



# 2023 Global Impact Report

Advancing our mission to revolutionize commerce globally



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Please visit our [Global Impact website](#) and [Additional Resources](#) section of this report for further public information on our corporate sustainability and impact (“CS&I”) strategies, practices, and policies. We are committed to transparent communication with our stakeholders and welcome feedback on this report and other CS&I matters. Questions or requests for additional information can be directed to [Sustainability@paypal.com](mailto:Sustainability@paypal.com).

**Forward-Looking Statements**  
 This report 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, including statements that involve expectations, plans or intentions (such as those relating to future business, future results of operations or financial condition, new or planned features or services, mergers or acquisitions, or management strategies). These forward-looking statements can be identified by words such as “may,” “will,” “would,” “should,” “could,” “expect,” “anticipate,” “believe,” “estimate,” “intend,” “continue,” “strategy,” “future,” “opportunity,” “plan,” “project,” “strive,” “aim,” “forecast,” and other similar expressions. These forward-looking statements involve risks and uncertainties that could cause our actual results and financial condition to differ materially from those expressed or implied in our forward-looking statements. Such risks and uncertainties include, among others, those discussed in the “Risk Factors,” “Quantitative and Qualitative Disclosures about Market Risk” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of our Annual Report on Form 10-K for the year ended December 31, 2023 and our subsequent filings with the U.S. Securities and Exchange Commission (SEC). We do not intend, and undertake no obligation except as required by law, to update any of our forward-looking statements after the date of this document to reflect actual results, new information or future events or circumstances. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The standards of measurement and performance contained in this report are developing and may be based on assumptions, estimates or information collected on a delayed or incomplete basis. The inclusion of information in this report is not an indication that we deem such information to be material or important to an understanding of our business or an investment decision with respect to our securities.

**Incorporation by Reference**  
 All website addresses contained in this report are intended to provide inactive, textual references only. The content on, or accessible through, any website identified in this report is not a part of, and is not incorporated by reference into, this report or in any other report or document that we file with the SEC.

**Cover image:** PayPal merchant Yuki Matano is a Tokyo, Japan-based artist and owner of traditional craft shop Tsugu Tsugu. Yuki relies on PayPal to connect people around the world with the art of kintsugi, a repair technique using lacquer and gold powder to extend the life of broken ceramic vessels.

# Message from Our President & CEO

For more than 25 years, PayPal has been revolutionizing commerce for customers around the world. When I joined the Company last fall, I was energized by the opportunity to deliver innovative products and services to consumers and businesses while making a positive impact on the communities where we live and work. Our Global Impact Report details how we operate responsibly while strengthening our foundation for sustainable growth.

## Putting Employees First

Our employees are central to advancing our mission, and we strive to create an environment where everyone can do their best work with a sense of purpose and belonging. As I've spoken with employees around the world, I've been inspired by our team's commitment to serving our customers, their passion to fulfill our mission, and their focus on strengthening our communities. We strive to maintain a culture of accountability, transparency, and continual learning, ensuring we attract and retain the best and brightest talent.

## Focusing on Our Customers and Communities

Small businesses are critical to the success and strength of families, communities, and the overall global economy. As someone who has made a career of championing small businesses, I've come to understand the challenges our customers must navigate as they build and grow. Business owners like Yuki Matano, featured on the cover of this year's report and the owner of Tsugu Tsugu, inspire our team to work harder every day. Yuki turned her curiosity about kintsugi, the traditional Japanese art form of repairing broken ceramics, into a thriving



business selling kintsugi kits and offering in-studio and online artist instruction. We're committed to supporting businesses of all sizes, from large enterprises to microbusinesses, as they contribute to their communities and help create thriving local economies.

## Evolving Our Organization

PayPal is continually evolving, and we've recently taken steps to accelerate our growth and impact. We've reorganized around the customers we serve — consumers, small businesses, and enterprises — enabling us to better focus on the unique challenges each faces. We continue to innovate and bring new products to market, moving at an increased velocity that reflects the urgency of our customers' needs. And we have refined our Leadership Principles, with three distinct areas of impact: Put People First, Work Customer Back, and Win Together. Our Leadership Principles are PayPal's values-based framework that defines performance expectations and guides our decision-making, ensuring we're focused on what

matters most. These changes will enable us to focus on our core priorities, scale our impact, and move quickly as we fulfill our mission.

While we have embraced change throughout our organization and will continue to do so, one aspect of our culture that will not change is our commitment to making a positive impact in the world. Serving our customers and making a difference within our communities is what gets us out of bed every day. Within this report, you will find inspiring stories and data-driven evidence of how we deliver innovative products and services, protect our customers, create economic opportunity, advance environmental sustainability, and support each other as we work together to achieve our mission.

I'm excited for the year ahead and all that we will accomplish together as One PayPal. I'm grateful to our employees, customers, shareholders, and partners for joining us on our journey.

**ALEX CHRISS**

President and CEO,  
PayPal Holdings, Inc.



# About PayPal

PayPal Holdings, Inc.<sup>1</sup> is a leading technology platform that enables digital payments and simplifies commerce experiences on behalf of merchants and consumers worldwide.

PayPal is committed to revolutionizing commerce globally so that every person and business can grow and thrive in the digital economy. By leveraging technology to make sending money and shopping more convenient, affordable, and secure, our goal is to expand economic opportunity and improve financial health for all. We believe that effective management of non-financial risks and opportunities, including corporate sustainability and impact (“CS&I”)<sup>2</sup> matters, helps to create long-term value for our stakeholders and deliver on our business strategy and mission.

We operate a global, two-sided network at scale that connects merchants and consumers with 426 million active accounts — consisting of 391 million consumer active accounts and 35 million merchant active accounts — across approximately 200 markets as of December 31, 2023.

Building on our more than 25 years of technology leadership, PayPal continues to be a trusted, everyday app for consumers and an essential tool to help merchants — including small- and medium-sized businesses (SMBs), marketplaces, and large enterprises — manage and grow their business.

## PayPal’s Payment Solutions<sup>3</sup>



**Merchants** integrate with PayPal to manage their business



**Consumers** use PayPal for financial products and services and shopping tools

Checkout	Processing	Digital Wallets	Merchant Services
    	 	<p><b>Consumer Financial Services</b></p> <p>Credit Cards and Debit Cards</p> <p>Credit Crypto Giving P2P Savings</p> <hr/> <p><b>Shopping and Rewards</b></p> <p>Deals Loyalty Rewards</p>	<p>Fraud Protection and Risk Management</p> <p>Omnichannel and Point-of-Sale Solutions</p> <p>Payouts</p>

## Our Leadership Principles



### Put people first

- Build the next generation, unlocking their superpowers
- Provide and seek constructive feedback – clear is kind
- Choose inclusion and foster belonging



### Work customer back

- Focus on our customers’ greatest needs, sweating every detail
- Solve with tech and innovation
- Create simple and valuable customer experiences



### Win together

- Do the right thing
- Operate with velocity and an ownership mindset
- Deliver great end-to-end results
- Work as One PayPal

**Integrated with Our Values:** [Inclusion](#) | [Innovation](#) | [Collaboration](#) | [Wellness](#)

## Our Values in Action

We live each day guided by our core values of Inclusion, Innovation, Collaboration, and Wellness. Together, our values ensure that we work together as one global team with our customers at the center of everything we do — and they inspire us to take care of ourselves, each other, and our communities.

We believe that our core values help stimulate the creativity and engagement of our global workforce to deliver products and services designed to meet the diverse needs of our customers. Our Leadership Principles are integrated with our core values and outline a common set of expectations for all employees for how they drive positive impact through their work.

“Our ability to empower consumers and help businesses reach their full potential is in direct service to our sustained success as a company. We are committed to driving innovation while staying true to our core values, leading with inclusion, innovation, collaboration, and wellness and delivering products that encompass these values.”



**SUZAN KEREERE**

President, Global Markets  
New York, NY, U.S.

# Corporate Sustainability & Impact Strategy

Our CS&I strategy is designed to support our business priorities and create sustainable stakeholder value by driving and protecting brand reputation, managing financial and non-financial risks and opportunities, demonstrating competitive differentiation, positioning PayPal as an employer of choice, and paving the way for future growth and innovation. Our CS&I priorities are embedded throughout the organization and categorized across four focus areas — Responsible Business Practices, Social Innovation, Employees & Culture, and Environmental Sustainability.

## Our Business Priorities



Prioritizing excellence of our core products and services



Leveraging technology to personalize experiences for customers



Innovating the future of commerce



Setting measurable goals and communicating consistently

## Our CS&I Focus Areas



### Responsible Business Practices

Our commitment and approach to operating ethically and responsibly



### Social Innovation

Our work to realize our mission and build a more inclusive global economy



### Employees & Culture

Our embodiment of our core values from the inside out



### Environmental Sustainability

Our efforts to manage our footprint and advance sustainability

## Our Stakeholder Value Creation



Creating value for PayPal and our stockholders by prioritizing and investing in growth opportunities and managing risk.



Driving and protecting brand value through strong governance, ethics, and compliance across our value chain.



Providing customers with superior products that enable digital payments and simplify commerce experiences on behalf of merchants and customers worldwide.



Positioning PayPal as an employer of choice by fostering an inclusive culture.



Engaging with, and positively contributing to, the local communities in which we live and work around the world.



Mitigating environmental impacts to our business, meeting regulatory requirements, and addressing investor and other stakeholder expectations.

“PayPal’s products have a huge impact on our customers. As we drive our future growth, we will always start with solving our customers’ needs to ensure PayPal continues to create a meaningful difference and generate value for all our stakeholders.”



### JAMIE MILLER

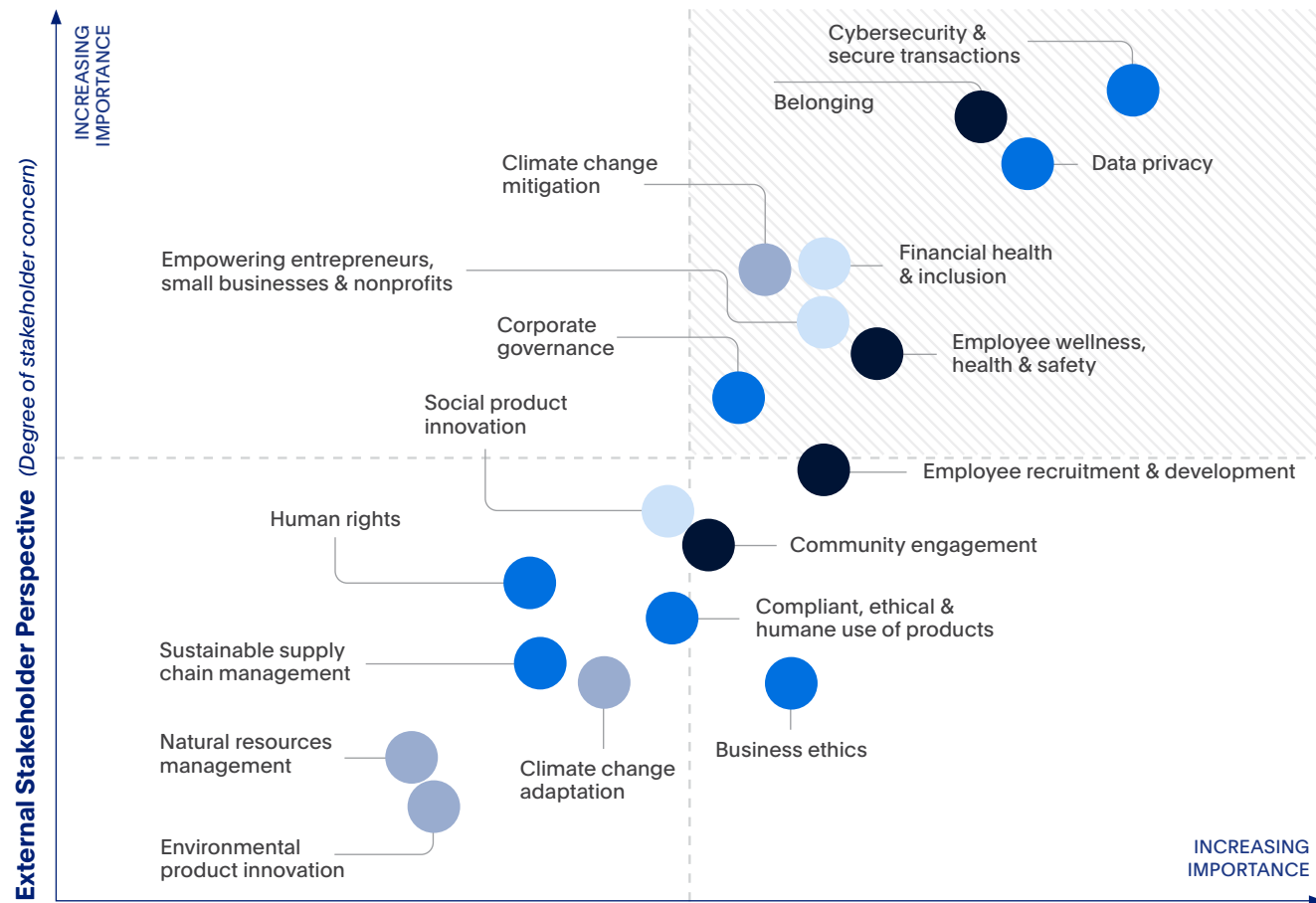
EVP, Chief Financial Officer  
New York, NY, U.S.



# Issue Prioritization & Stakeholder Engagement

To help ensure our CS&I strategy reflects the non-financial issues most relevant to our business success and long-term growth, PayPal periodically reviews and refreshes our CS&I significance<sup>4</sup> assessment. Aligned to our four CS&I focus areas, our significance map identifies 18 key non-financial topics, eight of which are designated as priority issues.<sup>5</sup>

## 2023 Corporate Sustainability & Impact Significance Map



PayPal Perspective (Impact on business)

- CATEGORIES:**
- Responsible Business Practices
  - Social Innovation
  - Employees & Culture
  - Environmental Sustainability

In 2023, our annual review of our non-financial topic prioritization reaffirmed the importance of our previously designated priority issues and elicited minor adjustments to our significance map based on stakeholder feedback. To ensure continued alignment between our business and CS&I strategies, evolving stakeholder priorities, and emerging regulations, we intend to conduct a refreshed assessment to identify the non-financial matters most significant to PayPal’s business and those where PayPal has significant impact externally.

### Approach to Stakeholder Engagement

Stakeholder feedback is taken seriously as part of our overall approach to managing non-financial risks and opportunities and helps inform our significance assessment.

We regularly engage with our diverse stakeholder set, including our investors, global workforce, customers, regulators, partners, suppliers, and others, via a variety of channels, such as surveys, roundtables, and direct conversations. The insights gained from these interactions help inform our CS&I programs, strategies, and disclosures.

### About This Report

The 2023 Global Impact Report covers CS&I strategies, activities, progress, metrics, and performance from calendar year 2023 unless otherwise noted. The disclosures herein provide updates on key CS&I topics and are informed by stakeholder feedback, annual benchmarking of industry peers, and relevant international reporting standards and frameworks. This report is aligned with the Global Reporting Initiative (GRI) standards, relevant industry standards from the International Financial Reporting Standards (IFRS) Foundation’s Sustainability Accounting Standards Board (SASB), the Ten Principles of the United Nations (U.N.) Global Compact, the Stakeholder Capitalism Metrics, and the U.N. Sustainable Development Goals (SDGs). See the [Appendix](#) for specific reporting aligned to these frameworks.

### Key CS&I-Related Engagement Topics

**Investors:** Board composition and risk oversight, data privacy, cybersecurity, employee retention and compensation, intersection of CS&I and business strategies, human rights

**Customers:** CS&I approach, product education, business ethics, climate risk, supplier diversity

**Employees:** Business strategy, product innovation, sustainability, workplace inclusion, community engagement

**Regulators:** Cybersecurity, risk oversight, CS&I strategy, climate risk

**Partners:** Civic engagement, small business support, employee wellness, climate risk

**Suppliers:** Business ethics, climate risk, diversity

# Governance & Corporate Sustainability & Impact Oversight

Robust corporate governance practices are critical to executing our business strategy and driving long-term, durable value creation. Our overall governance framework is designed to drive strong oversight, create Board and management accountability, and demonstrate PayPal's commitment to transparency. We seek to apply the same approach to the oversight, management, and implementation of our CS&I strategy.

Our commitment to strong corporate governance is detailed in our [Proxy Statement](#), which provides extensive disclosure on our Board structure and composition, strategy and risk oversight, stockholder engagement, executive compensation, and other key governance topics.

## Corporate Sustainability & Impact Governance

We believe our approach to managing corporate sustainability and impact matters is linked to long-term value creation for our stakeholders, including stockholders, employees, customers, and the communities and markets where we operate.

The Corporate Governance and Nominating Committee (Governance Committee), which is solely comprised of independent directors, oversees PayPal's CS&I program and regularly reports to the Board. In addition, the Compensation Committee and Audit, Risk, and Compliance Committee (ARC Committee) have oversight of non-financial risks and opportunities associated with their respective areas of responsibility.

Our CS&I program is directed and managed in collaboration with executives, including our Chief Financial Officer, Chief People Officer, EVP and General Manager — Consumer Group & Global Marketing and Communications, and Chief Enterprise Services Officer, and implemented by cross-functional working groups with guidance and direction from a dedicated steering committee.

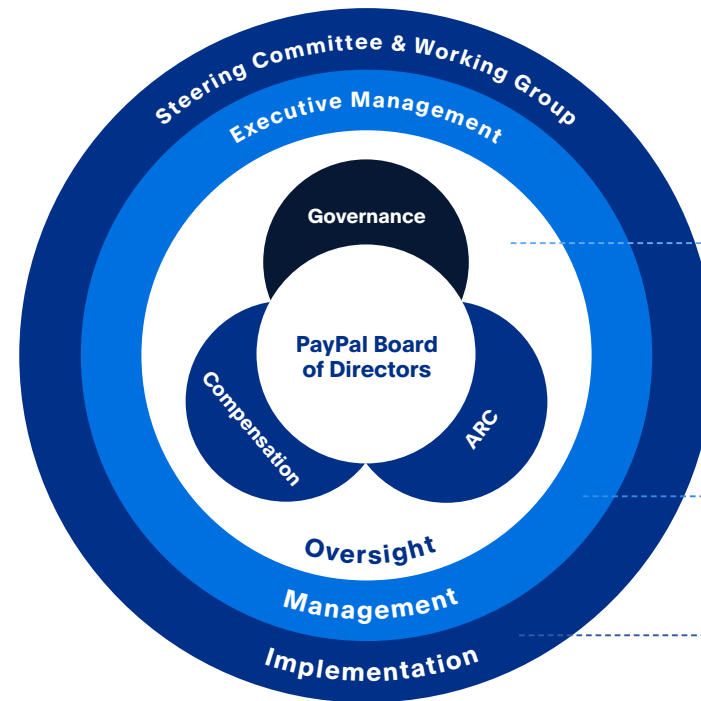
Representatives from the steering committee brief Board committees and executive leadership on CS&I issues periodically and meet with a subcommittee of the Enterprise Risk Management Committee at least annually to review current and emerging non-financial risks.

## Board & Leadership Composition

We seek to ensure our Board is composed of directors with highly relevant skills, professional experiences, and backgrounds who bring diverse viewpoints and perspectives and effectively represent the long-term interests of our stockholders.

The Board conducts in-depth reviews of business strategy and engages with leaders on key topics of interest, including business objectives, the competitive landscape, capital allocation, and CS&I matters.

The Board values succession and refreshment as critical components of promoting and supporting the Company's long-term strategy. The Governance Committee regularly oversees and plans for director succession and Board refreshment, and the Board reviews executive succession planning at least annually.



### Oversight

Our Board of Directors is actively engaged on corporate sustainability and impact ("CS&I") matters that impact business strategy.

- **Governance Committee:** Oversight of PayPal's management of CS&I topics, including overall CS&I strategy, risks and opportunities, stakeholder engagement and programs and initiatives in social innovation and environmental sustainability
- **ARC Committee:** Oversight of the Company's risk framework and enterprise-wide compliance program, including cybersecurity and privacy matters
- **Compensation Committee:** Oversight of the Company's strategies and responsibilities related to human capital (global talent) management, including belonging, pay equity efforts and corporate culture

### Management

Our executive management directs and manages the execution of our enterprise-wide CS&I strategy to help ensure non-financial risks and opportunities are appropriately integrated across the enterprise, including through the Enterprise Risk and Compliance Management Program (ERCM Program).

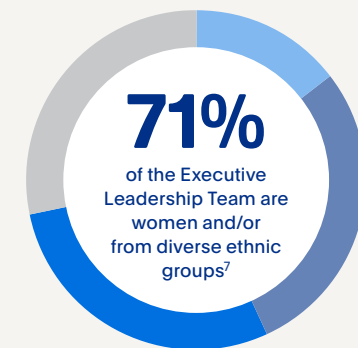
### Implementation

A steering committee and cross-functional working groups with representatives from diverse functions across the business are responsible for overall program implementation.

### Board of Directors Diversity<sup>6</sup>



### Executive Leadership Diversity<sup>8</sup>



● Ethnically Diverse Women ● Ethnically Diverse Men  
● Women ● Men ● Did Not Disclose

## Incorporating CS&I-Related Performance into Our Executive Compensation Program

As part of our executive compensation program, we continued to incorporate risk and compliance ratings and other CS&I-related actions and outcomes for each senior executive in our 2023 Annual Incentive Plan. Please see our [Proxy Statement](#) for more information.

# Responsible Business Practices

Maintaining customer trust and adhering to ethical business practices are crucial to achieving the Company’s long-term business strategy. Our commitment to these principles is illustrated by our approach to risk management, governance, and oversight, including policies and standards designed to protect our customers and platform.

Across PayPal, we are dedicated to the responsible management of our infrastructure, safeguarding the data of our customers and our Company, upholding a high standard of business ethics, and responsibly managing our supply chain.

## 2023 Summary Highlights

- Introduced new fraud protection services, including early fraud detection and real time app alerts to the PayPal wallet.
- Expanded our Responsible AI framework to further incorporate and codify human oversight requirements, including in PayPal’s use of generative AI.
- Collaborated with influential organizations like AARP and the Better Business Bureau to advance consumer protection efforts.
- **100%** training completion by all employees in 2023 annual compliance training cycle.

Held our 2023 Data Week conference to build and sustain our data-driven culture and responsible practices

**40+**  
virtual  
sessions

**11**  
offices

**60**  
speakers

“As a leader in the payments industry, maintaining strong trust among the many consumers and merchants who rely upon our platform is critical to our ability to realize



our mission at scale. As PayPal continues to evolve and grow, we remain committed to championing a culture of transparency and accountability in all that we do.”

**KAUSIK RAJGOPAL**

EVP, Strategy, Corporate Development & Partnerships  
San Francisco, CA, U.S.

