stability

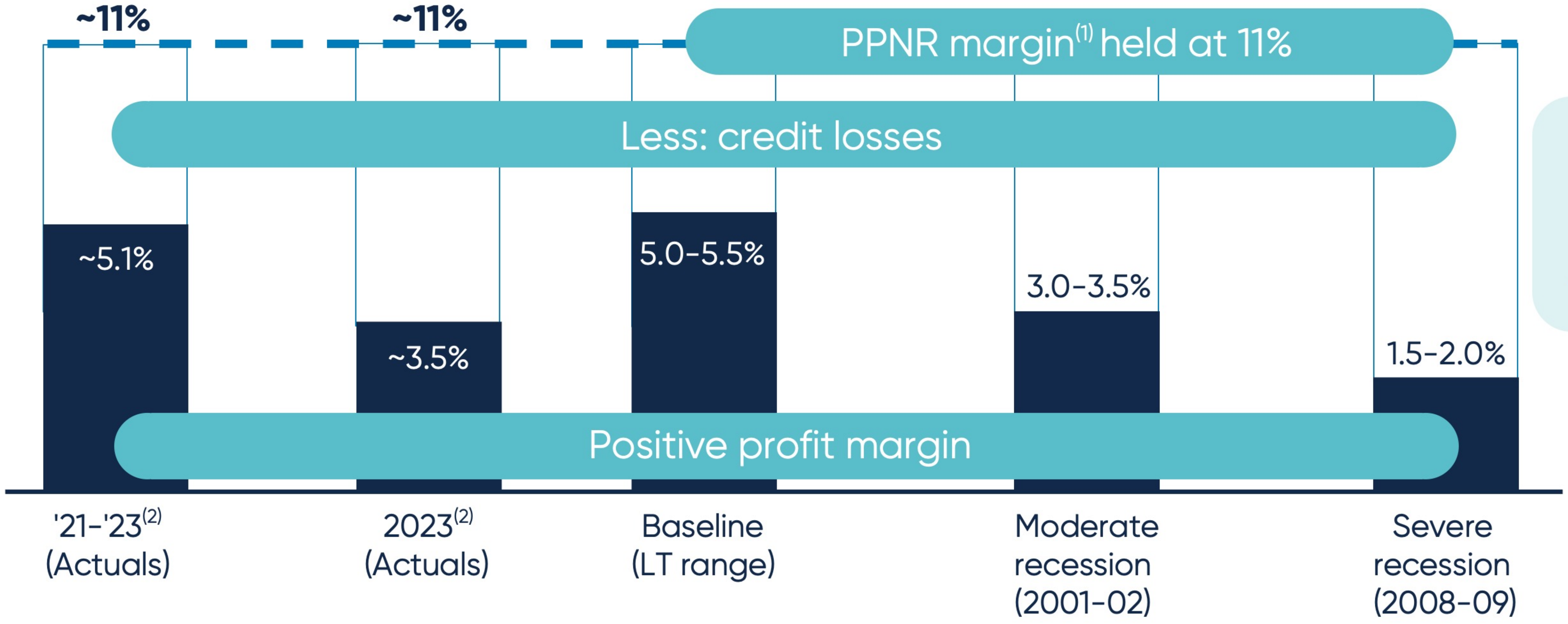


Disciplined pricing and credit management result in an industry-leading risk-adjusted loan yield



Note: Direct peers include Synchrony, Capital One and Discover. 2021-2023 represents the average over the three-year period.

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



Net loss rate		Range of net loss rates		
5.9%	7.5%	5.5-6.0%	7.5-8.0%	9.0-9.5%

Positive profit margin maintained in stressed scenarios

Expect to outperform historic loss levels due to enhanced credit risk management

(1) Pretax Pre-Provision Earnings (PPNR) margin represents PPNR divided by average loans. PPNR is a non-GAAP financial measure. See the Non-GAAP financial measures section and the Reconciliation of GAAP to non-GAAP financial measures included in the deck.

