

Risk Factors Comparison 2025-02-27 to 2024-02-28 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text** Section

The summary of risks below provides an overview of the principal risks we are exposed to in the normal course of our business activities: **Business, Economic, Market and Operating Risks** • Our operating and financial results are subject to various risks and uncertainties that could adversely affect our business, financial condition, results of operations and cash flows, as well as the trading price of our common stock and debt securities. • Substantial and increasingly intense competition worldwide in ecommerce may harm our business. • We are exposed to fluctuations in foreign currency exchange rates, which could negatively impact our financial results. • Our international operations and engagement in cross-border trade are subject to risks, which could harm our business. • Our business may be adversely affected by geopolitical events, natural disasters, seasonal factors and other factors, **, including increased usage of other websites,** that **could** cause our users to spend less time, or transact less, on our websites or mobile platforms and applications, ~~including increased usage of other websites.~~ • If we cannot keep pace with rapid technological developments or continue to innovate and create new initiatives to provide new programs, products and services, the use of our products and our revenues could decline. • Changes to our programs to protect buyers and sellers could increase our costs and loss rate, and failure to manage such programs effectively can result in harm to our reputation. • Operations and continued development of our payments system and financial services offerings require ongoing investment, are subject to evolving laws, regulations, rules, and standards, and involve risk, including risks related to our dependence on third-party providers. • We may be unable to adequately protect or enforce our intellectual property rights and face ongoing allegations by third parties that we are infringing their intellectual property rights. • Failure to deal effectively with fraudulent activities on our **Marketplace** platforms would increase our loss rate and harm our business, ~~and could severely diminish merchant and consumer confidence in and use of our services.~~ • **Cyberattacks and data security risks, including security breaches and cyberattacks incidents could significantly damage our reputation, reduce our revenues, increase our costs, result in litigation and regulatory penalties, and otherwise harm our business.** • Our business is subject to online security risks, including security breaches and cyberattacks incidents could significantly damage our reputation, reduce our revenues, increase our costs, result in litigation and regulatory penalties, and otherwise harm our business. • Systems failures and resulting interruptions in the availability of or degradation in the performance of our websites, applications, products or services could harm our business. • Our success largely depends on key employees. Because competition for key employees is intense, we may not be able to attract, retain, and develop the highly skilled employees we need to support our business. The loss of senior management or other key employees could harm our business. • Problems with or price increases by third parties who provide services to us or to our sellers could harm our business. **Regulatory and Legal Risks** • Our business is subject to extensive and increasing government regulation and oversight, which could adversely impact our business. • New laws and increasing levels of regulation in the areas of privacy ~~and,~~ protection of user data **and cybersecurity** could harm our business. • ~~Other~~ **We are subject to laws and regulations that are not primarily intended for online commerce, and interpretations of these** laws and regulations could harm our business. • Our disclosures and stakeholder expectations related to environmental, social and governance matters may impose additional costs and expose us to new risks. • We are regularly subject to litigation and regulatory and government inquiries, investigations and disputes, as our business evolves and as governments and regulators seek to extend new and existing laws to reach our business model. • We could be subject to regulatory or agency investigations and / or court proceedings under unfair competition laws that could adversely impact our business. • The listing or sale by our users of certain items, including items that allegedly infringe the intellectual property rights of rights owners, including pirated or counterfeit items, illegal items or items used in an illegal manner, may harm our business. • We are subject to risks associated with information disseminated through our services. **Interest Rate and Indebtedness Risks** • Fluctuations in interest rates, and changes in regulatory guidance related to such interest rates, could adversely impact our financial results. • We have substantial indebtedness, and we may incur substantial additional indebtedness in the future, and we may not generate sufficient cash flow from our business to service our indebtedness. Failure to comply with the terms of our indebtedness could result in the acceleration of our indebtedness, which could have an adverse effect on our cash flow and liquidity. **Tax Risks** • Our business and our sellers and buyers may be subject to evolving sales and other tax regimes in various jurisdictions, which may harm our business. • We may have exposure to greater than anticipated tax liabilities. **Transactional Risks** • Acquisitions, dispositions, joint ventures, strategic partnerships and strategic investments could result in operating difficulties and could harm our business or impact our financial results. ~~• We could incur significant liability if the Distribution of PayPal is determined to be a taxable transaction.~~ • We may be exposed to claims and liabilities as a result of the Distribution **of PayPal**. Risk Factors ~~• You should carefully review the following discussion of the risks that may affect our business, results of operations and financial condition, as well as our consolidated financial statements and notes thereto and the other information appearing in this report, for important information regarding risks that affect us. Current global economic events and conditions as well as evolving regulatory scrutiny may amplify many of these risks. These risks are not the only risks that may affect us. Additional risks that we are not aware of or do not believe are material at the time of this filing may also become important factors that adversely affect our business.~~ **Business, Economic, Market and Operating Risks** • Our operating and financial results have varied on a quarterly basis during our operating history and may continue to fluctuate significantly as a result of a variety of factors, including the following risks and other risks set forth in this “Risk Factors” section: • our ability to convert visits into sales for our sellers; • the amount and timing of expenses; • our success in attracting and retaining sellers and buyers; • changes in consumer **confidence and** discretionary spending trends, including shifts in interests away from any of our major categories; • our success in executing on our strategy and the impact of any changes in our strategy; • the timing and success of product launches, including new services and features we may introduce; • the success of our marketing efforts; and • the impact of

competitive and industry developments, including changes in the legal and regulatory landscape, and our response to those developments. In view of the rapidly evolving nature of our business, period- to- period comparisons of our operating results may not be meaningful, and you should not rely upon them as an indication of future performance. It is difficult for us to forecast the level or source of our revenues or earnings (loss) accurately, particularly given that substantially all of our net revenues each quarter come from transactions involving sales during that quarter. Due to the inherent difficulty in forecasting revenues, it is also difficult to forecast expenses as a percentage of net revenues. Quarterly and annual expenses as a percentage of net revenues reflected in our consolidated financial statements may be significantly different from historical or projected percentages. Because our business model is dependent upon consumer spending, our results of operations are sensitive to changes in or uncertainty about macro- economic conditions. Our buyers **have at times had, and** may in the future have **,** less capacity for discretionary purchases and may reduce their purchases from our sellers as a result of various factors, including job losses, inflation **or (such as recent** inflationary pressure **),** higher taxes, reduced access to credit, changes in federal economic policy, public health issues such as a pandemic, **recent** global economic uncertainty, **foreign exchange rate volatility,** lower consumer confidence and demand for discretionary goods, **elevated interest rates, changes in international tariff and trade policies,** and geopolitical events such as **recent international trade disputes and** the ongoing wars in Ukraine and in **Israel and Gaza, including the Middle East related disruptions to international shipping in the Red Sea.** The businesses and markets in which we operate are intensely competitive. We currently and potentially compete with a wide variety of online and offline companies providing **similar** goods and services to consumers and merchants, **some a number of which have significant resources, large are user communities and well- established brands with greater resources and larger user communities than our own.** The Internet and mobile networks provide new, rapidly evolving and intensely competitive channels for the sale of all types of goods and services. We compete **in as a two- sided markets marketplace,** and we must attract both buyers and sellers to use our platforms. Consumers who purchase or sell goods and services through us have **more many and more increasing** alternatives, and merchants have more channels to reach consumers. We expect competition to continue to intensify. The barriers to entry into these channels can be low, and businesses can easily launch online sites or mobile platforms and applications at nominal cost by using commercially available software or partnering with any of a number of successful ecommerce, search, advertising or social **media** companies. As we respond to changes in the competitive environment, we **may have made, from time and expect in the future to time,** make pricing, service, policy or marketing decisions or acquisitions that may be controversial with and lead to dissatisfaction among sellers or buyers. **. Any increase in seller or buyer dissatisfaction could negatively impact our revenue generation model, our costs or our business operations, any of** which could reduce activity on our platform and harm our reputation and profitability. We face increased competitive pressure online and offline. In particular, the competitive norm for, and the expected level of service from, ecommerce and mobile commerce has significantly increased due to, among other factors, improved user experience, greater ease of buying goods, lower (or no) shipping costs, faster shipping times and more favorable return policies. In addition, certain platform businesses, such as Alibaba, Alphabet (Google), Amazon, Apple and Meta (Facebook and Instagram), **many of which are larger than us or we are, have greater capitalization resources,** have a dominant and secure position in other industries or certain significant markets, **and or** offer other goods and services to consumers and merchants that we do not offer, **which can drive consumers to, and keep them locked- in to, their platforms instead of ours.** If we are unable to change our products, offerings and services in ways that reflect the changing demands of ecommerce and mobile commerce marketplaces, including if **our** sellers **on our platforms** are unable to source items or we are unable to provide **higher** service levels (some of which depend on services provided by sellers on our platforms) in line with consumer expectations, **or if we may not are unable to** compete effectively with and adapt to changes in larger platform businesses, **and** our business and reputation **will could** suffer. Competitors with other revenue sources or greater resources may also be able to devote more resources to marketing and promotional campaigns and buyer acquisition, adopt more aggressive pricing policies and devote more resources to website, mobile platforms and applications and systems development than we can. Other competitors may offer **or continue to offer** faster and / or free shipping, **delivery on Sunday,** same- day delivery, more favorable return policies **or and** other **superior** transaction- related services **which that** improve the user experience on their sites **and,** which could be impractical or inefficient for our sellers to match. Competitors may be more narrowly focused on particular types of goods and create compelling communities and **may** be able to innovate **faster and more quickly and** efficiently, and new technologies may increase these competitive pressures by enabling competitors to offer more efficient or lower- cost services. Some of our competitors control **other** products and services that are important to our success, including payment processing, Internet search, **social media, Gen AI features powered by large language models,** shipping and delivery resources **, and** mobile operating systems. Such competitors could manipulate pricing, availability, terms or operation of service related to their products and services in a manner that impacts our competitive offerings. For example, Alphabet, which operates a shopping platform service, has from time to time made changes to its search algorithms that have reduced the amount of search traffic directed to us from searches on Google. If we are unable to use or adapt to operational changes in such services, we may face higher costs for such services, face integration or technological barriers or lose customers, which could **cause harm** our business **to suffer.** Consumers **that who might use our sites to** buy goods **on our platforms** have a wide variety of alternatives **that compete against us regardless of their size or resources,** including traditional department, warehouse, boutique, discount and general merchandise stores (as well as the online and mobile operations of these traditional retailers), online retailers and their related mobile offerings, **direct- to- consumer offerings by makers of goods,** online **and offline** aggregation and classified services, social media platforms and other shopping channels, such as offline and online home shopping networks. **In the United States, these include, but are not limited to, Amazon, Facebook, Instagram, Google, TikTok, Walmart, Target, Best Buy, Macy' s, Etsy, Shopify, Wayfair, Temu, Shein, and Rakuten, among others. In addition to generalist retailers,** consumers **have may also use** a large number of online and offline channels **that are** focused on one or more of the categories of products offered on our sites **, including but not limited to, Vinted,**