## Notable Awards & Recognitions

Newsweek World’s  
Most Trustworthy  
Companies

JUST Capital’s JUST  
100 List 2023

### IN THIS SECTION

- Cybersecurity & Secure Transactions
- Data Management & Privacy
- Risk Management & Compliance
- Business Ethics

### SDGS REFLECTED IN THIS SECTION



# Cybersecurity & Secure Transactions

Protecting our customers and our platform remains a principal focus for PayPal. We are committed to upholding a proactive security philosophy, including robust governance structures, to keep our platform and data safe. Our Chief Information Security Officer spearheads our global cybersecurity management function, with oversight from the Board's Audit, Risk, and Compliance (ARC) Committee, as well as support from regional security officers across key markets and jurisdictions.

PayPal's Cyber & Information Security Program supports the prioritization of security in product design and execution across our family of brands, as well as driving the modernization of our day-to-day cybersecurity practices. Through this Program, which is an integrated, essential component of our overall Enterprise Risk and Compliance Management (ERCM) framework, we aim to empower our employees to manage today's threats effectively while solving for the security challenges of the future.

## PayPal's Cyber & Information Security Principles

- 1. PROTECT** — Protecting the data and accounts of our customers is at the core of PayPal's trusted global brand.
- 2. PROPEL** — Our program can be a powerful enabler for PayPal to provide best-in-class experiences for customers and accelerate our business.
- 3. PARTNER** — PayPal's security is strengthened by taking an active and collaborative role within the global cybersecurity community.

## Cyber Attack Risk Response & Incident Management

PayPal's cybersecurity teams, in coordination with the Company's Cyber Defense Center (CDC), defend against and mitigate risks to our systems. PayPal's CDC operates 24/7 to respond to cyber attacks and protect the data we process and store.

Our Fraud Defense Cyber Center focuses on uncovering, aggregating, and synthesizing intelligence data to develop proactive monitoring to prevent fraud and abuse and mitigate risk to our products, services, and customer data. The teams also engage with the broader security ecosystem through partnerships and research to expand our understanding of sophisticated fraud techniques.

Our security and fraud teams perform 24/7 monitoring and measurement to promote system reliability and maintain the integrity of PayPal's production and corporate environments, and to share insights to detect potential incidents and enable timely responses. In addition to cyber threat monitoring and quarterly cybersecurity risk assessments, we review and conduct exercises on our disaster recovery and business continuity plans at least annually. We also have an established breach response process to protect the integrity of PayPal's platform.

Our established incident response process provides a coordinated approach across our CDC and PayPal Command Center response teams to manage incidents affecting the confidentiality, integrity, and availability of our systems and data. We focus on quick and effective mitigation, as well as recovery actions, communications, and root cause corrections. We conduct regular exercises of our incident program intended to ensure our readiness for the evolving range of incidents we may encounter.

## External Validation & Certification of Our Information Security Program

Our dedication to security is exemplified through our commitment to industry best practices, including alignment of our Cyber & Information Security Program with the latest National Institute of Standards and Technology (NIST) Cybersecurity Framework and our attainment of ISO 27001 certification. As part of this commitment, independent third-party audits are conducted annually covering ISO 27001, PCI-DSS, PCI-P2PE, PCI PIN, SOC-1, and SOC-2 standards. This rigorous external validation is further reinforced by scrutiny of our program's design and implementation by PayPal's internal audit and oversight testing functions.

PayPal takes pride in our longstanding contributions to the Board of Advisors for the Payment Card Industry (PCI) Security Standards Council, through which PayPal contributes to the enhancement of security standards industry-wide. We also engage with other trusted industry and government partners worldwide to defend against significant evolving cyber threats and risks.



## Japan Live Hack Event

In September 2023, more than 50 ethical hackers from 27 countries participated in PayPal's fourth annual Live Hack event, held for the first time in Tokyo, Japan, and hosted in partnership with [HackerOne](#).

These events directly support the security of our systems as vulnerabilities are identified and fixed. They also allow PayPal to engage with our Bug Bounty contributors and provide a platform to strengthen researcher collaboration, with more than \$1 million USD in bounties awarded overall during the 2023 event.

Live Hack events support PayPal in maintaining one of the largest Bug Bounty programs in the industry, while developing partnerships with the security research community to help secure our products and protect our customers.

## Platform Security & Fraud Protection

Protecting our customers from fraud and securing our platform is a collective effort across PayPal. To manage risk effectively while providing a great customer experience, we leverage industry-leading tools, develop proprietary capabilities, and use the data we collect to tackle fraud and protect our platforms, with a focus on maximizing approvals for good users while helping to prevent bad actors from abusing our platforms.

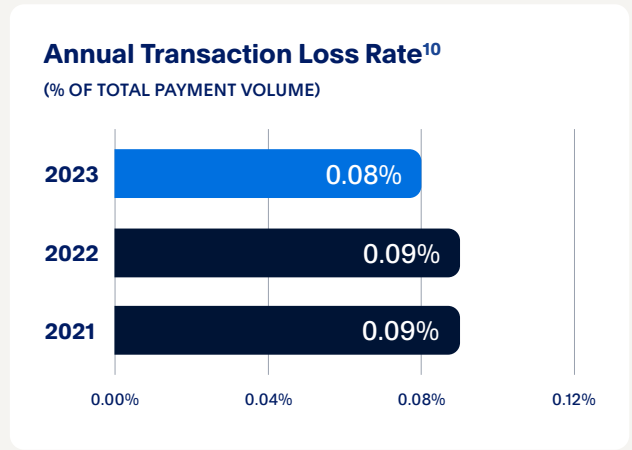
Our data enables advanced anti-fraud risk measures designed to provide transaction safety and security for our customers while also allowing merchants to use our data science models and products to drive their business forward.

Utilizing the data from our two-sided network and PayPal’s machine learning capabilities, merchants on our platform can tailor their fraud prevention and mitigation strategies according to their specific needs. [Fraud Protection Advanced](#) provides merchants with the ability to fine-tune rules and filters designed to identify and block suspected fraud. For those merchants that prefer PayPal to manage fraud risks end-to-end, [Chargeback Protection](#) handles all fraud management and reimburses merchants for eligible chargebacks. [Dispute Automation](#) enables merchants to respond to up to 100% of chargebacks in instances of so-called [friendly fraud](#) with customizable response templates where they can include evidence such as proof of services provided and payment history with customizable response templates.

In 2023, PayPal made substantial investments to enhance seamless login methods with the global expansion of passkeys. This initiative attracted approximately 25 million customers<sup>9</sup> by the end of 2023, contributing to a 9% year-over-year increase in the share of passwordless checkouts on the PayPal platform globally.

In the U.S., we rolled out [free early fraud detection](#) and real-time app alerts for eligible cards added to the PayPal wallet, providing 24/7 card monitoring and notifications to help stop potential fraud sooner, and plan to expand availability to additional markets in 2024. Additionally, PayPal’s implementation of [Brand Indicators for Message Identification](#) for our emails to consumers has helped empower individuals to quickly recognize legitimate PayPal and Venmo messages and more easily identify phishing attempts and email fraud.

Our continued efforts to reduce fraud on our platform have enabled PayPal to maintain low transaction loss rates while total payment volume has increased.



## Partnerships to Prevent Fraud & Strengthen Security

We continued to collaborate with organizations to advance global security protection capabilities throughout 2023, including:

- Developed training in partnership with the American Association of Retired Persons (AARP) for customer service agents at peer-to-peer payment platforms that teaches them to identify signs of financial exploitation of older consumers. Since its rollout in November 2023, approximately 10,000 PayPal and Venmo employees have received the training.
- Continued to serve as a member of the Federal Trade Commission’s [Scams Against Older Adults Advisory Group](#) on the Industry Training Committee. We partnered to establish training for financial industry professionals to identify and prevent scams targeting older adults and developed best practices for educating employees about current scams.
- Partnered with our university collaborators, including Arizona State University, North Carolina State University, Georgia Institute of Technology, and the CISPA Helmholtz Center for Information Security, to publish research papers at [IEEE Security and Privacy](#) and [ACM Conference on Computer and Communications Security](#) on topics such as passwordless authentication, SMS spam, ecommerce scams, and cryptocurrency fraud, helping PayPal protect its customers from sophisticated fraud attacks while championing ecosystem security.

## Employee Awareness & Education

Our Information Security Training and Awareness program focuses on providing our employees educational resources on cyber hygiene best practices, understanding and identifying cyber attacks, and incident reporting. In addition to required annual information security compliance training for all employees and contractors, we offer ongoing learning opportunities to increase security awareness across PayPal, with specialized security training programs for our engineers.

Our 2023 Cybersecurity Awareness Month featured PayPal’s internal Cybersecurity Conference, CyberCon. We engaged with our employees globally throughout the month, providing a broad range of opportunities, including a keynote address by PayPal’s Chief Product Officer, John Kim, fireside chats with external industry experts, and educational cyber escape room challenges.

### Launch of BBB Partnership

In September 2023, PayPal partnered with the Better Business Bureau’s (BBB) Institute for Marketplace Trust as a new member of its Corporate Trust Council, a coalition working collaboratively on strategic initiatives aimed at protecting today’s consumers by:



- Building a community of better businesses by developing best practices and educational resources.
- Identifying new threats to a trusted marketplace and creating strategies to address them.
- Delivering programs, resources, and tools to protect consumers and build trust between consumers and businesses in the marketplace.

As part of the partnership, PayPal will engage with the BBB’s Scam Tracker tool to help further reduce fraud on our platform, while staying abreast of online fraud and scam trends.

# Data Management & Privacy

We work to embody a data- and privacy-aware culture that prioritizes responsible use of data through transparency, education, enterprise standards, and innovation. PayPal has established a tiered governance structure to drive data management best practices and accountability across the Company.

Our Enterprise Data Governance (EDG) Program, overseen by the office of the Chief Technology Officer, is responsible for delivering the data management capabilities that govern the Company’s critical data in partnership with data stewards and engineers across the business. Our EDG Program partners with the Global Privacy and Data Management Oversight function, led by our Chief Privacy Officer, which provides oversight as part of the ERCM Program and is ultimately overseen by the Board’s ARC Committee.

PayPal’s internal audit function conducts independent reviews of our data management and privacy programs and assesses the effectiveness of governance, risk management, and controls. Additionally, all PayPal employees and contractors are required to complete annual training on privacy and data management, including specialized training for our data stewards.

We work to integrate data management and privacy best practices through education and the adoption of self-service capabilities. In addition to annual company-wide training on privacy and data management, the team created the Enterprise Data Standard to guide product engineers on specific expectations related to data management. The team also contributed thought leadership to new frameworks and best practices through engagement with industry councils on data management.

## Our Approach to Data Hygiene

Data quality is essential to future business growth and the achievement of Company objectives. Through the EDG Program, we aim to proactively drive consistent and standardized internal data management practices. We deploy data quality measurements and monitoring to protect critical data identified across the Company and to deliver the trusted data needed for Company programs and initiatives.

Data governance and data management practices are foundational to the implementation of new artificial intelligence (AI) and machine learning (ML) processes. As AI and ML capabilities become more widely used across

PayPal, the team is integrating these tools into data management practices to automate processes, create efficiencies, and improve data quality across the Company.

PayPal’s EDG Program supports end-to-end data management, from collection to disposal. The Data Management Oversight team collaborates with functions across the business and helps establish practices in accordance with our industry-aligned enterprise data management framework. Our Enterprise Data Governance Policy and associated documents align with this overarching framework. The team proactively monitors risk statements to identify, establish, and document accountability, controls, and risk mitigation practices on relevant data management risks.

In 2023, the Global Data Management Oversight function developed the enterprise customer data validation policy to enhance data quality and reduce data risk through preventative controls. This enables PayPal to enhance data hygiene for customer data and drive the usage of best practices, standards, and repeatable processes across the enterprise. This process improves data integrity, accuracy, and effectiveness and additionally increases customer trust from the beginning of the customer relationship.

## Global Privacy Program & Policy Infrastructure

Our Global Privacy Program guides and supports the business based on our Data Management Principles and Privacy by Design practices. These practices help to ensure that our privacy program is aligned with the evolving global privacy landscape and regulatory guidance.

Based on our Data Management Principles, PayPal strives to maintain strong oversight and standards on central tenets of data privacy, including notice and transparency, record retention, choice and consent, and data lifecycle management.<sup>11</sup> Our program is focused on building a privacy-first culture by driving awareness and enabling our teams to consider these principles in strategies and decision-making processes related to the collection, use, minimization, and sharing of data.<sup>12</sup> All employees, contractors, and third parties are required to follow the Enterprise Record Retention policy that defines our practices on the storage and retention of data. See our Legal Hub and Privacy Statement for additional information.

Our Board and senior management review the Annual Privacy Plan, and management provides periodic reporting to the ARC Committee, the Enterprise Risk Management Committee (ERM Committee) and others as appropriate on the strategy, implementation, and effectiveness of privacy risk management, including reports on emerging trends and topics, privacy-related audits and examination highlights, and privacy and data assessment results and escalations.

“PayPal’s reputation as one of the world’s most trusted financial services companies is due in large part to a rigorous, company-wide approach to data management, compliance, and risk management practices. Trust is PayPal’s most valuable currency, which we relentlessly work to protect through a culture centered on data responsibility, accountability,



**MANI IYER**  
SVP, Global Head of Data, AI, and ML Technology  
Columbus, OH, U.S.

transparency, driven by a continuous assessment of the needs of our customers. We leverage advanced technology to uphold the highest standards of data management to protect our customers.”

## Data Management Principles

<p><b>Management</b></p>	<p><b>Notice &amp; Transparency</b></p>	<p><b>Choice &amp; Consent</b></p>	<p><b>Security</b></p>
<p><b>Data Lifecycle Management<sup>11</sup></b></p>	<p><b>Data Quality</b></p>	<p><b>Stewardship</b></p>	<p><b>Standardization</b></p>

## Data Privacy Due Diligence on Third Parties

PayPal seeks to conduct due diligence on third parties' privacy policies and data protection safeguards, including for potential acquisitions and strategic investments, to help ensure the controls are consistent with PayPal policies and applicable laws. The process involves review of internal and public-facing policies and practices, internal systems that access or store data, data security reports, and data processing registrations and submissions to relevant governmental bodies to understand past and current data practices.



## Responsible AI Practices

PayPal remains committed to using AI technology in a responsible manner, consistent with regulatory guidance and our overall risk management framework. Our approach to AI use is guided by our five core Responsible AI principles and our Responsible AI Steering Committee, consisting of cross-functional representatives who oversee AI development, deployment, governance, and monitoring. The Committee provides monthly updates to our Global Entity Management and Oversight leadership team, and periodic updates to our ERM Committee and ARC Committee.

In 2023, we expanded our Responsible AI framework by further incorporating human oversight requirements into PayPal's AI use, including generative AI. We also further strengthened our AI governance by embedding model and AI risk assessment into our existing Risk and Compliance programs, such as new product review and third-party onboarding processes.

Additionally, we formed a Center of Excellence focused on the responsible implementation of generative AI across the Company to improve our customer

service and operations at PayPal through educational programs, generative AI guidelines, and use case discovery and experimentation with generative AI.

Our research and development efforts are focused on increasing the effectiveness of fairness assessments in AI model use. PayPal has developed a proprietary tool designed to provide an automated solution to mitigate inadvertent bias in AI during the model development phase.

### Five Principles of Responsible AI



## Privacy by Design Toolkit Launch

In November 2023, we launched a free, implementable toolkit, developed in partnership with Accion's Center for Financial Inclusion, that is now available for fintech companies to embed privacy principles into the design of their financial products and services.



"Data management is the foundation of privacy at PayPal.



Understanding the intricacies of our data, and how it flows through our systems, is what allows us to build better processes designed to mitigate risk and increase trust and transparency with our users."

**MARC PLACZEK**

Chief Privacy Officer  
San Jose, CA, U.S.

## Data-Responsible Culture

We hosted Data Week in May 2023, our annual internal global conference designed to build and sustain our data-driven culture and responsible practices. Our 2023 conference brought together thousands of PayPal employees and included sessions from internal and external speakers on topics such as generative AI, responsible use of AI, data management and privacy, and data science.

**40+**  
virtual sessions

**11**  
offices

**60**  
speakers



# Risk Management & Compliance



We apply the Three Lines of Defense model for risk management, which consists of management, oversight, and independent assurance. Our executives are responsible for assessing and managing risk with independent guidance and oversight from our company-wide Risk and Compliance Oversight function. Our Board of Directors is responsible for overall risk assessment and management oversight, with the ARC Committee overseeing and reviewing our overall risk management framework. Our Internal Audit program seeks to provide independent assurance and is externally assessed by the Institute of Internal Auditors (IIA) to conform with the IIA Code of Ethics and Standards.

Our ERCM Program reflects PayPal’s programmatic approach to identifying, measuring, managing, monitoring, and reporting key risks facing our Company.

Periodic changes are made to the Risk Taxonomy as appropriate based on the evolving landscape of our business.

Our risk management committees oversee the implementation and execution of the ERCM Program. This includes the ERM Committee, which is the highest-level risk management committee and is chaired by PayPal’s Chief Risk and Compliance Officer, who regularly reviews and discusses the overall effectiveness of the ERCM Program with the ARC Committee and the full Board. To further reinforce the link between our governance of corporate sustainability and impact (“CS&I”) matters and our risk management programs, we regularly report on emerging non-financial risks, opportunities, and impacts to a subcommittee of the ERM Committee.

## Enterprise Resiliency

We take an enterprise-wide approach to business resilience to manage and minimize the impacts of a disaster or other incidents that may disrupt PayPal business functions, IT systems, customers, and the broader financial sector. Our PayPal Resiliency Program is designed to reduce continuity of operations risk, enable mitigation of potential impacts, prepare teams to respond effectively, maintain operations during periods of disruption, and safeguard employee welfare. This program applies across PayPal and its subsidiaries, as well as to third parties acting on our behalf.

Aligned with the ISO 22301 standard, the Federal Financial Institutions Examination Council, and other governmental regulatory standards, our Enterprise Resiliency Policy outlines scenario planning procedures, functional roles and responsibilities, reporting expectations, and documentation management for business continuity and disaster recovery at PayPal.

This includes:

- Regular training for identified Incident Response Team members across business functions.
- Requirements for tabletop exercises and testing to provide ongoing readiness at least annually.
- Incident recovery and restoration protocols.

**“As leaders in the financial sector, we recognize the importance of safeguarding our operations and people. Our rigorous planning, training, and adherence is not only applied to our own processes but also to every PayPal solution so that we can offer the same resilience we achieve ourselves.”**



**AARON J. WEBSTER**  
EVP, Chief Enterprise Services Officer  
Charleston, SC, U.S.

## Employee Health & Safety

PayPal Global Safety and Security teams are tasked with monitoring, evaluating, and responding to acute and chronic physical risks to our operations, including extreme weather and other events, as part of our incident response procedures.

We also develop and implement risk management procedures and programs related to the personal safety of employees, including accident and injury prevention, wellness promotion, and compliance with applicable environmental, health, and safety laws and regulations. PayPal’s Environmental Health & Safety (EHS) Policy & Procedures align with the ISO 45001 standard, apply to all PayPal facilities and functional areas, and detail the requirements, roles, and responsibilities related to environmental health and safety risks, controls, monitoring, reporting, and escalation. We are committed to continuing to improve our EHS program and regularly conduct reviews to facilitate compliance with relevant national and local EHS regulatory requirements.



# Business Ethics

Our [Code of Business Conduct & Ethics](#) (Code of Conduct), available in 14 languages, provides guidance for our employees, directors, and everyone working for PayPal and its subsidiaries on ethical and responsible behavior. We refresh the Code of Conduct at least annually to reflect our latest programs, policies, and expectations.





## Channels to Speak Up

Our Code of Conduct reinforces that we are all empowered to speak up or seek advice without fear of retaliation. Employees have multiple avenues to share their concerns or ask questions anonymously.

### WHEN to speak up:

- Culture
- Workplace Safety
- Misconduct

### HOW to speak up:

-  **Call the confidential Integrity Helpline** available 24/7 in multiple languages
-  **Escalate concerns or questions** with their manager or HR business partner
-  **Email the Ombuds/Ethics team** directly using the dedicated Speak Up email alias
-  **Engage a Business Ethics Officer**

Our Speak Up culture is espoused by our leadership and actively promoted by the Ombuds/Ethics team through outreach and awareness sessions. Our Chief Risk and Compliance Officer provides periodic updates to the ARC Committee on significant program metrics and investigations.

“At PayPal, fostering a “speak up” culture where all employees feel empowered to ask questions, seek guidance, and raise concerns is a top priority across our Company. Our Ombuds/Ethics team works every day to make this a reality at PayPal by providing multiple reporting channels and resources to our people, including a global team of



employees who volunteer to serve as Business Ethics Officers and provide guidance and support to colleagues in their local areas.”

**JACK CHRISTIN**

Senior Director of Ethics  
San Jose, CA, U.S.

We require every employee and contractor to complete our annual training, which covers areas such as our Code of Conduct, anti-money laundering, information security awareness, data privacy, anti-bribery and corruption, safety and security, and sexual harassment awareness and prevention. In addition, upon joining PayPal and annually thereafter, our employees must certify that they understand and will comply with the Code of Conduct.

Beyond our Code of Conduct, we require all employees, third parties, and other stakeholders (such as contingent workers) to abide by our enterprise policies, including our Conflict of Interest, Ethics Reporting and Whistleblower, and Anti-Bribery and Corruption policies.

# 100%

employee completion of 2023 annual compliance training<sup>13</sup>

## Respect for Human Rights

We are committed to managing potential human rights risks and opportunities across the Company, as outlined in our Code of Conduct. Additionally, we highlight the steps we have taken to mitigate and prevent modern slavery and human trafficking practices across our Company and value chain in our [Joint U.K. and Australia Modern Slavery Statement](#).

## Responsible Supply Chain Management

Due to the digital nature of our business, our supply chain consists primarily of the procurement of various direct and indirect goods and services (such as IT infrastructure, marketing, real estate, consulting, and labor) and corporate partnerships. We work with a small number of third parties to manufacture goods (e.g., Zettle card readers) and do not manufacture anything directly.

Across our value chain, we seek to partner with third parties who share our commitment to business ethics. All third parties and subcontractors are expected to comply with our [Third Party Code of Conduct & Ethics](#), which sets forth our expectations regarding human and labor rights, environmental responsibility, anti-bribery and improper payments, occupational health and safety, consumer protection, financial crimes compliance, and other requirements. Instances of noncompliance may be escalated to the PayPal Ombuds/Ethics team or the PayPal Integrity Hotline for investigation.

Our third-party risk management program works to establish appropriate risk-based due diligence for new and existing suppliers based on the potential risks and impacts of their product or service to our business. We aim to hold our third-party partners to high standards of risk management and ethical behavior and review and investigate potential noncompliance to determine appropriate next steps, which may range from control environment enhancements to termination.