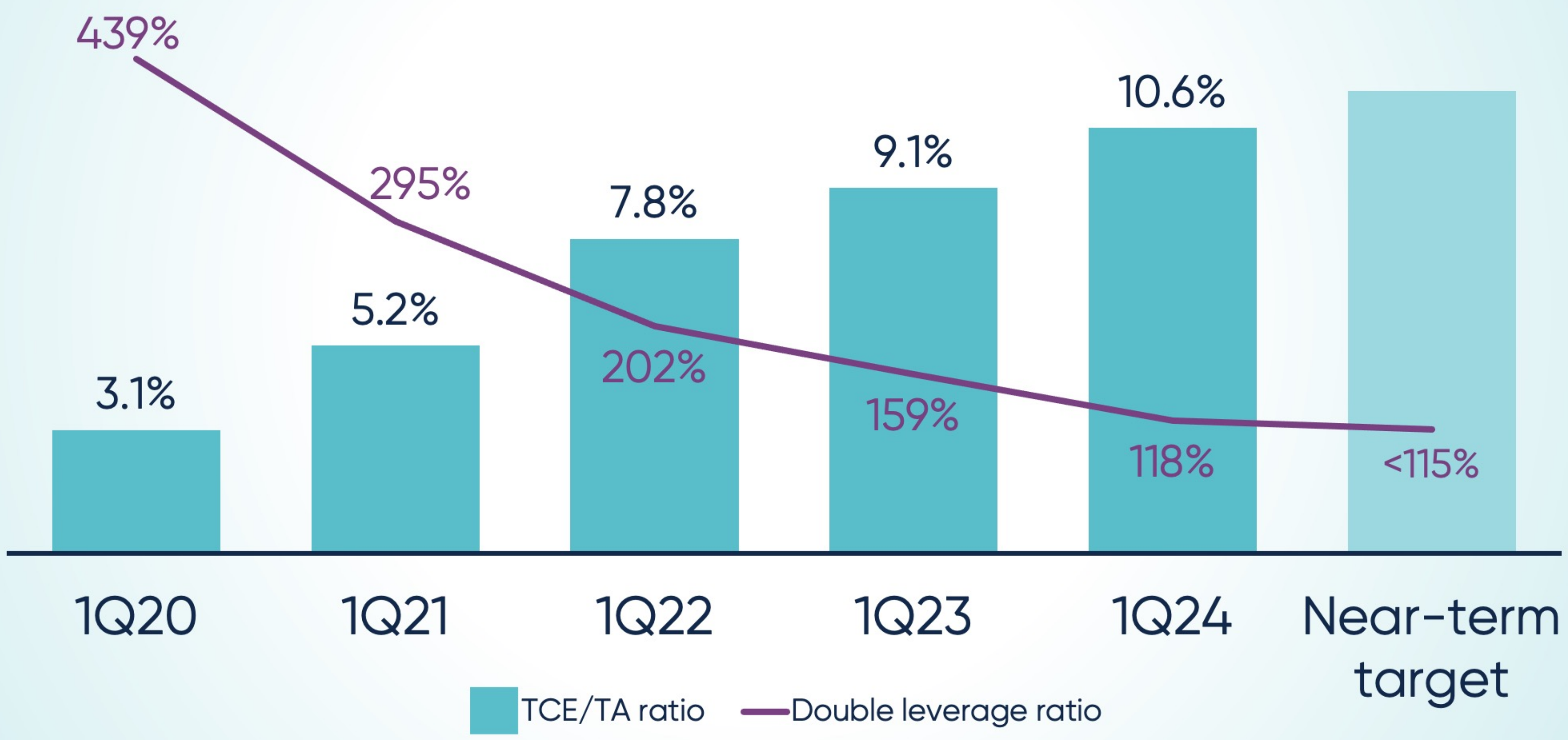
(2) Excludes gain on sales.