StockX, TheRealReal, Back Market, Chrono24, Fanatics, Farfetch, RockAuto, and GOAT Group, among others. Consumers **that buy goods on our platforms can** also ~~can~~ turn to many companies that offer a variety of services that provide other channels **to find what they are looking** for buyers to find and buy items from sellers of all sizes, including social media, online aggregation and classifieds platforms, such as **Facebook Marketplace** websites operated by Adevinta or Naspers Limited and ~~others such as craigslist, Oodle, These.com and Meta.~~ Consumers **consumers can** also ~~can~~ turn to shopping- comparison sites, such as Google Shopping, or social networks that enable purchases such as **Pinterest, Facebook, Instagram and TikTok**. **Our competitors may partner with one another and create product offerings or implement advertising or marketing strategies that may be more compelling to customers than our standalone experience**. In certain markets, our fixed- price listing and traditional auction- style listing formats **are** increasingly ~~are~~ being challenged by other formats, such as ~~classifieds~~ **social commerce and business models, such as free- to- sell marketplaces**. We use product search engines and paid search advertising to help users find our sites, but these services also have the potential to divert users to other online shopping destinations. **These Consumers consumers** may choose to search for products and services with a horizontal search engine or shopping comparison website, and such sites may also send users to other shopping destinations. In addition, sellers are increasingly utilizing multiple sales channels, including ~~the acquisition of new customers by paying for search- related advertisements on horizontal search engine sites, such as Google, Naver~~ **to attract new customers. We expect Gen AI to have a significant impact on the future of ecommerce, as AI technologies become increasingly important for consumers buying and Baidu** selling goods online. If we are unable to identify popular Gen AI providers and AI technologies, or if we fail to **utilize those technologies or develop our own technologies, our business may be harmed. For example, consumers may increasingly search for products using chatbots, virtual assistants or other Gen AI technologies powered by large language models instead of using traditional search engines. If current and future AI technologies do not send referrals to eBay at the rate of traditional search engines for any reason, the amount of buyer and seller traffic using our platforms could decrease, which could negatively impact on our business and results of operations**. Consumers and merchants **that who might use our sites to sell goods on our platforms** also have many alternatives, including general ecommerce ~~sites marketplaces~~, such as Amazon ~~and~~ Alibaba ~~and~~ Zalando, and more specialized **marketplaces that focus on discrete categories of products** sites, such as Etsy. Our international sites also compete for sellers with general and specialized ecommerce sites. Sellers may also choose to sell their goods through ~~other alternative~~ channels, such as multi-channel services like Shopify or ~~classifieds~~ **social media** platforms. Consumers and merchants also can create and sell through their own sites ~~and~~ may choose to purchase online advertising instead of using our services. ~~In some countries~~ **Any of these alternatives or specialists may be able to more quickly and efficiently deliver attractive consumer experiences, which could drive consumers away from our Marketplace platforms and harm our business. Although eBay has global reach,** there are ~~online sites~~ ecommerce businesses in many locations ~~that have larger local customer bases and or greater brand recognition~~ **than we do in those locations and markets. Regardless of their size or brand recognition, local as well as competitors that may have a better understanding of local culture and commerce and be better positioned to quickly and effectively deliver the experiences that these local consumers want, which could drive down consumer traffic to our Marketplace platforms and harm our business**. We ~~may expect to~~ increasingly compete with local competitors in developing countries that have these or other unique advantages, such as a greater **familiarity with, and** ability to operate **efficiently** under ~~local regulatory authorities~~. **Our business is designed to appeal broadly to a diverse global community of buyers and sellers. In recent years, our growth strategy has increasingly emphasized certain specialized categories that we call Focus Categories. Examples of these Focus Categories include motor parts and accessories, collectibles, refurbished goods, and authenticated luxury items. However, buyers and sellers in our Focus Categories often have unique product and service needs. We devote substantial time and resources to ensuring that we provide the platform experiences that our focus category consumers and consumers broadly want. In doing so, we compete with smaller, specialized ecommerce sites that cater to the buyers and sellers in these product categories. Because of the size and complexity of our Marketplace platforms, we may fail to address the unique needs of focus category buyers and sellers as quickly and efficiently as specialist competitors. If we fail to timely deliver the product features desired in our focus and other categories, we may lose customers to the specialist competitors that serve these categories, which could reduce our consumer base and harm our business and operating results**. We generate a meaningful amount of our revenue from our Promoted Listings (a first- party advertising offering) and, to a lesser extent, third- party advertising. To sustain or increase our advertising revenue, we must continue to provide customers with compelling advertising products to maintain or increase the amount of advertising purchased through our platform. If we are unable to compete effectively for advertising spend, our business and operating results could be harmed. In addition, certain manufacturers or brands may seek to limit or cease distribution of their products through online channels, such as our sites. Manufacturers may attempt to use contractual obligations or existing or future government ~~regulation~~ **regulations** to prohibit or limit ecommerce in certain categories of goods or services. Manufacturers may also attempt to enforce minimum resale price maintenance or minimum advertised price arrangements to prevent distributors from selling on our platforms or on the Internet generally, or drive distributors to sell at prices that would make us less attractive relative to other alternatives. The adoption of those or other policies could adversely affect our results of operations and result in loss of market share and diminished value of our brands. The principal competitive factors for us include the following: • ability to attract, retain and engage buyers and sellers; • volume of transactions and price and selection of goods; • trust in the seller and the transaction; • customer service; • brand recognition; • community cohesion, interaction and size; • website, mobile platform and application ease- of- use and accessibility; • system reliability and security; • reliability of delivery and payment, including customer preference for fast delivery and free shipping and returns; • level of service fees; and • quality of search tools. ~~We~~ **While we believe we compete effectively across these factors, our competitors, including any of the businesses, channels and buying and selling alternatives discussed above, may be more**

unable to compete successfully -- **successful** against current **across these factors either globally or in important local markets, which could reduce the number of buyers** and future competitors. Some current sellers on our Marketplace platforms, and potential competitors have longer **materially adversely affect our results of operating operations** histories, larger customer bases and greater brand -- **and recognition in other business and Internet sectors than we do**. Because we generate approximately half of our **net** revenues outside the United States but report our financial results in U. S. dollars, our financial results are impacted by fluctuations in foreign currency exchange rates, or foreign exchange rates. The results of operations of many of our internationally focused platforms are exposed to foreign exchange rate fluctuations as the financial results of the applicable subsidiaries are translated from the local currency into U. S. dollars for financial reporting purposes. While from time to time we enter into transactions to hedge portions of our foreign currency translation exposure, it is impossible to predict or eliminate the effects of this exposure. Fluctuations in foreign exchange rates could significantly impact our financial results, which may have a significant impact on the trading price of our common stock and debt securities. Our international businesses, especially in the United Kingdom, Germany and Australia, and cross-border business from greater China, have generated approximately half of our net revenues in recent years. In addition to uncertainty about our ability to generate revenues from our foreign operations and expand into international markets, there are risks inherent in doing business internationally, including: • uncertainties and instability in economic and market conditions resulting from inflationary pressures, increasing interest rates and the ongoing wars in Ukraine and in **Israel and Gaza, including the Middle East related disruptions to international shipping in the Red Sea**; • uncertainties caused by decreasing consumer confidence and demand for discretionary goods; • expenses associated with localizing our products and services and customer data, including offering customers the ability to transact business in the local currency and adapting our products and services to local preferences (e. g., payment methods) with which we may have limited or no experience; • economic and trade sanctions, trade barriers **or other restrictions on foreign trade** and changes in trade regulations **and restrictions, including between the United States and other countries**; • difficulties in developing, staffing, and simultaneously managing a large number of varying foreign operations as a result of distance, language, and cultural differences; • stringent local labor laws and regulations; • credit risk and higher levels of payment fraud; • profit repatriation restrictions, foreign currency exchange restrictions or extreme fluctuations in foreign currency exchange rates for a particular currency; • global or regional economic conditions that impact companies and customers with which we do business; • political or social unrest, economic instability, repression, or human rights issues; • geopolitical events, including natural disasters, public health issues (including pandemics), acts of war (such as the ongoing wars in Ukraine and in **Israel and Gaza the Middle East**), and terrorism; • supply chain **challenges, including fluctuations in shipping costs, limitations on shipping and receiving capacity, and other supply chain** disruptions including the ongoing **disruptions to international shipping in the Red Sea**; • import or export regulations, including the complexities of seller compliance with “de minimis thresholds,” **trade policies and tariffs in any of the countries where we operate or our users exist, customs** and other parallel regulations across the broad range of categories and products offered on our platforms; • compliance with U. S. laws such as the Foreign Corrupt Practices Act, and foreign laws prohibiting corrupt payments to government officials, as well as U. S. and foreign laws designed to combat money laundering and the financing of terrorist activities; • antitrust and competition regulations; • potentially adverse tax developments and consequences; • economic uncertainties relating to sovereign and other debt; • different, uncertain, or more stringent user protection, data protection, data localization, privacy, **AI** and other data and consumer protection **and environmental** laws; • risks related to other government regulation or required compliance with local laws; • national or regional differences in macroeconomic growth rates; • payment intermediation regulations; • local licensing and reporting obligations; and • increased difficulties in collecting accounts receivable. Violations of the complex foreign and U. S. laws and regulations that apply to our international operations may result in fines, criminal actions, or sanctions against us, our officers, or our employees; prohibitions on the conduct of our business; and damage to our reputation. **The United States government (including the Department of Treasury’s Office of Foreign Assets Control and the Department of Commerce’s Bureau of Industry and Security) and other jurisdictions and international bodies have imposed sanctions and export controls that prohibit us and our customers from engaging in trade or financial transactions with certain countries, businesses, organizations and individuals. In addition to the aforementioned adverse effects, these restrictions could also require us to divest certain of our businesses and assets and restrict our ability to operate in certain jurisdictions. Export control and economic sanctions laws and regulations are complex and likely subject to frequent changes, and the interpretation and enforcement of the relevant regulations involve substantial uncertainties, which may be driven by political and / or other factors that are out of our control or heightened by national security concerns.** Although we have implemented policies and procedures designed to promote compliance with these laws, there can be no assurance that our employees, contractors, ~~or~~ **agents, or customers** will not violate our policies. These risks inherent in our international operations and expansion increase our costs of doing business internationally and could harm our business. Cross-border trade is an important source of both revenue and profits for us. Cross-border trade also represents our primary (or in some cases, only) presence in certain important markets, such as China, and various other countries. The interpretation and / or application of laws, such as those related to intellectual property rights of authentic products, selective distribution networks, and sellers in other countries listing items on the Internet, could impose restrictions on, or increase the costs of, purchasing, selling, shipping, or returning goods across national borders. The shipping of goods across national borders is often more expensive and complicated than domestic shipping. Changes to customs authorities’ “de minimis” thresholds, as well as increased costs or fees for third party sellers, logistics providers, or online marketplaces associated with changes in customs policy, **as well as tariffs, and any other factors trade policies** that increase the costs of cross-border trade or restrict, delay, or make cross-border trade more difficult or impractical would lower our revenues and profits and could **negatively affect cross-border trade in countries where we conduct our business, which could reduce the number of consumers using our platforms and** harm our business **and results of operations. Several countries are**