In 2023, we worked to further build awareness of CS&I considerations with stakeholders across the vendor lifecycle. We engaged with our largest suppliers on climate-related risk management and continued our supplier diversity efforts. Read more about how we engage our vendors on diversity and climate change in [Employees & Culture](#) and [Environmental Sustainability](#), respectively.

## Commitment to Political Transparency

PayPal’s commitment to pursuing transparent disclosure and strong governance extends to our lobbying and political transparency policies and practices. We have adopted many of the best practices put forth by the Center for Political Accountability in their Zicklin Index, and in 2023, we maintained our “Trendsetter” designation.<sup>14</sup>

Our Board’s Governance Committee oversees our political contributions, lobbying expenditures, and interactions with government officials. To provide consistency with the Company’s business objectives and public policy priorities, the committee reviews and discusses with management our political activities, policies, and expenditures at least annually. To find out more about PayPal’s lobbying disclosures and political transparency practices, please visit our [Government Relations](#) website.

# Social Innovation

Our platform, products, and services deliver the latest advancements in digital payments, enabling economic opportunity and access to capital for individuals, businesses, and nonprofits globally.

We continually work to meet the evolving needs of our customers with new and innovative tools. The diverse array of solutions we provide across our brands plays a critical role in supporting the financial well-being of our customers, including entrepreneurs, small and medium-sized businesses (SMBs), and consumers.

## 2023 Summary Highlights

- Launched Venmo Teen Accounts to advance consumer financial health.
- Enhanced PayPal complete payments solution to further support small business growth.
- Enabled nearly **\$8 million** in cash back and savings during the biggest shopping days of 2023 for customers through the PayPal App, PayPal Rewards, and PayPal Honey.
- **\$20.9 billion** raised for nonprofits and causes via our giving platforms that include Give at Checkout, PayPal Fundraisers, Donate with Rewards, and Venmo charity profiles.

**1.3M**

loans facilitated to SMBs since 2013<sup>15</sup>

resulting in \$28B in access to capital since 2013<sup>15</sup>

“PayPal is dedicated to continuous innovation through our products and services to support our customers in an ever-changing digital market. We oversee the entire consumer journey with the mission of revolutionizing commerce by providing a product that empowers individuals at every stage of life.”



**DIEGO SCOTTI**

EVP, General Manager, Consumer Group and Global Marketing & Communications  
New York, NY, U.S.

## Notable Awards & Recognitions

Fortune America's Most Innovative Companies

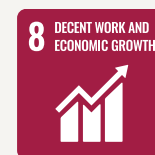
TIME World's Best Companies

Fortune Crypto 40 #1 in TradFi

### IN THIS SECTION

- Economic Empowerment
- Financial Health & Consumer Convenience
- Giving

### SDGS REFLECTED IN THIS SECTION



# Economic Empowerment

According to [The World Bank](#), SMBs account for 90% of businesses and 50% of employment globally, demonstrating their vital role in society. Increased access to digital financial services has the potential to help SMBs grow their business faster and support more vibrant local economies.

At PayPal, we recognize the important role that our platform, products, and services play in helping SMBs and entrepreneurs manage their businesses and reach their customers. Our efforts to support the economic advancement of this critical segment of the business community include our work to enable access to capital for traditionally underserved and underbanked communities. We also invest in strategic partnerships, fund and conduct research, and drive advocacy efforts to help SMBs worldwide reach their full potential.

“Small businesses are the foundation of the global economy and the backbone of local communities. When small businesses grow and thrive, the communities around them prosper. PayPal is focused on supporting small businesses at every phase of their growth. By providing a comprehensive platform that includes a suite of solutions that helps small businesses connect with new customers, get access to affordable working capital and securely get paid, manage their cashflow, and run their operations, we’re helping empower small businesses to thrive globally.”



**MICHELLE GILL**  
EVP, General Manager, Small Business and Financial Services Group  
San Francisco, CA, U.S.

## Products & Partnerships to Support SMBs

In 2023, we continued to deliver products and features designed to support the evolving needs of SMBs.

We enhanced our PayPal complete payments solution to enable small businesses to process card payments directly through their websites using our Venmo, PayPal Pay Later, and PayPal branded checkout solutions, which supports improvements in transaction authorization rates.<sup>16</sup> To help reduce friction within the purchase experience and drive conversion, we introduced PayPal Vault to securely save customer payment methods for future use. Also, our real-time account updater service and network tokens help small business owners reduce declines and drive conversion by automatically updating cards on file if they are lost, stolen, or expired, which can help improve sales, reduce expenses, and limit fraud.

**6.5%**

increase in authorization rates made possible for SMBs in the U.S. with PayPal’s branded checkout solution

To increase flexibility for managing processing costs, we added a new pricing model that allows SMBs to receive the total payment amount upfront<sup>17</sup> and defer accumulated processing fees to a single monthly payment. We plan to expand access to PayPal’s complete payments solution across additional markets in 2024.

We expanded the availability of our convenient Tap to Pay technology to Venmo business profile, and PayPal Zettle users in the U.S. SMBs can use this feature to accept contactless in-person payments from both cards and digital wallets on their Android mobile devices without any upfront costs or additional hardware.

We continued the Venmo Small Business Grant program to empower emerging and small businesses using Venmo Business Profiles by awarding 20 business owners a \$10,000 grant, mentorship opportunities from PayPal employees, and promotional opportunities via Venmo’s social media channels.

**3M**

Venmo Business Profiles<sup>18</sup>

**20**

grant recipients

We also announced the recipients of the third annual [Maggie Lena Walker Awards](#), which recognizes women who are working toward economically empowering their communities. This year’s recipients are working to expand equitable access to capital for entrepreneurs and increase affordable home ownership opportunities, particularly for people in historically redlined neighborhoods.



## Venmo Small Business Grant Recipient Reclaim Clay Collective

Founded by Siera Matsuo and Luanne Wilson in Seattle, WA, pottery and art studio [Reclaim Clay Collective \(RECC\)](#) aims to make ceramics more accessible, diverse, and inclusive. As Venmo Small Business Grant recipients, Siera and Luanne plan to expand RECC through new equipment, additional inventory, and a more diverse class selection.

## Amplifying Support for the Underbanked of Little Rock

The Barber of Little Rock is an inspiring and Oscar-nominated documentary starring Arlo Washington, a local barber who founded People Trust, a nonprofit community bank serving the underbanked residents of Little Rock, AR, U.S. We were pleased to support the film and help bring to life the story of Arlo’s vision for an inclusive economy for traditionally overlooked communities.



**IAN COHEN**  
Head of Global Creative Strategy and Production  
Boston, MA, U.S.

“The idea for this film started from a series of interesting conversations throughout the PayPal network, which got the team thinking about the societal issues that intertwine with finances in the U.S. From there we set out to capture and explain the widening racial wealth gap felt in the everyday lives of so many Americans. Our mission to ensure everyone has access to affordable and secure financial products and services is what drove us to spearhead the project.”

## Small Business Lending

During the course of 2023, we marked 10 years of supporting small businesses through access to the capital needed to sustain and grow their operations. Since 2013, we've enabled access to \$28 billion in capital and 1.3 million loans through financing solutions, including PayPal Working Capital and PayPal Business Loans.<sup>15</sup>

**\$2.7B**

in access to capital for SMBs in 2023

**87K+**

loans to SMBs in 2023

**\$28B**

in access to capital for SMBs since 2013

**1.3M**

loans to SMBs since 2013



## Support for Underserved Businesses

We take a multidimensional approach to supporting small businesses — especially those from traditionally underrepresented communities, including Indigenous, Black, Latinx, and women-owned businesses — by leveraging our scale, resources, and expertise to create opportunities for diverse SMBs globally.

### Economic Opportunity Fund

In 2023, we advanced our work to increase access to capital within underserved communities through our Economic Opportunity Fund (EOF), our commitment to drive capital through treasury deposits and fund investments toward underserved businesses.

We have invested in 19 minority-led and geographically diverse venture capital funds through our EOF. We take a fund-of-funds investment approach that provides expanded opportunities to support small business growth across industries and geographies.

### Community-Level Economic Development in Northeast Washington, D.C.

PayPal is an anchor investor in [LISC Strategic Investments' Black Economic Development Fund](#), an impact investing fund focused on addressing economic challenges in underinvested communities. The fund's deployments include a \$10 million acquisition loan to the East River Park project in Northeast Washington, D.C., U.S., a historically economically distressed area. This \$600 million mixed-use development will bring 1,400 residential units, including 300 affordable homes, to an underserved community.

**580+**

EOF portfolio companies globally through our investments in venture capital funds

**77%**

of portfolio companies with at least one ethnically diverse founder

**90%**

of EOF-invested venture capital funds are diverse

**65%**

of portfolio companies with at least one woman founder

### Investing in Affordable Housing

[SoLa Impact](#) is a leading minority-led real estate fund with a unique model for preserving, rehabbing, and building high-quality, affordable housing in California's urban markets by leveraging return-seeking private capital rather than relying on government funding. PayPal's \$25 million investment in SoLa Impact's Black Impact Fund helped advance several key development projects in 2023, including breaking ground on a 69-unit 100% affordable housing development in the South Los Angeles, CA, U.S. neighborhood, uniquely located to provide residents convenient access to public transit.

### Diversity in Venture Capital

Founded by Consuelo Valverde, SV Latam Capital (SVLC) is one of Silicon Valley's first Latina-led venture capital firms, specializing in early-stage investments in businesses that seek to address climate, health, and economic opportunity challenges. As an investor in one of SVLC's funds, PayPal is proud to support the success and growth of the firm's diverse portfolio companies.

### Digital Financing: Filling a Gap for Entrepreneurs

Our 2023 [white paper](#) examined the state of small business lending during the post-pandemic period when SMBs faced both legacy and emerging challenges to capital access. In the face of considerable headwinds, SMBs increasingly look to digital financial services to fill the gaps left by the traditional banking sector. After examining the PayPal Working Capital and PayPal Business Loan data, we found that:

- **Nearly 70%** of the total number of small business loans serviced by PayPal in 2022 went to low- and middle-income census tracts.
- **One-third** of the total value of PayPal-serviced small business loans were made in census tracts where more than half of the population belongs to a minority group.
- **More than half** of the total value of PayPal-serviced small business loans were in zip codes where 10 or more bank branches closed between 2017 to 2022.

## Women’s Economic Equity Investments

We made several notable investments to advance economic equity for women and girls globally including:

- Investing in the Impact Investment Exchange’s Women’s Livelihood Bond 6, which employs a financial framework designed to balance risk, returns, and impact and invests in opportunities that support women-focused businesses across five countries and six sectors in the Global South.
- Joining [2X Global](#), a membership organization focused on catalyzing the use of finance to promote gender equality. We employed the [2X Criteria](#) for our investment analysis to guide our participation in Sweef Capital’s Southeast Asia Women’s Economic Empowerment Fund and Quona Capital’s Quona Opportunity Fund.
- Providing a grant to [Opportunity International](#), a U.S.-based nonprofit organization with a 52-year history of empowering women living in poverty to transform their lives and their communities through innovative programs.

## Partnerships & Initiatives to Support Underserved Communities

Our partnerships and participation in industry initiatives are important components of our work to empower underserved communities in the U.S. and beyond.

We continued to play a leadership role, as a co-founder and Board member, in the [Southern Communities Initiative \(SCI\)](#). As part of our work with SCI, we provided a \$1 million grant to the [Russell Innovation Center for Entrepreneurs \(RICE\)](#) to establish the Retail Readiness Academy in support of Atlanta-area retail businesses. The Academy will provide participating entrepreneurs with valuable educational resources, mentorship opportunities, and grants ranging between \$2,500 and \$10,000.

We collaborated with community partners to bring access to capital to hard-to-reach and underserved small businesses that may lack the credit history or other resources required by traditional lenders. In 2023, we partnered with the [International Rescue Committee \(IRC\)](#) and their subsidiary lending arm, the [Center for Economic Opportunity](#), to provide access to small loans to those often excluded from traditional financing, including refugees and immigrants. We also co-authored an article with IRC on refugee access to capital.

“We recognize the paramount importance of harnessing retail avenues and embracing digital transformation. The Retail Readiness Academy will serve as a conduit for this knowledge, empowering RICE stakeholders to navigate the complexities of retail with resilience and innovation.”



**JAY BAILEY**  
RICE President & CEO

We celebrated our 6th Annual PayPal Small Business Month to recognize the impact of entrepreneurs in the global economy. Initiatives included partnering with news outlet Axios to [host an event](#) with top government and policy experts to discuss the innovations and policies enabling access to capital for small businesses, and engaging in important thought leadership discussions with organizations like the Association for Enterprise Opportunity (AEO) and the Financial Transaction Association.

“Small and underserved businesses and the communities they serve remain underrepresented when it comes to the support necessary for them to grow and thrive. It is critical for companies like ours to give back to the communities we serve via investments, partnerships, and other initiatives.”



**FRANK KELLER**  
EVP, Large Enterprise & Merchant Platform Group  
San Francisco, CA, U.S.

We also partnered with the Organization for Economic Co-operation and Development (OECD) on the [OECD Digital for Small and Medium Size Enterprises \(SMEs\) Global Initiative](#), which serves as a knowledge-sharing platform and an avenue for policy advocacy that supports digitization among SMEs. As part of our partnership, we contributed to OECD’s [study](#) to understand the complexities of managing hybrid retail operations.

## Supporting Lending to Low-Income Women

Through our partnership with [Women’s World Banking](#), financial service providers in Nigeria and India are leveraging technology and innovation to increase access to credit for women. Bike Bazaar, a two-wheeler finance company, designed a new credit policy benefiting women with interest rate discounting, longer loan tenures, and higher loan amounts for electric vehicle purchases in seven cities in India.

“Low-income women are key drivers of economic activity and growth, yet obtaining credit to start and grow their small businesses can be a challenge. PayPal’s support has helped us harness innovation to promote efficient and fairer lending to low-income women.”



**MARY ELLEN ISKENDERIEN**  
Women’s World Banking President & CEO

## Fintech Investments

Our corporate venture capital arm, PayPal Ventures, helps bring transformative solutions to the market that range from fintech, payments, and commerce enablement solutions to artificial intelligence, blockchain, and regulatory and cyber technologies. Since its inception in 2017, PayPal Ventures has invested in more than 70 companies. New investments in 2023 included:

- [Aspire](#), a financial services and payments platform for SMBs in Southeast Asia.
- [Chaos Labs](#), an automated economic security system for crypto protocols.
- [Mintoak](#), an India-based software-as-a-service (SaaS) platform focused on merchant services.
- [Finanzguru](#), Germany’s leading, open banking-enabled, holistic financial advisor.
- [nocnoc](#), connecting global sellers with Latin America’s leading marketplaces.

“We are excited to partner with world-class investors to bring finance back to the driver’s seat for businesses across Asia. We look forward to empowering every modern business, big or small, with the right financial tools to realize their full potential.”



**ANDREA BARONCHELLI**  
Aspire Co-Founder & CEO

# Financial Health & Consumer Convenience

We create products and services that enhance the financial well-being of our customers and enable their participation in the global economy.

## Supporting Financial Wellness

Amid the economic headwinds for consumers worldwide in 2023, we remained focused on providing solutions that help consumers save.

Across the biggest shopping days of 2023, we put nearly \$8 million back in our customers' pockets with cash back and savings, including more than \$2 million on Black Friday alone. We continue to promote ways to save through the PayPal app, including savings earned with PayPal Rewards, PayPal Honey, and cash back.

To help the next generation of consumers build financial wellness, we launched Venmo Teen Accounts, which also comes with a Venmo Teen Debit Card.<sup>19</sup> Venmo Teen Accounts give teenagers a way to engage with and learn more about managing money through the Venmo app and help parents educate their teens on creating healthy financial habits.

"I really like the fact that I was able to set up an account for my 15-year-old and easily add money to the card, but also, I can monitor who's adding money to his card and where he's spending it. It's a helpful tool to teach financial independence and responsibility."

### VENMO TEEN ACCOUNT PARENT TESTIMONIAL

MORE THAN  
**\$260M**

PYUSD in circulation since launch<sup>6</sup>

In 2023, we launched our dollar-denominated stablecoin PayPal USD (PYUSD)<sup>20</sup> to contribute to the opportunity that stablecoins offer for payments. Available on PayPal and Venmo, PYUSD is backed by U.S. dollar deposits, short-term U.S. Treasuries, and similar cash equivalents and can be redeemed 1:1 for U.S. dollars on PayPal and Venmo.

PYUSD leverages PayPal's decades-long experience in payments, combined with the speed and efficiency of blockchain technologies, to seamlessly connect fiat and digital currencies, reduce friction for 24/7 payments, and facilitate fast, low-cost transfers to support friends and family, domestically and across borders.

We continue to work closely with our partners and regulators to support additional PYUSD use cases and provide ongoing education and access to digital assets for both consumers and merchants.

## Partnering to Expand Financial Literacy in Phoenix

Through PayPal's sponsorship of the Phoenix Suns, we're supporting Junior Achievement (JA) of Arizona to promote financial literacy and expand economic opportunities for underserved communities in Phoenix, AZ. At JA BizTown<sup>®</sup>, students learn economic concepts and personal and business finance skills by participating in a simulated town where they role-play as employees and consumers for the day, manage a budget, and make purchases.

## Enabling Faster & Cheaper Transfers Across Africa With PYUSD

In 2023, we teamed up with Yellow Card to bring low-cost, nearly instant transfers to people on the African continent. With PYUSD, users can send funds to their family, friends, and business contacts in mere minutes for only a few dollars, regardless of the transaction amount.

We continue to provide options for individuals to send money to family and friends around the world using Xoom. In 2023, we expanded bank deposit services in existing destinations across South America, Europe, and Asia and integrated with new mobile wallets in Africa and Southeast Asia. We are committed to maintaining an average international remittance cost below the global average, and the 2030 target of 3% established in the U.N. Sustainable Development Goals.

**2.9%** average international remittance cost<sup>21</sup> in 2023

## Simplified Ways to Checkout

We continually explore opportunities to simplify and improve the checkout experience for customers through partnerships and new features. In 2023, we introduced passkey authentication for Google Android mobile devices in the U.S. PayPal personal account holders can create a passkey using the Chrome browser, which safely and securely eliminates the need to remember and type in a password during login, simplifying the checkout experience. To learn more about passkeys, see Responsible Business Practices.

We also enhanced the customer experience by offering the PayPal Package tracking feature within the PayPal app, allowing customers to receive automatic notifications regarding the shipping of purchases made with or without PayPal.

"Our end users face many financial challenges, especially over the last few years. Our objective is to build products that support the long term, financial well-being of our customers."



**JOHN KIM**  
EVP, Chief Product Officer  
Austin, TX, U.S.

## Advancing Financial Security With the Financial Health Network

For 20 years, the Financial Health Network has built a movement of leaders and organizations committed to improving people's financial lives, and PayPal has been a proud partner since 2015. Recently, we worked with the Financial Health Network in partnership with JUST Capital and the Good Jobs Institute to advance the Worker Financial Wellness Initiative, a program designed to engage with corporate leaders to make worker financial security a priority. The initiative helps companies learn about worker financial health benefits and assess the conditions of their own workforce. See Employees & Culture to learn about how we promote employee financial wellness.

"We have been proud to partner with PayPal over the years, most recently in our efforts to improve employee financial wellness by encouraging corporations to assess and address the financial health of their workforce. Together we built a corporate movement to make this critical issue a C-suite priority and



drove improved wages and benefits for one million workers."

**JENNIFER TESCHER**  
CEO of Financial Health Network

# Giving

At PayPal, we strive to advance global giving by harnessing the capabilities of our technology. In 2023, we improved our platform and established new partnerships to provide customers with more ways to contribute to causes they care about.

## Our Four Giving Capabilities

We enable individuals and organizations to give to the causes of their choice through our four giving capabilities.



**NONPROFIT-OWNED:** Donations made directly on the nonprofit's site.

**PLATFORM-OWNED:** Donations made indirectly to support causes on giving platforms or third-party sites, such as Facebook and GoFundMe.

**PAYPAL-OWNED:** Donations made on PayPal-owned properties supporting charities and fundraisers.

**CHARITY PAYOUTS:** Payouts from charities to individuals or from grantmakers to other charities.

## Platforms for Giving

In 2023, we enabled our customers' donations across our products, including:

- Facilitating more than 16.6 million donations through Give at Checkout, our solution that gives customers the option to give a microdonation when they check out with PayPal.
- Supporting donations to personal fundraising campaigns from more than 1.7 million people through PayPal Fundraisers.
- Enabling the donation of more than \$342 million through the PayPal Digital Wallet, including those made with Donate with Rewards, our feature that allows U.S. customers to donate the cash equivalent of their PayPal Rewards points to the cause of their choice.
- Providing 18,400 charities<sup>22</sup> with the ability to raise funds directly through the Venmo app with Venmo charity profiles.

We also continued our partnership with [National Philanthropic Trust](#) and [Vanguard Charitable](#) to provide Grant Payments, a tool that enables donor-advised fund sponsors, community foundations, and others to deliver grants to charities electronically for faster and easier grantmaking. In 2023, we distributed over \$870 million in grants to more than 15,000 charities.

Each year, we are inspired by the amount of funds our customers raise through our giving platforms. It is through our customers' engagement and generosity that we are able to contribute in such remarkable ways to causes around the globe.

## Global Relief Efforts

PayPal's platform and scale are uniquely positioned to quickly assist during global crises. In 2023, we facilitated aid for critical events globally, including the Turkey-Syria earthquakes, Hurricane Otis in Mexico, and the fires in Maui, Hawaii, enabling \$93 million in donations from consumers.



The global footprint of our giving platform allowed for new and timely partnerships, including:

- [Disaster Aid Canada](#) in efforts to fight wildfires in Canada.
- [Save the Children Italia](#) in response to the floods in Italy.
- Multiple global organizations supporting humanitarian relief efforts around the world, including [Red Cross](#), [World Central Kitchen](#), [Doctors without Borders](#), and [Direct Relief](#).

## Enabling Donations With Meta

In 2023, we announced an expansion of our partnership with Meta to enable donations exclusively across Facebook and Instagram in the U.S., U.K., Australia, and Canada. Charities can now raise money through fundraisers and donation buttons on Facebook and Instagram, making it easier for donors to support their favorite causes online.

## Relief Effort for Maui Fires

After the devastating fires in Maui, PayPal leveraged its resources and network to provide quick financial aid to the Maui community. Through the PayPal app, Venmo, and partners like Uber, our customers were able to donate more than \$13 million to support relief efforts in Lahaina. We featured a number of responding organizations in the PayPal app at checkout, like [Hawaii Salvation Army](#), [Maui United Way](#), [Hawaii Community Foundation](#), and [Maui Food Bank](#).

