

Independent Limited Assurance Statement

INDEPENDENT LIMITED ASSURANCE STATEMENT

To: The Stakeholders of PayPal

Introduction and objectives of work

Bureau Veritas UK Limited (Bureau Veritas¹) has been engaged by PayPal to provide limited assurance of selected Environmental, Social and Governance (ESG) data for inclusion in "2020 Global Impact Report" (the Report). This Assurance Statement applies to the related information included within the scope of work described below.

Scope of Work

The scope of our work was limited to assurance over the accuracy of the ESG performance data listed below and included in the Report. Subject to Limitations and Exclusions set out below, our verification includes all operations under PayPal's control for the reporting period covering January 1, 2020 to December 31, 2020 for the following indicators (Selected Information):

- Funds raised for non-profits (USD);
- Cumulative capital provided to small- and medium-sized businesses since 2013 (USD);
- Annual access to capital for small- and medium-sized businesses (USD);
- Employee engagement score (%);
- PayPal-defined estimated minimum employee net disposable income, U.S. (%);
- Global Gender Diversity (%);
- US ethnicity Diversity (%);
- Average turnover rate (%);
- Greenhouse Gas (GHG) emissions – Scope 1 and Scope 2 (TCO2e);
- GHG emissions – Scope 3 emissions from business travel (TCO2e);
- Global energy use (kWh);
- Renewable energy (% of total energy use and % of data centres total energy use);

In addition, the assurance scope includes the following indicators for the period 1st January 2019 to 31st December 2019 as included in the Report:

- GHG emissions – Scope 1 and Scope 2 (TCO2e);
- GHG emissions – Scope 3 emissions from business travel (TCO2e);
- Global energy use (kWh);
- Renewable energy (% of total energy use and % of data centres total energy use);

Reporting criteria

The Selected Information has been prepared in accordance with internal definitions set for PayPal's ESG indicators. The GHG emissions data has been prepared taking into consideration The GHG Protocol Corporate Accounting Standard (revised edition).

Limitations and Exclusions

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

- the appropriateness of the reporting criteria;
- any activities outside the defined reporting period subject to the exception expressly stated in the Scope of verification; and
- any other information included in the Report other than the Scope of verification defined above.

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.

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

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, issued by the International Auditing and Assurance Standards Board.

Summary of work performed

As part of the independent verification, Bureau Veritas undertook the following activities remotely:

- conducting interviews with PayPal personnel 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 evidences provided by PayPal;
- agreeing a selection of the Selected Information to the corresponding source documentation;
- reviewing PayPal's 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.
- In addition to the Selected Information, the Scope 3 emissions from Fuel- and Energy- Related Activities (FERA) not included in scope 1 and 2 for 2019 and 2020 are undergoing ongoing review.

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.

Conclusion

On the basis of our methodology and the activities described above, nothing has come to our attention to indicate that the Selected Information is not fairly stated in all material respects.

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

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 certified¹ 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 and applicable legal and regulatory requirements.

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspection Agencies (IFIA)², 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.

The assurance team for this work does not have any involvement in any other Bureau Veritas projects with PayPal.



Bureau Veritas UK Ltd
20 April 2021
London

¹ Certificate available on request

² International Federation of Inspection Agencies – Compliance Code – Third Edition