

Doing well by doing good

Corporate Sustainability Report 2020

Over the past year, we've all dealt with the many complex challenges the world faces. But we can't just wait for change to happen. We must drive that change.

The world is now more interconnected than ever — a fact that was reinforced by the pandemic. While COVID's impact wasn't felt equally, it's incumbent on all of us to work together to rebuild. Amid this moment of recovery, there's opportunity to create an economy and society that work for all of us.

At Mastercard, we're combining our compassion with our strengths in business — innovation, inclusivity, flexibility and trust. That work continues, now with greater urgency.

Several years ago, we set science-based targets to focus our efforts to address climate change. We're building on that with our recent pledge to achieve net-zero emissions by 2050, and creating the Priceless Planet Coalition to plant 100 million trees over five years.

In 2020, we met our goal to bring 500 million people into the digital economy, but we can't stop there. We raised that commitment to bring 1 billion people, 50 million small businesses and 25 million women entrepreneurs into the digital economy by 2025.

To tie the environmental and social pieces all together and accelerate our efforts, we issued a Sustainability Bond. We formally linked executive compensation to three real and measurable sustainability priorities. These efforts illustrate how serious we are about making real change.

Why do we do this kind of work? It's because we know we succeed when the world succeeds. Added to that, we know inclusion and diversity are major strengths of our business.

Those principles are opportunities to drive impact and will continue to guide us as we keep raising the bar for ourselves in building an inclusive, sustainable digital economy.

At the root of sustainability is the word sustain — to hold up. We all need to sustain each other as schools, shops and economies reopen and we can come together again.

Sustainability isn't possible without everyone's involvement — that includes major businesses like ours. Making sustainability initiatives commercially viable helps them become a part of everyday commerce and mainstream business practices. This is where companies like Mastercard are uniquely positioned to do our part.

We've navigated through the pandemic together. We should move forward together to create change.

Michael Miebach
CEO, Mastercard



01

02

03

04

05

ESG

CEO Letter

CEO letter
Highlights
Our response to COVID-19
In Solidarity

01

**ABOUT
MASTERCARD**

Our purpose
manifesto
Sustainability
Innovation and
new technologies

02

**INCLUSIVE
GROWTH**

Financial security
Data science for
social impact
Future of workers
Community support
and giving

03

**OUR PEOPLE
AND CULTURE**

Talent attraction
and recruitment
Development
and retention
Culture
Employee benefits,
well-being and rewards

04

**ENVIRONMENTAL
STEWARDSHIP**

Operational
footprint
Environmentally
conscious solutions

05

**ETHICAL AND
RESPONSIBLE
STANDARDS**

Ethics and
compliance
Privacy and
data protection
Safety and security
Human rights
Responsible sourcing
and supplier diversity

Assurance letters
Sustainable
development goals
TCFD index
ESG data table

The report covers the 2020 fiscal year, spanning Jan. 1 to Dec. 31, 2020. In some cases, we include data and information about programs and activities relevant to our corporate sustainability key areas of impact that occurred in the 2021 fiscal year, as noted.

Highlights

- Tied executive compensation to ESG goals and priorities, including carbon neutrality, gender pay parity and financial inclusion.¹
- Issued a sustainability bond to support significant progress already made toward maximizing carbon reduction, supporting environmental choices for customers, and fostering inclusive growth.¹

¹In 2021.

²Based on our most recent annual pay equity analysis.



INCLUSIVE GROWTH

Reached financial inclusion target of bringing **500 million unbanked people** into the digital economy.

Increased commitment to **bringing a total of 1 billion people** and, 50 million micro and small merchants into the digital economy worldwide — and providing solutions to 25 million women entrepreneurs by 2025.

Mastercard and the Mastercard Impact Fund **disbursed over \$80 million in charitable donations** in 2020.



OUR PEOPLE AND CULTURE

Invested in new policies, programs and tools to enhance work-life experience for employees globally, including tools to support mental well-being and financial support for adoption, surrogacy or fertility treatments for employees globally and tools to support.

Women employees earn **\$1.00 for every \$1.00** men employees earn.²

Our STEM-based **Girls4Tech™** passed the **million-girl mark** in 2020, prompting us to commit to engaging 5 million girls by 2025.



ENVIRONMENTAL STEWARDSHIP

Committed to reaching **net-zero greenhouse gas (GHG) emissions** by 2050 across our operations and value chain, building on our existing science-based targets.¹

Expanded the Priceless Planet Coalition to nearly 60 companies to regrow 100 million trees over five years.¹

Over 10 million cards produced for issuance since 2018 with approved sustainable materials using **Mastercard's Sustainable Card Materials Directory**.