Successful execution of our strategy has laid the foundation for further capital optimization

Support profitable growth

Improve capital metrics

Reduce parent-level debt



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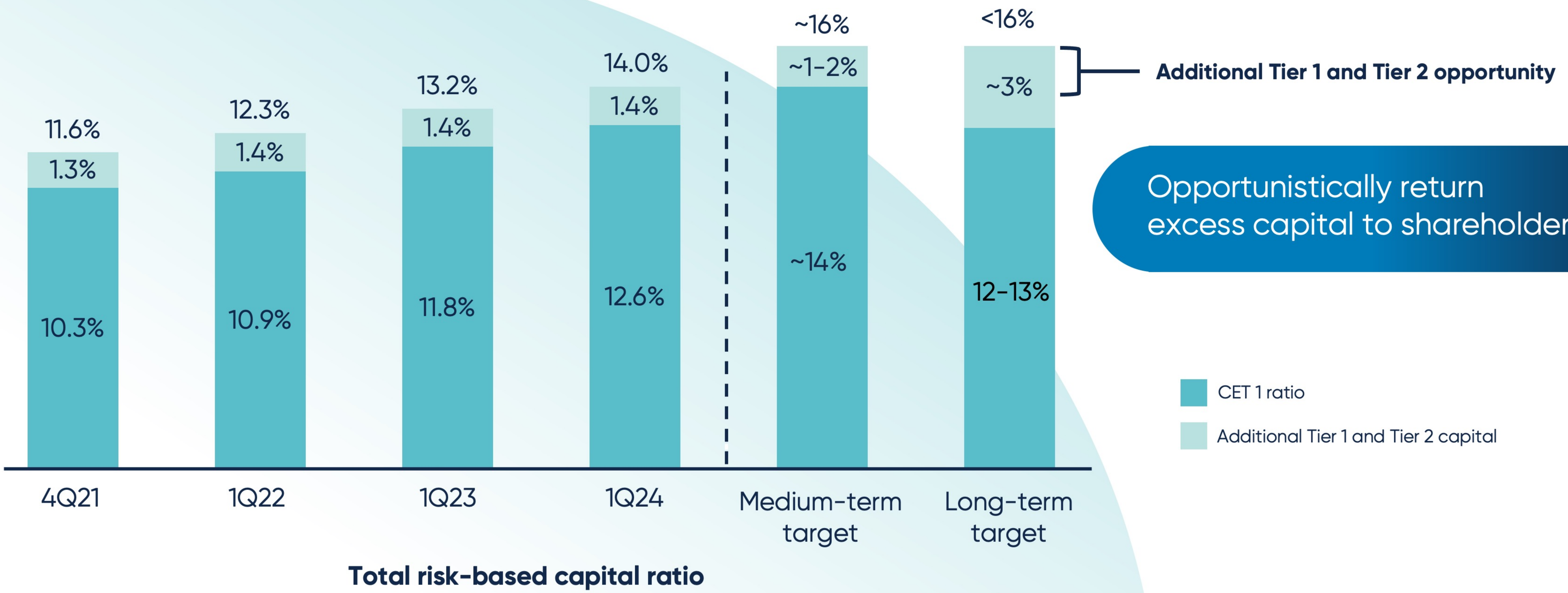
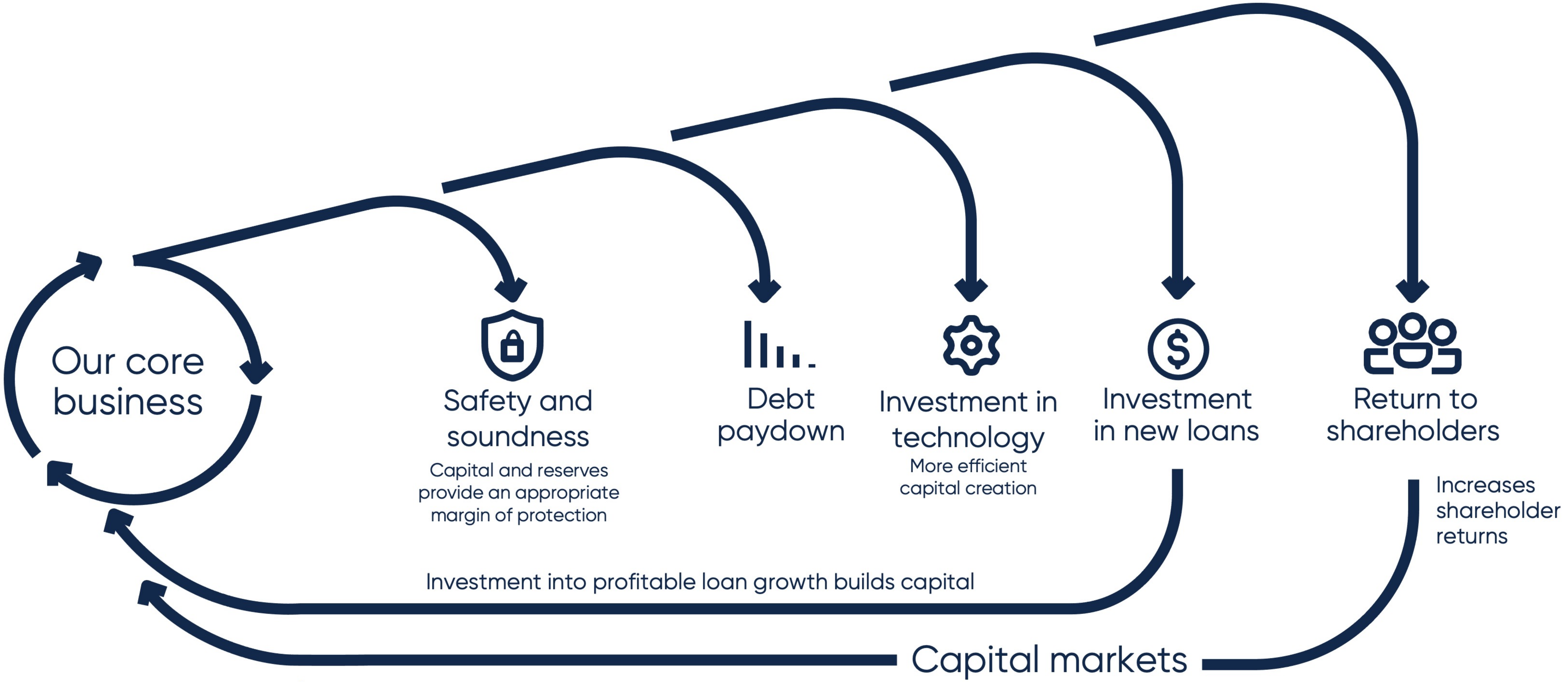
Building total capital and optimizing mix with additional Tier 1 and Tier 2 capital over time