Venmo played a crucial role in facilitating direct funds to individuals impacted by the fires, including the innovative use of the app by a group of Lahaina residents who started an Instagram account called [@Lahaina\\_ohana\\_venmo](#), a grassroots effort that raised millions of dollars for more than 900 families.

Our Grant Payments product facilitated more than \$3 million in donations to be sent quickly and securely to organizations actively responding to the fires.

We also launched a partnership with GoFundMe in August 2023 to enable donations via Venmo, which helped facilitate even more support to the communities impacted by the wildfires in Maui.

PayPal's collaborative efforts extended beyond its customers, with employees contributing individually and PayPal making corporate charitable donations to the [Maui Just Recovery Fund](#) and the [People's Fund of Maui](#) to provide hyper-local aid.

## 2023 Generosity by the Numbers<sup>23</sup>

950K

nonprofits supported<sup>24,25</sup>

\$20.9B

raised for nonprofits and causes

\$1.1B

raised for causes through personal or business fundraising

\$2.9B

raised during the holiday season<sup>26</sup>

\$170M

donated through the PayPal Giving Platform on Giving Tuesday, a 15% increase YoY

52M

donors

# Employees & Culture

Our employees are central to advancing our mission to revolutionize commerce and create value for our stakeholders. We believe that investing in our global workforce is crucial for the sustained success of our business. We strive to continue fostering a workplace that serves and empowers all our people to do the best work of their lives, and where inclusion, innovation, collaboration, and wellness are central to our culture.

We take a holistic approach to talent management and place a strong emphasis on listening to, engaging with, and supporting our employees, and championing Belonging throughout the Company. Belonging at PayPal means creating a workplace with a sense of acceptance and security where all employees feel included and valued. We encourage and empower our people to develop their skills and engage with each other and their local communities.

## 2023 Summary Highlights

- Maintained **100%** global gender and U.S. ethnic pay equity.
- Encouraged learning and development with **more than 660,000** hours of courses accessed by employees.
- Achieved **82%** participation on our annual global employee survey, seven points above benchmark.<sup>27</sup>
- Reached overall workforce diversity of **55%**,<sup>28</sup> including **43%** global gender diversity and **54%** U.S. ethnic diversity.<sup>7</sup>

# 118K+

volunteer hours contributed by employees in their local communities

resulting in **67%** of PayPal employees mobilizing to support their communities

“Our approach to putting people first at every stage of the employee lifecycle is fundamental to our mission of igniting potential and unlocking collective impact. Cultivating a culture of belonging and high performance is central to our global talent management strategy and foundational to PayPal’s continued growth as a company.”



**ISABEL CRUZ**  
EVP, Chief People Officer  
New York, NY, U.S.

## Notable Awards & Recognitions

Forbes World’s Top Companies for Women

Newsweek America’s Greatest Workplaces for Diversity

Fast Company Best Workplace for Innovators

### IN THIS SECTION

- Global Talent Management
- Belonging
- Employee Community Impact

### SDGS REFLECTED IN THIS SECTION

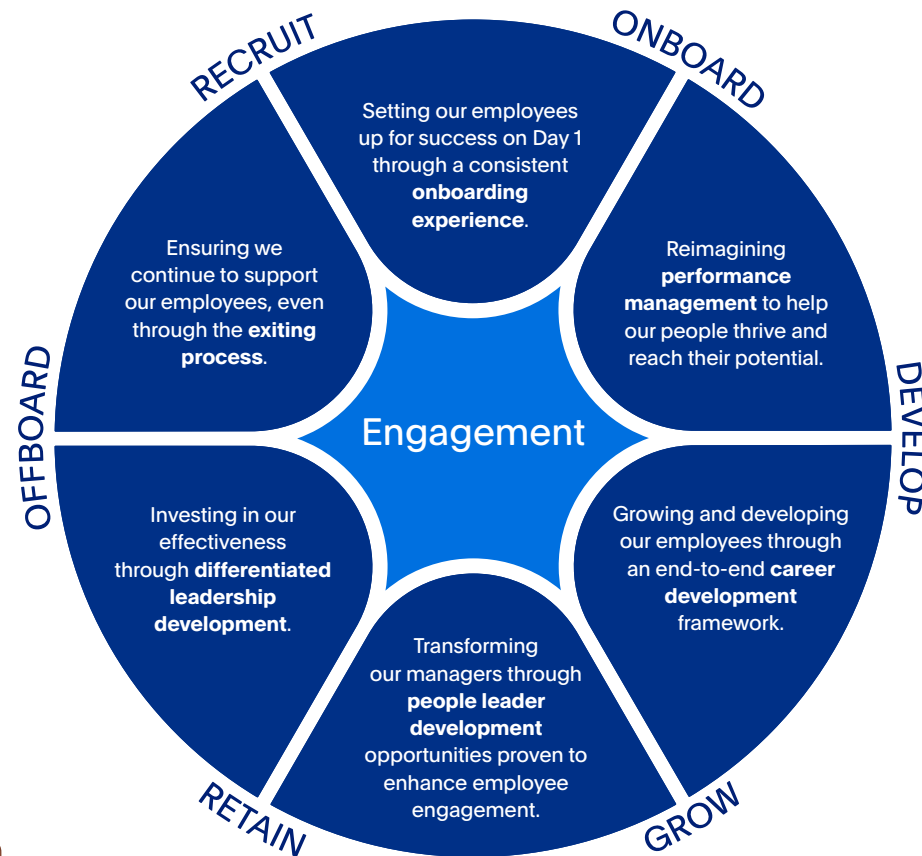


# Global Talent Management

Promoting a collaborative work environment that allows our employees to grow and thrive professionally is important to fostering the innovation and creativity needed to develop best-in-class products and services for our customers.

## Performance & Talent

In 2023, we continued to mature and embed Leadership Principles in our performance and talent practices. We also scaled our talent planning process to better manage our workforce in the context of our current business and roadmap going forward. Additionally, we streamlined our employee performance feedback process by adopting a new platform where managers can easily gather and review performance insights for their team members.



## Employee Engagement

Employee feedback is important to our ability to deliver on our business priorities. Our centralized employee listening program is designed to support the business, mitigate risk, and drive meaningful action based on insights.

In 2023, we expanded our employee engagement and listening tools to capture ongoing feedback across the Company, including surveys to gain insights and inform enhancements on topics ranging from employee volunteerism to our hiring process. To gather additional

feedback from employees and assess employee engagement, our CEO, Alex Chriss, participated in a global listening tour upon joining the Company. The input from these sessions will be used to shape business strategy and employee engagement programming and to identify opportunities for further improvement.

To facilitate engagement in a hybrid work environment, we continue to evolve our approach by offering flexible work experiences and advanced collaboration spaces and channels for our workforce.

~27K

employees  
(10,250 in the U.S.)<sup>6</sup>

21%

total turnover rate<sup>29</sup>

144

total nationalities

27

countries

## Annual Global Employee Survey<sup>30</sup> Highlights

82%  
Employee Participation

Within one percentage point of 2022 and seven points above benchmark.<sup>27</sup>

77  
Employee Engagement Score<sup>31</sup>

While PayPal experienced challenges across organizational transitions and business headwinds, our overall declines were modest compared to our industry. Employee Engagement and Intent to Stay scores remained above our pre-pandemic scores (up five points).

77  
Intent to Stay Score<sup>32</sup>

78  
Leadership Principles Score<sup>33</sup>

Newly added in 2022, this was the third most favorable item in 2023 and improved one point from 2022.

## Employee Lifecycle

Establishing accountability, delivering a talent experience based in transparency, and offering continuous learning and development opportunities for our employees is integral to building and retaining the highly skilled workforce needed to meet the needs of our customers.



## Global Talent Acquisition

In 2023, we refined our hiring framework and best practices to support an enhanced candidate experience — both internally and externally — and continued to drive forward our inclusive hiring philosophy by:

- Standardizing and normalizing internal career mobility discussions between managers and employees to promote a clearer understanding of the eligibility criteria and process globally.
- Leveraging technology platforms to streamline our job application and technical interview processes, making it easier for our employees to discover and apply to new roles within PayPal, significantly increasing the external candidate volume, and helping focus PayPal’s interviewing efforts on the most impactful areas.
- Broadening our reach and making our hiring accessible to more candidates through virtual events for career exploration and educational opportunities.

## Partnerships to Help Expand Opportunities for Underrepresented Talent

- In Manila, Philippines, we expanded our hiring of people with disabilities in our Venmo and PayPal Customer Solution teams and partnered with [De La Salle-College of Saint Benilde](#) to develop a customized three-month training curriculum to onboard deaf new hires.
- We collaborated with [Upwardly Global](#) and [Talent Beyond Boundaries](#) in support of helping refugees restart or advance their careers.
- Our partnership with the [Second Chance Business Coalition](#) and [Next Chapter](#) successfully offered 100% conversion from apprentice roles to full-time employment for formerly incarcerated individuals.
- We partnered with [DoD Skillbridge](#), [DoD Military Spouses](#), and [Hiring our Heroes](#) to support the reintegration of veterans and military spouses into the private-sector workforce through career readiness support and with employment opportunities at PayPal.
- In addition to the above, we launched partnerships with several organizations in 2023, including the [Black Women Talk Tech](#), [PyLadies Mexico City](#), [Women Who Code Mexico City](#), [TechnoLatinas](#), and [R-Ladies CDMX](#) to help traditionally underrepresented groups excel in technology careers.



Human Rights Campaign Foundation’s Equality 100 Award

## Learning & Development

We are committed to fostering a culture of learning to empower employees to drive and grow their career development. In addition to the instructor-led and self-directed learning opportunities we make available to our global workforce, in 2023, we:

- Hosted bi-annual Career Learn-a-Thons to offer employees opportunities to engage in diverse learning experiences in the flow of work, fostering self-driven career development and instilling a deep-rooted growth mindset across all levels.
- Supported cutting-edge skills development with our Cloud Technology Learning Academy, which offers role-based training on emerging technologies, while providing significant cost benefits and boosting employee engagement as they develop technical capabilities.
- Launched our Generative AI for Everyone series to educate employees on how to leverage AI technology in their work.

660K+

total learning hours

28K+

employees leveraged learning resources

~81K

self-directed courses accessed<sup>34</sup>

23+

average hours of learning per employee



## Employee Total Wellness

We are proud to offer a comprehensive benefits program aligned with PayPal’s corporate wellness value to support our employees.

### Financial Wellness

We are committed to enabling the financial well-being of our employees, and we continue to assess new ways in which we can support them in the future. Our robust financial wellness offerings allow employees to be prepared for the future while also protecting them financially today.

In 2023, we provided resources to support employee financial planning and security, including:

- Continuing to provide access to One@Work (previously named Even) to allow U.S. employees early access to their paychecks.
- Hosting financial wellness coaching and trainings, including one-on-one sessions with financial planning professionals.



Included on Fast Company’s Brands That Matter list for advancing financial wellness of employees, customers, and communities.

Additionally, we saw the [Worker Financial Wellness Initiative](#), which PayPal established in 2020 in partnership with JUST Capital and the Financial Wellness Initiative, expand to now include a cohort of 14 companies. This initiative encourages CEOs of large companies to conduct Worker Financial Wellness Assessments to help understand and improve the financial security of their own workforce.



### Emotional Wellness

PayPal supports our employees with emotional and psychological health and work-life benefits to help them find balance, be resilient, and make time for what matters most. In 2023, we:

- Created a global and U.S. calendar of daily activities for mental well-being, along with webinars from vendor partners on topics such as anxiety, self-care, and financial psychology, as part of Mental Health Awareness Month.
- Implemented dedicated part-time Employee Assistance Program counselors for employees in Ireland and the Philippines, two of our markets with larger PayPal employee populations, to provide help in times of emotional distress or support finding or bridging care to an outside provider. We are considering opportunities to expand these benefits to additional locations in the future based on feedback from participants.
- Continued to partner with RethinkCare, hosting mental health group sessions on the topic of “mom guilt” and parenting neurodiverse children, and building connections between employees across the Company.

### Physical Wellness

PayPal’s comprehensive health benefits allow employees to make informed decisions about their health and seek the right care at the right time and place.

- In the U.S., we launched our healthcare concierge, Accolade, to help employees navigate the U.S. healthcare system by answering questions on claims, finding care, talking to a nurse, and providing virtual doctor appointments.
- In Asia-Pacific (APAC), we expanded mental health benefits and enhanced our LGBTQ+ inclusive health and family planning benefits, now accessible to 98% of APAC employees. We also added coverage for cervical cancer vaccinations in India and support for autism and related disorders in Singapore, the Philippines, and India.

# 85%

engagement for all families enrolled in Accolade



### Employee Advocacy

Throughout 2023, our Employee Advocacy team offered specialized aid to PayPal employees experiencing crisis. This support included assistance for those affected by world events, including conflicts and natural disasters. We also extended financial support through our Employee Relief Fund for team members experiencing financial hardship.

In addition, based on input from PayPal’s Employee Resource Groups (ERGs), Employee Advocacy committed to formalizing frameworks for confidential, supportive, and easy-to-navigate experiences for any employee experiencing fertility challenges and loss of pregnancy, menopause, mental health issues, and substance use issues.

# Belonging

At PayPal, we are committed to fostering an inclusive environment that cultivates belonging and enables all employees to thrive as their authentic selves, driving collaboration and innovation as we develop products and services to meet the needs of our diverse customer base.

In 2023, our global Talent & Belonging team continued to integrate an inclusive mindset into our operations and employee lifecycle in partnership with appointed business leaders on our Belonging Business Council. We are proud to have a diverse workforce reflective of the merchants, consumers, and communities that we serve. We continue to take tangible actions to cultivate belonging at PayPal, including:

- Incorporating allyship into our learning experiences and piloting live discussion forums to encourage engagement and peer learning.
- Building the next generation of global leaders by hosting live panel discussions to promote sponsorship opportunities across regions and expanding the enterprise-wide sponsorship program for high-performing talent at the Director level and above.
- Driving adoption of inclusive hiring and performance management practices.
- Continuing to offer Inclusion@PayPal, our modular training series, embedding inclusion in first-time people manager training.

## Mentoring Women Entrepreneurs

We continued our partnership with the [Cherie Blair Foundation for Women](#) to support women in business. Since 2018, more than 450 PayPal employees coached more than 550 women entrepreneurs in the Global South. In 2023, 83% of mentees reported an increase in customers and reach, and a 71% increase in business revenue.

## Pay Equity Across Our Workforce

We are proud to achieve 100% pay equity in overall total compensation<sup>35</sup> for women globally as compared to male peers and for Black, Latino and Asian employees in the U.S. as compared to white peers. We also observed 100% pay equity in overall total compensation in the U.S. for Black, Latino, and Asian women, as compared to white male peers.

## Employee Resource Groups

Our eight distinct ERGs provide an essential channel for building community and a sense of belonging among our global employees, while supporting talent recruitment and retention efforts. We continue to enhance and evolve our ERGs, which are open to all and are built on a foundation of allyship, to align with our business and talent goals across the organization by:

- Encouraging allyship and understanding by highlighting each of our ERGs to our global employee community through dedicated activities celebrating the unique communities, cultures, and capabilities that our ERGs represent.

## Product Inclusion

Our Product Inclusion team works to ensure equitable product experiences for everyone, everywhere. In 2023, we remained committed to inclusive product development by:









- Piloting The Inclusionists, a learning program providing awareness and skills training for practitioners in our Experience Design organization.

- Hosting our annual global ERG summit, academy series, executive forums, and extended ERG leadership team meetings to promote collaboration, share best practices, build subject matter expertise, and connect with senior leaders across all our ERGs.
- Providing professional development and mentorship opportunities through ERGs and across the organization.

8  
ERGs

9.4K  
Members

123  
Chapters

 <p><b>Aliados</b> Latinx @ PayPal</p> <p>Celebrating Latinx communities</p>	 <p><b>Rise</b> Pan Asian @ PayPal</p> <p>Uplifting the Pan-Asian community</p>	 <p><b>Believe</b> Interfaith @ PayPal</p> <p>Promoting the value of faith at work</p>	 <p><b>Thrive</b> Disability Community @ PayPal</p> <p>Building an inclusive community for the disabled</p>
 <p><b>Amplify</b> Black Employees @ PayPal</p> <p>Inspiring Black employees</p>	 <p><b>Serve</b> Veterans @ PayPal</p> <p>Supporting our military veterans</p>	 <p><b>Pride</b> LGBTQ+ @ PayPal</p> <p>Empowering LGBTQ+ employees</p>	 <p><b>Unity</b> Women @ PayPal</p> <p>Driving gender equity at PayPal</p>

- Delivering 10 inclusive process artifacts, such as an inclusive content guide and inclusive recruiting screener questions, to help ensure that our product designers incorporate the needs of underserved customers across the product development lifecycle.

Our Accessibility team works to create products that everyone, regardless of ability, can use. In 2023, we empowered product development teams to support customers who use assistive technologies through several engagements, including:

- Growing our Accessibility Champion Program, which brings together employees who are passionate about creating accessible products for our customers, ending 2023 with 112 champions across 21 roles and teams.
- Hosting a [Global Accessibility Awareness Day](#) event with three speakers from the [Vista Center for the Blind and Visually Impaired](#).
- Launching accessibility role-based training for new product managers and developers to gain awareness of our processes and the importance of accessibility.

## Supplier Diversity

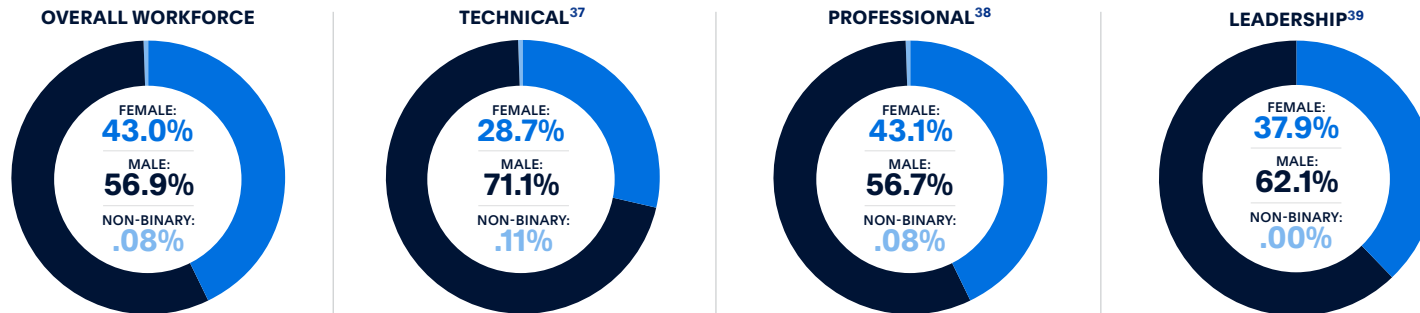
Our Global Sourcing team continued to make process enhancements to strengthen the management of our diverse supplier community. We worked with a third-party analytics provider to review our current supplier database and uncover valuable insights on PayPal's engagement with diverse businesses. This analysis provided a foundation on which we can continue to build as we enhance our program.

We further integrated our Belonging approach into our procurement processes by adding a diversity questionnaire to the new supplier onboarding process to help us better monitor our diverse supplier portfolio. To better understand the diversity of our broader supplier network, we rolled out a new process to encourage our vendors to share information about the diversity of their subcontractors.

# Workforce Representation Metrics

Building an inclusive workforce that is representative of the merchants, consumers, and communities we serve is a key component of our long-term Belonging strategy. Our representation data<sup>36</sup> provides transparency on our efforts and informs the program and benefit enhancements for our employees. We are committed to regularly evaluating our workforce representation disclosures and will continue to prioritize improving data quality, accuracy, and transparency in our reporting.

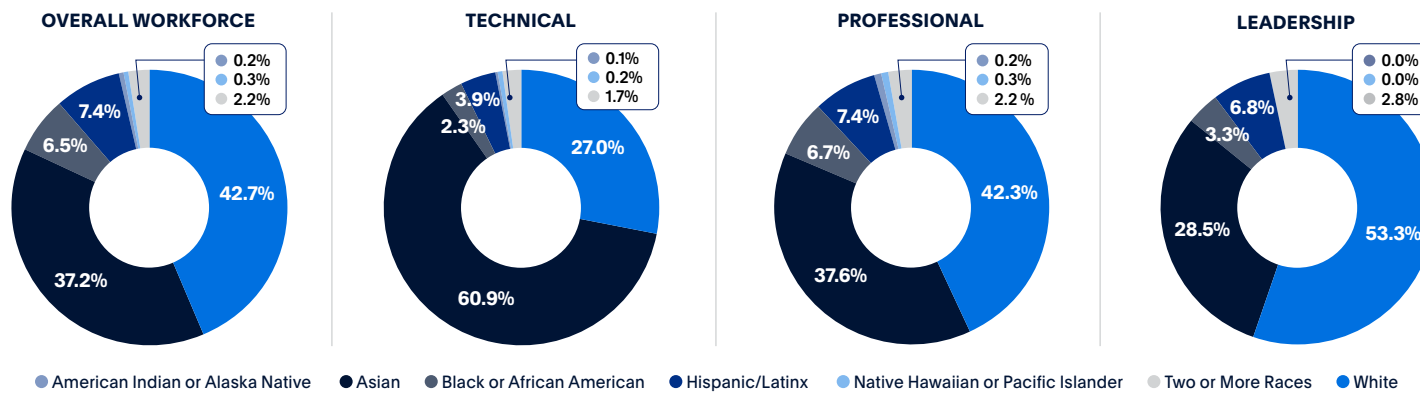
## 2023 Global Gender Diversity



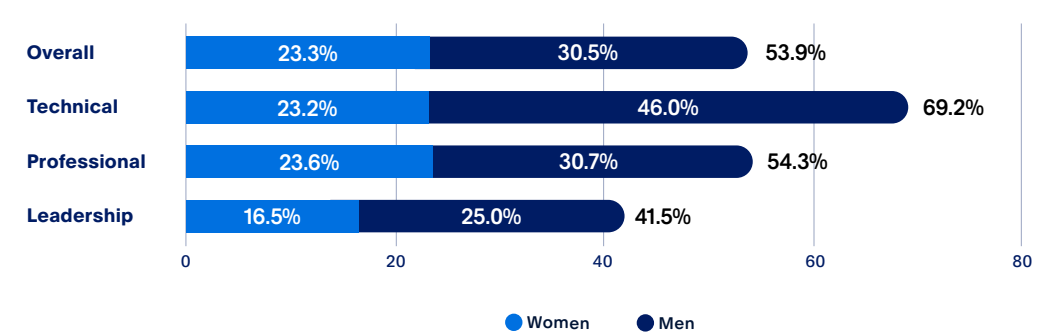
## Diversity Trends by the Numbers



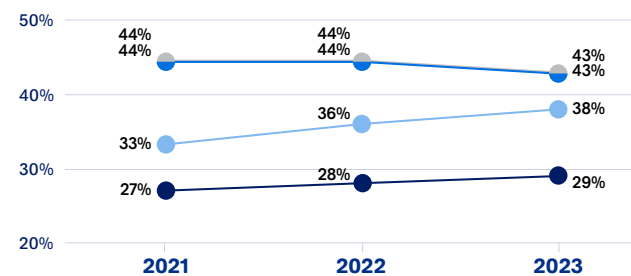
## 2023 U.S. Ethnic Diversity<sup>7</sup>



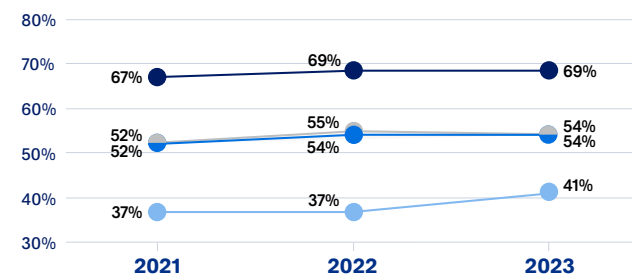
## 2023 U.S. Ethnic Diversity by Role<sup>7</sup> (% of Overall U.S. Workforce)



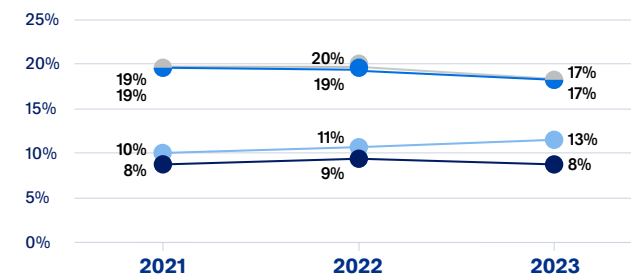
## Global Gender Diversity (Female % of Global Population)



## U.S. Ethnic Diversity<sup>7</sup> (Ethnically Diverse % of U.S. Population)



## U.S. Underrepresented Minorities<sup>44</sup> (Underrepresented Minorities % of U.S. Population)



Visit our [website](#) for access to our available EEO-1 reports.