considering or have implemented tariffs or other trade barriers or restrictions, as well as other measures impacting cross-border commerce, which could negatively affect our business and our users. The United States has implemented tariffs on certain foreign goods and may implement additional tariffs in the future. For example, in February 2025, the U. S. administration issued three Executive Orders imposing tariffs of 25 % on goods imported from Canada and Mexico and an additional 10 % on goods imported from China (including Hong Kong). The tariffs on imports from China took effect on February 4, 2025, while the tariffs on imports from Canada and Mexico were suspended until March 4, 2025. Such tariffs would eliminate the “ de minimis ” exemption from customs duties and taxes for imported goods falling below a threshold value. The elimination of the “ de minimis ” rule is paused pending the implementation of a system to collect tariffs on such imports. Such actions could give rise to an escalation of trade measures by the United States and impacted countries. For example, after the tariffs on goods imported from China went into effect, China announced retaliatory tariffs on certain goods imported from the United States. In addition, in February 2025, the U. S. administration announced plans to levy reciprocal tariffs against countries taxing U. S. imports. Developments with regard to the timing and manner in which tariffs will be implemented, the amount, scope and nature of tariffs, the countries subject to new or additional tariffs imposed by the United States, and tariffs imposed by other countries on goods imported from the United States are rapidly evolving and may change unexpectedly at any time. Trade policy developments in the countries in which our buyers and sellers operate or procure their items, could significantly impact the cost of items sold internationally on our Marketplace platforms, limit our ability and the ability of our sellers to offer and deliver products on a timely or cost-effective basis, or otherwise adversely impact our consumers’ ability to sell products on our platforms. Further, adapting to new and changed trade restrictions can be expensive, time-consuming and very disruptive to our buyers and sellers. For example, tariffs generally apply based on the manufacturing location, rather than the selling location, of goods. These distinctions can be confusing for our sellers and lead to platform solutions that fail to satisfy all of our consumers. If we fail to quickly develop compliant shipping services that take manufacturing location into account when calculating tariff payments, our business to consumer sellers may be dissuaded from using our platforms. However, those same services may dissuade our consumer to consumer sellers from using our platforms, because they serve to increase the cost of the items they are selling. Any change to the cost of buying and selling goods internationally, or even the public perception that such changes are imminent or could occur in the future, may reduce consumer confidence and the number of consumers using our platforms, drive consumers to alternative competitors or buying and selling channels and lead to a decrease in buying and selling on our platforms. Any such outcome could materially harm our consumers and our business, financial performance and results of operations. Although we are closely monitoring these developments to adapt to changing trade policies, there can be no assurances that we will be successful in mitigating any negative impacts . Our users may spend less time on our websites and our applications for mobile devices as a result of a variety of diversions and other factors, including: geopolitical events, such as war (including the ongoing wars in Ukraine and Israel and Gaza, including the related disruptions to international shipping in the Red Sea/Middle East), the threat of war, social or political unrest, or terrorist activity; natural disasters; the physical effects of climate change (such as drought, flooding, wildfires, increased storm severity and sea level rise); and potential increases in the cost of energy due to climate change; power shortages or outages; major public health issues, including pandemics; less discretionary consumer spending; social networking or other entertainment websites or mobile applications; significant local, national or global events capturing the attention of a large part of the population; and seasonal fluctuations due to a variety of factors. If any of these, or any other factors, divert or otherwise prevent our users from using or transacting on our websites or mobile applications, our business could be materially adversely affected. In 2023, we experienced reduced traffic in most markets resulting from geopolitical events (such as the ongoing war in Ukraine), inflationary pressure, foreign exchange rate volatility, elevated interest rates and lower consumer confidence. These factors are negatively impacting discretionary consumer spending and may continue to do so indefinitely, which could harm our business. Rapid, significant technological changes continue to confront the industries in which we operate , and we cannot predict the effect of technological changes on our business. We also continuously strive to create new initiatives and innovations that promote growth, such as our payments financial services and advertising offerings , and other features that enhance the customer experience. We are also increasingly leveraging Developing new features can be complex, time-consuming and costly, and our investments in new innovations may not yield the expected business or financial benefits. If we fail to anticipate or identify technological trends or fail to devote appropriate resources to adapt to such trends, our business could be harmed. For example, the role of AI technologies, including Gen AI- AI , in ecommerce is increasing. We expect the importance of platform referrals from AI technologies to increase over time, as buyers and sellers increasingly rely on AI to help with buying and selling decisions. In particular, we are devoting significant capital and management time and resources to use large language models to improve our products and services and to build and expand our capabilities, including our processing capacity, proprietary datasets, machine learning models and systems. While we have substantial proprietary datasets that we believe can help us develop effective capabilities, like many companies, we are new entrants into the Gen making investments to expand our use of GAI- AI space. We may be slower and less efficient than our competitors in developing our Gen AI capabilities and in optimizing and utilizing our dataset assets with other AI technologies. We may also fail to identify the AI technologies that consumers want, fail to invest sufficiently in those AI technologies, or otherwise fail to incorporate those technologies into our products and services in a timely, effective and compliant manner. Any of these outcomes could place our business at a competitive disadvantage compared to our competitors, many of whom may not yet exist or be identified. If we fail, for any reason, to receive sufficient AI referrals to our Marketplace platforms, to acquire, develop or license AI technology capabilities, to utilize our proprietary datasets effectively, or to provide our buyers and sellers the AI features that matter to them, our buyers and sellers or both may choose alternatives to eBay,

which could reduce our platform traffic or profits or both, and harm our business. In addition to our own initiatives and innovations, we rely in part on third parties, including some of our competitors, for the development of and access to new technologies, ~~including GAI tools~~. We expect that new services and technologies applicable to the industries in which we operate will continue to emerge. These new services and technologies may be superior to, or render obsolete, the technologies we currently use in our products and services. Incorporating new technologies into our products and services may require substantial expenditures and take considerable time, and ultimately may not be successful. For example, **Gen GAI- AI** is a new and rapidly developing technology in its early stages of commercial use and presents certain inherent risks. ~~GAI algorithms are based on machine learning and predictive analytics, which can create unintended biases and discriminatory outcomes, and outputs can be completely fabricated or false (e.g., GAI hallucinatory behavior) or contain copyrighted or other protected material~~. There is a risk that our algorithms could produce **such false outcomes (e.g., Gen AI hallucinatory behavior)** or other unexpected results or behaviors that could harm our reputation, business, or buyers and sellers, **such as containing third party copyrighted or other protected content**. **In addition some cases, we use open source Gen AI software and datasets, which may lead to intellectual property disputes, including intellectual property ownership** ~~our~~ **or ability to adopt new services copyright infringement disputes. New and changing develop new technologies, may be inhibited by industry- wide standards, new and laws and regulations can also impact, resistance to change from our users, clients or our merchants ability to develop and implement the programs, products and services that or our third parties' intellectual property rights consumers want in a timely, effective and compliant manner**. In particular **For example**, the AI regulatory landscape is still uncertain and evolving, and the development and use of AI technologies, including **Gen GAI- AI**, in new or existing products **and features** may **result in be subject to** new or enhanced governmental or regulatory activity **restrictions** and scrutiny, litigation, ethical concerns or other complications **over** that could be costly and time ~~consuming~~ and could adversely affect our **business, reputation or financial results**. Our future success ~~will depend~~ **depends not only** on our ability to develop new technologies, **but also on our ability to identify and adapt to the technological changes that matter to our consumers** and evolving **legal, regulatory and industry standards that will govern those technologies. A shift in industry standards or laws and regulations could render some of our products and services obsolete or place them at a competitive disadvantage against other consumer buying and selling alternatives. We may lack the time, resources or experience to deliver the products and services that our consumers need when they need them, which could impact our ability to attract buyer and sellers to our platforms and harm our business. For example, our AI technologies will need to comply with AI regulations in all of our markets. We expect AI regulations in certain markets, such as the European Union and the United States, to be more restrictive than in other markets, which can place us at a disadvantage compared to companies that do not focus on markets with the most restrictive AI regulations. It may be more expensive or time consuming to develop an AI technology that satisfies AI regulations in each market that we serve and we cannot guarantee we will have the time or resources to develop multiple, compliant versions of these technologies**. Our eBay Money Back Guarantee program **is intended to** ~~represents the means by which we compensate users who believe that they have been defrauded,~~ have not received the item that they purchased or have received an item different from what was described. We expect to continue to receive communications from users requesting reimbursement or threatening or commencing legal action against us if no reimbursement is made. Litigation, legislation, or regulation involving liability for any ~~such third~~ **seller fraud or non-performance** ~~party actions~~ could result in increased costs of doing business, lead to adverse judgments or settlements or otherwise harm our business. In addition, affected users **may** will likely complain to regulatory agencies that could take action against us, including imposing fines or seeking injunctions. Since ~~our recent transition~~ **transitioning** to our payments **system platform**, we have ~~also~~ experienced and may continue to experience increased costs from chargebacks on payments, due to instances of forced transaction reversals initiated by buyers through their payment card issuers. These forced transaction reversals can be initiated for a number of reasons, including, but not limited to, alleged **seller** fraud or ~~seller~~ nonperformance, ~~among others~~. Additionally, ~~in order~~ to further strengthen our buyers' confidence and trust in our services and the goods offered on our Marketplace **platforms**, we ~~introduced~~ **offer authentication services, including our** Authenticity Guarantee **program. These, an independent authentication service services, are available** in 2020 in select **certain of our** categories in the United States and ~~have since expanded this service to more luxury categories and more markets~~. If we are unable to effectively manage the authentication process, including the third- party service providers on which we rely for ~~much~~ **a significant volume** of our item authentication, **or if our buyers and sellers do not value these processes**, we may suffer harm to our reputation and may be subject to litigation, which could be costly and time ~~consuming~~ for us **and harm our business**. We have invested and plan to continue to invest internal resources into our payments tools in order to maintain existing availability, expand into additional markets and offer new payment methods and other types of financial services to our buyers and sellers. If we fail to invest adequate resources into payments on our platform, or if our investment efforts are unsuccessful, unreliable or result in system failure, our payments and financial services may not function properly or keep pace with competitive offerings, which could negatively impact their usage and our Marketplace **platforms**. Future errors, failures or outages could cause our buyers and sellers to lose confidence in our payments system and could cause them to cease using our Marketplace **platforms**. If we transition to new third- party payment service providers for any reason, we may be required to invest significant financial and personnel resources to support such transition or could be unable to find a suitable replacement service provider. As we offer new payment methods and financial services to our sellers and buyers, we are now subject to additional regulations and compliance requirements, and exposed to heightened fraud and regulatory risk, which could lead to an increase in our operating expenses. We rely on third- party service providers to perform services ~~related to compliance~~, **including**, among ~~other others~~ **activities**, credit card processing, payment disbursements, currency exchange, identity verification, sanctions screening, and fraud analysis and detection. As a result, we are subject to a number of risks related to our dependence on third- party service providers. If any or some of these service providers fail to perform adequately or if any such service provider were to terminate

or modify its relationship with us unexpectedly, our sellers' ability to use our platform to receive orders or payments could be adversely affected, which ~~would~~ **could** increase **our** costs, drive sellers away from our marketplaces, result in potential legal liability, and harm our business. In addition, we and our third- party service providers may experience service outages from time to time that could adversely impact payments made on our platform. Additionally, any unexpected termination or modification of those third- party services could lead to a lapse in the effectiveness of certain fraud prevention and detection tools. Our third- party service providers may increase the fees they charge us in the future, which ~~would~~ increase our operating expenses. This could, in turn, require us to increase the fees we charge ~~to sellers~~ and cause some **buyers or** sellers to reduce **purchases or** listings on our ~~Marketplaces~~ **Marketplace platforms** or to leave our platform altogether by closing their accounts. Payments and other financial services are governed by complex and continuously evolving laws and regulations that are subject to change and vary across different jurisdictions in the United States ~~and~~ globally. As a result, we are required to spend significant time and effort to determine whether various licensing and registration laws as well as privacy and secrecy laws relating to payments and other financial services we offer apply to us and to comply with applicable laws and licensing and registration regulations. In addition, there can be no assurance that we will be able to obtain or retain any necessary licenses or registrations. Any failure or claim of failure by us or our third- party service providers to comply with applicable laws and regulations relating to payments or financial services could require us to expend significant resources, result in liabilities, limit or preclude our ability to enter **or continue to operate in** certain markets and harm our reputation. In addition, changes in payment regulations, or other financial regulation, including changes to the credit or debit card interchange rates in the United States or other markets, could adversely affect payments on our platform and make our payments systems less profitable. Further, we are indirectly subject to payment card association operating rules and certification requirements pursuant to agreements with our third- party payment processors. These rules and requirements, including the Payment Card Industry Data Security Standard and rules governing electronic funds transfers, are subject to change or reinterpretation, making it difficult for us to comply. Any failure to comply with these rules and certification requirements could impact our ability to meet our contractual obligations to our third- party payment processors and could result in potential fines. In addition, changes in these rules and requirements, including any change in our designation by major payment card providers, could require a change in our business operations and could result in limitations on or loss of our ability to accept payment cards or other forms of payment, any of which could negatively impact our business. Such changes could also increase our costs of compliance, which could lead to increased fees for us or our sellers and adversely affect payments on our platform or usage of our payments services and Marketplace **platforms**. Our payments system is susceptible to illegal uses, including money laundering, terrorist financing, fraud and payments to sanctioned parties. If our compliance program and internal controls to limit such illegal activity are ineffective, government authorities could bring legal action against us or otherwise suspend our ability to offer ~~payment~~ **payments or financial** services in one or more markets. We believe the protection of our intellectual property, including our trademarks, patents, copyrights, domain names, trade dress, and trade secrets, is **critical** **important** to our success. We seek to protect our intellectual property rights by relying on applicable laws and regulations in the United States and internationally, as well as a variety of administrative procedures. We also rely on contractual restrictions to protect our proprietary rights when offering or procuring products and services, including confidentiality and invention assignment agreements entered into with our employees and contractors and confidentiality agreements with parties with whom we conduct business. However, effective intellectual property protection may not be available in every country in which our products and services are made available, and contractual arrangements and other steps we have taken to protect our intellectual property may not prevent third parties from infringing or misappropriating our intellectual property or deter independent development of equivalent or superior intellectual property rights by others. Trademark, copyright, patent, domain name, trade dress and trade secret protections are very expensive to maintain and may require litigation. Patent protection may not be available or obtainable for our proprietary rights, or patent applications may not issue. We must protect our intellectual property rights and other proprietary rights in a significant number of jurisdictions, a process that is expensive and time consuming and may not be successful in every jurisdiction. Also, we may not be able to discover or determine the extent of any unauthorized use of our proprietary rights. We have licensed in the past, and expect to license in the future, certain of our proprietary rights, such as trademarks or copyrighted material, to others. These licensees may take actions that diminish the value of our proprietary rights or harm our reputation. Any failure to adequately protect or enforce our intellectual property rights, or significant costs incurred in doing so, could materially harm our business. **Third parties have from time to time claimed, and others may claim in the future, that we have infringed their intellectual property rights**. Additionally, we have repeatedly been sued for allegedly infringing other parties' patents. We are a defendant in various patent suits and ~~have been notified of several~~ **we are likely to be named as a defendant in other patent suits, or other intellectual property suits, in the future. These claims involve various aspects of our business as our products and services continue to expand in scope and complexity. Such claims may be brought directly or indirectly against us and / or against our customers (who may be entitled to contractual indemnification under their contracts with us), and we are subject to increased exposure to such claims as a result of our acquisitions and divestitures or where we are entering new lines of business. We also face the risk that third parties will claim that we are responsible for seller content that infringes their intellectual property rights. We may become more vulnerable to these types of third- party claims as laws such as the Digital Millennium Copyright Act, the Lanham Act and the Communications Decency Act are interpreted by the courts, and as we expand the scope of our business (both in terms of the range of products and services that we offer and our geographical operations) and become subject to laws in jurisdictions where the underlying laws with respect to the potential patent disputes liability of online intermediaries like ourselves are either unclear or less favorable. Any such claims, whether meritorious or not, are time consuming and costly to defend and resolve, could require expensive changes in our methods of doing business or could require us to enter into costly royalty or licensing agreements on unfavorable terms**. As the number of intellectual property owners and products in the software industry increases and the

