

# Political Engagement and Transparency

Political contributions, lobbying expenditures, and interactions with government officials are subject to review and oversight by the Corporate Governance and Nominating Committee of PayPal Holdings, Inc.'s Board of Directors, PayPal's Chief Risk Officer, and the Vice President of Global Government Relations. PayPal's Executive Leadership establishes an annual budget and PayPal's Vice President of Global Government Relations retains final authority over the company's political spending decisions. Collectively, these individuals and the PayPal Board's Corporate Governance and Nominating Committee ensure compliance with PayPal's political spending policies.

## With respect to PayPal's Political Action Committee (PayPal PAC):

- PayPal PAC is controlled by an Executive Committee of the PayPal PAC Board of Directors. The Board of Directors is made up of a bipartisan group of U.S. employees from across the company. The PayPal PAC is subject to internal and external legal review.
- PayPal PAC complies with federal election laws and discloses its donations on a quarterly basis to the Federal Election Commission.
- PayPal PAC contributions are never made in exchange for, or in anticipation of, an official action.
- PayPal PAC contributions promote the interests of the company and are made without regard to individual political preferences of PayPal employees.
- PayPal PAC bases its giving decisions on a number of factors, most importantly, the policy stances of individual candidates or committees. Other factors PayPal considers include:
  - An assessment that each candidate respects our values of inclusion and collaboration, and that their public statements and behavior demonstrates integrity, trust and empathy.
  - Whether the candidate's public statements and behaviors are aligned with PayPal's mission, vision, and values.
  - The candidate's position and/or voting record on issues affecting PayPal and our community of customers.
  - The candidate's position on committees that work on legislation that is important to PayPal and its customers.
  - Representing states and congressional districts where PayPal has significant operations or employees.
  - The candidate's leadership position.

### **With respect to PayPal corporate contributions to candidates, political organizations and trade associations, as well as our lobbying activities:**

- Political contributions to candidates or political committees using corporate funds are only made in U.S. states and localities where it is legally permissible to do so. We utilize the same criteria for corporate political contributions as we do for PayPal PAC.
- All corporate political contributions are disclosed as required by state and local law.
- PayPal does not make independent expenditures in direct support of, or opposition to, candidates for elected office.
- Like most major corporations, PayPal is a member of many trade associations that also advocate on public policy. We seek information from each trade association on what portion of our dues are used for lobbying activities annually and that amount is reported in our annual trade association disclosures. No portion of any trade association dues payment is allocated towards that trade association's PAC or permissible for a political use other than lobbying activities.
- PayPal files quarterly federal lobbying disclosure reports as required by law. We also file state lobbying disclosure reports in the states where we retain contract lobbyists and reporting is required by state law.
- PayPal discloses all contributions made to state and local candidates, parties and committees, ballot initiatives, 527 groups or 501(c)(4) groups on PayPal's Reporting [website](#) under Political Transparency (*PayPal's State Disclosures*).