# Employee Community Impact

Our employees are passionate about serving their local communities and proactively pursue opportunities to make a positive impact through volunteering, charitable giving, and other engagement programs.

## Employee Volunteerism in a Hybrid Work Environment

In 2023, PayPal employees contributed more than 118,000 volunteer hours in their local communities, up 19% from 2022, and donated more than \$4 million, including matching funds.<sup>45</sup> Our ongoing commitment to making employee impact opportunities more accessible resulted in 67% of PayPal employees mobilizing to support their communities.

We expanded our volunteer time off policy to apply to all employees globally, giving each employee up to eight hours of paid time off annually to volunteer with an eligible charity or community-serving organization. To continue to drive community impact in a hybrid work environment, we introduced Community Impact Virtual Hubs to enable virtual employees that live near each other to connect in person through volunteerism.

Employee Community Impact is important to our business at PayPal, both as a means to help those around us and to empower our employees. We found that teams with a higher participation in community impact activities also had higher engagement scores and longer tenure at PayPal.<sup>46</sup> Learn more about our employee engagement efforts in [Global Talent Management](#).



### Financial Education for Incarcerated Women

Since May 2022, PayPal employees have provided pro-bono support, through our partnership with [Televerde](#) and educational experts at Ayco, to deliver financial education sessions to incarcerated women in Arizona and Indiana.

### Community Impact by the Numbers:

1M

individuals reached

4K+

nonprofits supported

18K+

employees participated in Community Impact initiatives<sup>47</sup>

\$40M+

in corporate charitable contributions<sup>48</sup> to global causes

## Support for Small Business Growth

PayPal employees contribute their time and skills to coach, mentor, and provide pro bono support to help small business owners grow and digitize. In 2023, our employees championed small businesses globally through initiatives including:

100% of employee participants said they gained a deeper understanding of the challenges facing Small Businesses

89% said the program benefited their personal and professional development

- **New York, U.S.:** Nearly 40 PayPal employees volunteered with [New York Professional Advisors \(NYPACE\)](#), a nonprofit that supports under-resourced entrepreneurs through pro bono consulting services, to provide guidance on technology solutions that address capacity-building challenges.
- **India:** Employees mentored blind and disabled entrepreneurs with the [Arvind Foundation](#). The team developed a program to help the entrepreneurs expand their customer base, resulting in generating more than 10,000 lakh rupees in revenue for these entrepreneurs.
- **Singapore:** PayPal employees coached 20 entrepreneurs on how to use ecommerce to digitize their business through [RAISE](#), an organization that provides entrepreneurs with support to increase capacity and create greater social impact.

“Employee volunteerism and community impact at PayPal are powerful channels for fostering engagement and community internally — while giving our employees the opportunity to build essential



leadership skills. Our goal is to empower all PayPal employees to use their skills and talents to support causes they are passionate about.”

### TYLER SPALDING

Senior Director, Corporate Affairs & Global Head of Social Innovation  
New York, NY, U.S.

## Partnering for Impact

Through our Community Impact Grants program, more than 14,300 employees selected 77 PayPal Community Impact grantees to further PayPal’s mission in their local markets. In addition to funding, PayPal employees volunteered with these organizations throughout the year.

## Preparing Untapped Talent for Careers in Technology

We are committed to introducing diverse talent pools to the benefits that a career in technology can offer. PayPal employee volunteers have helped individuals develop networking skills, earn technical credentials, and obtain employment, including:

- **Philippines:** Partnered with [YouthCan!](#) to train 40 young people on how to search for a job, prepare for interviews, revise their resumes, and develop a growth mindset.
- **Illinois, U.S.:** In partnership with [Hope Chicago](#), coached 18 Chicago Public School seniors in the PayPal office on potential pathways to pursue career interests and opportunities that will best prepare them for postsecondary education.
- **India:** Trained more than 3,500 women on engineering and career-readiness skills, in collaboration with [ICT Academy](#), and connected more than 70% of participants to corporate engineering roles.

# Environmental Sustainability

PayPal is committed to responsibly managing and reducing our environmental impact. While our environmental footprint is relatively small compared to companies in other industries, we are focused on addressing environmental and climate-related risks and opportunities that are relevant to PayPal, our employees, our customers, our suppliers, and the communities where we operate.

Our environmental sustainability strategy, informed by our [Environmental Risk Management Policy](#)<sup>49</sup> and ISO 14001-aligned environmental management system, includes our science-based approach to mitigating GHG emissions, efficiently managing our natural resources, exploring environmental innovations across our products and services, and engaging our employees to champion environmentally sustainable practices. We are committed to providing updates on our progress and meeting our reporting obligations as they evolve.

Through strategic partnerships and our support of climate impact projects, PayPal aspires to help increase financial resilience among communities that are vulnerable to climate change, support relief efforts for those impacted by natural disasters and extreme weather events, and address impacts on the environment.

## 2023 Summary Highlights

- 6% reduction in global energy use compared to 2022.
- Matched **100%** of our electricity consumption with renewable energy sources across our U.S. and Canada operations.
- Engaged **more than 300** of our top suppliers to communicate our climate-related risk management priorities.
- Further calibrated our management of the climate-related risks that are most applicable to our business, including updating our [Environmental Risk Management Policy](#).
- Invested in intelligent building technology to optimize comfort and save energy at our San Jose, CA, U.S. headquarters.

## 2023 Progress on Our Science-Based Targets

GOAL:	2023 PROGRESS:
Reduce absolute operational GHG emissions by <b>25%</b> by 2025 (from a 2019 base year)	<b>75%</b> operational emissions reduction from 2019 base year <sup>50</sup>
Engage <b>75%</b> of our suppliers, by spend, to set science-based targets (SBTs) by 2025	Approximately <b>45%</b> of suppliers, by spend, have or committed to a SBT <sup>51</sup>
Achieve <b>100%</b> renewable energy for global data center operations by 2023	Matched <b>100%</b> of our global data center energy use with renewable generation sources for a third consecutive year

## Notable Awards & Recognitions

USA Today America's Climate Leaders

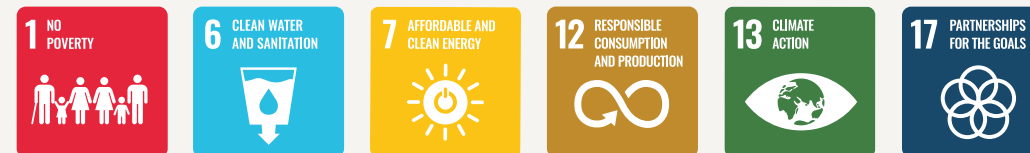
Forbes Net Zero Leaders

Maintained "A-" CDP Climate score for the third consecutive year

### IN THIS SECTION

- Climate-Related Risk Management
- Natural Resource Management

### SDGS REFLECTED IN THIS SECTION



# Climate-Related Risk Management

We continue to make progress against our long-term goal of achieving net-zero GHG emissions across our value chain by 2040, as well as our medium-term Science-Based Targets (SBT) for emissions reduction.<sup>52</sup>

## Climate-Related Risk Assessment

In 2023, we undertook an enterprise climate risk scenario analysis. Consistent with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations, we used three scenarios from the Network for Greening the Financial System, which comprises central banks and financial supervisors, to evaluate climate-related risks for PayPal.

In consultation with relevant teams across the Company, we identified potential climate-related risk factors, including physical and transition risks, and assessed risk exposure in the context of PayPal’s enterprise risk framework. We found that overall climate-related risk exposure is low in the short term (1-3 years) and medium term (3-5 years), with the potential for certain risk factors to increase moderately in likelihood and impact over the long term (5+ years).

In connection with updates to PayPal’s [Environmental Risk Management Policy](#) in 2023, we further enhanced our management of the climate-related risks that are most applicable to our business. Additionally, we took specific climate-related risk management steps in Europe to comply with related regulatory obligations applicable to our business in the EU. Going forward, we will continue to monitor and assess climate-related risks and opportunities for PayPal.



Please see PayPal’s [2023 TCFD Index and CDP Climate Change Response](#) for additional information about our management of climate-related risks and opportunities.

## Energy & Operational Emissions

We maintained robust renewable energy procurement in 2023, with 89% of total energy use matched with renewable generation sources across our global operations. This is a slight decrease from our procurement rate in 2022, reflecting our increased office energy consumption in certain countries where renewable energy markets are less mature. We’re evaluating opportunities to expand our renewable energy strategy to office locations outside the U.S. and Europe.

We sourced 100% renewable energy for our data centers for the third consecutive year. Additionally, we matched the entirety of our U.S. and Canadian electricity consumption with renewable energy sources.

We continue to work to optimize our workplaces globally to meet the in-person and virtual collaboration needs of our high-performance work culture. In 2023, we implemented an overall reduction in the square footage of our office and facility footprint across geographies and consolidated our U.S. data center operations.<sup>53</sup> As such, our global energy use decreased moderately (-6% from 2022).

Our operational GHG emissions (Scope 1 and 2) increased by 25% from 2022 due to increased energy consumption in regions with limited renewable energy sources. Our continued focus on operational efficiency and renewable energy keeps us on track to meet our SBT for reducing Scope 1 and 2 emissions by 25% by 2025, with 2023 operational GHG emissions down 75% below our 2019 base year.<sup>50,54</sup>



The U.S. Environmental Protection Agency again featured PayPal on its Green Power Partnership Top 100 list, highlighting our status as a renewable energy leader.

## Environmental Performance by the Numbers<sup>55</sup>

**0.5**

grams CO<sub>2</sub>e per transaction<sup>56</sup>

**100%**

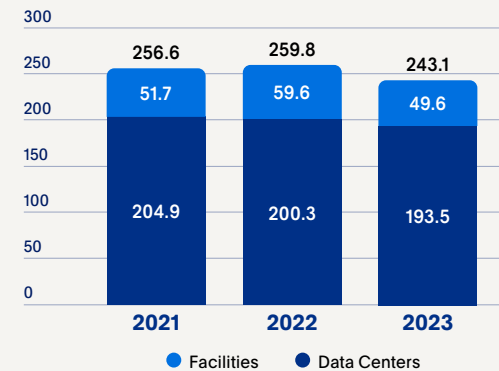
data center renewable energy use

**75%**

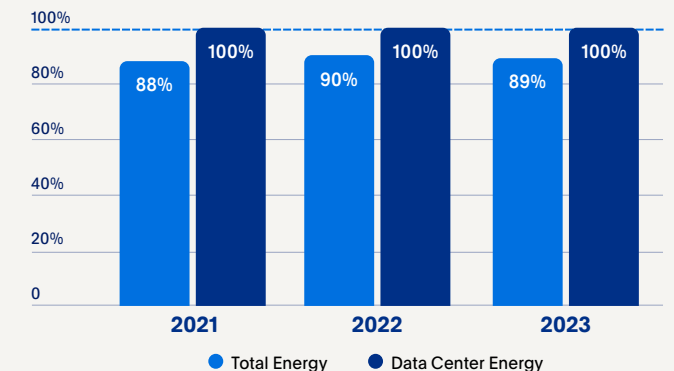
operational GHG emissions reduction<sup>57</sup> (since 2019)

### Energy Use & Renewable Energy

Global Energy Use by Facility Type (MWh in thousands)<sup>53</sup>



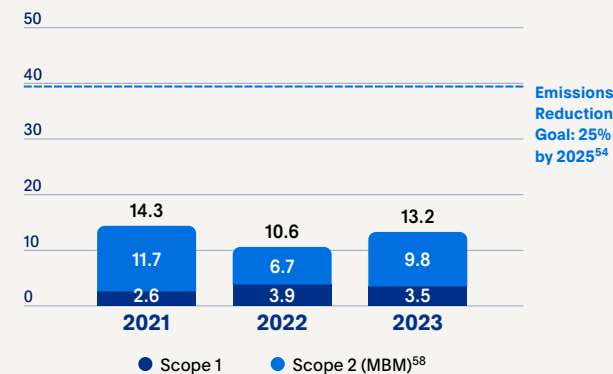
Renewable Energy (% of Global Energy Use)



Data Center Goal: 100% by 2023

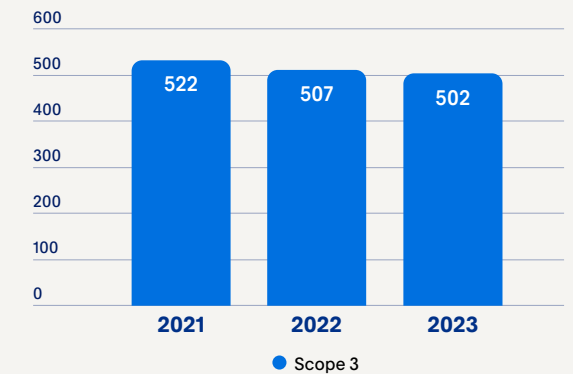
### GHG Emissions

Operational GHG Emissions by Scope (Thousands MT CO<sub>2</sub>e)<sup>50</sup>



Emissions Reduction Goal: 25% by 2025<sup>54</sup>

Value Chain GHG Emissions Estimate (Thousands MT CO<sub>2</sub>e)<sup>59,60,61</sup>



### Smart Energy Management at Our San Jose Headquarters

We rolled out the “SmartFloor” intelligent energy control system to three buildings at our San Jose, CA, U.S., headquarters campus to automate lighting and ventilation based on real-time occupancy sensing. Actual system data indicates that the SmartFloor technology could reduce annual electricity consumption by as much as 21% when fully deployed and enabled, representing potential campus-wide utility bill savings of more than \$200,000 per year.

Our rooftop solar system in San Jose generated approximately 1.3 million KWh in 2023, supplying more than 15% of our campus electricity use and further reducing utility costs. We procure 100% renewable electricity for the remainder of our power needs in partnership with San Jose Clean Energy.

“Environmental sustainability enhances enterprise resilience and helps position PayPal for long-term value creation. We strive to manage energy and natural resources responsibly across our global operations and address forward-looking environmental risks and opportunities across our broader value chain.”



**ARCHIE DESKUS**  
EVP, Chief Technology Officer  
Spring, TX, U.S.

### Supply Chain Emissions

We recognize that Scope 3 (value chain) emissions inventory methodologies are imprecise and, as such, present our Scope 3 emissions as estimates. We estimate that vendor activities represent approximately 84% of our value chain GHG emissions footprint for 2023. As such, we are prioritizing supplier engagement in our approach to addressing climate-related risks in our supply chain.<sup>51</sup> See the [Appendix](#) for more data regarding emissions across our value chain.

In 2023, we engaged with more than 300 of our top suppliers to communicate our climate-related risk management priorities. We also partnered with CDP to collect information and provide resources to help our vendors develop GHG inventories and learn more about climate-related risk management.

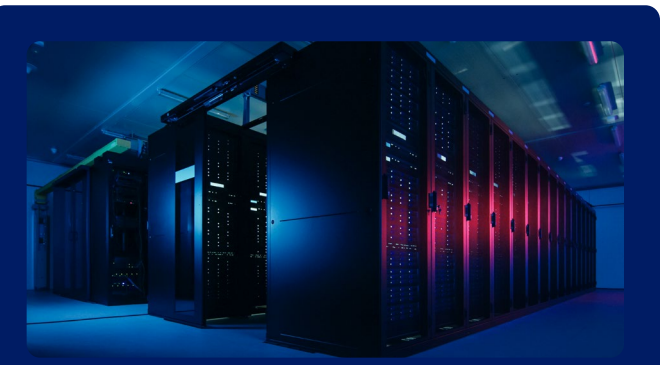
We are seeing steady year-over-year progress toward our SBT to procure 75% of our spend from suppliers with climate goals, and 45% of suppliers by spend had set or committed to set such goals as of year-end.<sup>51</sup> We acknowledge the limitations in our ability to influence GHG emissions outside of PayPal’s direct control. We continue to engage with vendors, industry peers, GHG accounting standard-setters, and environmental non-governmental organizations with respect to best practices in sustainable supply chain management.

### Partnerships to Support Climate Adaptation & Resilience

Beyond our own operations, we are exploring ways to help disadvantaged communities identify opportunities to adapt their lives to changing global climate conditions. We take a partnership approach to advancing sustainable economy income opportunities and addressing climate-related risks to financial security. In 2023, PayPal:

- Provided support to the [Aspen Institute Financial Security Program](#) as it studies how extreme weather events and natural disasters impact the financial security of individuals, households, and communities in the U.S. The [research](#) will help government agencies, financial institutions, and other stakeholders better understand the risks that weather disasters (such as floods) and stressors (such as extreme heat) pose for family financial security and existing financial safeguards, and will inform the development of new products and services that enable financial preparedness, rapid response, and recovery.
- Continued our active participation as a founding member of the [Climate Innovation for Adaptation and Resilience \(CIFAR\) Alliance](#), which launched action-focused initiatives, including the [Climate SMART Innovation Hub](#), Universal Climate Resilience, and [Triggering Exponential Climate Action \(TECA\) climate venture-launching](#), and engaged nearly 700 entrepreneurs and small businesses across emerging markets in Africa, Asia, and Latin America.

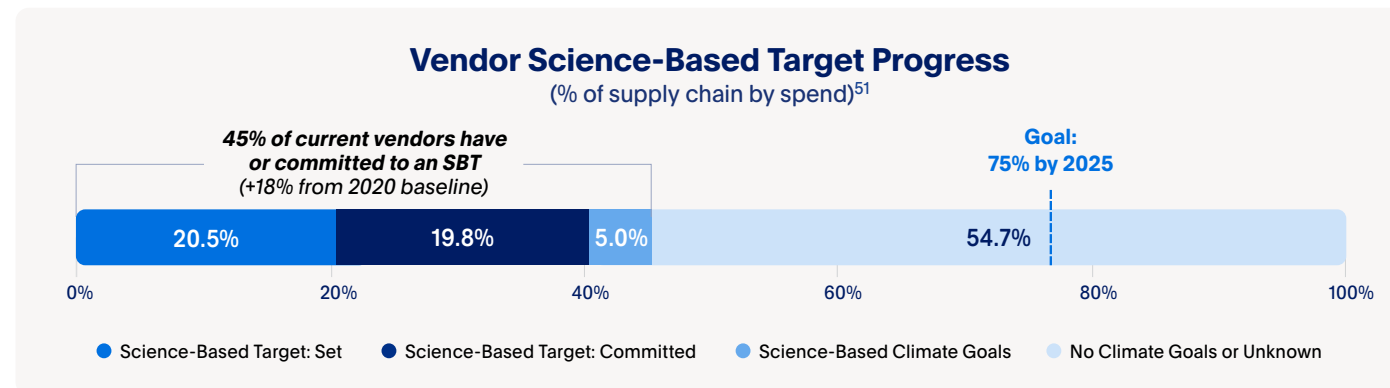
- Partnered with [Gold Standard Foundation](#) to support renewable energy and water filtration projects in Brazil, China, Guatemala, and India. With charitable support from PayPal, Gold Standard Foundation retired more than 6,000 carbon credits, an important source of funding for these projects, from the Gold Standard carbon registry.



### Mitigating the Climate Impacts of Crypto

We believe that digital assets have the potential to increase financial access and economic opportunity globally. We’ve previously shared our contributions to [best practice guidelines](#) for the crypto industry to account for the climate impacts of permissionless blockchain networks, certain of which require significant energy inputs to maintain security in a decentralized manner.

We’re actively researching and testing mechanisms to incentivize Bitcoin miners to use renewable energy sources in a way that accelerates decarbonization while maintaining the decentralization inherent to this new financial platform. Our recently published [green mining research paper](#) presents technical design considerations and preliminary results of our proposed solution, which we hope contributes to further industry dialogue and innovation in this area.

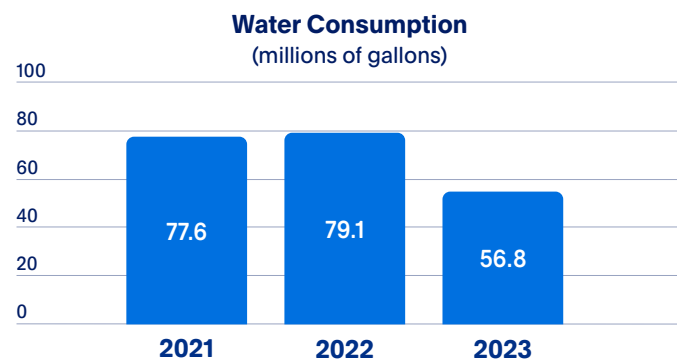


# Natural Resource Management

We strive to responsibly manage our use of the planet’s natural resources, focusing our efforts on efficient water use throughout our global operations, diversion of office waste from landfills, and environmentally responsible electronic waste (e-waste) practices.