functionality of these products further overlaps, and as we acquire technology through acquisitions or licenses, we may become increasingly subject to patent suits and other infringement claims, including copyright, and trademark infringement claims. For example, the intellectual property ownership and license rights surrounding AI technologies, including **Gen AI- AI**, have not been fully addressed by U. S. courts or by U. S. or international laws or regulations, and the use or adoption of third- party **Gen AI- AI** technologies, **and their related datasets**, into our products and services may result in exposure to claims of intellectual property infringement or misappropriation, **or in the inability to enforce our rights against third parties**, which could **in each case** harm our business **and financial results**. Our use of “open source” software may subject us to certain **unfavorable conditions, including conditions that: (i) we make publicly available the source code for any modifications or derivative works we create based upon, incorporating or using the open source software, (ii) we license such modifications or derivative works under the terms of the particular open source license, (iii) we waive intellectual property rights in any innovation that is derived using the open source software, or (iv) we offer our products that incorporate the open source software for low or no cost. There is little legal precedent or guidance governing the interpretation of the terms of some open- source licenses, so the potential impact of these terms on our business is uncertain and enforcement of these terms may result in unanticipated obligations or restrictions regarding our products or services. If an author of open source software or other third party that distributes open source software that we use or license were to allege that we had not complied with the conditions of the applicable license, we could incur significant legal expenses defending against such allegations and could be subject to significant damages, enjoined from offering our products that make use of or are distributed with open source software, required to release proprietary source code, required to obtain licenses from third parties or otherwise be required to comply with the unfavorable conditions unless and until we can re- engineer the product so that it either complies with the open source license or does not incorporate the open source software. Any of the foregoing could disrupt our ability to offer our products and harm our business, revenue** and financial results. These or other intellectual property claims may be brought directly against us and / or against our customers whom we may indemnify either because we are contractually obligated to or because we choose to do so as a business matter. Such claims, whether or not meritorious, may be time- consuming and costly to defend and resolve, and could require us to make expensive changes in our methods of doing business, enter into costly royalty or licensing agreements, cease conducting certain operations, **or** make substantial payments to satisfy adverse judgments or settle claims, any of which could harm our business. We face reputational and other risks with respect to fraudulent activities on our platforms and periodically receive complaints from buyers and sellers who may not have received the goods that they had contracted to purchase or payment for the goods that a buyer had contracted to purchase. In some European and Asian jurisdictions, buyers may also have the right to withdraw from a sale made by a professional seller within a specified time period. While we can, in some cases, suspend the accounts of users who fail to fulfill their **payment or delivery** obligations to other users, we do not **always** have the ability to require users to make payment **(such as when a payment method on file fails)** or deliver goods, or otherwise make users whole other than through our protection programs. ~~We~~ Although we have implemented measures to detect and reduce the occurrence of fraudulent activities, combat bad buyer **and seller** experiences and increase buyer **and seller** satisfaction, **including such as** evaluating sellers **based** on the basis of their identity and **both buyers and sellers based on** transaction history **and**. ~~These measures allow us to~~ ~~restricting~~ ~~restrict~~ ~~or suspending~~ ~~suspend their buyer and seller activity when~~ **fraudulent activities are detected and they are intended to reduce situations in which sellers fail to receive payments for sold items. However**, there can be no assurance that ~~our efforts, now or in these~~ ~~the measures future~~, will be effective in combating **all** fraudulent transactions or improving overall satisfaction among sellers, buyers, and other participants. If these measures fail to address fraud effectively, buyers and sellers could lose trust in our Marketplace **platforms**, and our reputation and results of operations could suffer as a result. Additional measures to address fraud could negatively affect the attractiveness of our services to buyers or sellers, resulting in a reduction in the ability to attract new users or retain current users, damage to our reputation, or a diminution in the value of our brand names. ~~Our businesses involve the~~ ~~We and our service providers~~ **collect, storage** ~~store, use, retain, disclose, transfer~~ ~~and transmission~~ **process a significant amount** of **confidential, personal and sensitive information from our** users **and employees** ~~personal data~~, including **transaction, identity, biometric, health, payments and** financial information. In addition, a significant number of our users authorize us to bill their payment card accounts directly for all transactions and other fees charged by us or, in certain cases, third- party service providers utilized in our ~~payment~~ **financial** services. ~~An~~ ~~We and our service providers face a variety of cybersecurity threats and risks or inadvertent or intentional data breaches and incidents. Cybersecurity threats can take a variety of forms, including malicious software programs that attack our networks and data centers or those of our service providers, social engineering, phishing, credential stuffing, ransomware, denial or degradation of service attacks and similar types of attacks against us, our employees, users and our service providers. Due to the size of our company and the volume of confidential information we possess, we are also at risk from inadvertent and intentional data disclosure, system or access misuse, unauthorized access or other improper actions by employees and service providers. Our increasing number use of websites~~ ~~Generative AI tools could also result in a greater likelihood of cybersecurity incidents~~, ~~including those owned by several~~ ~~privacy violations and inadvertent disclosures of our intellectual property or other large Internet confidential information, any of which could either directly or indirectly harm our business, operations and reputation. Further, if our internal security policies, procedures and practices fail for any reason, improper access, use or disclosure of data may result. We have seen and~~ ~~an offline increase in cyberattacks against us and other companies in our industry~~ ~~and these attacks are increasing in sophistication. We provide cybersecurity training to our workforce. For example, we regularly train our workforce, upskill teams that handle sensitive data, and carry out bespoke trainings and tabletop exercises for leaders. We have disclosed~~ ~~also implemented policy, procedural, technical, physical and administrative controls intended to protect our systems from such incidents. However, no training or program can offer~~

absolute protection against such attacks and incidents. For example, in 2014 we experienced a significant data breach involving unauthorized access to a database containing records of up to 145 million users. In the last two years, we have experienced and reported data breaches to regulators of their security, some of which but we do not believe these recent events were material and they did not result in any penalties or sanctions. However, future events could have involved a material impact on our business, results of operations or reputation. For more information about our cybersecurity risk management, governance and oversight, see “Item 1C: Cybersecurity.” Future attacks are likely to be increasingly sophisticated and highly targeted, particularly due to rapid developments in AI. Within the last year, hackers unsuccessfully targeted us using an AI-generated voice impersonation of a company leader. We expect these types of attacks to continue and evolve on portions of their websites or infrastructure. Our information technology and infrastructure have at times been, and may in the future be, vulnerable to cyberattacks (including ransomware attacks), or security incidents and third parties may be able to access our employee and users’ user data, including proprietary information and payment card and financial data, that are stored on or accessible through our systems. Any security actual or attempted cyberattack, breach at a company providing services to us or our users, data incident, or even an unfounded public rumor regarding such an attack, breach or incident, could have similar a material adverse effects effect on our business, reputation, financial condition or results of operation. Our eBay does not need to be the direct target of such attacks, breaches or incidents for them to have a material adverse effect on our operations. For example, a cyberattack on a key service provider, or a vulnerability in software that they use, of GAI tools could disrupt our services or compromise user and employee data entrusted to that service provider. We perform risk-based assessments of our service providers, but we do not control our service providers and our ability to monitor their data security is limited, so we cannot guarantee that their security measures will be adequate. In addition, we and our employees, users and service providers also result in may not discover a cyberattack greater likelihood of cybersecurity incidents, breach privacy violations and inadvertent disclosures of our intellectual property or other confidential information incident for a significant period after the incident occurs, any of which could either directly amplify any adverse outcomes resulting from such incidents. We maintain cybersecurity insurance and seek to include reasonable contractual and indemnity protections in the contracts we have with or our service providers indirectly harm our business, operations and reputation. Further However, the amounts, if any, that we recover under employees fail to comply with internal security policies and an practices, this may present the risk of improper access, use or disclosure of data. We may also need to expend significant additional resources to protect against security breaches or to redress problems caused by breaches. The increasing sophistication of attacks and regulatory requirements could require us to fundamentally change our business activities and practices to mitigate and / or respond to security vulnerabilities. Additionally, while we maintain insurance policy or service provider contract policies to protect against potential losses caused by security breaches, these policies may not be sufficient to adequate adequately to reimburse us for from cybersecurity and data breach liabilities and losses, and the reputational damage to our business that such incidents cause losses, and we may not be able to fully collect, if at all, under these policies. Our systems may experience service interruptions or degradation due to hardware and software defects or malfunctions, computer denial- of- service and other cyberattacks, human error, earthquakes, hurricanes, floods, fires, natural disasters, sustained drought, power losses, disruptions in telecommunications services, fraud, military or political conflicts, terrorist attacks, computer viruses, or other events. Our systems are also subject to compromise break-ins, sabotage and intentional acts of vandalism. Some of our systems are not fully redundant and our disaster recovery planning is not sufficient for all eventualities. We have experienced and will likely continue to experience system failures, denial- of- service attacks, human error and other events or conditions from time to time that interrupt the availability or reduce the speed or functionality of our Marketplace platforms websites and mobile applications, including our payments services. These events have resulted in the past, and likely will result in the future, in loss of revenue. In addition, our use of AI involves significant technical complexity and requires specialized expertise. Any disruption or failure in our AI systems or infrastructure, or those of our third- party providers, could result in delays or errors in our operations, which could harm our business and financial results. A prolonged interruption in the availability or reduction in the speed or other functionality of our websites and mobile applications or payments services could materially harm our business. Frequent or persistent interruptions in our services could cause current or potential users to believe that our systems are unreliable, leading them to switch to our competitors or to avoid our sites, and could permanently harm our reputation and brands. Moreover, to the extent that any system failure or similar event results in damages to our customers or their businesses, these customers could seek significant compensation from us for their losses and those claims, even if unsuccessful, would likely be time- consuming and costly for us to address. We also rely on facilities, components and services supplied by third parties and our business may be materially adversely affected to the extent these components or services do not meet our expectations or these third parties cease to provide the services or facilities. In particular, a decision by any of our third- party hosting providers to close a facility that we use could cause system interruptions and delays, result in loss of critical data and cause lengthy interruptions in our services. While we carry business interruption insurance, it may not be sufficient to compensate us for losses that may result from interruptions in our service as a result of systems failures and similar events. Our success largely depends on key employees. Because competition for key employees is intense, we may not be able to attract, retain, and develop the highly skilled employees we need to support our business. The loss of senior management or other key employees could harm our business. Our future performance depends substantially on the continued services of our senior management and other key employees, including highly skilled engineers and product developers, and our ability to attract, retain, and motivate them. Competition for highly skilled individuals is intense, especially in the Silicon Valley where our corporate headquarters are located, and we may be unable to successfully attract, integrate or retain sufficiently qualified employees. In making employment decisions, particularly in the Internet and high- technology industries, employees often consider the value of their total compensation, including share- based awards such as restricted stock units, that they could

