

2023 Social Bond Annual Report



June 2022 – June 2023

About OneMain Financial¹

As one of the nation's **leaders in offering nonprime customers access to credit**, OneMain is **dedicated to improving the financial well-being of hardworking Americans**. Our diverse and growing product suite, **designed to enhance access to healthy, affordable credit**, includes secured and unsecured loans, credit cards, insurance and other optional products².



~12MM

Customers Served Since 2010



~50%

Of Customers Do Business With Us At Least Twice



~68%

Of Customers Enrolled In Paperless Billing



~1,400

Branches In 44 States

Note: Data as of December 31, 2022, unless otherwise noted.

1. OneMain Financial is also referred to as "OneMain Holdings, Inc.", "OneMain", or "OMF"

2. OneMain offers credit insurance products, term life insurance, income protection products, and membership plans

OneMain's Mission & Values

Customers

- Provide responsible lending and optional products¹ with affordable rates and ability-to-pay underwriting
- Offer financial education and other financial wellness products and solutions

Communities

- Contribute to our communities financially through philanthropic grants
- Build community partnerships with local, state, and national organizations
- Facilitate employee volunteer opportunities

Company

- Build a great place to work and advance diversity and inclusion
- Reduce our environmental footprint through responsible building, resource conservation and transportation solutions

1. OneMain offers credit insurance products, term life insurance, income protection products, and membership plans

OneMain's Leadership in Social Bond Issuance

OneMain Recognized as Morningstar ESG Industry Top Rated Company in 2023

Sustainalytics' [ESG Risk Rating](#) provides a quantitative measure of ESG risk and distinguishes between five levels of risk: negligible, low, medium, high and severe, with a lower score equating a better risk assessment. [Since 2021, OneMain has achieved a Low ESG Risk Rating.](#) The main drivers of OneMain's Low ESG Risk Rating include OneMain's disclosures regarding product governance and data privacy and security.

"An important component of OneMain's mission [to improve the financial well-being of hardworking Americans](#) is making a positive impact on the communities where we live and work," said OneMain CEO and Chairman Doug Shulman. ["This ranking reflects the commitment our team members make every day to our customers and communities."](#)



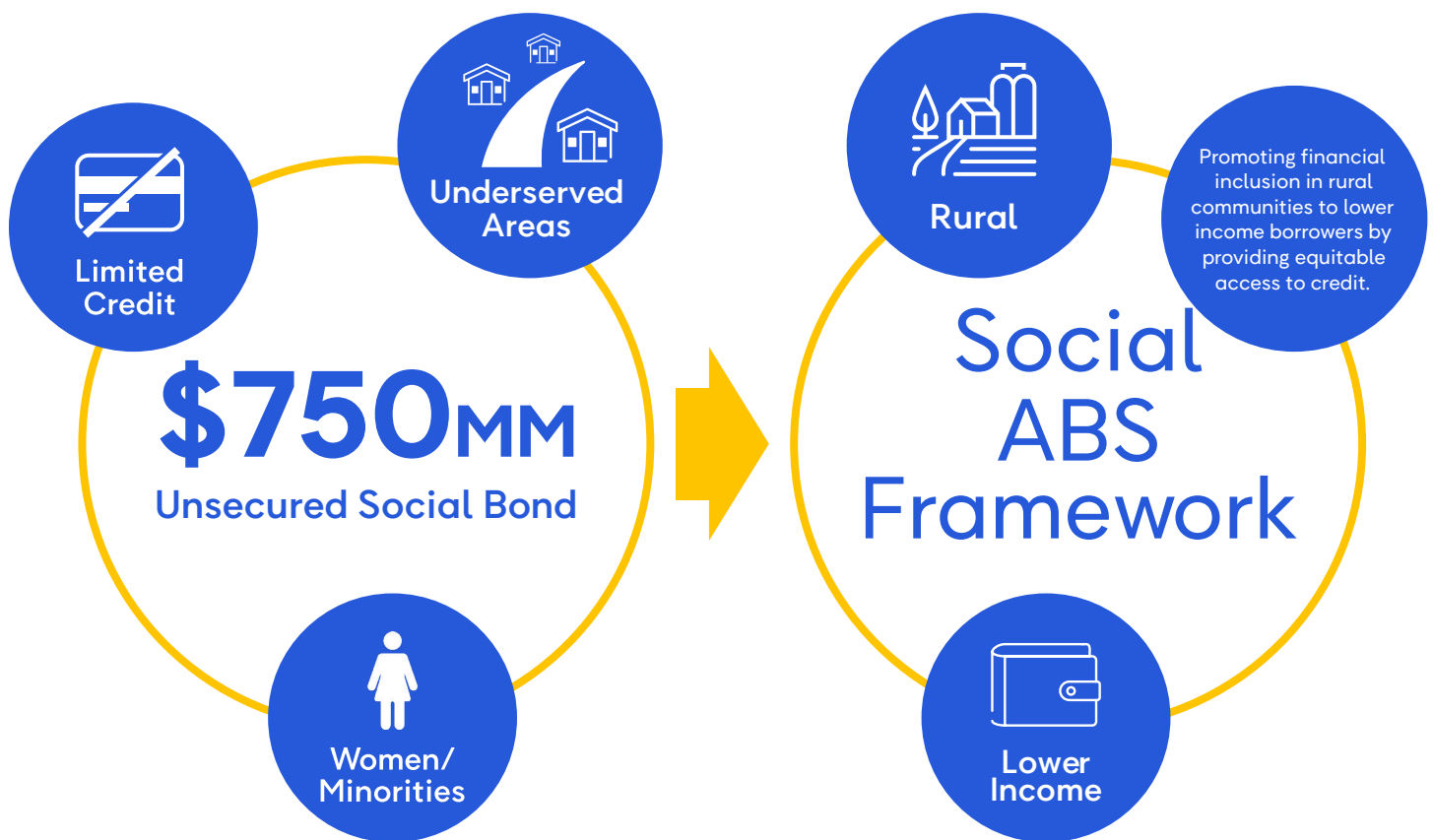
OneMain ranked in the top 7% of 866 rated companies in the Diversified Financials Industry category.