## Water Use Management

As a financial technology company, our operations consume relatively low volumes of water on a revenue intensity and per-employee basis.<sup>62</sup> Our water efficiency efforts include the usage of low-flow faucets and fixtures across our fully managed office locations globally. We also explore additional water conservation opportunities as appropriate that support local efforts and enhance our overall management of this finite resource. In 2023, our water use decreased by 28% across our facilities compared to 2022.



Newsweek America's Greenest Companies 2024

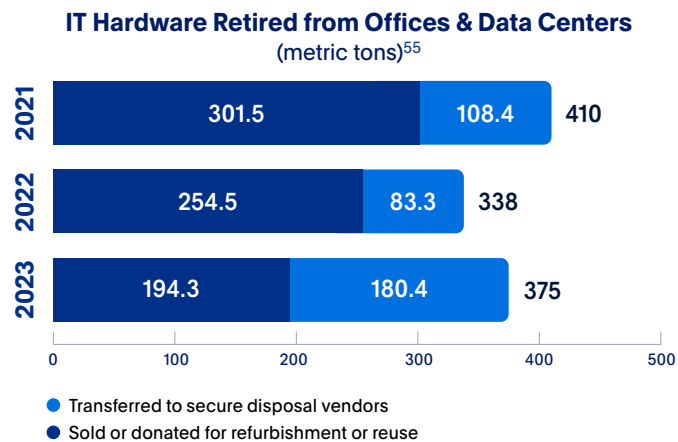
## Waste Management

We provide waste recycling across nearly all our office locations globally, with select locations also offering food waste composting. We continue to explore ways to expand our waste recycling efforts at locations where we see opportunities for improvement by engaging with property managers, local waste-hauling providers, and municipal jurisdictions.

## IT Hardware Retirement

Each year, under the supervision of our IT asset management teams, we retire IT hardware across our data center services, global office operations, and workforce. In 2023, these efforts included the retirement of 375 metric tons of equipment, 52% of which was donated or sold for refurbishment and reuse and 48% was transferred to our secure disposal vendors for disassembly and recycling in accordance with responsible e-waste practices.

Our company-wide e-waste management procedure requires all IT asset disposal service providers to maintain certification to the R2, e-Stewards or Waste from Electrical and Electronic Equipment (WEEE) standard for responsible e-waste management. We also verify that service providers maintain ISO-certified programs for environmental, health and safety, and quality management systems.



Tree planting in Manila, Philippines



Cleanup activity on Thompson Island, Boston, MA, U.S.



Native species planting along the Water of Leith river in Edinburgh, Scotland

Employees around the globe celebrated Earth Day with environmental conservation and stewardship activities to support their local communities.

# Appendix

## Non-Financial Reporting Framework Alignment

Our corporate sustainability and impact (“CS&I”) strategy and disclosures take into account input from our stakeholders, as well as industry best practices.

We annually report on the Company’s activities to advance the United Nations (U.N.) Sustainable Development Goals (SDGs) by including a table illustrating our contributions to the seven Global Goals most relevant to our business.

Our reporting is aligned to the Global Reporting Initiative (GRI) standards, relevant industry standards from the International Financial Reporting Standards (IFRS) Foundation’s Sustainability Accounting Standards Board (SASB), the U.N. Global Compact (UNGC) Ten Principles, and the Stakeholder Capitalism Metrics (SCM) framework. We also publish a [separate index](#) with PayPal’s climate-related disclosures in line with the recommendations from the Task Force on Climate-Related Financial Disclosures (TCFD), which provides an enhanced discussion of our governance, strategy, risk management, and key metrics and targets related to climate risk. Based on our review of our economic activities in the context of the [EU Taxonomy](#), PayPal does not make substantial contributions to the EU’s climate and environmental objectives.

All references apply to PayPal’s global operations for the year ended December 31, 2023, unless otherwise noted.

## Independent Limited Assurance Statement

Bureau Veritas UK provided an independent limited assurance opinion on select 2023 CS&I metrics. We will continue to evaluate new data points for assurance in future reporting.

## Additional Resources

Beyond this report, we provide additional materials and documents that further illustrate our CS&I strategies, activities, progress, and performance, including a list of websites, policies, and publicly available research.

### Contents

- [U.N. Sustainable Development Goals Index](#)
- [Corporate Sustainability & Impact Performance Metrics Table](#)
- [Independent Limited Assurance Statement](#)
- [Additional Resources](#)
- [Endnotes](#)



# U.N. Sustainable Development Goals Index

The [United Nations \(U.N.\) Sustainable Development Goals \(SDGs\)](#) are comprised of 17 global goals and 169 targets that are designed to foster a more sustainable and equitable future for all. At PayPal, we actively seek opportunities to align our business activities and priority impact areas with these goals. Each year, we evaluate our net contributions to the SDGs by assessing our potential influence and mapping our core business and CS&I activities and outcomes to the SDGs' underlying targets. We found that PayPal directly contributes to 14 of the 17 goals, with the most significant impact observed on the seven goals highlighted below. As a member of the U.N. Global Compact (UNGC), we diligently report on our contribution to the Ten Principles, which advocate for the adoption of sustainable and socially responsible policies aligned with the SDGs. For a complete overview of metrics that align to the UNGC, please see [Corporate Sustainability & Impact Performance Metrics Table](#).



SDG	Target	Relevance	2023 Select Progress
<b>GOAL 1:</b> No Poverty	<b>Target 1.4:</b> Ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources	Our mission to revolutionize commerce globally is foundational to our business strategy and serves as a catalyst for expanding economic opportunity and improving financial health for all.	<ul style="list-style-type: none"> <li>Enabled nearly \$21B in donations to help support 1.4M nonprofits and causes through the PayPal Giving Platform.</li> <li>Facilitated \$93M in donations to support global relief efforts for critical events, including the wildfires in Canada and Maui, earthquakes in Turkey and Syria, and floods in Italy.</li> </ul>
<b>GOAL 5:</b> Gender Equality	<b>Target 5.5:</b> Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making	PayPal's products and services help provide access to the digital economy for women, and we continue to champion equal representation and benefits for women in the workforce.	<ul style="list-style-type: none"> <li>Increased global female representation among leadership and technical roles year over year, with overall 43% gender diversity in 2023.</li> <li>Invested in the Impact Investment Exchange's <a href="#">Women's Livelihood Bond 6</a>, which invests in opportunities that support women-focused businesses across five countries and six sectors in the Global South.</li> <li>Joined <a href="#">2X Global</a>, a membership organization focused on catalyzing the use of finance to promote gender equality, and applied the 2X Criteria to our investment analysis.</li> </ul>
<b>GOAL 8:</b> Decent Work and Economic Growth	<b>Target 8.5:</b> Achieve full and productive employment and decent work for all women and men, and equal pay for work of equal value  <b>Target 8.10:</b> Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all	We develop products and enact initiatives to help improve the financial wellness of our customers and employees around the world.	<ul style="list-style-type: none"> <li>Maintained 100% global gender, U.S. ethnic and intersectional pay equity.</li> <li>Worked with JUST Capital and the Good Jobs Institute to advance the <a href="#">Worker Financial Wellness Initiative</a> to engage with corporate leaders on worker financial security.</li> <li>Partnered with <a href="#">Women's World Banking</a> to help financial service providers in Nigeria and India leverage technology and innovation to increase access to credit for women.</li> </ul>
<b>GOAL 9:</b> Industry, Innovation and Infrastructure	<b>Target 9.3:</b> Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services and their integration into value chains and markets	We support small- and medium-sized businesses (SMBs) globally through access to capital and tools to drive business growth.	<ul style="list-style-type: none"> <li>Facilitated over \$28B in capital to SMBs through more than 1.3M loans since 2013.<sup>15</sup></li> <li>Delivered <a href="#">products and services</a> to help global SMBs more seamlessly manage their businesses, including through our complete payments solution, Venmo business profiles and grant program, and investments in Aspire in Southeast Asia and Mintoak in India.</li> <li>Supported the digitization of small businesses through knowledge sharing and policy advocacy as part of our partnership with the OECD on their <a href="#">Digital for Small and Medium Size Enterprises (SMEs) Global Initiative</a>.</li> </ul>
<b>GOAL 10:</b> Reduced Inequality	<b>Target 10.2:</b> Empower and promote the social, economic and political inclusion of all  <b>Target 10.C:</b> Reduce to less than 3% the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5%	Through investments and product enhancements, we are driving greater equity for underserved individuals and minority-owned businesses.	<ul style="list-style-type: none"> <li>Our investments in 19 minority-led venture capital funds, helped deploy capital to 580+ portfolio companies, of which 90% are diverse, to advance a more diverse venture capital ecosystem.</li> <li>Introduced <a href="#">products and partnerships</a> that provide simple, secure and affordable money management tools to our 426M active global consumer accounts.</li> <li>Maintained average international remittance costs below 3% (2.93% in 2023).<sup>21</sup></li> </ul>
<b>GOAL 13:</b> Climate Action	<b>Target 13.1:</b> Strengthen resilience and adaptive capacity to climate related hazards and natural disasters in all countries  <b>Target 13.3:</b> Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	We engage with partners across our value chain to reduce our climate impact and build climate resilience.	<ul style="list-style-type: none"> <li>Continued to advance efforts to address climate-related risks to financial security globally through partnerships with <a href="#">Aspen Institute</a>, the <a href="#">Climate Innovation for Adaptation &amp; Resilience (CIFAR) Alliance</a>, and <a href="#">Gold Standard Foundation</a>.</li> <li><a href="#">Engaged</a> with more than 300 top suppliers, by spend, to set science-based targets.</li> </ul>
<b>GOAL 17:</b> Partnerships for the Goals	<b>Target 17.3:</b> Mobilize additional financial resources for developing countries from multiple sources  <b>Target 17.17:</b> Encourage and promote effective public, public-private and civil society partnerships	We pursue partnerships that can amplify our capabilities and global reach to advance our business and support an inclusive economy.	<ul style="list-style-type: none"> <li>Continued to <a href="#">enhance our services</a> to enable customers in additional markets to make low-cost international money transfers.</li> <li>Established new and maintained existing multisector partnerships to support <a href="#">underserved communities</a>, support <a href="#">financial inclusion</a> and <a href="#">expanded opportunity</a> for individuals, <a href="#">advance adaptation efforts</a> for those most impacted by climate change, and <a href="#">protect our customers and communities</a>.</li> </ul>

# Corporate Sustainability & Impact Performance Metrics Table

In the following table, we disclose our CS&I programs, policies, and metrics mapped to the following voluntary reporting frameworks and initiatives: The Global Reporting Initiative (GRI) standards; the IFRS Foundation’s SASB standards for the Software & IT Services and Consumer Finance industries;<sup>63</sup> the Ten Principles of the United Nations Global Compact (UNGC); and the Stakeholder Capitalism Metrics (SCM).<sup>64</sup> Disclosures are organized by our four CS&I pillars — Responsible Business Practices, Social Innovation, Employees & Culture, and Environmental Sustainability. The GRI disclosures in this table represent our GRI content index, prepared in accordance with the 2021 Universal Standards. We map our 2023 CS&I performance metrics to the recommended SCM core metrics, as appropriate, with select inclusion of expanded metrics.<sup>65</sup> We will continue to evaluate opportunities for future reporting enhancements.

Bureau Veritas UK provided an independent limited assurance opinion on select CS&I metrics (those denoted with a ^). A full assurance statement including limitations and exclusions can be found on [pages 45-46](#).

Description	FY23 <sup>66</sup>	FY22	FY21	GRI	SASB	UNGC	SCM
<b>ABOUT PAYPAL</b>							
<b>Organization &amp; Reporting Practices</b>							
Organizational details	About PayPal, <a href="#">page 4</a> <a href="#">Who We Are webpage</a>			2-1			
Activities, value chain, and other business relationships	About PayPal, <a href="#">page 4</a> <a href="#">2023 Annual Report/Business, pages 2-6</a>			2-6			
Mission, vision, and values	About PayPal, <a href="#">page 4</a> <a href="#">Mission, Vision, &amp; Values webpage</a>						Setting purpose, purpose-led management
Statement on sustainable development strategy	Message from Our President & CEO, <a href="#">page 3</a>			2-22			Setting purpose, purpose-led management
Active accounts (in millions) <sup>67</sup>	426	435	426		FN-CF-000.A <sup>68</sup>		
Active consumer accounts (in millions)	391	400	392				
Active merchant accounts (in millions)	35	35	34				
Total payment volume (in billions)	\$1,529	\$1,357	\$1,246		TC-SI-000.A <sup>68</sup>		
Number of payment transactions (in billions)	25.0	22.3	19.3		TC-SI-000.A <sup>68</sup>		
Annual revenue (in billions)	\$29.77	\$27.52	\$25.37	201-1			Economic contribution
Markets served <sup>69</sup>	~200	200+	200+	2-1, 2-6			
Additional operational and financial results	<a href="#">2023 Annual Report/Management’s Discussion and Analysis of Financial Condition and Results of Operations, pages 32-51</a>			201-1			Financial investment contribution disclosure
Total research and development expenses (in billions)	\$1.6	\$1.7	\$1.6				Total R&D expenses
Total tax paid (in millions)	<a href="#">2023 Annual Report/Management’s Discussion and Analysis of Financial Condition and Results of Operations, page 45</a>			201-1			Total tax paid
Effective tax rate	22%	28%	-2%				
Entities included in the organization’s sustainability reporting	About PayPal, <a href="#">page 4</a> <a href="#">2023 Annual Report/Business, pages 2-3</a>			2-2			
Reporting period, frequency, and contact point	This report covers calendar year 2023, unless otherwise stated. PayPal’s CS&I reporting follows an annual cycle. For questions, please contact <a href="mailto:Sustainability@paypal.com">Sustainability@paypal.com</a> .			2-3			

(continued)

# Corporate Sustainability & Impact Performance Metrics Table (cont.)

Description	FY23	FY22	FY21	GRI	SASB	UNGC	SCM <sup>70</sup>
<b>ABOUT PAYPAL (cont.)</b>							
<b>Organization &amp; Reporting Practices (cont.)</b>							
Membership associations	Multiple references throughout this report, <a href="#">pages 10, 18, 30, 33</a> <a href="#">PayPal Inc. Trade Associations (Federal &amp; State)</a>			2-28			
Approach to stakeholder engagement	About PayPal/Issue Prioritization & Stakeholder Engagement, <a href="#">page 6</a> <a href="#">2024 Proxy Statement/Multiple references, pages 8, 32-34, 41, 43</a>			2-29			Significant issues impacting stakeholders
Process to determine significant topics	About PayPal/Issue Prioritization & Stakeholder Engagement, <a href="#">page 6</a>			3-1			Significant issues impacting stakeholders
List of significant topics	About PayPal/Issue Prioritization & Stakeholder Engagement, <a href="#">page 6</a> <a href="#">2024 Proxy Statement/Corporate Sustainability and Impact Strategy, page 41</a>			3-2			Significant issues impacting stakeholders
Restatement of information	Included throughout this report as necessary.			2-4			
External assurance	Appendix/Independent Limited Assurance Statement, <a href="#">pages 45-46</a>			2-5			
<b>Corporate Governance</b>							
Governance structure and approach	About PayPal/Governance & Corporate Sustainability & Impact Oversight, <a href="#">page 7</a> <a href="#">2024 Proxy Statement/Corporate Governance, pages 23-30</a>			2-9, 2-12			Governance body composition
Independent Directors (% of Board)	90.9%	91.7%	91.7%	2-9			Governance body composition
Board diversity (% of Board) <sup>71</sup>	50.0%	50.0%	50.0%	2-9, 405-1			Governance body composition
Gender diversity (% of women on the Board)	33.3%	33.3%	33.3%				
Ethnic diversity (% of Board identifying as ethnically diverse) <sup>7</sup>	16.7%	16.7%	16.7%				
Composition, nomination, and selection of the highest governance body	About PayPal/Governance & Corporate Sustainability & Impact Oversight, <a href="#">page 7</a> <a href="#">2024 Proxy Statement/Election of Directors, pages 13-22</a>			2-10, 2-11			Governance body composition
Highest governance body's role in managing and reporting impacts	About PayPal/Governance & Corporate Sustainability & Impact Oversight, <a href="#">page 7</a> <a href="#">2024 Proxy Statement/CS&amp;I Governance Structure, page 40</a>			2-13, 2-14			Economic, environmental, and social topics in capital allocation framework
Conflicts of interest	<a href="#">2024 Proxy Statement/Multiple references, pages 24, 34-36</a>			2-15			
Collective knowledge of the highest governance body	About PayPal/Governance & Corporate Sustainability & Impact Oversight, <a href="#">page 7</a> <a href="#">2024 Proxy Statement/Multiple references, pages 15, 17-22, 31, 40-41</a>			2-17			Governance body composition
Evaluation of performance of the highest governance body	<a href="#">2024 Proxy Statement/Board and Committee Evaluations, page 32</a>			2-18			
Remuneration policies and process	<a href="#">2024 Proxy Statement/Multiple references, pages 37-39, 51-93</a>			2-19, 2-20			Remuneration
CEO pay ratio	<a href="#">2024 Proxy Statement/CEO Pay Ratio Disclosure, page 92</a>			2-21			Wage level
<b>RESPONSIBLE BUSINESS PRACTICES</b>							
<b>Cybersecurity</b>							
Approach to identifying and addressing data security risks	Responsible Business Practices/Cybersecurity & Secure Transactions, <a href="#">pages 9-10</a> <a href="#">Responsible Business Practices webpage</a>			3-3	TC-SI-230a.2 FN-CF-230a.3		
Compliant, ethical, and humane use of our products	Responsible Business Practices/Platform Security & Fraud Protection, <a href="#">page 10</a> <a href="#">Acceptable Use Policy</a>			3-3		Principles 1, 2	

(continued)

# Corporate Sustainability & Impact Performance Metrics Table (cont.)

Description	FY23	FY22	FY21	GRI	SASB	UNGC	SCM
<b>RESPONSIBLE BUSINESS PRACTICES (cont.)</b>							
<b>Cybersecurity (cont.)</b>							
Transaction loss rate <sup>10</sup>	0.08%	0.09%	0.09%		FN-CF-230a.2		
Passkeys enrollment (in millions) <sup>9</sup>	25.0	1.1	–				
<b>Data Privacy</b>							
Approach, policies, and practices relating to user privacy	Responsible Business Practices/Data Management & Privacy, <a href="#">pages 11-12</a> <a href="#">Responsible Business Practices webpage</a> , <a href="#">PayPal Privacy Statement</a> , <a href="#">Privacy Hub</a>			3-3	TC-SI-220a.1	Principle 1	
Monetary losses as a result of legal proceedings associated with user privacy	<a href="#">2023 Annual Report/Legal Proceedings, page 109</a>			418-1	TC-SI-220a.3 FN-CF-220a.2		
<b>Business Ethics</b>							
Approach to upholding business ethics	Responsible Business Practices/Business Ethics, <a href="#">page 14</a> <a href="#">Responsible Business Practices webpage</a>			3-3			Protected ethics advice and reporting mechanisms
Risk and compliance management	Responsible Business Practices/Risk Management & Compliance, <a href="#">page 13</a> <a href="#">2023 Annual Report/Risk Factors, pages 14-28</a>			2-27			Integrating risk and opportunity into business process
Anti-corruption policies and procedures	<a href="#">Code of Business Conduct &amp; Ethics, pages 31-33, 39-41</a>			205-2		Principle 10	Anti-corruption
Monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	<a href="#">2023 Annual Report/Legal Proceedings, page 109</a>			206-1	TC-SI-520a.1		Monetary losses from unethical behavior
Employee completion of annual training (% of total workforce) <sup>13</sup>	100% <sup>^</sup>	100% <sup>^</sup>	100% <sup>^</sup>	2-24, 205-2		Principles 6, 10	Anti-corruption
Communication of critical concerns	<a href="#">Code of Business Conduct &amp; Ethics, page 8</a>			2-16			
Processes to remediate negative impacts	<a href="#">Code of Business Conduct &amp; Ethics</a>			2-25			
Mechanisms for seeking advice and raising concerns	<a href="#">Code of Business Conduct &amp; Ethics, page 8</a>			2-26		Principle 6	Protected ethics advice and reporting mechanisms
Policy commitments	Responsible Business Practices/Business Ethics, <a href="#">page 14</a> <a href="#">Code of Business Conduct &amp; Ethics</a> <a href="#">Environmental Risk Management Policy</a>			2-23		Principles 1, 2, 6, 7, 10	
Embedding policy commitments	Responsible Business Practices/Business Ethics, <a href="#">page 14</a> <a href="#">Code of Business Conduct &amp; Ethics</a>			2-24			
Approach to respecting human rights	Responsible Business Practices/Business Ethics, <a href="#">page 14</a> <a href="#">Code of Business Conduct &amp; Ethics, page 46</a> <a href="#">Joint U.K. and Australia Modern Slavery Statement</a>			3-3, 408-1, 409-1		Principles 1, 2, 4, 5	Risk for incidents of child, forced, or compulsory labor
Political engagement and transparency approach	Responsible Business Practices/Business Ethics, <a href="#">page 14</a> <a href="#">Political Engagement and Transparency Policy</a> <a href="#">Political Spending and Lobbying Disclosures</a>			415-1			Alignment of strategy and policies to lobbying
Business continuity risks related to disruptions of operations	Responsible Business Practices/Risk Management & Compliance, <a href="#">page 13</a> <a href="#">2023 Annual Report/Risk Factors, pages 21-28</a>				TC-SI-550a.2		Integrating risk and opportunity into business process

(continued)