receive in connection with their employment. In addition, our employee hiring and retention also depend on our ability to build and maintain a ~~diverse, welcoming and inclusive~~ workplace **in which our employees feel they belong**. If our share- based or other compensation programs cease to be viewed as competitive, including due to fluctuations in our stock price, or our workplace is not viewed as ~~diverse, welcoming and inclusive~~, our ability to attract, retain, and motivate employees could be weakened, which could harm our business. **Additionally, legal or regulatory developments relating to immigration could affect our ability to attract, hire and retain personnel**. We do not have long- term employment agreements with any of our key employees and do not maintain any “ key person ” life insurance policies **outside of policies we may assume as part of an acquisition**. The loss of the services of any of our senior management or other key employees, or our inability to attract highly qualified senior management and other key employees, could harm our business. Our business is primarily non- unionized, but we have some works councils outside the United States and have seen some unionization amongst the employees of one of our subsidiaries in the United States. The unionization or related activism of significant employee populations, including in the United States, could result in higher costs and other operational changes necessary to respond to changing conditions and to establish new relationships with worker representatives. In addition, **we have announced restructuring plans that include workforce reductions in the past, such as our announcement in**, January 2024, ~~we announced a restructuring plan that includes a reduction of our workforce by approximately 1, 000 employees, or 9 %.~~ Our restructuring plan, **and any we may make similar announcements in the future**. **Any such** restructuring plans, reductions in force or other cost- cutting measures ; could divert management attention, adversely affect employee morale and turnover, and damage our reputation as an employer, which could increase the difficulty of attracting, retaining and motivating qualified personnel and maintaining our corporate culture. Further, our reduced headcount following ~~our such~~ **restructuring plan plans** and any further turnover may increase the difficulty of executing on our plans, including due to the loss of historical, technical or other expertise, which may have an adverse effect on our business, prospects and results of operations. A number of third parties provide services to us or to our sellers. Such services include seller tools that automate and manage listings, merchant tools that manage listings and interface with inventory management software, storefronts that help our sellers list items, shipping providers that deliver goods sold on our platform, ~~managed payments intermediation and financial services~~, item authentication services, ~~and~~ services that we leverage for using and developing AI technologies (including ~~Gen AI~~ **AI**), **and third- party traffic drivers such as search engines and social networks**, among others. Financial or regulatory issues, labor issues (e. g., strikes, lockouts, worker shortages or work stoppages), or other problems that prevent these companies from providing services to us or our sellers could harm our business. Price increases by, or service terminations, disruptions or interruptions at, companies that provide services to us and our sellers and clients could also reduce the number of listings on our platforms or make it more difficult for our sellers to complete transactions, thereby harming our business. In addition, **domestic or international** shipping and postal rate increases may reduce the competitiveness of certain sellers’ offerings, and postal service changes and disruptions could require certain sellers to utilize alternatives which could be more expensive, **slower** or inconvenient, which could in turn decrease the number of transactions on our sites, thereby harming our business. We have outsourced certain functions to third- party providers, including some customer support, ~~managed payments and financial services~~, product development functions and ~~much some~~ of our item authentication ~~service services~~, which are critical to our operations. If our service providers do not perform satisfactorily, our operations could be disrupted, which could result in user dissatisfaction and could harm our business. Third parties who provide services directly to us or our sellers may not continue to do so on acceptable terms, or at all. If any third parties were to stop providing services to us or our sellers on acceptable terms, including as a result of bankruptcy, we may be unable to procure alternatives from other third parties in a timely and efficient manner and on acceptable terms, or at all.

Regulatory and Legal Risks—We are subject to laws and regulations affecting our domestic and international operations in a number of areas, including consumer protection, data privacy **and data security** requirements ; responsible AI requirements ; intellectual property ownership and infringement ; **goods that are stolen, counterfeit, unsafe or otherwise prohibited by eBay policies;** items and stolen goods, tax ; antitrust and anti- competition ; import and export requirements and restrictions ; anti- corruption ; labor **and employment;** advertising ; digital content ; real estate ; payments and financial services ; billing ; ecommerce / marketplace or online platform liability ; promotions ; quality of services ; telecommunications ; **distribution and transportation;** mobile communications and media ; environmental ; packaging and waste ; and **climate- related regulation; energy consumption;** health and safety regulations ; **as well as ; accessibility; and** laws and regulations intended to combat money laundering and the financing of terrorist activities. In addition, we are, or may become, subject to further regulation in some of the above- mentioned areas or new areas as a result of the continued development and expansion of our payments capabilities. **Compliance with these laws, regulations, and similar requirements may be onerous and expensive, and variances and inconsistencies from jurisdiction to jurisdiction may** ~~Further~~ **further increase the cost of compliance and doing business. Any such costs, certain government agencies which may rise in the future as a result of changes in these laws and regulations or in their interpretation, could individually or in the aggregate make our products and services less attractive to our customers, delay the introduction of new products or services in one or more regions, or cause us to change or limit our business practices. We** ~~have sought~~ **implemented policies and procedures designed to ensure compliance with applicable laws and regulations, but there can be no assurance that** ~~or our continue~~ **customers, employees, contractors, or agents will not violate such laws and regulations or our policies and procedures. If we are held liable for any such violations, including relating to actions by third parties using our Marketplace platforms, we could be subject to monetary penalties, which depending on the matter could be material to us. Furthermore, our reputation could suffer harm as a result of any such violations. Regulators and civil litigants frequently** ~~seek~~ **to hold us liable for third party sales on our Marketplace platforms— platform to- of products that the they extent such sales implicate laws and regulations enforced by claim are regulated, unlawful or unsafe. For example, those— the agencies, including specifically Department of Justice (“ DOJ ”) on behalf of** the Environmental Protection Agency (the “ EPA ”) and the Drug Enforcement

Agency, continues to pursue a civil lawsuit (currently on appeal the “DEA”) alleging that we are liable for the sale of products they claim violate the Clean Air Act, as described more the Toxic Substances Control Act and the Federal Insecticide, Fungicide and Insecticide Act. Further, we are also subject to claims by consumers that products they purchased from third- party sellers caused them bodily injury or harmed their property. We believe we are protected from such claims because the statutes and common law theories under which they are brought do not apply to our business model and / or because we are protected from liability under various laws, including 47 U. S. C. § 230 in the United States, the hosting defense under Art. 6 DSA in the EU and Reg. 19 of the Electronic Commerce Regulations 2002 in the United Kingdom. However, this does not guarantee that we cannot experience losses from such claims. For example, pursuant to our 2024 settlement agreement with the DOJ, we paid \$ 59 million and agreed to implement enhanced processes regarding our monitoring of listings that violate our terms of service to fully under-resolve the DOJ’s allegations of noncompliance with the Controlled Substances Act. See “Note 13-12 – Commitments and Contingencies — Litigation and Other Legal Matters –” as well as the Office for more details. In addition Product Safety and Standards in the United Kingdom (the “OPSS”), which seeks to hold when regulators bring such claims against us liable, we can often face additional civil litigation from users on our platforms, stockholders and other stakeholders. As a result, even where we succeed in limiting or avoiding regulatory liability for third party sales, we often face significant additional litigation costs. Importantly, laws vary by jurisdiction and we have seen an increase in litigation challenging these protections and in legislative and regulatory proposals to reduce or eliminate these protections. Adverse changes in laws and regulations that protect us from liability for third- party sales under the General Product Safety Regulations, or adverse interpretations which is the subject of ongoing or litigation involving . Compliance with these laws, regulations, and similar requirements may be onerous and expensive, and variances and inconsistencies from jurisdiction to jurisdiction may further increase the cost of compliance and doing business. Any such costs, which may rise in the future as a result of changes in these laws and regulations or in their interpretation, could individually or in the aggregate make our products and services less attractive to our customers, delay the introduction of new products or services in one or more regions, or cause us to change or limit our business practices. We have implemented policies and procedures designed to ensure compliance with applicable laws and regulations, but there can be no assurance that our customers, employees, contractors, or agents will not violate such laws and regulations or, could subject us to substantial civil or criminal damages policies and procedures. If we are held liable for any such violations, limit the items we could allow on including relating to actions by third parties using our Marketplace platforms, we require us to modify our business model, and impose substantial additional compliance costs and operational constraints on our business. Any one of these outcomes could reduce be subject to monetary penalties, which depending on the matter could be material attractiveness of our Marketplace platforms to consumers us. Furthermore, reduce our profits or otherwise reputation could suffer harm as a our business and result results of operations any such violations. We are subject to multiple laws relating to the collection, use, sharing, retention, deletion, security, transfer and other handling of personal data about individuals, including our users and employees around the world. Data protection and, privacy and cybersecurity laws may differ, and be interpreted and applied inconsistently, from country to country. In many cases, these laws apply not only to user data, employee data and third- party transactions, but also to transfers of information between or among ourselves, our subsidiaries, and other parties with which we have commercial relations. These laws continue to develop around the globe and in ways we cannot predict and that may harm our business. Regulatory scrutiny of privacy, data protection, and the collection, use, sharing, retention and deletion of personal data is increasing on a global globally basis. We are subject to a number of privacy, data protection, and cybersecurity laws and regulations in the countries in which we operate and these laws and regulations will likely continue to evolve over time, both through regulatory and legislative action and judicial decisions. In addition, compliance with these laws may restrict our ability to provide services to our customers that they may find to be valuable. For example, the General Data Protection Regulation (the “GDPR”) applies to personal data collected in the context of all of our activities conducted from an establishment in the European Union, related to products and services offered to individuals in the European Union or related to the monitoring of individuals’ behavior in Europe, imposes a range of significant compliance obligations regarding the handling of personal data. Additionally, we have “Binding Corporate Rules” in place, which require us to apply European Union data protection standards to all users and employees across the globe. Actions required to comply with these obligations depend in part on how particular particularly and strict strictly regulators interpret and apply them. If we fail to comply with the GDPR, or if regulators assert we have failed to comply with the GDPR, we may be subject to regulatory enforcement actions, that can result in monetary penalties of up to 20 million euros or 4 % of our annual worldwide revenue (whichever is higher), private lawsuits, and / or reputational damage. There are continuing legal challenges and regulatory scrutiny of cross- border data transfers from the European Union and other jurisdictions, which may impact affect the cross- border transfer of personal data throughout our organization and to / from third parties. In the United States, numerous at least a dozen states have adopted generally applicable and comprehensive consumer privacy laws, with the California Consumer Privacy Act, as amended by the California Privacy Rights Act (the “CCPA”) extending more broadly to personal data about any type of California resident (including employees and individuals acting in a professional capacity at other companies as well). These new and developing state laws provide a number of new privacy rights for residents of these states and impose corresponding obligations on organizations doing business in these states. Not only do these laws require that we make disclosures about our data collection, use and sharing practices, but they also require that we provide new rights to individuals, such as the rights- right to access, delete and correct personal data. These Complying with new and developing laws has required, and will continue to require, us to continue to incur substantial costs and expenses in our effort to comply. In addition, a number of other U. S. states are continuing to propose laws and regulations imposing obligations regarding the handling of personal data. Compliance with the GDPR, the new U. S. state laws, and other current and future applicable U. S. and international privacy, data protection, cybersecurity, AI, and other data- related laws can be costly and time- consuming.