Opportunistically return excess capital to shareholders

Creating and allocating capital efficiently is key to delivering long-term value for our shareholders



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We are well positioned to drive responsible loan growth

Diversified portfolio

Expanded product set across various industries

Macroeconomic tailwinds

Expected unwinding of credit tightening actions and lower credit losses as positive economic trends emerge

Partner growth and robust pipeline

Increased tender share with existing and new partner acquisitions

Innovation

Spur growth through product and service enhancements and greater customer retention through an improved customer experience

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Operational excellence increases investment capacity to drive value creation

Investment capacity increases as a percent of total expense as the company becomes more efficient

Total expenses

Investment capacity

Baseline expenses

Modest baseline expense growth

- Accelerating growth — Driving **scale** and enhancing **value creation**
- Operational efficiencies — Committed to achieving annual **positive operating leverage** over the long term
- Reinvestment into business — **Funding innovation** by creating technology-driven efficiencies

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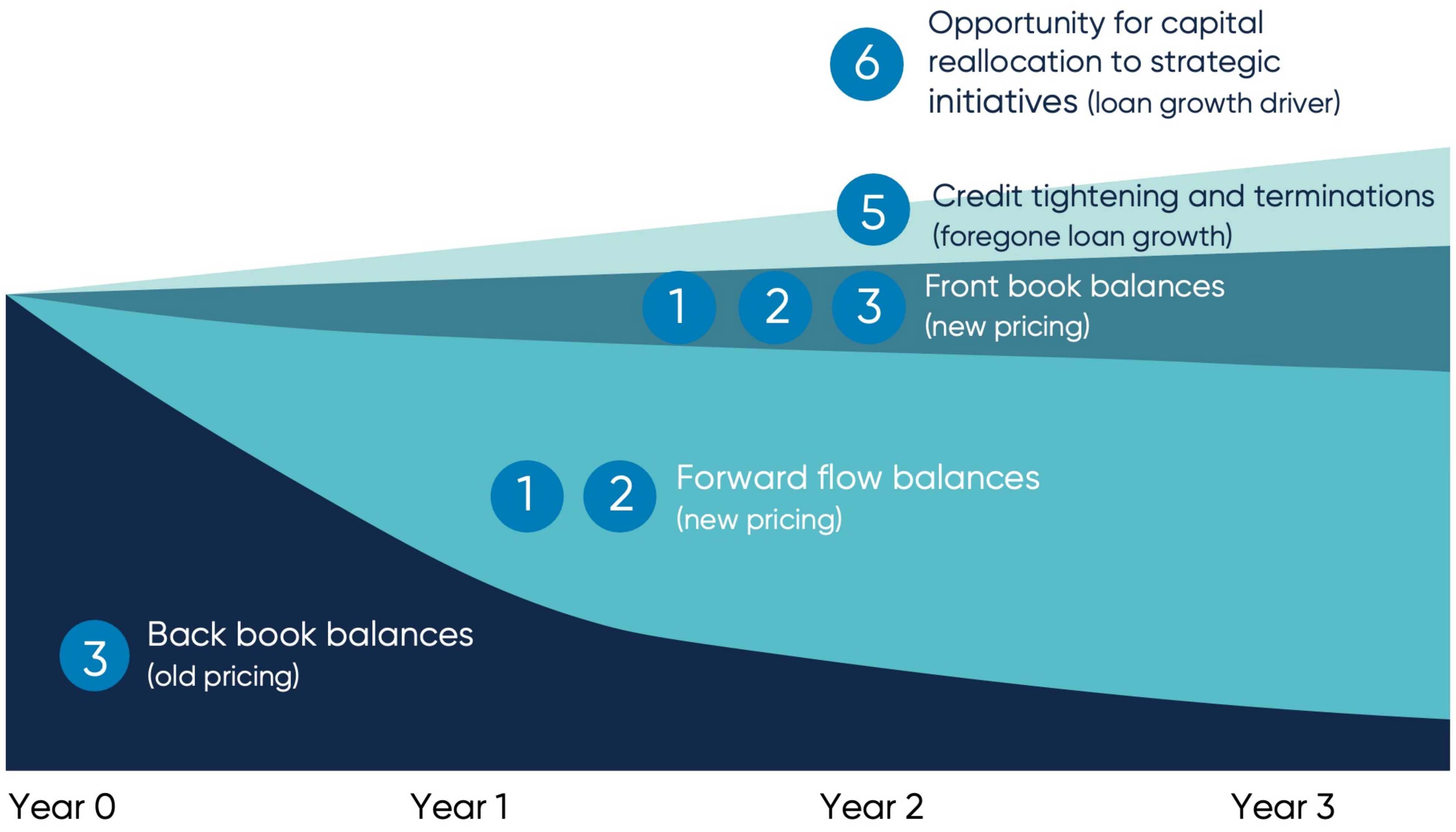
Evaluating and implementing strategies to mitigate the pending CFPB late fee rule

Mitigation actions

1. Increase APRs
(back book loan balance repricing will phase in over time)
2. Introductory promotional fees
3. Other fees
(e.g., paper statement and annual fees)
4. Refine retailer share arrangements
(no material loan balance impact)
5. Tighten underwriting
6. Strategic growth; capital reallocation



