Environmental Sustainability Policy

At PayPal, our mission inspires us to be good corporate citizens, and we believe in making choices and conducting our business in a manner that is ethical and best serves our customers, employees, investors, and the public. As a global company, we recognize that our business has an impact on the planet and that our digital finance technology can help advance environmental progress for the benefit of all. We take a science-based approach to addressing climate change, managing natural resources, exploring environmental innovation across products and services, and engaging partners across our value chain.

The PayPal Environmental Sustainability Policy (“Policy”) codifies our environmentally responsible practices, in accordance with applicable regulatory requirements and international standards, across PayPal’s global operations, supply chain, and products and services determined to have material environmental impacts. Our Policy is written in accordance with the following international standards:

- ISO 14001: Environmental Management System (“ISO 14001”)
- The GHG Protocol: Corporate Accounting and Reporting Standard (“GHG Protocol”)
- The Task Force on Climate-related Financial Disclosures Guidelines, October 2021 (“TCFD”)
- Science Based Targets: SBTi Corporate Manual, Version 1.1 (“SBT”)
- Science-Based Targets: Science-Based Target Setting Manual, Version 4.1 (“SBT”)

This Policy is implemented through our Environmental Management System (“EMS”), which follows the Plan-Do-Check-Act model to facilitate continual Environmental Sustainability performance improvements and includes specific Procedures, Guidelines, and Records that document company processes. We conduct periodic assessments of our EMS to support effective decision-making, communicate results, and evaluate the training needs of relevant teams.

Our Environmental Sustainability program is overseen by the Corporate Governance and Nominating Committee of PayPal Holdings, Inc.’s Board of Directors and our EVP, Risk, Platform Services, and Legal in close partnership with our Chief Financial Officer, Chief Technology Officer, Chief Corporate Affairs Officer, and other executives. It is implemented by a cross-functional Environmental Working Group with guidance and direction from an ESG Steering Committee, both consisting of representatives from key business units and functions, in conformity with written Procedures and Guidelines.

Environmental risks and opportunities, including those that are climate-related, are regularly reviewed by these bodies and reflected in PayPal’s ESG Materiality Assessment. Material environmental risks are addressed as part of PayPal’s enterprise risk management process. Environmental objectives, targets, and programs are established by PayPal’s ESG Steering Committee and Senior Management and implemented by the Environmental Working Group to manage our key environmental risks and opportunities. Environmental performance is measured, analyzed, and evaluated regularly by Senior Management and disclosed publicly in accordance with the international standards identified above.
Consistent with our Policy, we are committed to the following environmental sustainability measures and practices:

- Managing our business in an environmentally responsible manner, addressing climate change, and preserving natural resources;
- Complying with applicable environmental laws and regulations;
- Mobilizing our employees, technology, and resources to support positive environmental impact initiatives in our communities and around the world;
- Measuring and evaluating our impacts on an annual basis, including against stated commitments and targets, such as our Science-Based Targets, to reduce these impacts;
- Quantifying our results, including our Scope 1, Scope 2, and relevant Scope 3 greenhouse gas (GHG) emissions as defined by the GHG Protocol and the Science-Based Targets initiative, and identifying opportunities to accelerate our progress;
- Reporting on our progress publicly as part of our annual Global Impact Report; and
- Engaging with stakeholders to advance our environmental sustainability priorities.

In addition to these commitments, PayPal has implemented environmental and occupational health and safety management systems. These are supported by an Environmental Health and Safety Policy which facilitates sound environmental health and safety practices in accordance with applicable laws and regulations.

We expect our suppliers to comply with the environmentally responsible business practices set out in PayPal’s Third-Party Code of Business Conduct & Ethics. In addition, through our engagement efforts, we encourage our suppliers to measure and manage their environmental impacts.

This Policy applies to PayPal and its subsidiaries, PayPal’s workforce, and third parties acting on PayPal’s behalf. It will be reviewed and updated every 18 months consistent with PayPal’s Policy Governance practices.