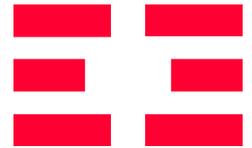




PayPal Holdings

Subsidiaries: Venmo, Braintree, Xoom, PayPal Honey, Paidy
 Locations: California (HQ)
 Industries: Payment Processing

RISK LEVEL:**High Risk****DESCRIPTION:**

PayPal is High Risk. The company yields to political activism in shaping corporate governance, potentially alienating consumers, dividing employees, and harming shareholders. The company implements race and identity-based policies that replace merit, excellence, and integrity with preferential treatment and outcomes. PayPal embraces corporate initiatives that redirect its central focus from business goals to partisan policies and divisive issues. This approach fails to safeguard free exercise, free speech, and free enterprise.

Corporate Weaponization

Has canceled customers, suppliers, or vendors due to their political views or religious beliefs OR corporately boycotts, divests, or sanctions regions, people groups, or industries. High Risk

PayPal has shut down numerous accounts for violating its Acceptable Use Policy, including GiveSendGo, a popular Christian crowdfunding platform (1). The company banned evolutionary biologist and writer Colin Wright from receiving payments after Mr. Wright claimed that there are biological differences between males and females and pushed back on postmodern gender theory (2)(3). PayPal held over \$100,000 from a business owner who makes American flags for 11 months after he made a wooden flag with President Trump on it. PayPal offered to give his money back if he agreed not to take legal action (4)(5). PayPal also partners with the SPLC and ADL to identify "hate groups" and "extremists" and consequently suspend their accounts (6)(7). PayPal also suspended the account of Moms for Liberty, only unfreezing the account after Florida Governor Ron DeSantis brought the matter to light (8). PayPal has threatened to drop its sponsorship of the Phoenix Suns if the owner remains a part of the organization after serving his one-year suspension for alleged racist and misogynist remarks (9). PayPal canceled the Gmail account of "Gays Against Groomers, a coalition of gays against the sexualization, indoctrination and medicalization of children" (10)(11). In the fall of 2022, PayPal announced a new Terms of Service Policy that would fine users \$2,500 for "misinformation." After immense and immediate backlash, PayPal changed the policy to fine users for "intolerance" as opposed to "misinformation" (12). The company banned Freedom Phone, a mobile phone startup with its own unregulated app store (13). It also suspended the personal account of British journalist Toby Young and later the account for his publication, the Daily Sceptic (14). The company reversed those suspensions after pressure from members of the British Parliament. PayPal suspended UsForThem, a group of parents fighting to keep schools open during COVID-19 (15). It cut ties with Alex Jones' owned company, InfoWars, for "hate and discriminatory intolerance" (16)(17). PayPal received a score of 100 on the 2025 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group. The company recruits employees based on sexual identity issues. The company discriminates against vendors that do not promote divisive sex and gender policies, indicating it prioritizes sexual issues over merit (18)(19).

Charitable giving (including employee matching programs) policies or practices discriminate against charitable organizations based on views or religious beliefs. High Risk

PayPal's HRC 2025 CEI rating indicates the company will not donate to non-religious charities unless they embrace controversial sexual identity policies (1)(2). The company does not publish charitable giving guidelines (3)(4). PayPal likely uses Benevity as its

charitable giving platform. Benevity vets charities according to the Southern Poverty Law Center's Hate List, which includes mainstream libertarian, conservative, family, and religious advocacy organizations (5)(6)(7).

Employment policies fail to protect against viewpoint or other discrimination and/or are ideological in nature.

High Risk

PayPal's HRC 2025 CEI rating indicates the company forces employees to attend multiple, controversial trainings on gender identity, sexual orientation, transgender issues, and divisive racial ideology. The company provides gender transition guidelines for its employees and a specific benefits guide with a comprehensive explanation of transgender services funded by the company (1)(2). The company does not provide viewpoint protections for its employees (3).

Corporate Governance and Public Policy

Uses corporate reputation to support causes, organizations, or policies hostile to freedom of expression.

High Risk

PayPal's HRC 2025 CEI rating indicates the company agrees to allow a controversial stakeholder group focused on sexual identity issues to dictate marketing or advertising strategy. By doing so, the company risks dividing employees, alienating customers and harming shareholders (1)(2). The company opposed various state and local legislation intended to protect parental rights, girls' sports, bathroom facilities, and gendered spaces (3)(4). The company opposed legislation in Iowa intended to protect parental rights, girls' sports, bathroom facilities, and gendered spaces (5). PayPal President & CEO, Dan Schulman, denounced various states' legislative efforts to protect election integrity and security (6)(7). The company opposed the Florida Parental Rights in Education Act, which would prohibit teaching gender identity and sexual orientation to kids in K-3rd grade (8). PayPal CEO, Dan Schulman, released a letter opposing the decision overturning Roe v. Wade (9). CEO, Dan Schulman, is a member of the Business Roundtable, which supports stakeholder capitalism over traditional shareholder obligations (10). The company signed an open letter endorsing the Equality Act, a contentious proposal to amend the 1964 Civil Rights Act by adding sexual orientation and so-called gender identity as protected categories. The legislation would, among other implications, grant biological men access to women-only spaces such as sports teams and public restrooms, and compel healthcare providers to deliver sex-denying healthcare (11). The company is committed to net zero carbon emissions by 2040 (12). It signed an amicus brief in opposition to the 2016 North Carolina bathroom bill HB2, which required people to use the bathroom of their biological sex (13). The company's former CEO, Dan Schulman, signed the CEO Action for Diversity & Inclusion pledge, which includes a commitment to promote DEI through bias education training in the workplace (14)(15). The company is a Ceres Network Member, committed to carbon neutrality by 2040 (16)(17)(18). The company rolled out "Conscious Inclusion" workshops for all its global employees (19).

Uses corporate funds to advance ideological causes, organizations, or policies hostile to freedom of expression.

High Risk

PayPal provides a benefits package for employees that covers travel/lodging costs for an abortion and transgender medical procedures for covered employees and dependents, including children (1)(2)(3)(4)(5). PayPal's HRC 2025 CEI rating indicates the company covers transgender related costs for its employees and their children, including paid short-term leave, puberty blockers, cross-sex hormones, chest surgeries, genital surgeries, medical visits and lab monitoring, travel and lodging. Additionally, the company has pledged philanthropic support of at least one organization or event that promotes sex and gender ideology. By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers and harming shareholders (6)(7). PayPal's Giving Fund has donated to the ACLU and Planned Parenthood and recently partnered with the ADL (8)(9)(10). The company is a silver sponsor of the HRC (11). After the events of 2020, PayPal donated to the

NAACP Legal Defense Fund and the National Urban League (12). PayPal is a partner of the HRC's Foundation (13). Otherwise, there are no publicly known cases of the company using corporate funds to advance ideological causes, organizations, or policies (14).

Uses corporate political actions and/or financial contributions for ideological, non-business purposes.

High Risk

PayPal's HRC 2025 CEI rating indicates the company publicly advocated for controversial sex and gender ideology through local, state or federal legislation or initiatives. By allowing a political stakeholder group to dictate operations, the company risks dividing employees, alienating customers and harming shareholders (1)(2). The company has not used its PAC donations or lobbying for ideological purposes (3)(4)(5).

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