For example, the European Union's comprehensive ~~has been continuing its work on the~~ Artificial Intelligence Act ("EU AI Act"), which lays out the ~~guardrails parameters~~ for AI systems where non-compliance can result in fines up to 35 million euros or 7% of global turnover, ~~came into force in August 2024~~. AI regulation is also expanding in the United States. For example, the California AI Transparency Act, which codifies detailed AI-related disclosure requirements, will come into force in January 2026, and the Colorado AI Act will come into force in February 2026. Implementing and ~~complying~~ complying with these varying national and international data and, privacy, and AI-related requirements in different jurisdictions could cause us to incur substantial costs and / or require us to change our business practices in a manner adverse to our business and violations of ~~these data and privacy-related laws~~ can result in significant penalties. ~~If a determination that there have been violations of laws relating to our practices under violate~~ communications-based laws for any reason, that could also expose us to significant damage awards, fines and other penalties that could, individually or in the aggregate, materially harm our business. In particular, because of the enormous number of emails, texts and other communications we send to our users, communications laws that provide a specified monetary damage award or fine for each violation (such as those described below) could result in particularly large awards or fines. In addition, our success depends in part on our ability to collect and use data relating to merchants, consumers, and other individuals. Legislative proposals and existing laws and regulations have been increasingly focused on the use of tracking technologies, such as "cookies," electronic communications and marketing. For example, under in the European Economic Area and the United Kingdom, regulators are increasingly focusing on compliance with requirements related to the targeted advertising ecosystem. European regulators have issued significant fines in certain circumstances where the regulators alleged that appropriate consent was not obtained in connection with targeted advertising activities. If the use of tracking technologies is further restricted, regulated, or blocked by new laws, regulations and the other practices federal Telephone Consumer Protection Act (the "TCPA"), the amount or accuracy of user information we face potential exposure to liability collect would decrease, which could make it more difficult for us to ~~retain and upgrade existing types of telephonic communication with customers~~, including but not limited to text messages to mobile phones. Under the TCPA, plaintiffs may seek actual monetary loss or statutory damages of \$ 500 per violation, whichever is greater, and attract new customers courts may treble the damage award for willful or knowing violations. We are regularly subject to class-action lawsuits, as well as individual lawsuits, containing allegations that our businesses violated the TCPA. These lawsuits, and thus other private lawsuits not currently alleged as class actions, seek damages (including statutory damages) and injunctive relief, among other remedies. While a 2021 Supreme Court decision narrowed the applicability of the TCPA's restrictions, plaintiffs continue to test the boundaries of the decision, and a few states, including Florida and Oklahoma, have adopted TCPA-like laws that similarly provide for statutory damages and a private right of action. Additional states may follow suit. Given the enormous number of communications we send to our users, a determination that there have been violations of the TCPA or other communications-based statutes could expose us to significant damage awards that could, individually or in the aggregate, materially harm our business, financial condition, and results of operations. We post on our websites our privacy notices and practices concerning the collection, use, sharing, disclosure, deletion and retention of our user data. Any failure, or perceived failure, by us to comply with our posted privacy notices or with any regulatory requirements or orders or other U. S. federal, state or international privacy or consumer protection-related laws and regulations, including the GDPR and CCPA, could result in proceedings or actions against us by governmental entities or others (e. g., class action or mass action plaintiffs), subject us to significant penalties or damages awards and negative publicity, require us to change our business practices, increase our costs and adversely affect our business. Data collection, data usage and sharing, privacy and security have become the subject of increasing public concern. If Internet and mobile users were to reduce their use of our websites, mobile platforms, products, and services as a result of these concerns, or not consent to the use of their personal data for certain marketing or advertising purposes, our business could be harmed. We also have experienced security breaches and likely will in the future, which themselves may result in a violation of these laws and give rise to regulatory enforcement and / or private litigation. We are subject to a variety of laws and regulations in the United States and globally that were not designed for Internet businesses and online commerce. It is not always clear how these laws and regulations, which governing --- govern a wide variety of matters that are relevant to our business, such as or that apply to our business. Some examples include laws and regulations regarding property ownership, copyrights, trademarks, and other intellectual property issues, parallel imports and distribution controls, taxation, libel and defamation, and obscenity apply to our businesses. Many of these laws were adopted prior to the advent of the Internet, mobile, and related technologies and, as a result, do not contemplate or address the unique issues of relevant to our business, such as the Internet, online commerce and related technologies. Many of these laws, including some of those that do reference the Internet or online commerce, are subject to interpretation by the courts on an ongoing basis and the resulting uncertainty in the scope and application of these laws and regulations increases the risk that we will be subject to private claims and governmental actions alleging violations of those laws and regulations. As our activities, the products and services we offer, our investment in other companies, and our geographical scope continue to expand, regulatory agencies or courts may claim or determine that we or our users are subject to additional requirements (including licensure) or prohibited from conducting our business in their jurisdiction, either generally or with respect to certain actions. For example, eBay's recently announced acquisition of Caramel creates additional regulatory compliance requirements for us in automotive sales where we must comply with state-by-state title transfer, identity and payment verification, finance and insurance requirements. As another example, we have in the ability to acquire past evaluated whether our acquisitions and investments in other companies (such as AdeVinta, Adyen, and Gmarket) that raise raised the potential for us to be deemed an investment company as defined by subject to additional regulatory operating requirements under the Investment Company Act of 1940, as amended (the "Investment Company Act"). While we intend to conduct our operations such These examples are not isolated and future interpretations of laws and regulations that are we will not be deemed

designed with our business and industry in mind investment company, such a determination would ~~could~~ subject us to additional and costly operational and compliance requirements or require us to ~~change~~ initiate burdensome compliance requirements and comply with restrictions imposed by the ~~manner in~~ Investment Company Act that would limit our activities, including limitations on our capital structure and our ability to transact with affiliates, which ~~we operate our business globally~~ would have an adverse effect on our ~~or financial condition~~ in certain jurisdictions, which could harm our business and results of operations. Further, financial and political events have increased the level of regulatory scrutiny on large public companies like ours, and regulatory agencies may view matters or interpret laws and regulations differently than they have in the past and in a manner adverse to our businesses. ~~By way of example,~~ Numerous ~~numerous~~ U. S. states and foreign jurisdictions, including the State of California, have regulations regarding “ auctions ” and the handling of property by “ secondhand dealers ” or “ pawnbrokers. ” Several states and some foreign jurisdictions have attempted to impose such regulations upon us or our users, and others may attempt to do so in the future. ~~If successful,~~ Attempted enforcement of these laws against some of our users appears to be increasing and we could be required to change the way we or our users do business in ways that increase costs or reduce revenues, such as forcing us to prohibit listings of certain items or restrict certain listing formats in some locations. We could also be subject to fines or other penalties, and any of these outcomes could harm our business. ~~In addition,~~ The European Union Digital Services Act (the “ DSA ”) became effective in November 2022 and will begin to be enforced in mid- February 2024. The DSA imposes legal obligations on online marketplaces operating in Europe, requiring them to verify the identity of business sellers and make best efforts to assess proper disclosure by traders of required information, as well as information on the safety and authenticity of products posted by third- party merchants. The DSA also enforces new content moderation obligations, notice obligations, advertising restrictions and other requirements on digital platforms that will create additional operational burdens and compliance costs for us. For online platforms like ours, noncompliance with the DSA could result in fines of up to 6 % of annual global revenues, which would be adverse to our business. ~~Additionally~~ Similarly, in the United Kingdom, the OSA’s Online Safety Act creates requirements around monitoring and handling harmful content and may require us to expend resources to comply with the new regulations, and the DMCCA expands regulatory oversight authority over merger controls and consumer protections, and we may be required to expend additional resources to comply with these new rules. The European Union has also adopted certain additional regulations relating to the safety and sustainability of products on its the EU market- markets, which bring new obligations both on us directly and our sellers and vendors. The European Union General Product Safety Regulation became effective on December 13, 2024 and imposes additional requirements on our business with regard to removing dangerous products from our marketplaces, enabling the traceability of products, and related matters. Additionally, certain EU- member countries have enacted anti- waste regulations that create direct obligations on sellers and impose compliance verification obligations on us. These anti- waste regulations vary by EU- member country, creating additional operational burdens and compliance costs on our sellers and us. These proposed and ongoing regulations could cause our Marketplaces- Marketplace platforms to be less attractive to current and prospective sellers and buyers, which could materially impact our business. ~~For example,~~ a recent Danish Safety Technology Authority inspection of 100 products from ten online marketplaces, including eBay, estimated that 90 percent of those products did not meet Danish or EU labeling and documentation standards and estimated that most of those products would fail Danish or EU product safety standards. While we do not know the number of products on our platforms estimated to have failed these standards, we do expect product safety regulatory efforts and investigations like this to increase in the future. The outcomes of these efforts and investigations cannot be predicted with certainty. We may need to change our business practices or restrict our service offerings in certain jurisdictions, which could reduce our consumers, lower our profits and harm our business. Regardless of any outcome, such efforts and investigations can have a material adverse impact on us because of legal costs, diversion of management resources, public perception, loss of consumers on our platforms and other similar factors. Government regulators globally are also imposing new data reporting requirements on platforms for user tax compliance. These laws (e. g., the Directive on Administrative Cooperating Council Directive (EU) 2021 / 514 (“ DAC 7 ”) in the European Union and the Digital Sales Reporting Legislation (“ DSR ”) in the United Kingdom) may make users more reluctant to use our services due to increased sensitivity around personal data collection and reporting (e. g., the requirement to report certain payment transactions on Form 1099- K in the United States), even when mandated by applicable laws and regulations. Generally, our sellers demand that our services help them comply with complex regulatory requirements. Training our sellers and providing them the platform tools and features they need to comply with complex regulations requires substantial time and investment. We have driven consumers away from our platforms in the past where we failed to provide adequate compliance training and platform features. Our business could be harmed if we make similar failures in the future as a result of new and changing regulations. As we expand and localize our international activities, we are increasingly becoming obligated to comply with the laws of the countries or markets in which we operate. In addition, because our services are accessible worldwide and we facilitate sales of goods and provide services to users worldwide, one or more jurisdictions may claim that we or our users are required to comply with their laws based on the location of our servers or one or more of our users, or the location of the product or service being sold or provided in an ecommerce transaction. Laws regulating Internet, mobile and online ecommerce- commerce technologies outside of the United States are generally less favorable to us than those in the United States. Compliance may be more costly or may require us to change our business practices or restrict our service offerings, and the imposition of any regulations on us or our users may harm our business. In addition, we may be subject to multiple overlapping legal or regulatory regimes that impose conflicting requirements on us (e. g., in cross- border trade). Our alleged failure to comply with foreign laws could subject us to penalties ranging from criminal prosecution to significant fines to bans on our services, in addition to the significant costs we may incur in defending against such actions. We have voluntarily established and publicly disclosed certain environmental, social and