Total loan portfolio – pricing remix trend

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Financial targets

Near term	Medium term	Long term
Build on position of strength	**Sustainable, responsible growth**	**Deliver value**
Execute CFPB late fee rule mitigation strategy	Low- to mid-single-digit loan growth	Mid- to high-single-digit loan growth
Reduce double leverage ratio to <115%	Build total risk-based capital to ~16% (initial CET1 build to ~14%)	Maintain CET1 ratio of 12%-13% • Optimize capital mix with additional Tier 1 and Tier 2 capital
Proactive credit risk management	Managing credit aligned with macroeconomic conditions	Average through the cycle net loss rate of <6%
Drive operational excellence	Deliver operating efficiencies	Annual positive operating leverage
Build capital ratios	Optimize capital ratios	Return excess capital through shareholder distributions
Grow tangible book value	**Low- to mid-20% ROTCE**	**Mid-20% ROTCE**

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

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* A preliminary injunction has been granted in the lawsuit challenging the CFPB's final late fee rule. While we cannot provide any assurance regarding the outcome of this or any other litigation relating to the rule, the targets provided above assume the CFPB late fee rule is implemented as published on October 1, 2024. See "Forward-Looking Statements" included elsewhere in this presentation.

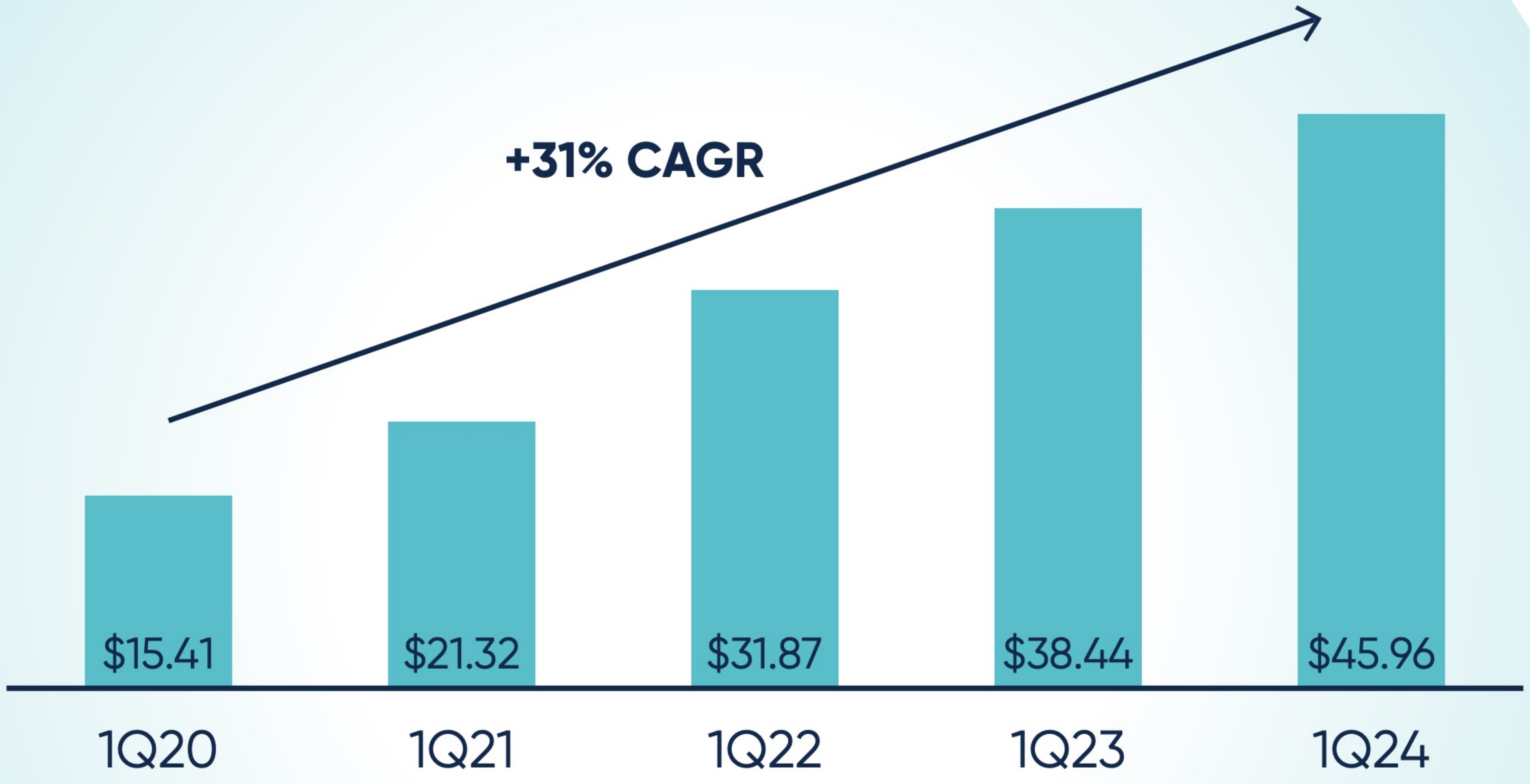
Capital priorities continue to evolve as we achieve our debt leverage targets and build capital

