NEWS RELEASE

PayPal Announces New Employee Inducement Grants

10/20/2022

SAN JOSE, Calif., October 20, 2022 /PRNewswire/ -- PayPal Holdings, Inc. (NASDAQ: PYPL) ("PayPal" or the "Company") today announced it has granted equity awards under its 2022 Inducement Equity Incentive Plan (the "Plan") to new employees who joined PayPal.

On October 15, 2022, PayPal granted equity awards under the Plan to John Kim in connection with his appointment as the Company's Chief Product Officer. These grants were included in Mr. Kim's offer letter as an inducement for him to accept employment. Mr. Kim's grants consist of:

- A service-based restricted stock unit ("RSU") award relating to up to 66,336 shares in the aggregate, with one-third (1/3) of the shares subject to such RSU award 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, in each case conditioned upon Mr. Kim's continued employment on the vesting date(s).
- A performance-based restricted stock unit award relating to a target of 2,066 shares in the aggregate, up to a maximum of 4,132 shares in the aggregate, that were granted pursuant to the PayPal Annual Incentive Plan for 2022, and are earned based on the Company'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 Mr. Kim's continued employment on the vesting date.

On October 15, 2022, PayPal also granted the following equity awards to 407 non-executive employees as an inducement for them to accept employment, which equity awards relate to or represent the right to receive, in the aggregate, up to 215,853 shares of PayPal Holdings, Inc. common stock:

- 392 employees received service-based restricted stock unit ("RSU") awards relating to up to 214,308 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).

- 15 employees received service-based, cash-settled restricted stock unit ("CSU") awards relating to up to 1,545 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).

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**.