# Corporate Sustainability & Impact Performance Metrics Table (cont.)

Description	FY23	FY22	FY21	GRI	SASB	UNGC	SCM
<b>RESPONSIBLE BUSINESS PRACTICES (cont.)</b>							
<b>Business Ethics (cont.)</b>							
Approach to sustainable supply chain management	Responsible Business Practices/Business Ethics, <a href="#">page 14</a> ; Employees & Culture/Belonging, <a href="#">page 25</a> ; Environmental Sustainability/Climate-Related Risk Management, <a href="#">page 30</a> <i>Supplier Diversity Program</i> <i>Third Party Code of Business Conduct &amp; Ethics</i>			2-6, 3-3		Principles 1, 4, 5, 6, 8	
<b>SOCIAL INNOVATION</b>							
<b>Economic Empowerment</b>							
Approach to promoting economic opportunity for small- and medium-sized businesses (SMBs) and entrepreneurs	Social Innovation/Products & Partnerships to Support SMBs, <a href="#">page 16</a>			3-3, 203-2		Principle 1	Significant indirect economic impacts
Cumulative access to capital facilitated for SMBs (in billions) <sup>15</sup>	\$28.2 <sup>^</sup>	\$25.5 <sup>^</sup>	\$21.3 <sup>^</sup>				
Annual access to capital for SMBs (in billions)	\$2.7 <sup>^</sup>	\$4.2 <sup>^</sup>	\$2.7 <sup>^</sup>				
Loans facilitated to SMBs (total since 2013) (in millions) <sup>15</sup>	1.3	1.2	1.1				
Venmo business profiles created (in millions) <sup>72</sup>	3.0	2.1	1.1				
<b>Financial Health &amp; Inclusion</b>							
Approach to advancing financial health and consumer convenience	Social Innovation/Financial Health & Consumer Convenience, <a href="#">page 19</a>			3-3			
Significant economic impacts	Social Innovation/Financial Health & Consumer Convenience, <a href="#">page 19</a>			203-2			Significant indirect economic impacts
Average Xoom international remittance rate <sup>21</sup>	2.93% <sup>^</sup>	2.92% <sup>^</sup>	2.80% <sup>^</sup>			Principle 1	
<b>Giving<sup>23</sup></b>							
Funds raised for nonprofits and causes (in billions)	\$20.9 <sup>^</sup>	\$20.4 <sup>^</sup>	\$19.2 <sup>^</sup>				
Funds raised for nonprofits (in billions) <sup>25</sup>	\$19.8	\$19.2	\$18.4				
Funds raised for causes via personal or business fundraising (in billions)	\$1.1	\$1.2	\$0.8				
Total number of donors (in millions)	51.9 <sup>^</sup>	55.1 <sup>^</sup>	56.1 <sup>^</sup>				
Total number of donations (in millions)	264.7	272.8	278.1				
Number of donations through Give at Checkout (in millions)	16.6	23.7	27.0				
Nonprofits and causes supported (in millions) <sup>73</sup>	1.4	1.4	1.4				
Nonprofits supported (in millions) <sup>74,75</sup>	0.95	0.98	1.06				
Funds raised through PayPal Fundraisers (in millions)	\$96.3	\$63.4	\$26.2				
Causes supported	438,500	599,200	453,500				
Number of donors	1,771,000	1,157,300	516,600				
Funds raised through PayPal Digital Wallet (in millions)	\$342.2	\$255.7	\$181.8				

(continued)

# Corporate Sustainability & Impact Performance Metrics Table (cont.)

Description	FY23	FY22	FY21	GRI	SASB	UNGC	SCM
<b>EMPLOYEES &amp; CULTURE</b>							
<b>Employee Recruitment &amp; Development</b>							
Approach to recruiting and managing a global workforce	Employees & Culture/Global Talent Management, <a href="#">page 22</a> <a href="#">Employees &amp; Culture webpage</a> <a href="#">Code of Business Conduct &amp; Ethics</a> <a href="#">Joint U.K. and Australia Modern Slavery Statement</a>			2-8, 3-3		Principle 6	
Global employees <sup>67</sup>	~27,000	29,900	30,900	2-7			Absolute number and rate of employment
U.S.-based	10,250	11,800	13,100				
Nationalities	144	148	154				
Countries	27	27	~30				
Overall workforce by region				2-7			
Americas	45%	44%	-				
Asia-Pacific	42%	43%	-				
Europe and Middle East	13%	13%	-				
Total annual turnover rate <sup>76</sup>	21.0%^	23.8%^	15.6%^	401-1			Absolute number and rate of employment
Annual employee survey participation rate <sup>30</sup>	82%^	83%^	79%				
Engagement score <sup>31</sup>	77^	79^	83^		TC-SI-330a.2		
Intent to stay score <sup>32</sup>	77^	78^	80^				
Learning and development hours (in millions) <sup>77</sup>	0.7	0.9	-	404-1			Training provided
Employees engaged in learning resources	28,100	27,700	-				
Average hours per employee	23.7	32.6	-				
Self-directed courses accessed <sup>34</sup>	81,000	98,600	112,500				
Saved development days (number of days) <sup>78</sup>	14,200	14,300	15,200				Monetized impacts of training
<b>Employee Wellness</b>							
Approach to prioritizing employee total wellness	Employees & Culture/Global Talent Management, <a href="#">page 22</a> <a href="#">PayPal Benefits webpage</a>			3-3, 401-2, 403-1, 403-6			Health and safety
Collective bargaining agreements	Not applicable			2-30		Principles 1, 3	

(continued)

# Corporate Sustainability & Impact Performance Metrics Table (cont.)

Description	FY23	FY22	FY21	GRI	SASB	UNGC	SCM
<b>EMPLOYEES &amp; CULTURE (cont.)</b>							
<b>Belonging<sup>79</sup></b>							
Approach to fostering an inclusive environment that cultivates belonging	Employees & Culture/Belonging, <a href="#">page 25</a>			3-3		Principles 1, 6	
Employee Resource Groups (ERGs)	8	8	8				
Participating employees	9,400	8,100	7,600				
Global gender pay equity <sup>35</sup>	100%	100%	100%	405-2			Pay equality
U.S. ethnic pay equity <sup>35</sup>	100%	100%	100%				Pay equality
Diverse executive leadership (% of executive leadership) <sup>80</sup>	71.4%	63.6%	55.6%	405-1			
Female (% of executive leadership)	42.9%	27.3%	22.2%				
Ethnically diverse (% of executive leadership) <sup>7</sup>	28.6%	54.6%	44.4%				
Diverse workforce representation (% of overall workforce) <sup>28</sup>	54.6% <sup>^</sup>	55.9% <sup>^</sup>	56.1% <sup>^</sup>	405-1	TC-SI-330a.3		Diversity and inclusion
Global disability (% of overall workforce) <sup>42</sup>	1.6%	1.7%	1.6%	405-1			Diversity and inclusion
U.S. veteran status (% of U.S. workforce) <sup>40</sup>	4.3%	3.7%	3.6%				Diversity and inclusion
U.S. LGBTQ+ (% of U.S. workforce) <sup>41</sup>	2.8%	2.8%	2.7%				Diversity and inclusion
Global gender diversity (% of global workforce)	Employees & Culture/Belonging, <a href="#">page 26</a>			2-7, 405-1	TC-SI-330a.3		Diversity and inclusion
Female	43.0% <sup>^</sup>	44.0% <sup>^</sup>	43.7% <sup>^</sup>				
Male	56.9%	55.9%	56.2%				
Non-binary	0.08%	0.07%	0.04%				
Technical workforce by gender <sup>37</sup>				405-1	TC-SI-330a.3		Diversity and inclusion
Female	28.7%	28.1%	27.3%				
Male	71.1%	71.7%	72.6%				
Non-binary	0.11%	0.12%	0.05%				
Professional workforce by gender <sup>38</sup>				405-1	TC-SI-330a.3		Diversity and inclusion
Female	43.1%	44.2%	43.9%				
Male	56.7%	55.7%	56.0%				
Non-binary	0.08%	0.07%	0.04%				
Leadership by gender <sup>39</sup>				405-1	TC-SI-330a.3		Diversity and inclusion
Female	37.9%	36.0%	33.4%				
Male	62.1%	64.0%	66.6%				
Non-binary	0.00%	0.00%	0.00%				

(continued)

# Corporate Sustainability & Impact Performance Metrics Table (cont.)

Description	FY23	FY22	FY21	GRI	SASB	UNGC	SCM
<b>EMPLOYEES &amp; CULTURE (cont.)</b>							
<b>Belonging (cont.)<sup>79</sup></b>							
U.S. ethnic diversity (% of U.S. workforce) <sup>7</sup>	Employees & Culture/Belonging, <a href="#">page 26</a> <a href="#">PayPal EEO-1 Reports</a>			405-1	TC-SI-330a.3		Diversity and inclusion
	53.9% <sup>^</sup>	54.0% <sup>^</sup>	51.7% <sup>^</sup>				
<i>American Indian or Alaska Native</i>	0.2%	0.2%	0.3%				
<i>Asian</i>	37.2%	34.5%	32.7%				
<i>Black or African American</i>	6.5%	8.3%	7.4%				
<i>Hispanic or Latinx</i>	7.4%	8.2%	8.6%				
<i>Native Hawaiian or Pacific Islander</i>	0.3%	0.3%	0.3%				
<i>Two or More Races</i>	2.2%	2.5%	2.4%				
<i>White</i>	42.7%	42.6%	44.8%				
Technical workforce ethnic diversity <sup>37</sup>	69.2%	68.5%	67.4%	405-1	TC-SI-330a.3		Diversity and inclusion
<i>American Indian or Alaska Native</i>	0.1%	0.1%	0.1%				
<i>Asian</i>	60.9%	59.7%	58.9%				
<i>Black or African American</i>	2.3%	2.5%	2.3%				
<i>Hispanic or Latinx</i>	3.9%	4.1%	4.2%				
<i>Native Hawaiian or Pacific Islander</i>	0.2%	0.3%	0.2%				
<i>Two or More Races</i>	1.7%	1.8%	1.6%				
<i>White</i>	27.0%	28.2%	29.3%				
Professional workforce ethnic diversity <sup>38</sup>	54.4%	54.6%	52.2%	405-1	TC-SI-330a.3		Diversity and inclusion
<i>American Indian or Alaska Native</i>	0.2%	0.2%	0.3%				
<i>Asian</i>	37.6%	34.8%	32.9%				
<i>Black or African American</i>	6.7%	8.4%	7.5%				
<i>Hispanic or Latinx</i>	7.4%	8.3%	8.7%				
<i>Native Hawaiian or Pacific Islander</i>	0.3%	0.3%	0.3%				
<i>Two or More Races</i>	2.2%	2.5%	2.5%				
<i>White</i>	42.3%	42.0%	44.3%				

(continued)

# Corporate Sustainability & Impact Performance Metrics Table (cont.)

Description	FY23	FY22	FY21	GRI	SASB	UNGC	SCM
<b>EMPLOYEES &amp; CULTURE (cont.)</b>							
<b>Belonging (cont.)<sup>79</sup></b>							
Leadership ethnic diversity <sup>81</sup>	41.5%	37.4%	37.2%	405-1	TC-SI-330a.3		Diversity and inclusion
<i>American Indian or Alaska Native</i>	0.0%	0.0%	0.0%				
<i>Asian</i>	28.5%	26.4%	27.0%				
<i>Black or African American</i>	3.3%	3.6%	4.0%				
<i>Hispanic or Latinx</i>	6.8%	5.0%	4.5%				
<i>Native Hawaiian or Pacific Islander</i>	0.0%	0.0%	0.0%				
<i>Two or More Races</i>	2.8%	2.5%	1.7%				
<i>White</i>	53.3%	57.7%	58.4%				
Underrepresented minorities by role (% of U.S. workforce) <sup>44</sup>	Employees & Culture/Belonging, <a href="#">page 26</a> <a href="#">PayPal EEO-1 Reports</a>			405-1	TC-SI-330a.3		Diversity and inclusion
Overall workforce	16.5%	19.5%	18.9%				
Technical <sup>37</sup>	8.3%	8.9%	8.5%				
Professional <sup>38</sup>	16.8%	19.8%	19.3%				
Leadership <sup>39</sup>	13.0%	11.0%	10.2%				
Ethnically diverse women by role (% of U.S. workforce) <sup>7</sup>	Employees & Culture/Belonging, <a href="#">page 26</a> <a href="#">PayPal EEO-1 Reports</a>			405-1	TC-SI-330a.3		Diversity and inclusion
Overall workforce	23.3%	24.3%	22.8%				
Technical	23.2%	22.6%	22.0%				
Professional	23.6%	24.7%	23.1%				
Leadership	16.5%	14.2%	13.2%				
Ethnically diverse men by role (% of U.S. workforce) <sup>7</sup>	Employees & Culture/Belonging, <a href="#">page 26</a> <a href="#">PayPal EEO-1 Reports</a>			405-1	TC-SI-330a.3		Diversity and inclusion
Overall workforce	30.5%	29.6%	28.9%				
Technical	46.0%	45.8%	45.3%				
Professional	30.7%	29.9%	29.0%				
Leadership	25.0%	23.2%	24.0%				

(continued)

# Corporate Sustainability & Impact Performance Metrics Table (cont.)

Description	FY23	FY22	FY21	GRI	SASB	UNGC	SCM
<b>EMPLOYEES &amp; CULTURE (cont.)</b>							
<b>Belonging (cont.)<sup>79</sup></b>							
Attrition <sup>82</sup>				401-1			Absolute number and rate of employment
Global attrition by gender							
<i>Female</i>	47.6%	-	-				
<i>Male</i>	52.1%	-	-				
<i>Non-binary</i>	0.2%	-	-				
U.S. attrition by ethnic diversity							
<i>American Indian or Alaska Native</i>	0.3%	-	-				
<i>Asian</i>	26.0%	-	-				
<i>Black or African American</i>	15.1%	-	-				
<i>Hispanic or Latinx</i>	11.4%	-	-				
<i>Native Hawaiian or Pacific Islander</i>	0.4%	-	-				
<i>Two or More Races</i>	3.7%	-	-				
<i>White</i>	38.2%	-	-				
Hiring <sup>83</sup>				401-1			Absolute number and rate of employment
Global hiring by gender							
<i>Female</i>	41.7%	-	-				
<i>Male</i>	57.7%	-	-				
<i>Non-binary</i>	0.3%	-	-				
U.S. hiring by ethnic diversity							
<i>American Indian or Alaska Native</i>	0.1%	-	-				
<i>Asian</i>	42.6%	-	-				
<i>Black or African American</i>	7.4%	-	-				
<i>Hispanic or Latinx</i>	8.1%	-	-				
<i>Native Hawaiian or Pacific Islander</i>	0.2%	-	-				
<i>Two or More Races</i>	2.6%	-	-				
<i>White</i>	32.6%	-	-				

(continued)

# Corporate Sustainability & Impact Performance Metrics Table (cont.)

Description	FY23	FY22	FY21	GRI	SASB	UNGC	SCM
<b>EMPLOYEES &amp; CULTURE (cont.)</b>							
<b>Belonging (cont.)<sup>79</sup></b>							
Promotions <sup>84</sup>							
Global promotions by gender							
Female	13.0%	-	-				
Male	12.4%	-	-				
Non-binary	16.7%	-	-				
U.S. promotions by ethnic diversity							
American Indian or Alaska Native	19.2%	-	-				
Asian	12.5%	-	-				
Black or African American	14.6%	-	-				
Hispanic or Latinx	16.1%	-	-				
Native Hawaiian or Pacific Islander	6.9%	-	-				
Two or More Races	9.2%	-	-				
White	14.5%	-	-				
<b>Community Engagement</b>							
Approach to engaging employees for community impact	Employees & Culture/Employee Community Impact, <a href="#">page 27</a>			3-3			
Total corporate charitable contributions (in millions) <sup>48</sup>	\$40.2	\$28.9	\$38.3	201-1			Economic contribution
Workforce engaged in community impact activities <sup>47</sup>	18,200	19,500	24,000				
Nonprofits supported through community impact activities	4,200+	4,000+	-				
Employee volunteer hours	118,500	99,700	83,700				
Skills-based volunteer hours <sup>85</sup>	46,400	49,200	-				
<b>ENVIRONMENTAL SUSTAINABILITY</b>							
<b>Climate Change<sup>55</sup></b>							
Approach to climate change	Environmental Sustainability/Climate-Related Risk Management, <a href="#">pages 29-30</a> <a href="#">Environmental Sustainability webpage</a> <a href="#">Environmental Risk Management Policy</a> <a href="#">TCFD Index</a> <a href="#">Third Party Code of Business Conduct &amp; Ethics, page 3</a>			3-3, 201-2, 302-4		Principles 7, 8, 9	Paris-aligned GHG emissions targets TCFD implementation Integrating risk and opportunity into business process
Integration of environmental considerations into strategic planning for data center needs	Environmental Sustainability/Climate-Related Risk Management, <a href="#">pages 29-30</a> <a href="#">Environmental Sustainability webpage</a>				TC-SI-130a.3	Principles 7, 8	
Global energy use (MWh in thousands)	243.1 <sup>^</sup>	259.8 <sup>^</sup>	256.6 <sup>^</sup>	302-1	TC-SI-130a.1		
Facilities	49.6	59.6	51.7				
Data centers	193.5	200.3	204.9				

(continued)

# Corporate Sustainability & Impact Performance Metrics Table (cont.)

Description	FY23	FY22	FY21	GRI	SASB	UNGC	SCM
<b>ENVIRONMENTAL SUSTAINABILITY (cont.)</b>							
<b>Climate Change (cont.)<sup>55</sup></b>							
Renewable energy (% of total energy use)	89%^	90%^	88%^		TC-SI-130a.1	Principle 8	
Facilities (% of energy use)	46%	58%	40%				
Data centers (% of energy use)	100%^	100%^	100%^				
Science-based targets							Paris-aligned GHG emissions targets
Reduction in absolute operational GHG emissions (% since 2019 baseline) <sup>57</sup>	-75.1%^	-80.1%^	-73.1%^	305-5			
Vendors with science-based targets (% of vendors by spend) <sup>51</sup>	45.3%^	38.8%^	29.9%^				
GHG emissions by Scope (MTCO <sub>2</sub> e in thousands)	515.1	517.1	535.3				GHG emissions
Scope 1	3.5^	3.9^	2.6^	305-1			
Scope 2 (MBM) <sup>58</sup>	9.8^	6.7^	11.7^	305-2			
Scope 3 <sup>56</sup>	502	507	522	305-3			
Purchased goods and services	431	448	446				
Crypto-related <sup>87</sup>	80	68	48				
Capital goods	27	16	46				
Fuel and Energy-Related Activities (FERA) (MBM)	9.0^	8.8^	9.3^				
Upstream transportation and distribution	12	11	1				
Business travel <sup>88</sup>	5.8^	6.2^	0.8^				
Employee commuting and remote working <sup>89</sup>	18.3^	17.0^	18.7				
GHG emissions by Scope (MTCO <sub>2</sub> e in thousands, LBM) <sup>90</sup>							GHG emissions
Scope 2	86.8^	101.4^	99.0	305-2			
Scope 3 FERA	23.0^	34.4^	34.4	305-3			
Carbon intensity per transaction (grams CO <sub>2</sub> ) <sup>56</sup>	0.5	0.5	0.7	305-4			
<b>Natural Resource Management<sup>55</sup></b>							
Approach to managing natural resources	Environmental Sustainability/Natural Resource Management, <a href="#">page 31</a> <a href="#">Environmental Sustainability webpage</a>			3-3		Principles 7, 8	
Total water consumed (gallons) (in millions) <sup>62</sup>	56.8^	79.1^	77.6	303-5	TC-SI-130a.2		Water consumption and withdrawal in water-stressed areas
IT hardware retired (metric tons)	375	338	410	306-3			Impact of solid waste disposal
Sold or donated for refurbishment and reuse	52%	75%	74%	306-4			
Transferred to secure disposal vendors	48%	25%	26%	306-5			

# Independent Limited Assurance Statement

## INDEPENDENT ASSURANCE REPORT

To: The Stakeholders of PayPal Holdings Inc



### 1. Introduction and Objectives of Work

Bureau Veritas UK Limited (Bureau Veritas) has been engaged by PayPal Holdings Inc (PayPal) to provide limited assurance over selected Environmental, Social and Governance (ESG) performance data for inclusion in the "2023 Global Impact Report" ("GIR")<sup>1</sup> (the "Report"). The objective is to provide assurance to PayPal and its stakeholders over the accuracy and reliability of the reported information and data.

### 2. Scope of Work

The scope of our work was limited to assurance over the following information included within the Report for the period January 1<sup>st</sup>, 2023 to December 31<sup>st</sup>, 2023 (the "Selected Information")<sup>2</sup>:

#### Employee & Culture:

- Employee Survey - Employee Participation Rate (%)
- Employee Survey - Employee Engagement Score <sup>3</sup>
- Employee Survey - Intent to Stay Score
- Employee Survey – Leadership Principles Score
- Overall Workforce Diversity (%)(Global Gender and US Ethnicity) (%)
- Global Gender Diversity (%)
- US Ethnic Diversity (%)
- Total Turnover Rate (%)

#### Social Innovation:

- Funds raised for non-profits and personal causes (USD Billions)
- Number of donors who gave to non-profit and personal causes (Millions)
- Total Capital to SMBs<sup>4</sup> (USD Billions) in 2023
- Total Capital to SMBs since 2013 (USD Billions) (excluding Paycheck Protection Program)
- Average Xoom International remittance rate (%)

#### Responsible Business Practices:

- Annual compliance and ethics training (%)

#### Environmental Sustainability:

- Greenhouse Gas (GHG) Emissions Scope 1 (MT<sup>3</sup> CO<sub>2</sub>e)
- Greenhouse Gas (GHG) Emissions Scope 2 (location based) (MT CO<sub>2</sub>e)
- Greenhouse Gas (GHG) Emissions Scope 2 (market based) (MT CO<sub>2</sub>e)
- Greenhouse Gas (GHG) Emissions Scope 3 (MT CO<sub>2</sub>e)
  - Category 6 - Emissions from Business Travel
  - Category 3 - Fuel and Energy Related Activities (FERA) not included in Scope 1 & 2 – Location and Market (MTCO<sub>2</sub>e)

<sup>1</sup> GIR is a downloadable PDF available via the official PayPal website

<sup>2</sup> All metrics are global unless otherwise stated

<sup>3</sup> The Engagement Score is the average score from the employee responses to two questions 1. *How happy are you working at PayPal?* and 2. *I would recommend PayPal as great place to work.* The responses are on a five point interval Likert scale which are then converted to a 1-100 score.

<sup>4</sup> Small and Medium sized Businesses

<sup>5</sup> Metric tonnes

#### Category 7 - Emissions from Employee Commuting and Remote Working (TCO<sub>2</sub>e)

- Global Energy Use (Renewable and Non-Renewable) (MWh)
- Renewable Energy as a % of total energy use
- Renewable Energy as a % of data centre energy use
- Progress of reduction target in operational GHG Emissions (% since 2019)
- Progress on Vendor GHG Engagement Target (%) (75% vendors with science-based targets by 2025, by spend)
- Water Consumption (million US gallons)

### 3. Reporting Criteria

The Selected Information has been prepared in accordance with internal definitions set for PayPal's ESG Indicators and needs to be read and understood together with basis of reporting footnotes and commentary, embedded in the GIR Report. The GHG emissions data has been prepared taking into consideration The GHG Protocol Corporate Accounting Standard (revised edition).

### 4. Limitations and Exclusions

Excluded from the scope of our work is assurance of information relating to:

- Activities outside the defined assurance period;
- Positional statements of a descriptive or interpretative nature, or of opinion, belief, aspiration or commitment to undertake future actions; and
- Other information included in the Report other than the Selected Information.

The following limitations should be noted:

- No single overall data methodology / basis of reporting document was shared by PayPal however single KPI and/or KPI family methodologies were shared and/or demonstrated.
- This limited assurance engagement relies on a risk based selected sample of sustainability data and the associated limitations that this entails.
- The reliability of the reported data is dependent on the accuracy of metering and other production measurement arrangements employed at site level, not addressed as part of this assurance.
- This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

### 5. Responsibilities

This preparation and presentation of the Selected Information in the Report are the sole responsibility of the management of PayPal.