governance (“ ESG ”) goals, **including such as targets for growth in less-advantaged communities, waste avoidance and positive economic impacts associated with commerce** and reduced greenhouse gas emissions. These statements reflect our current plans and aspirations and are not guarantees that we will be able to achieve them. **Our Stakeholder expectations regarding ESG matters continue to evolve and are becoming increasingly divergent among and within stakeholders, and ESG matters have been the subject of increased regulatory and stakeholder attention and emerging and evolving regulatory requirements and frameworks. The imposition of new laws, changes in laws, regulatory requirements, policies, international accords or changing interpretations thereof, changes in the enforcement priorities of regulators, and differing or competing regulations and standards across the markets in which we operate, as well as relating to matters beyond our core products and services, including environmental sustainability, climate change, human capital and employment matters, could result in higher compliance and other costs, resulting in adverse effects on our business. In addition, our failure to accomplish or accurately track and report on these any of our stated goals on a timely basis, or at all otherwise meet evolving and varied stakeholder expectations**, could adversely affect our reputation, financial performance and growth, and expose us to increased scrutiny from the investment community, regulatory authorities and other stakeholders. If our ESG goals or performance are perceived to be inadequate ~~or if such goals or performance are perceived to be worse than those of our competitors,~~ **if we are targeted by those who disagree with our public positions on ESG issues, or if we do not otherwise successfully manage ESG- related expectations across investors and other stakeholders, it could erode stakeholder trust, impact our reputation, subject us to litigation or shareholder activism, which could adversely affect our business and reputation. In addition, recent rapid and unpredictable shifts in public sentiment heighten these risks, and we believe** our ability to ~~attract or retain~~ **respond effectively, sensitively and authentically to such developments will be important to stakeholders, including, among others, regulators, investors, customers and employees and our attractiveness as an investment, business partner or acquirer could be harmed.** In addition, ESG best practices and reporting standards are complex and evolving, and new laws, regulations, policies and international accords relating to ESG matters are being developed and formalized in numerous jurisdictions **and challenged and forestalled in others**. Some of these laws and regulations require specific, target- driven frameworks and disclosures. **We expect the need to be prepared to contend with overlapping and divergent disclosure requirements in multiple jurisdictions.** For example, ~~in the United States, the SEC has proposed climate change and ESG reporting requirements, and California recently enacted legislation that creates new disclosure requirements~~ **requires regarding greater transparency on climate- related matters, including with respect to** greenhouse gas emissions, climate change- related financial risk and carbon offset purchases, for companies that operate in California. Our costs to comply with these and other ESG reporting requirements, including new ESG standards and initiatives in the European Union, **such as the Corporate Sustainability Reporting Directive**, could be significant, and such disclosure requirements could result in revisions to our previous ESG- related disclosures or challenges in meeting evolving and varied regulatory, investor and other stakeholder expectations and standards, which could expose us to liability or harm our business and reputation. **We** ~~As described under “ Note 13 — Commitments and Contingencies — Litigation and Other Legal Matters ” and above under the heading “ Our business is subject to extensive and increasing government regulation and oversight, which could adversely impact our business, ” we are regularly subject to claims, lawsuits (including class actions and individual lawsuits), government investigations, enforcement actions and other proceedings involving competition and antitrust, intellectual property, privacy, consumer protection, accessibility claims, securities, tax, labor and employment, sanctions, compliance, money transmission, financial services,~~ commercial disputes, content generated by our users, services and other matters. The number and significance of these disputes and inquiries have increased as ~~we have~~ **our Company has** grown larger, our businesses have expanded in scope and geographic reach, and our products and services have increased in complexity ~~As the global regulatory and legal landscape evolves, we may also become subject to product liability or other claims when products sold by third parties using our platforms result in personal injury, illness, death, injury to property or harm to the environment, or such sales are alleged to be in violation of the law.~~ The outcome and impact of such claims, lawsuits, government investigations, and other proceedings cannot be predicted with certainty. Regardless of the outcome, such investigations and proceedings can have a material adverse impact on us because of legal costs, diversion of management resources, and other factors. Determining reserves for our pending litigation and other proceedings is a complex, fact- intensive process that is subject to judgment calls. If one or more matters were resolved against us in a reporting period for amounts in excess of management’ s expectations, the impact on our operating results or financial condition for that reporting period could be material. These proceedings could also result in criminal sanctions, consent decrees, reputational harm, harm to our relations with various government agencies and regulators, or orders preventing us from offering certain products or services, or requiring a change in our business practices in costly ways, or requiring development of non- infringing or otherwise altered products or technologies. Any of these consequences could materially harm our business. Our conduct and actions are subject to scrutiny by various government agencies under U. S. and foreign laws and regulations, including antitrust and competition laws. Some jurisdictions also provide private rights of action for competitors or consumers to assert claims of unfair or anti- competitive conduct. **Our users, Other other** companies, and government agencies have in the past alleged, and may in the future allege that our actions violate the antitrust or competition laws of the United States, individual states, the European Union or other countries, or otherwise constitute unfair competition. An increasing number of governments are regulating activities by online platforms as a complement to competition law, and we may be subjected to such regulation. Our business partnerships or agreements or arrangements with customers or other companies could give rise to law enforcement action or antitrust litigation. Some regulators and enforcement agencies may perceive our business to be used so broadly that otherwise uncontroversial business practices could be deemed anticompetitive. Certain competition authorities have conducted market studies of our industries. Any claims and investigations, even if without foundation, may be very expensive to defend, involve negative publicity and substantial diversion of management time and effort and could result in judgments against us with significant fines

or require us to change our business practices. The listing or sale by our users of **unlawful infringing**, **counterfeit illegal** or stolen goods, or unlawful services, or sale of goods or services in an unlawful manner, has resulted and may continue to result in allegations of civil or criminal liability for unlawful activities against us (including the employees and directors of our various entities) involving activities carried out by users through our services. In a number of circumstances, third parties, including government regulators and law enforcement officials, have alleged that our services aid and abet violations of certain laws, including laws regarding the sale of counterfeit items, laws restricting or prohibiting the transferability (and by extension, the resale) of digital goods (e. g., books, music and software), the fencing of stolen goods, selective distribution channel laws, customs laws, distance selling laws, and the sale of items outside of the United States that are regulated by U. S. export controls. Additionally, legislative proposals in the United States seek to make online marketplaces contributorily liable for the use of a counterfeit **mark marks** by third party sellers. In addition, allegations of infringement of intellectual property rights, including but not limited to counterfeit items, have resulted and may continue to result in threatened and actual litigation from time to time by rights owners. These and similar suits may also force us to modify our business practices in a manner that increases costs, lowers revenue, makes our websites and mobile platforms less convenient to customers, and requires us to spend substantial resources to take additional protective measures or discontinue certain service offerings to combat these practices. In addition, we have received and may continue to receive significant media attention relating to the listing or sale of illegal or counterfeit goods, which could damage our reputation, diminish the value of our brand names, and make users reluctant to use our products and services. As described more fully under “**Note 13-12** — Commitments and Contingencies — Litigation and Other Legal Matters” and above under the heading “Our business is subject to extensive and increasing government regulation and oversight, which could adversely impact our business,” certain government agencies have sought, or continue to seek, to hold us liable for third- party sales on our Marketplace platforms to the extent such sales implicate laws and regulations enforced by those agencies, **including specifically the EPA, the DEA and the OPSS, and we paid \$ 59 million and agreed to implement enhanced processes regarding our monitoring and reporting of listings that violate our terms of service, pursuant to the DEA Settlement Agreement, to fully resolve the U. S. Department of Justice’s allegations of noncompliance arising under the Controlled Substances Act.** If we **are were** found **to be** liable for any instances of such activities, or if new laws or court decisions impose liability on marketplace platforms, we likely will be subject to monetary damages, required to change our business practices or implement other remedies that could have a material adverse impact on our business, and our reputation could suffer harm. Online services companies may be subject to claims relating to information disseminated through their services, including claims alleging defamation, libel, breach of contract, invasion of privacy, negligence, **copyright or trademark infringement**, among other things. The laws relating to the liability of online services companies for information disseminated through their services are subject to frequent challenges both in the United States and foreign jurisdictions. Any liabilities incurred as a result of these matters could require us to incur additional costs and harm our reputation and our business. A number of legislative proposals **and policy recommendations** in the United States **and in other jurisdictions, such as the European Union**, seek to make online platforms liable to third parties for the user- provided content on sites like ours. If we become liable for information provided by our users and carried on our service in any jurisdiction in which we operate, we could be directly harmed and we may be forced to implement new measures to reduce our exposure to this liability, including expending substantial resources or discontinuing certain service offerings, which could harm our business. **Interest Rate and Indebtedness Risks**—During 2022 and 2023, the Federal Reserve raised benchmark interest rates to combat inflation. **Although Interest rates remained high relative to recent years for most of 2024, but** the Federal Reserve **has indicated that it expects to reduce** **began reducing rates towards the end of the year. Despite these recent cuts, our borrowing costs were significantly impacted by the elevated** interest rates **in 2024 throughout the year**, our borrowing costs have been and **may remain elevated** will continue to be impacted by increased interest rates, which could **negatively adversely** impact our results of operations and financial condition. **Furthermore, The cost of future fixed -rate indebtedness may still** be more expensive than **the** existing fixed -rate **indebtedness debt** that is coming due and being refinanced. **Further, although Although** as of December 31, **2023-2024** we had no outstanding borrowings under our revolving credit facility, our revolving credit facility is subject to floating interest rates and therefore is also subject to interest rate risks to the extent we borrow in the future. We have in the past and may in the future enter into interest rate hedging arrangements, but we can provide no assurances that these arrangements will fully mitigate the increased borrowing costs. **In addition, investments Investments** in both fixed- rate and floating- rate interest- earning instruments **carry are subject to** varying degrees **levels** of interest rate risk. As **detailed in** described more fully under “**Note 7—6** — Investments,” in 2022 and 2023, the fair market value of our fixed- rate investment securities was **negatively affected by rising** adversely impacted due to a rise in interest rates, which may occur again in future periods **2022 and 2023**. This increase was partially offset by increased interest income resulting from **trend persisted through most of 2024, though rates declined towards the end of the year. The higher --- high yielding rates allowed us to invest at more favorable yields, improving the fair value of our fixed- rate** investments in a higher interest rate environment. If rates **decrease further** were to return to lower levels, we would expect to see the opposite effect with **anticipate a reduction in investment income and** a corresponding **reduction in investment income and** increase in fair value. We have substantial indebtedness, and we may incur substantial additional indebtedness in the future, and we may not generate sufficient cash flow from our business to service our indebtedness. Failure to comply with the terms of our indebtedness could result in the acceleration of our indebtedness, which could have an adverse effect on our cash flow and liquidity. We have a substantial amount of outstanding indebtedness and we may incur substantial additional indebtedness in the future, including under our commercial paper program and revolving credit facility or through public or private offerings of debt securities. Our outstanding indebtedness and any additional indebtedness we incur may have significant consequences, including, without limitation, any of the following: • requiring us to use a significant portion of our cash flow from operations and other available cash to service our indebtedness, thereby reducing the amount of cash available for other purposes, including capital expenditures, dividends, share

repurchases, and acquisitions; • our indebtedness and leverage may increase our vulnerability to downturns in our business, to competitive pressures, and to adverse changes in general economic and industry conditions; • adverse changes in the ratings assigned to our debt securities by credit rating agencies will likely increase our borrowing costs; • our ability to obtain additional financing for working capital, capital expenditures, acquisitions, share repurchases, dividends or other general corporate and other purposes may be limited; and • our flexibility in planning for, or reacting to, changes in our business and our industry may be limited.