Support profitable growth and fund innovation

Optimize capital metrics

Return excess capital to shareholders

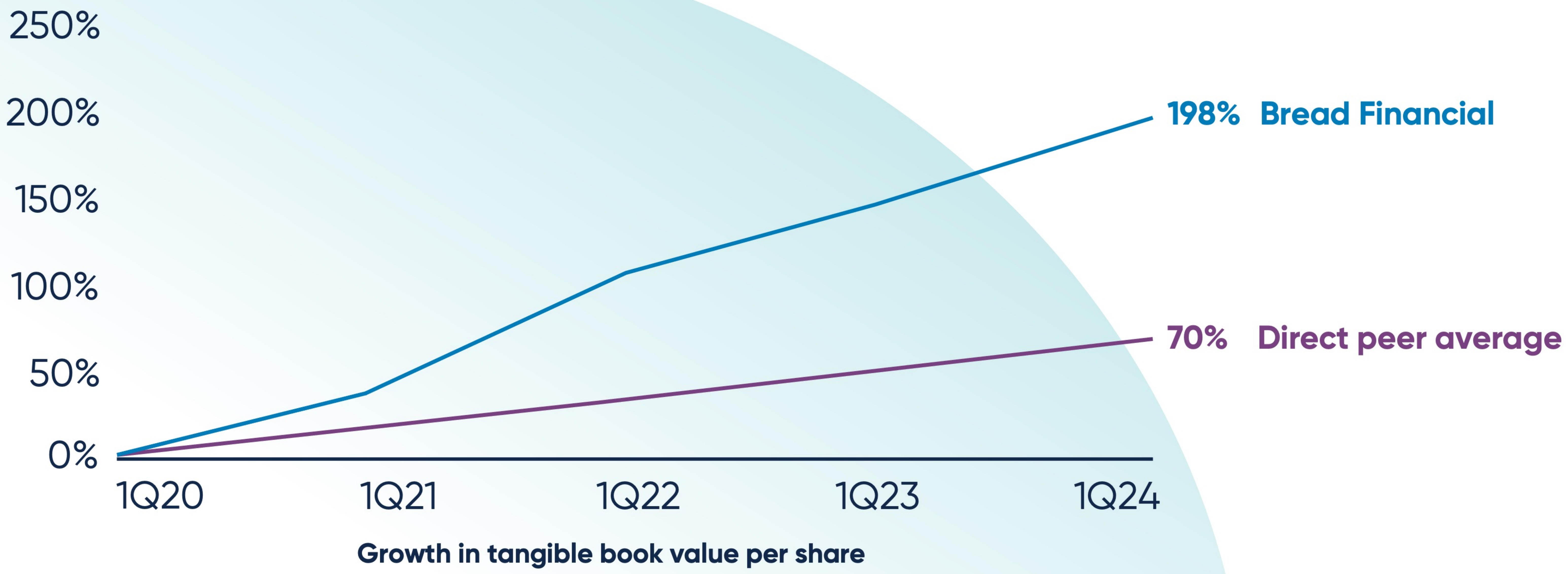
Drove shareholder value by increasing tangible book value per share by a CAGR of 31% since 2020



