NEWS RELEASE

PayPal Announces New Employee Inducement Grants

7/21/2022

SAN JOSE, Calif., June 21, 2022 /PRNewswire/ -- PayPal Holdings, Inc. (NASDAQ: PYPL) today announced it has granted equity awards under its 2022 Inducement Equity Incentive Plan to new employees who joined PayPal. The Plan was approved and adopted by the Compensation Committee of the Board of Directors of PayPal Holdings, Inc. in June 2022.

PayPal has granted equity awards to 435 non-executive employees, which equity awards relate to or represent the right to receive, in the aggregate, up to 269,353 shares of PayPal Holdings, Inc. common stock. The following awards were granted on July 15, 2022:

- 411 employees received service-based restricted stock unit ("RSU") awards relating to up to 264,598 shares in the aggregate, with one-third (1/3) of the shares subject to such RSU awards vesting on the first anniversary of the grant date and one-twelfth (1/12) of the shares subject to such RSU awards vesting on each quarterly vesting date thereafter; provided however that in the event the value of an RSU award is converted into 24 or fewer underlying shares, one-third (1/3) of the shares subject to the RSU award will vest on each of the 12, 15 and 27 month anniversaries of the grant date, in each case conditioned upon each employee's continued employment on the vesting date(s).
- 23 employees received service-based, cash-settled restricted stock unit ("CSU") awards relating to up to 1,136 shares in the aggregate, with one-third (1/3) of the CSUs subject to such CSU awards vesting on the first anniversary of the grant date and one-twelfth (1/12) of the CSUs subject to such CSU awards vesting on each quarterly vesting date thereafter; provided however that in the event the value of a CSU award is converted into 24 or fewer CSUs, one-third (1/3) of the CSUs subject to the CSU award will vest on each of the 12, 15 and 27 month anniversaries of the grant date, in each case conditioned upon each employee's continued employment on the vesting date(s).

- 1 employee received performance-based restricted stock unit ("PBRSU") awards relating to a target of 1,969 shares in the aggregate, that are earned based on PayPal Holdings, Inc.'s performance over a three-year performance period, which, to the extent earned, will be vested and settled in February or March of the year immediately following the performance period, conditioned upon each employee's continued employment on the vesting date.
- 2 employees received performance-based restricted stock unit awards relating to a target of 1,650 shares in the aggregate, granted pursuant to the PayPal Annual Incentive Plan for 2022, that are earned based on PayPal Holdings, Inc.'s performance during 2022, which, to the extent earned, will be vested and settled in February of the year immediately following the 2022 performance period, conditioned upon each employee's continued employment on the vesting date.

The inducement grants were approved by PayPal's Compensation Committee of the Board of Directors, as required by Nasdaq Rule 5635(c)(4), and were granted as a material inducement to employment in accordance with Nasdaq Rule 5635(c)(4).

About PayPal

PayPal has remained at the forefront of the digital payment revolution for more than 20 years. By leveraging technology to make financial services and commerce more convenient, affordable, and secure, the PayPal platform is empowering 429 million consumers and merchants in more than 200 markets to join and thrive in the global economy. For more information, visit **https://www.paypal.com**.