OneMain's Leadership in Social Bond Issuance

Continued Leadership with Social ABS Issuance

OneMain executed OMFIT 2022-S1 on April 27, 2022

- First-ever Social ABS by a U.S. issuer
- \$600MM in notes sold



1. Federal Reserve. Report on the Economic Well-Being of U.S. Households in 2020 – May 2021

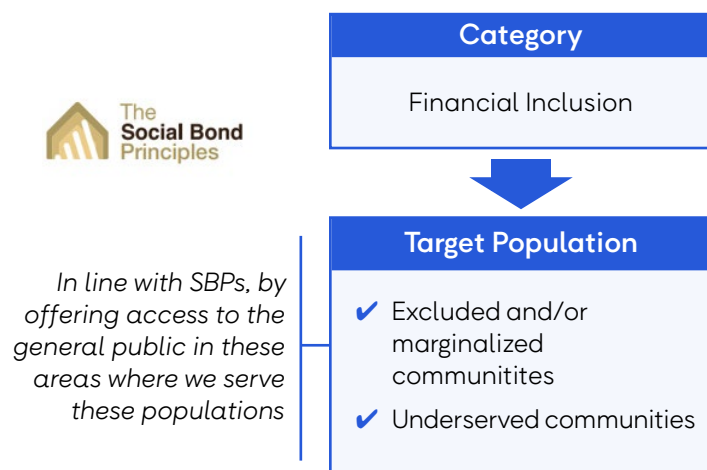
OneMain's Social Bond Framework

Eligibility Criteria

- The Loan Portfolio will be comprised of loans (“Eligible Loans”) to individuals residing with mailing addresses in those counties identified as ‘Credit-At-Risk’ or ‘Credit Insecure’ counties (“Credit Insecure Areas”) as defined by the Federal Reserve Bank of New York¹
- Furthermore, at least 75% of Loans will be determined to be from racial minorities, per the Federal protected classes definition of race and/or women
- OneMain will use a probability of at least 80% for its determination of race and/or gender

Aligns with ICMA Principles² and UN Goals³

ICMA Social Bond Principles (SBP) Alignment



UN Sustainable Development Goals

- 1 NO POVERTY**
1.4 By 2030, ensure that all men and women, the poor and the vulnerable, have **equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services**, including microfinance
- 8 DECENT WORK AND ECONOMIC GROWTH**
8.10 Strengthen the capacity of domestic financial institutions to encourage and **expand access to banking, insurance and financial services for all**
- 10 REDUCED INEQUALITIES**
10.2 By 2030, empower and promote the social, economic and political **inclusion of all**, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

1. Federal Reserve Bank of New York's (FRBNY) "Unequal Access to Credit: The Hidden Impact of Credit Constraints" report published on September 24, 2019.
 2. <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/June-2020/Social-Bond-PrinciplesJune-2020-090620.pdf>
 3. <https://sdgs.un.org/goals>