Tangible book value per share[1]

(1) Tangible book value per common share represents TCE divided by shares outstanding. TCE is a non-GAAP financial measure. See the Non-GAAP financial measures section and the Reconciliation of GAAP to non-GAAP financial measures included in the deck.

Execution of strategy resulting in substantial tangible book value per share growth above peers



Note: Direct peers include Synchrony, Capital One and Discover.

Key takeaways

Confidence in our resilient business model

Strengthened our balance sheet and improved our financial resilience, positioning us for future success

Ability to deliver strong returns

Our business model delivers industry-leading risk-adjusted returns and strong capital generation, enabling a mid-20% ROTCE over time

Responsible, disciplined capital allocation

Proven commitment to our capital priorities: investing in our business, strengthening our company and returning value to our shareholders

Committed to long-term value creation

Business transformation achievements	Future opportunity
Expanded product set; new diversified brand partners	Growth aligned with consumer preference and trends; acquiring partners and deepening current relationships
Enhanced technology capabilities to support partners, customers and associates	Drive innovation to power business outcomes and drive world-class resiliency, efficiency and growth
Tightened credit to align with risk-return threshold, macroeconomic conditions and regulatory environment	Effectively manage credit to optimize profitability, while meeting the needs of our customers and brand partners
Strengthened balance sheet	Financial flexibility and resilience
Commitment to capital priorities	Opportunity to build value and return excess capital to shareholders
Built company to a position of strength	Deliver strong, stable returns

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Financial targets

Near term

Build on position of strength

Grow tangible book value

Medium term

Sustainable, responsible growth

Low- to mid-20% ROTCE

Long term

Deliver value

Mid-20% ROTCE

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

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

Long-term financial targets

Mid- to high-single-digit growth

Maintain CET1 ratio of 12%-13%

- Optimize capital mix with additional Tier 1 and Tier 2 capital

Average through-the-cycle net loss rate of <6%

Annual positive operating leverage

Return excess capital through shareholder distributions

Mid-20% ROTCE

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Today's focus

Highlight how 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

Reconciliation of GAAP to non-GAAP financial measures

($ in millions)	2021	2022	2023
Pretax pre-provision earnings (PPNR)			
Income (loss) before income taxes	$ 1,044	$ 300	$ 986
Provision for credit losses	544	1,594	1,229
Pretax pre-provision earnings (PPNR)	**1,588**	**1,894**	**2,197**
Less: Gain on portfolio sale	(10)	–	(230)
PPNR less gain on portfolio sale	$ 1,578	$ 1,894	$ 1,967

($ in millions)	1Q20	1Q21	1Q22	1Q23	1Q24
Tangible common equity (TCE)					
Total stockholders' equity	$ 1,088	$ 1,764	$ 2,268	$ 2,716	$ 3,032
Less: Goodwill and intangible assets, net	(354)	(704)	(682)	(790)	(753)
Tangible common equity (TCE)	**$ 734**	**$ 1,060**	**$ 1,586**	**$ 1,926**	**$ 2,279**
Tangible assets (TA)					
Total assets	$ 24,235	$ 21,163	$ 20,938	$ 21,970	$ 22,299
Less: Goodwill and intangible assets, net	(354)	(704)	(682)	(790)	(753)
Tangible assets (TA)	**$ 23,881**	**$ 20,459**	**$ 20,256**	**$ 21,180**	**$ 21,546**

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