



March 19, 2020

eBay Inc.
2025 Hamilton Avenue
San Jose, California 95125
Attn: Thomas Tierney, Chairman

cc: Board of Directors

Dear Tom,

As you know, Starboard Value LP, together with its affiliates (“Starboard” or “we”) is a large shareholder of eBay Inc. (“eBay or the “Company”), with an ownership interest of more than 1% of the outstanding common stock of eBay. We have appreciated our conversations over the past 18 months and the heightened discussions over the last few weeks. We fully recognize the unique state of the markets and the country as we collectively deal with the COVID-19 pandemic, and therefore, we feel it is imperative to both fully express the importance of hiring a world-class, experienced leader for eBay and to share our views publicly with the Board of Directors (the “Board”) and our fellow shareholders.

We have consistently expressed that our focus is on driving operational improvements in the core Marketplace business while pursuing a separation of StubHub and eBay Classifieds Group (“Classifieds”). While eBay has made progress on some of these initiatives, much work remains to be done and business trends in the core Marketplace business have continued on a downward trajectory.

During our time as shareholders of eBay, it has become increasingly clear that the current Board has had difficulty making the critical decisions that the Company has needed, as evidenced by the delay in making a CEO change that seemed inevitable after sustained underperformance, acceptance of a subpar operating plan following an eight month-long Operating Review, as well as the delay in the Strategic Review of eBay’s non-core businesses. As you know, we have been privately engaging with you regarding our views on the actions needed to position eBay for long-term future success, including the hiring of a new Chief Executive, completing the Strategic Review of Classifieds and separating the business from the core Marketplace business, and building and executing upon an improved operating plan to drive growth and profit improvements in the core Marketplace business.

Based on the completion of the sale of StubHub and the Company’s confirmation of active discussions regarding a sale of Classifieds, at this time, we are primarily focused on the CEO search process and the development of an improved operating plan. In our view, the CEO search process and the development of an improved operating plan are directly and inextricably linked. eBay is a great company, and we believe the open CEO position is a tremendous opportunity that should be able to attract a number of high-caliber, external candidates.

We appreciate the efforts and positive contributions made by the current team over the past six months following the departure of the former CEO, as well as their many years of service to the Company. However, we strongly believe that eBay should be focused on identifying qualified external candidates in order to hire a new CEO that will bring a fresh perspective and energy to the Company after its prolonged underperformance. The new CEO must be capable of making sustainable improvements to the core Marketplace business that can drive profitable growth by focusing on eBay's strengths and competitive advantages.

We believe this CEO decision is critical for the long-term success of eBay. eBay has a strong franchise and a huge opportunity to reinvigorate and grow a global marketplace platform. This opportunity should attract a world-class executive who can bring new energy, fresh ideas, and significant relevant experience to help drive an operational and strategic turnaround. We implore the Board to choose a leader that has the skill and capability to lead the Company through a transition in a time of great economic transformation. Unfortunately, given our concerns over certain historical decisions, we worry that the Board may default to an internal candidate, which we believe would be a missed opportunity to bring in a talented executive with the attributes highlighted above.

Separately, as we have discussed with you, we also believe that incremental change is required and warranted on the Board in order to provide fresh perspectives, renewed accountability to shareholders, and importantly, the objectivity and perspective to make difficult decisions without the burden of attachment to past practices. As such, in accordance with the Company's governance deadlines and in order to preserve our rights as shareholders, on February 28, 2020, we delivered to eBay a formal notice nominating four highly qualified and diverse director candidates for election at the 2020 Annual Meeting of Stockholders.

When evaluating potential director candidates, we endeavored to craft a slate of directors who have a diverse set of skills and backgrounds that, in aggregate, provide the expertise and independence needed at eBay. As you can see in the detailed biographies included below, this group of extremely impressive director candidates have backgrounds spanning operations, finance, e-commerce, payments, media, marketing, communications, mergers and acquisitions, strategic transformation, and public company governance.

Our goal is to represent the best interests of all shareholders, and we believe that our nominees have the experience and track record to drive needed change and bring fresh perspectives to eBay to best position the Company for long-term shareholder value creation. We remain open-minded about reaching a mutually agreeable solution that includes new perspectives on the Board. We look forward to continuing our engagement.

Best regards and stay healthy,

A handwritten signature in blue ink, appearing to read 'P. Feld', with a stylized flourish at the end.

Peter A. Feld
Managing Member
Starboard Value LP

Biographies of Starboard's Nominees (in alphabetical order):

Shannon M. Brayton

- Ms. Brayton most recently served as the Chief Marketing Officer of LinkedIn, where she oversaw all marketing activities at the company until she retired from her position in January of 2020.
- Ms. Brayton joined LinkedIn in 2010 as its Vice President of Communications before becoming Chief Marketing Officer in 2015. In her role as Vice President, Ms. Brayton was responsible for the communications strategy for LinkedIn's IPO in 2011, and she and her team are also credited with managing the communications strategy for the company's acquisition by Microsoft Corp. in 2016.
- Ms. Brayton previously served in various positions at eBay, from October 2001 until May 2008, ultimately as Vice President of Corporate Communications.
- She was named one of the world's most influential CMOs for three consecutive years by Forbes Magazine.

Peter A. Feld

- Mr. Feld is a Managing Member and Head of Research at Starboard Value LP. Prior to founding Starboard, he was a Managing Director at Ramius and a Portfolio Manager at Ramius Value and Opportunity Master Fund Ltd.
- Mr. Feld currently serves as a director of NortonLifeLock Inc., AECOM, and Magellan Health, Inc.
- Mr. Feld previously served as a director of Marvell Technology Group Ltd., The Brink's Company, Darden Restaurants, Inc., Insperty, Inc., and Integrated Device Technology, Inc., among others.

Eddy W. Hartenstein

- Mr. Hartenstein currently serves as the Lead Independent Director of the Board of Directors of Broadcom Inc. and Sirius XM Holdings Inc.
- Mr. Hartenstein also currently serves on the Board of Directors of TiVo Corporation and has served as a director of Tribune Publishing Co. since August 2014 and was Non-Executive Chairman until February 2016.
- Previously, Mr. Hartenstein served as Publisher and Chief Executive Officer of the Los Angeles Times Media Group.
- Prior to Tribune Publishing Co.'s January, 2013 change of ownership, Mr. Hartenstein was also President and Chief Executive Officer of Tribune Media Company, one of the country's leading multimedia companies, operating businesses in publishing, digital and broadcasting.
- Mr. Hartenstein served as DirecTV's Chairman and CEO through 2004, when the company was sold to News Corp.
- Mr. Hartenstein previously served on the board of directors of SanDisk Corporation.

Stephanie Tilenius

- Ms. Tilenius is a founder and CEO of Vida Health, Inc., a mobile continuous care platform for preventing, managing and overcoming chronic and mental health conditions deployed at Fortune 500 companies, large national payers and providers since January 2014.

- Ms. Tilenius currently serves as a member of the Board of Directors of Seagate Technology PLC. Within the past five years, Ms. Tilenius also served on the board of Coach, Inc. (now known as Tapestry, Inc.), and Redbubble Limited.
- From February 2010 until June 2012, Ms. Tilenius was Vice President of Global Commerce and Payments at Google, Inc. (now known as Alphabet, Inc.), a multinational technology company, where she oversaw digital commerce, product search and payments.
- Prior to joining Google, Inc., she served in various positions at eBay, from March 2001 until October 2009, ultimately as Senior Vice President of eBay.com and Global Products.