OneMain's Social Bond Annual Reporting

Issuance Overview

OneMain Finance Corporation issued \$750MM Social Bond in 2021, first by a U.S. based High Yield Issuer

Offering Terms	\$750MM bond with 2027 maturity at 3.500% coupon
Use of Proceeds	Proceeds financing a portfolio of OMF loans with customers residing in Credit Insecure Areas Furthermore, at least 75% of Loans will be determined to be from racial minorities and/or women
Underwriters	Long-standing D&I broker partners Academy Securities, Ramirez, Seelaus, and Siebert Williams served prominent roles
Second Party Opinion	S&P Global Ratings provided a Framework Alignment Opinion confirming our Framework aligns with ICMA's Social Bond Principles (2020)
CUSIP	682691AB6

Social Bond¹

Net Proceeds	\$740,625,000
Allocated Proceeds ²	\$750,019,958
Unallocated Proceeds	\$0
Women/Minority ²	\$562,849,026
% Women/Minority	75%
% of Proceeds Allocated to Eligible Portfolio	100%

Credit Insecure Areas¹

UPB of loans in Credit Insecure Areas ³	23%
Number of loans in Credit Insecure Areas ³	23%
Avg. Loan Balance of Borrowers in Credit Insecure Areas	\$8,434
Avg. Loan Balance of all OneMain Borrowers	\$8,443
Avg. Net Annual Income of Borrowers in Credit Insecure Areas	~\$46,000

1. As of March 31, 2023
2. Dollars shown on UPB basis
3. As a percentage of OneMain borrowers

Management Assertion

OneMain Holdings, Inc. is responsible for the completeness, accuracy, and validity of this management assertion.

Management asserts that, as of March 31, 2023, the total net proceeds of \$740.6 million from the June 22, 2021 issuance of the \$750.0 million 3.500% Senior Notes due 2027 issued by OneMain Finance Corporation were used to finance or refinance, in part or in full, a portfolio of new or existing personal loans (“Eligible Portfolio”) that meet the eligibility criteria described below.

For purposes of this assertion, the Eligible Portfolio is comprised of new or existing personal loans (“Eligible Loans”) made within 12 months before the offering and through March 31, 2023, to individuals residing with a mailing address in the loan servicing system as of March 31, 2023 in a county identified as ‘Credit-At-Risk’ or ‘Credit-Insecure’ in the Federal Reserve Bank of New York’s (FRBNY) “Unequal Access to Credit: The Hidden Impact of Credit Constraints” report published on September 24, 2019.

Furthermore, at least 75% of Eligible Loans were determined to be from racial minorities and/or women. The determination as to race is consistent with applicable internal reporting guidelines that utilize Bayesian Improved Surname Geocoding (BISG) methodology to calculate probable race. The BISG methodology uses publicly available Social Security Administration and U.S. Census Bureau data as an input to derive a protected class probability based upon the borrower’s last name and zip code as stated in the credit application. The BISG determination of race was based on a probability of at least 80%, in the aggregate, that the individual is from a racial minority per the federal protected class definition of race. The determination as to gender utilizes a proxy method to calculate probable gender. The proxy method uses publicly available Social Security Administration and U.S. Census Bureau data as an input to derive a gender probability based upon the borrower’s first name as stated in the credit application. A probability of at least 80% was used in the determination of gender.

External Review



Report of Independent Accountants

To Management of OneMain Holdings, Inc.

We have examined the management assertion of OneMain Holdings, Inc. on page 8 of this 2023 Social Bond Annual Report that, as of March 31, 2023, the total net proceeds of \$740.6 million from the June 22, 2021 issuance of the \$750.0 million 3.500% Senior Notes due 2027 issued by OneMain Finance Corporation were used to finance or refinance, in part or in full, a portfolio of new or existing personal loans that meet the eligibility criteria described in management's assertion. OneMain Holdings, Inc.'s management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

Only the information included in the management assertion of OneMain Holdings, Inc. on page 8 is part of our examination engagement. The other information in this 2023 Social Bond Annual Report has not been subjected to the procedures applied in our examination engagement, and accordingly, we make no comment as to its completeness and accuracy and do not express an opinion or provide any assurance on such information.

In our opinion, management's assertion that, as of March 31, 2023, the total net proceeds of \$740.6 million from the June 22, 2021 issuance of the \$750.0 million 3.500% Senior Notes due 2027 issued by OneMain Finance Corporation were used to finance or refinance, in part or in full, a portfolio of new or existing personal loans that meet the eligibility criteria described in management's assertion is fairly stated, in all material respects.

PricewaterhouseCoopers LLP

Dallas, Texas
June 9, 2023