Tax Risks—The application of indirect taxes such as sales and use tax, value-added tax (“ VAT ”), goods and services tax (“ GST ”) (including the “ digital services tax ”), business tax, withholding tax and gross receipt tax, and tax information reporting obligations to businesses like ours and to our sellers and buyers is a complex and evolving issue. Many of the fundamental statutes and regulations that impose these taxes were established before the adoption and growth of the Internet and ~~e-commerce~~ **commerce**. Significant judgment is required to evaluate applicable tax obligations and as a result amounts recorded are estimates and are subject to adjustments. In many cases, the ultimate tax determination is uncertain because it is not clear when and how new and existing statutes might apply to our business or to our sellers’ businesses. In some cases it may be difficult or impossible for us to validate information provided to us by our sellers on which we must rely to ascertain any obligations that may apply to us related to our sellers’ businesses, given the intricate nature of these regulations as they apply to particular products or services and that many of the products and services sold ~~in on~~ **in on** our Marketplace ~~platforms~~ **platforms** are unique or handmade. If we are found to be deficient in how we have addressed our tax obligations, our business could be adversely impacted. From time to time, some taxing authorities in the United States have notified us that they believe we owe them certain taxes imposed on our services. These notifications have not resulted in any significant tax liabilities to date, but there is a risk that some jurisdiction may be successful in the future, which would harm our business. While we attempt to comply in those jurisdictions where it is clear that a tax is due, some of our subsidiaries have, from time to time, received claims relating to the applicability of indirect taxes to our fees. Additionally, we pay input VAT on applicable taxable purchases within the various countries in which we operate. In most cases, we are entitled to reclaim this input VAT from the various countries. However, because of our unique business model, the application of the laws and rules that allow such reclamation is sometimes uncertain. A successful assertion by one or more countries that we are not entitled to reclaim VAT could harm our business. Various jurisdictions are seeking to, or have recently imposed additional reporting, record-keeping, indirect tax collection and remittance obligations, or revenue-based taxes on businesses like ours that facilitate online commerce. If requirements like these become applicable in additional jurisdictions, our business, collectively with eBay sellers’ businesses, could be harmed. For example, taxing authorities in the United States and in other countries have targeted e-commerce platforms as a means to calculate, collect, and remit indirect taxes for transactions taking place over the internet, and have enacted laws and others are considering similar legislation. To date, 45 states, the District of Columbia and Puerto Rico have enacted Internet sales tax legislation with additional states anticipated to adopt legislation in the coming years. Our business is also required to increase payments reporting requirements for U. S. sellers as a result of federal legislation. ~~All~~ **Beginning in January 2027 for 2026 transactions, all** businesses that process payments are ~~now expected to be~~ **now expected to be** required to issue a Form 1099- K for all sellers who receive more than \$ 600 in gross payments in a year ~~, a decrease from the previous reporting threshold of \$ 20, 000 and 200 transactions~~. The IRS ~~has recently announced a second one-year delay~~ **delayed** of this rule covering 2023 transactions. ~~As a result, Form 1099-Ks for the \$ 600 threshold will be issued beginning in January 2025 for 2023 and prior tax years, and affected businesses are only required to send out Forms 1099- K to taxpayers who receive over \$ 20, 000 and have over 200 transactions in those years. For the 2024 tax year, the IRS has announced plans for a threshold of \$ 5, 000 to phase in reporting requirements. This new threshold is currently expected to apply to~~ **transactions occurring in 2024, and future phase in reporting requirements are** subject to ~~any changes implemented by potential new federal legislation raising the threshold and / or future IRS action~~. Tax collection responsibility and the additional costs associated with complex sales and use tax collection, remittance and audit requirements, or reporting, could create additional burdens for buyers and sellers on our websites and mobile platforms. Moreover, any failure by us to prepare for and comply with this and similar reporting and record-keeping obligations could result in substantial monetary penalties and other sanctions, adversely impact our ability to do business in certain jurisdictions and harm our business. These legislative changes or new legislation could adversely affect our business if the requirement of tax to be charged on items sold on our ~~Marketplaces~~ **Marketplace platforms** causes our ~~Marketplaces~~ **Marketplace platforms** to be less attractive to current and prospective buyers, which could materially impact our business and eBay sellers’ businesses. This legislation could also require us or our sellers to incur substantial costs in order to comply, including costs associated with tax calculation, collection, remittance, and audit requirements, which could make selling on our ~~Marketplaces~~ **Marketplace platforms** less attractive. The determination of our worldwide provision for income taxes and other tax liabilities requires estimation and significant judgment, and ~~from time to time~~ **from time to time** there can be ~~from time to time~~ transactions and calculations where the ultimate tax determination is uncertain. Like many other multinational corporations, we are subject to tax in ~~the United States and~~ **the United States and** multiple ~~U. S. and~~ foreign jurisdictions and have structured our operations to reduce our effective tax rate. Our determination of our tax liability is always subject to audit and review by applicable domestic and foreign tax authorities, and we are currently undergoing a number of investigations, audits and reviews by taxing authorities throughout the world, including with respect to our business structure. Any adverse outcome of any such audit or review could harm our business, and the ultimate tax outcome may differ from the amounts recorded in our financial statements and may materially affect our financial results in the period or periods for which such determination is made. While we have established reserves based on assumptions and estimates that we believe are reasonable to cover such eventualities, these reserves may prove to be insufficient. In addition, our future income taxes could be adversely affected by a shift in our jurisdictional ~~earnings~~ **earnings** mix, by changes in the valuation of our deferred tax assets and liabilities, changes in the valuation of our investments, as a result of gains on our foreign exchange risk management program, or changes in tax laws, regulations, or accounting principles, as well as certain discrete items.

Transactional Risks—We have acquired a significant number of businesses of varying

size and scope, technologies, services, and products, and we maintain investments in certain businesses. We have also **at times** disposed of significant businesses **or investments therein**. We expect to continue to evaluate and consider a wide array of potential strategic transactions as part of our overall business strategy, including business combinations, acquisitions, and dispositions of businesses, technologies, services, products, and other assets, as well as strategic investments and joint ventures. These transactions may involve significant challenges and risks, including: • the potential **that we cannot complete these transactions on our desired timeline and terms**; • **the** loss of key customers, merchants, vendors and other key business partners of the companies we acquire, or dispose of, following and continuing after announcement of our transaction plans; • declining employee morale and retention issues affecting employees of companies that we acquire or dispose of, which may result from changes in compensation, or changes in management, reporting relationships, future prospects or the direction of the acquired or disposed business, ~~which risks may be heightened following our recently announced restructuring plan~~; • difficulty making new and strategic hires of new employees; • diversion of management time and a shift of focus from operating the businesses to the transaction, and, in the case of an acquisition, integration and administration; • the need to provide transition services to a disposed of company, which may result in the diversion of resources and focus; • the need to integrate **the new, different or more complex** operations, systems (including accounting, management, information, human resource and other administrative systems), technologies, products and personnel of each acquired company, which is an inherently risky and potentially lengthy and costly process; • the inefficiencies and lack of control that may result if such integration is delayed or not implemented, and unforeseen difficulties and expenditures that may arise as a result; • the need to implement or improve controls, procedures and policies appropriate for a larger public company at companies that prior to acquisition may have lacked such controls, procedures and policies or whose controls, procedures and policies did not meet applicable legal and other standards; • risks associated with our expansion in new international markets and new areas of business; • derivative lawsuits resulting from the **transaction**; • **anti-trust or other similar regulatory enforcements and restrictions that could delay or nullify a transaction, impose restrictions on our operations or lead to subsequent litigation**; • **increased costs and indebtedness associated with negotiating, financing and completing acquisition-acquisitions**; • **exposure to regulatory regimes unfamiliar to our disposition business, which can divert management time and company resources**; • liability for activities of the acquired or disposed of company ~~before the transaction~~, including intellectual property, **payment services** and other litigation claims or disputes, violations of laws, rules and regulations, commercial disputes, tax liabilities and other known and unknown liabilities and, in the case of dispositions, liabilities to the acquirers of those businesses under contractual provisions such as representations, warranties and indemnities; • the potential loss of key employees following the transaction; • the acquisition of new customer and employee personal data by us or a third party acquiring assets or businesses from us, which in and of itself may require regulatory approval and or additional controls, policies and procedures and subject us to additional exposure; • any fluctuations in share prices, financial results and fluctuations in exchange rates, and our ability to sell our shares in any company we have invested in; • **the possibility that we may not realize the expected benefits from such transactions within the anticipated time frame, or at all**; and • our dependence on the acquired business' accounting, financial reporting, operating metrics and ~~similar~~ systems, controls and processes and the risk that errors or irregularities in those systems, controls and processes ~~will~~ **could** lead to errors in our consolidated financial statements, **increase the risk of non-compliance with existing or new laws and regulations** or make it more difficult to manage the acquired business. We have made certain investments, including through joint ventures, ~~and in companies~~ in which we have a minority equity interest and / or lack management and operational control. The controlling joint venture partner in a joint venture may have business interests, strategies, or goals that are inconsistent with ours, and business decisions or other actions or omissions of the controlling joint venture partner or the joint venture company may result in harm to our reputation or adversely affect the value of our investment in the joint venture. Any circumstances, which may be out of our control, that adversely affect the value of our investments, or cost resulting from regulatory action or lawsuits in connection with our investments, could harm our business or negatively impact our financial results. ~~As we entered into a~~ **result of warrant agreement in conjunction with a prior transaction, we own commercial agreement with Adyen that entitles us to acquire a fixed significant** number of **Aurelia Netherlands TopCo B. V. ("Aurelia")** shares, **representing approximately 8%** of Adyen's common stock subject to certain milestones being met. This ~~warrant~~ **3% of the outstanding equity of Aurelia. Because Aurelia is a privately held company without a readily determinable fair value and over which we are not able to exercise significant influence, our investment is accounted for as** ~~under the measurement alternative where the carrying value is measured at cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for an identical or similar investment.~~ **The value of our investment in Aurelia could fluctuate due to factors outside of our control, and a decline** derivative instrument under Accounting Standards Codification ("ASC") Topic 815, Derivatives and Hedging. Changes in Adyen's common stock price and equity volatility have had, and may continue to have in the future, a significant impact on the value of this warrant. We report this warrant on a quarterly basis at fair value in our consolidated balance sheets, and changes in the fair value of this warrant are recognized in our consolidated statement of income. Fluctuations in Adyen's common stock price and prevailing foreign exchange rate or other changes in assumptions ~~could~~ **require us to record** result in material changes in the fair value that we report in our consolidated balance sheets and ~~an impairment~~ **our consolidated statement of income**, which could have a material **adverse** impact on our financial results. **In addition** ~~As a result of a prior transaction, we any decline in value could impact our ability to exit our investment own~~ **on a significant number of Adevintra favorable market terms or our ability to liquidate the shares. Our ability to sell Aurelia**, and fluctuations in Adevintra's share price and is also **constrained by certain contractual obligations. Any of these potential issues, if realized, could harm our business or negatively impact our** financial results and fluctuations in exchange rates could result in material changes in our consolidated balance sheet and our consolidated statement of income. As described more fully under "Note 7 — Investments — Equity Investments," we recorded significant unrealized gains and losses in 2023 and 2022, respectively, relating to the change in fair

value of these shares and also entered into an agreement in November 2023 to sell 50 % of our shares and exchange our remaining shares for an equity stake of approximately 20 % in a newly privatized Adevinta, which transaction remains subject to closing conditions and is expected to close in the second quarter of 2024 (the “Adevinta Transaction”). If the Adevinta Transaction closes and Adevinta shares cease to trade on the Oslo Stock Exchange, our ability to sell our shares in a newly privatized Adevinta in the future will be limited and subject to market conditions and other factors, which may impact the value we are able to realize from any such sales. We have received an opinion from outside tax counsel to the effect that our distribution of 100 % of the outstanding common stock of PayPal to our stockholders on July 17, 2015 (the “Distribution”) qualifies as a transaction that is described in Sections 355 and 368 (a) (1) (D) of the Internal Revenue Code. The opinion relies on certain facts, assumptions, representations and undertakings from PayPal and us regarding the past and future conduct of the companies’ respective businesses and other matters. If any of these facts, assumptions, representations or undertakings are incorrect or not satisfied, our stockholders and we may not be able to rely on the opinion of tax counsel and could be subject to significant tax liabilities. Notwithstanding the opinion of tax counsel that we have received, the IRS could determine on audit that the Distribution is taxable if it determines that any of these facts, assumptions, representations or undertakings are not correct or have been violated or if it disagrees with the conclusions in the opinion. If the Distribution is determined to be taxable for U. S. federal income tax purposes, our stockholders that are subject to U. S. federal income tax and we could incur significant U. S. federal income tax liabilities. We entered into a separation and distribution agreement and various other agreements with PayPal to govern the Distribution and the relationship of the two companies. These agreements provide for specific indemnity and liability obligations and could lead to disputes between us and PayPal. The indemnity rights we have against PayPal under the agreements may not be sufficient to protect us. In addition, our indemnity obligations to PayPal may be significant and these risks could negatively affect our results of operations and financial condition. 32-34