Bureau Veritas was not involved in the drafting of the Report or of the Reporting Criteria. Our responsibilities were to:

- obtain limited assurance about whether the Selected Information has been prepared in accordance with the Reporting Criteria;
- form an independent conclusion based on the assurance procedures performed and evidence obtained; and
- report our conclusions to the Management of PayPal.

### 6. Assessment Standard

We performed our work to a limited level of assurance in accordance with International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after December 15<sup>th</sup>, 2015), issued by the International Auditing and Assurance Standards Board.

### 7. Summary of Work Performed

As part of our independent assurance, our work included:

- conducting interviews with PayPal personnel and PayPal's external consultants responsible for the Selected Information;
- reviewing the data collection and consolidation processes used to compile Selected Information, including assessing assumptions made, and the data scope and reporting boundaries;
- reviewing documentary evidence provided by PayPal;
- agreeing a selection of the Selected Information to the corresponding source documentation;
- reviewing PayPal systems for quantitative data aggregation and analysis, including where applicable the underlying activity data, conversions, and emission factors applied;
- assessing the disclosure and presentation of the Selected Information to ensure consistency with assured information;
- reperforming [a selection of] aggregation calculations of the Selected Information;
- reperforming greenhouse gas emissions conversions calculations;
- evaluating the design of internal systems, processes and controls to collect and report the Selected Information;

The scope of a limited assurance engagement is substantially less than for reasonable assurance both in terms of the risk assessment procedures and in performing the procedures to address the identified risks.

A 5% materiality threshold was applied to this assurance. It should be noted that the procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

# Independent Limited Assurance Statement (cont.)

## 8. Conclusion

On the basis of our methodology and the activities and limitations described above nothing has come to our attention to indicate that the Selected Information (a copy of which is contained in the table below) is not fairly stated in all material respects.

Such opinion is based on work undertaken and the limitations and exclusions defined in this statement.

Verified KPIs<sup>2,5</sup>:

Employees and Culture	
Employee Survey - Employee Participation rate (%)	82%
Employee Survey - Employee Engagement score	77
Employee Survey - Intent to Stay score	77
Employee Survey – Leadership Principles Score	78
DIEB* - Overall Workforce Diversity (%) (Global Gender and US Ethnicity) (%)	54.6%
DIEB - Global Gender Diversity (%)	43%
DIEB - US Ethnicity Diversity (%)	53.9%
Total Turnover Rate (%)	21%

\* Diversity, inclusion, equity, and belonging

Social Innovation	
Funds raised for non-profits and personal causes (USD Billions)	\$20.9b
Number of donors who gave to non-profits and personal causes (Millions)	51.9m
Total Capital to SMBs in 2023 (USD Billions)	\$2.7b
Total Capital to SMBs since 2013 (USD Billions) (excluding Paycheck protection program)	\$28.2b
Average Xoom International remittance rate (%)	2.93%

Responsible Business Practices	
Annual Compliance and Ethics Training completed (%)	100

Environmental Sustainability		
GHG Emission	Scope 1 – Total (MTCO2e in thousands)	3.5
	Scope 2 - Market-Based (MTCO2e in thousands)	9.8
	Scope 2 - Location-Based (MTCO2e in thousands)	86.8
	Scope 3 – Category 3 - Fuel and Energy Related Activities (FERA) not in S1/2 (Market Based) (MT CO2e)	8,995
	Scope 3 – Category 3 - Fuel and Energy Related Activities (FERA) not in S1/2 (Location Based) (MT CO2e)	23,016

	Scope 3 - Category 6 - Emissions from business travel (MT CO2e)	5,835
	Scope 3 – Category 7 - Emissions from Employee Commuting and Remote Working (MT CO2e)	18,330
Energy Use	Global Energy Use (renewable and non-renewable) (MWh in thousands)	243.1
	Renewable Energy as a % of total energy use	89%
	Renewable Energy as a % of data centre energy use	100%
Water	Water consumption (millions of US gallons)	56.8
GHG Reduction and Science-Based Targets Progress	Progress on GHG reduction target (%) (2019 baseline)	75.1%
	Progress on Vendor GHG Engagement Target (%) (75% vendors with science-based targets by 2025, by spend)	45.3%

## 9. Statement of Independence, Integrity and Competence

Bureau Veritas is an independent professional services company that specialises in quality, environmental, health, safety and social accountability with over 190 years history. Its assurance team has extensive experience in conducting verification over environmental, social, ethical and health and safety information, systems and processes.

Bureau Veritas operates a certified<sup>6</sup> Quality Management System which complies with the requirements of ISO 9001:2015, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, quality reviews and applicable legal and regulatory requirements which we consider to be equivalent to ISQM 1 & 2<sup>7</sup>.

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspection Agencies (IFIA)<sup>8</sup>, across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behaviour and high ethical standards in their day-to-day business activities. We consider this to be equivalent to the requirements of the IESBA code<sup>9</sup>. The assurance team for this work does not have any involvement in any other Bureau Veritas projects with PayPal.



### Bureau Veritas UK Ltd

Registered in England & Wales, Company Number: 1758622  
Registered Office: Suite 206 Fort Dunlop, Fort Parkway, Birmingham, B24 9FD

London  
May 01<sup>st</sup>, 2024

<sup>6</sup> All quantitative values follow convention of rounding to one decimal place  
<sup>7</sup> Certificate available on request  
<sup>8</sup> International Standard on Quality Management 1 (Previously International Standard on Quality Control 1) & International Standard on Quality Management 2  
<sup>9</sup> International Federation of Inspection Agencies – Compliance Code – Third Edition  
<sup>9</sup> Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants

# Additional Resources

## General Disclosures

- [Global Impact Website](#)
- [2024 Proxy Statement & 2023 Annual Report](#)
- [Investor Relations](#)
- [About PayPal](#)
- [PayPal Newsroom](#)
- [Corporate Governance](#)
- [Policies and Other Disclosures](#)
- [Mission, Vision, & Values](#)
- [PayPal Global Markets](#)
- [PayPal Ventures](#)

## Responsible Business Practices

- [Responsible Business Practices](#)
- [Security Center](#)
- [Trust & Privacy](#)
- [Privacy Statement](#)
- [Privacy Hub](#)
- [Code of Business Conduct & Ethics](#)
- [Third-Party Code of Conduct & Ethics](#)
- [Joint U.K. and Australia Modern Slavery Statement](#)
- [Government Relations](#)
- [Political Engagement and Transparency Policy](#)
- [Political Spending and Lobbying Disclosures](#)
- [Acceptable Use Policy](#)
- [PayPal Law Enforcement Portal](#)
- [PayPal Tax Policy](#)
- [Legal Hub](#)

## Social Innovation

- [Values in Action](#)
- [Small Business Spotlight Series](#)
- [Maggie Lena Walker Award](#)
- [PayPal Small Business Month](#)
- [About PayPal Products](#)
- [PayPal Giving Platform](#)
- [Business Resource Center](#)
- [PayPal Case Studies](#)
- [Digital Financing: Filling a Gap for Entrepreneurs Across the Country](#)
- [SMEs in the Era of Hybrid Retail](#)

## Employees & Culture

- [Employees & Culture](#)
- [PayPal Careers](#)
- [PayPal Global Benefits](#)
- [Supplier Diversity](#)
- [U.S. EEO-1 Reports](#)
- [PayPal Votes](#)
- [Community Impact Teams](#)

## Environmental Sustainability

- [Environmental Sustainability](#)
- [Environmental Risk Management Policy](#)
- [2023 CDP Climate Change Response](#)
- [TCFD Index](#)
- [A Gathering Storm: Why The Growth in Climate Hazards Matters for Household Financial Security](#)
- [Accounting for Cryptocurrency Climate Impacts](#)
- [Bitcoin, Green Mining, and the Possibility for a More Sustainable Future](#)

# Endnotes

<sup>1</sup> Unless otherwise expressly stated or the context otherwise requires, references to “we,” “our,” “us,” “the Company,” or “PayPal” refer to PayPal Holdings, Inc. and its consolidated subsidiaries.

<sup>2</sup> Formerly termed “environmental, social, and governance” and “ESG” in prior reporting, as used throughout this report, the terms “corporate sustainability and impact” and “CS&I” refer to strategies, initiatives, programs, and/or metrics related to PayPal’s management of non-financial risks and opportunities of significance to the Company’s business.

<sup>3</sup> Our combined payment solutions comprise our proprietary payment platform.

<sup>4</sup> As used throughout this report, the term “significance” and variations thereof refer to significance within the context of our CS&I strategies, activities, progress, metrics, and performance. Such term is distinct from, and does not refer to, concepts of materiality used in securities or other applicable law, and use of such term is not an indication that PayPal deems related information to be material or important to an understanding of the business or an investment decision with respect to PayPal securities.

<sup>5</sup> As designated by those topics in the shaded upper right-hand quadrant of our CS&I significance map.

<sup>6</sup> As of December 31, 2023.

<sup>7</sup> Ethnically diverse includes U.S. EEO-1 defined categories American Indian or Alaska Native, Asian, Black or African American, Hispanic or Latino, Native Hawaiian or Other Pacific Islander, or Two or More Races.

<sup>8</sup> As of March 27, 2024. Executive Leadership includes those individuals identified as Executive Officers of the Company in our 2024 Proxy Statement.

<sup>9</sup> Number of accounts enrolled since launch in October 2022 through December 31, 2023.

<sup>10</sup> Transaction loss rate represents transaction losses (including expensing associated with buyer and seller protection programs, fraud, and chargebacks) divided by our TPV (Total Payment Volume).

<sup>11</sup> Data Lifecycle Management includes collection, use, retention, disposal, sharing, transfer, access, and quality.

<sup>12</sup> As noted in our Privacy Statement, we only share personal data when legally permitted with third parties that meet our data protection standards.

<sup>13</sup> Does not include exempt employees that are on leave during the due date of trainings.

<sup>14</sup> Companies that receive a score of 90 or above indicating robust disclosure and oversight are identified as “Trendsetters” in the CPA Zicklin Index.

<sup>15</sup> Through PayPal Business Loans and PayPal Working Capital in the U.S., U.K., Australia, and Germany. Historical values throughout this report have been restated to exclude loans made through the U.S. Paycheck Protection Program. The lender for PayPal Working Capital, PayPal Business Loan, and PayPal Loan Builder is WebBank.

<sup>16</sup> Authorization rates measure the percentage of successfully approved transactions and payments by dividing the number of approved transactions by the total number of attempted transactions.

<sup>17</sup> On eligible card transactions.

<sup>18</sup> Since launch through December 31, 2023.

<sup>19</sup> The Venmo Mastercard® is issued by The Bancorp Bank, N.A.; Member FDIC, pursuant to a license by Mastercard International Incorporated. Mastercard is a registered trademark, and the circles design is a trademark of Mastercard International Incorporated. Card may be used everywhere Mastercard is accepted in the United States. The Bancorp Bank, N.A., is issuer of the Card only and not responsible for the associated accounts or other products, services, or offers from Venmo.

<sup>20</sup> PYUSD is issued by Paxos Trust Company, a fully licensed limited purpose trust company subject to regulatory oversight by the New York State Department of Financial Services.

<sup>21</sup> The total fee amount paid by Xoom customers as a % of the total remittances sent by Xoom customers during a given period (typically, calendar year). This can also be understood as the amount of revenue received by the Xoom product as a % of the total Xoom Payment volume.

<sup>22</sup> Number of Venmo charity profiles as of December 31, 2023.

<sup>23</sup> The data consist of funds processed by PayPal and Braintree to all nonprofits, which include organizations identified as charities, other nonprofits and elementary/secondary schools and universities, as well as donations to individuals and businesses from personal fundraising campaigns. We continue to revise prior period metrics based on improvements in data quality and calculation methodology.

<sup>24</sup> Represents the total number of nonprofit accounts supported each year.

<sup>25</sup> Does not include funds raised through personal fundraising.

<sup>26</sup> The holiday season is defined as the Tuesday before U.S. Thanksgiving through New Year’s Eve, or November 21, 2023 to December 31, 2023.

<sup>27</sup> All scores benchmarked against top technology peer index from survey provider, where available.

<sup>28</sup> Total diverse workforce representation is defined as global women and U.S. ethnically diverse men based on U.S. EEO-1 defined categories.

<sup>29</sup> Total turnover rate includes voluntary and involuntary employee attrition.

<sup>30</sup> Our annual employee survey consists of 25 questions sent to all PayPal employees. The survey is administered by a third-party organization that provides independent benchmarking and analysis. Scores are converted from a mean score on a five-point scale to a score out of 100.

<sup>31</sup> Whether the employee would recommend PayPal to their friends and/or is happy at PayPal.

<sup>32</sup> Whether the employee intends to work at PayPal in two years.

<sup>33</sup> Whether the employee agrees that Leadership Principles are a part of their day-to-day work.

<sup>34</sup> Self-paced learning courses offered through PayPal on LinkedIn Learning, Udemy, and O’Reilly that were accessed by employees.

<sup>35</sup> Pay equity analysis based on total compensation is defined as base salary, annual bonus, and annual equity awards.

<sup>36</sup> Workforce representation metrics are based on self-reported data. Due to rounding and exclusion of employees who do not self-identify, numbers presented may not reflect exact totals.

<sup>37</sup> Technical roles include employees in engineering, information technology, and technology operations.

<sup>38</sup> Professional is defined as Director roles and below.

<sup>39</sup> Leadership is defined as Senior Director roles and above.

<sup>40</sup> U.S. employees who have self-identified as “Non-Protected Veterans” and “Protected Veterans.”

<sup>41</sup> U.S. employees who have self-identified as LGBTQ+. Approximately 7% of U.S. employees responded as of December 31, 2023. This self-identify question is voluntary and the representation percent may vary based on broadened adoption among U.S. employees.

<sup>42</sup> Global employees who have self-identified as having a disability in countries where it is legally allowed or required to disclose.

<sup>43</sup> Diverse is defined as global women and U.S. ethnically diverse men based on U.S. EEO-1 defined categories. Leadership is defined as Senior Director roles and above.

<sup>44</sup> U.S. employees who identify as Black or African American, Hispanic or LatinX, American Indian or Alaska Native, Native Hawaiian or Other Pacific Islander, or Two or More Races.

<sup>45</sup> Each employee has the opportunity to have their volunteer time (\$10/hour) and donations matched by PayPal up to \$2,500 annually.

<sup>46</sup> Based on the results of our 2023 Glint Engage Survey.

<sup>47</sup> Number of employees that participated in community impact initiatives or activities, including volunteering, giving, and/or actions to integrate impact and sustainability into their daily lives.

<sup>48</sup> Includes donations, matching gifts, grants, and in-kind donations.

<sup>49</sup> In 2023, we refreshed the Environmental Risk Management Policy (formerly known as Environmental Sustainability Policy) to better reflect our emphasis on managing environmental and climate-related risks and opportunities.

<sup>50</sup> Operational greenhouse gas emissions include those emission sources covered by Scope 1 and Scope 2 market-based method (MBM) as defined by the Greenhouse Gas Protocol and the Science Based Targets initiative.

<sup>51</sup> To calculate the progress toward our goal of reaching 75% vendors by spend with a science-based target (SBT), we consider relevant annual spend with vendors who have set or committed to setting a SBT validated by the Science Based Targets initiative (SBTi), or have publicly disclosed a greenhouse gas (GHG) emissions reduction goal that is aligned with the latest SBTi criteria, even if not validated by SBTi. For vendors with an SBT set or commitment to set an SBT, their targets have been verified against the latest SBTi v4.2 and v5 criteria.

<sup>52</sup> PayPal’s Science Based Targets are informed by stakeholder consultation and validated by the Science Based Targets initiative (SBTi).

<sup>53</sup> PayPal sold the Happy Returns business unit in October 2023. 2022 and 2023 energy and operational emissions include warehouse site activity associated with Happy Returns for PayPal’s ownership period of the Happy Returns business unit. As of October 2023, warehouse site activity is no longer relevant.

<sup>54</sup> In 2019, the base year for our operational emissions target, Scope 1 and 2 market-based method (MBM) emissions totaled 53,100 metric tons. While we observed operational GHG reductions exceeding our 2025 goal, we recognize that this may change in future years as the Company continues to grow.

<sup>55</sup> Due to rounding, numbers presented may not reflect exact totals.

<sup>56</sup> Calculation includes operational emissions from all Scope 1 and 2 market-based method (MBM) sources, including corporate jet.

<sup>57</sup> Operational greenhouse gas emissions include those emission sources covered by Scope 1 and Scope 2 market-based method (MBM) as defined by the Greenhouse Gas Protocol and the Science Based Targets initiative. In 2019, the base year for our operational emissions target, Scope 1 and 2 emissions totaled 53,100 metric tons. While we observed operational GHG reductions exceeding our 2025 goal we recognize that in future years this may change as the Company continues to grow.

<sup>58</sup> Scope 2 emissions data is calculated using the GHG Protocol market-based method (MBM), which includes purchases of renewable energy based contractual instruments.

<sup>59</sup> Value chain (i.e., Scope 3) emissions inventory includes Fuel and Energy Related Activities (FERA), Business Travel emissions from air, rail, rental car, and hotel lodging, Spend-Based Purchased Goods & Services, Crypto Activity-Based emissions, Capital Goods, Upstream Transportation and Distribution, and Employee Commuting and Remote Working. Total Scope 3 emissions estimates are rounded to the nearest 1,000 metric tons CO<sub>2</sub>e to reflect limitations in the underlying data sources and estimation methodologies.

<sup>60</sup> PayPal does not control value chain (Scope 3) emissions and the methodologies for measuring these emissions are nascent and imprecise.

<sup>61</sup> Purchased goods and services, capital goods, and upstream transportation and distribution emissions estimates are determined using annual procurement spend and Economically Extended Input-Output emissions factors as published by the U.S. Environmental Protection Agency. Employee emissions are estimated using average office occupancy data, employee transportation survey data, and estimated incremental household energy intensity due to working from home. As a software and services business, substantially all of PayPal’s products and services are digital. Our preliminary analyses show that downstream Scope 3 emissions categories are not currently a significant source of emissions for PayPal. We will continue to assess the relevance and significance of all Scope 3 emissions categories.

<sup>62</sup> Water consumption data is collected from facilities under PayPal’s operational control utilizing direct reporting and estimated data. All PayPal data center premises are housed in co-location data center facilities and, as such, we do not have operational control of water use from data centers, nor do co-location data center facilities have the ability to measure water consumption for PayPal’s premises. We engage with our data center co-location providers on water management best practices as part of our overall service agreements and requirements.

<sup>63</sup> We selected metrics from both sets of SASB industry standards that reflect topics most directly applicable to our business and stakeholders. For some topics, including Customer Privacy, Data Privacy, Data Security, and Selling Practices, we do not report on all accounting metrics based on relevance to our business and our current disclosures.

<sup>64</sup> For additional information on select historical data not reported within this report, please see PayPal’s previous Global Impact Reports and other public disclosures.

<sup>65</sup> We report on select themes and metrics based on relevance to our business and our current disclosures.

<sup>66</sup> Each italicized response references an external document or resource relevant for this reporting year.

<sup>67</sup> As of December 31 of each year.

<sup>68</sup> Modified activity metric to provide relevant business information.

<sup>69</sup> A market is a geographic area or political jurisdiction, such as a country, territory, or protectorate, in which we offer some or all of our products and services.

<sup>70</sup> Please note that the applicable SCM framework metrics use the term “material.” We have used the term “significant” for consistency with this report. See page 6 for more information.

<sup>71</sup> As of December 31 of each year. Diverse is defined as women and U.S. ethnically diverse men based on U.S. EEO-1 defined categories.

<sup>72</sup> Total profiles since launch as of December 31 of each year.

<sup>73</sup> Total number of distinct nonprofits or causes supported each year.

<sup>74</sup> Represents the total number of nonprofit accounts supported each year. Does not include funds raised through personal fundraising.

<sup>75</sup> Prior year values were previously rounded and have been updated to reflect more detailed disclosure.

<sup>76</sup> Total turnover rate includes voluntary and involuntary employee attrition over the last 12 months ending December of each year.

<sup>77</sup> Prior year values have been restated to reflect updated calculation methodology.

<sup>78</sup> Number of development days saved in the year for engineers who completed proactive technical training classes versus individual learning.

<sup>79</sup> Workforce representation metrics in this section of the CS&I Performance Metrics Table are based on self-reported data. Due to rounding and exclusion of employees who do not self-identify, numbers presented may not reflect exact totals.

<sup>80</sup> FY23 values as of March 27, 2024, and all prior year values as of December 31 of each year. Executive Leadership includes those individuals identified as Executive Officers of the Company in our 2024 Proxy Statement. Diverse is defined as women and U.S. ethnically diverse men.

<sup>81</sup> Leadership is defined as Senior Director roles and above. Ethnically diverse includes U.S. EEO-1 defined categories American Indian or Alaska Native, Asian, Black or African American, Hispanic or Latino, Native Hawaiian or Other Pacific Islander, or Two or More Races.

<sup>82</sup> Values represent percentage of total voluntary and involuntary departures.

<sup>83</sup> Values represent percentage of total hires.

<sup>84</sup> Values represent percentage of total respective gender and ethnic group populations.

<sup>85</sup> Hours of capacity-building and skill-based volunteer activities, including coaching of entrepreneurs and small business owners, nonprofit board service, and pro bono support.

<sup>86</sup> Total Scope 3 emissions and spend-based emissions estimates are rounded to the nearest 1,000 metric tons CO<sub>2</sub>e to reflect limitations in the underlying data sources and estimation methodologies.

<sup>87</sup> Cryptocurrency-related emissions are estimated using calendar year activity data and the Hybrid Emissions Allocation Method as presented in the [Accounting for Cryptocurrency Climate Impacts](#) guidance published by Crypto Carbon Rating Institute and South Pole in 2022. Cryptocurrency-related emissions are accounted for as purchased goods and services, consistent with the GHG Protocol, Value Chain Standard.

<sup>88</sup> As part of our commitment to sustainable business travel, we have worked directly with preferred travel vendors to refine our emissions calculation methodology. We will continue to work with vendors to enhance the granularity of employee travel information upon which our business travel GHG emissions calculations are based.

<sup>89</sup> Employee commuting emissions are estimated using average monthly office attendance data, employee transportation survey data, and U.S. EPA transportation mode emissions factors and are limited by data availability. Employee remote working emissions are estimated using average monthly remote working data and the remote working emissions methodology published by Anthesis Group in the Estimating Energy Consumption and GHG Emissions for Remote Workers white paper. We will periodically review publicly available methodologies and evaluate opportunities to enhance the quality and quantity of data available for estimating employee commuting and remote working emissions.

<sup>90</sup> Calculated using the GHG Protocol location-based method (LBM), which does not incorporate contractual instruments such as energy attribute certificates.

<sup>^</sup> Received limited external assurance on this metric in current and/or previous reporting periods.