ETHICAL AND RESPONSIBLE STANDARDS

Updated our Code of Conduct, adding language regarding Mastercard's commitment to respecting and promoting human rights and our Data Responsibility Principles.

Published our Board-approved Human Rights Statement detailing our commitment to respecting and promoting human rights.



01

02

03

04

05

ESG

Highlights

Our response to COVID-19

Mastercard focused on helping individuals and businesses by ensuring that our network remains secure, resilient and reliable, and by applying our technology, philanthropy and data-science expertise to rebuild healthy communities and ensure that economic growth is inclusive.

Mastercard has committed up to \$300 million in the fight against COVID-19, which includes:

- **\$250 million in financial, technology, product and insight assets** over the next five years to support the financial security and vitality of small businesses and their workers.
- **\$25 million seed money to establish the COVID-19 Therapeutics Accelerator** with the Bill and Melinda Gates Foundation and Wellcome to speed the development of and access to therapies.
- **\$10 million challenge issued by data.org** for ideas that use data science to advance inclusive growth and recovery around the world. data.org was founded by the Mastercard Center for Inclusive Growth and the Rockefeller Foundation in January 2020.
- **\$10 million in April 2021 to directly address critical COVID-related needs in India** including access to hospital resources, access to additional oxygen supplies, and continued support of the company's employees across the country.

Our company

- Had no COVID-19-related layoffs in 2020.
- Introduced a COVID-19 global employee benefit for up to 10 business days of additional paid leave for sickness, childcare or eldercare.
- Covered 100% of costs of COVID-19 testing for all employees and provided access to free COVID-related telemedicine consultations for U.S. employees.
- Provided employees with flexibility to decide where and how they work and put precautionary health and safety measures in place at all offices.

Our customers

- Engaged with several hundred national and local governments globally to help digitize relief programs and support recovery planning, such as the secure delivery of social disbursements.
- Accelerated contactless payments to help people stay safe and healthy by championing an increase in limits, making signatures optional, accelerating no-touch transit and driving QR acceptance.

- Provided recovery insights for customers to navigate the rise in e-commerce, fine-tune operations and prioritize investments.
- Offered free cybersecurity vulnerability assessments and identity theft protection to businesses, as well as free cybersecurity rating assessments to all health care organizations.

Our communities

- Partnered with the Mayors Fund of LA, the City of Los Angeles and Accelerator for America to create the Angeleno Campaign, a financial assistance program aimed at providing direct relief for Angelenos in need.
- Launched collaborations with partners like UberEats, iFood and Lyft to provide meals and essential services for frontline workers and vulnerable communities.
- Extended access to our signature STEM curriculum, Girls4Tech™, through a suite of new online, creative educational resources designed to help parents and teachers engage and inspire kids ages 8–12.

In Solidarity

In Solidarity was created in 2020 in response to the systemic racism that continues in our world, particularly in the United States. It includes a concrete set of actions across three pillars: people, market and society.

It is the culmination of recent discussions across the company, and is built upon our firm conviction that Black lives matter. In Solidarity is also a public declaration that there is no place for racism or discrimination at Mastercard — or anywhere else. Although it grew out of the murder of George Floyd and the ensuing social injustice protests in the United States, this long-term companywide initiative is the first step in addressing similar issues in countries elsewhere around the world.

People

- Embracing inclusive leadership through a global training program for all employees that is anchored in The Mastercard Way.
- Bolstering our Black employee recruitment through new and expanded partnerships with historically Black colleges and universities (HBCUs) and key organizations, including a heightened focus on diversity within our new-hire programs globally.
- Growing our Black leadership at the VP level and above by 50% by 2025.
- Engaging in ongoing Open Circle discussions on the progress of the plan; opportunities for individuals to share their stories; education; increased support for Business Resource Groups; and personal counseling resources. In addition, the Mastercard Day of Solidarity has become an annual Community Day.
- Investing in Black colleagues by increasing participation in formal training, mentorship, sponsorship, skill development, and health and well-being programs.
- Increasing transparency in our workforce with annual reporting on Black and other minority representation in managerial positions, interview slates and hiring, where geographically possible.

Market

- Conducting a review of payments and adjacent ecosystems for biases, inequities and weaknesses in how we serve the varied needs within Black communities, from the affluent to the underserved.
- Respecting and promoting human rights in the use of our network, particularly in relation to issues impacting the Black community and using our Human Rights Statement as the guidepost for future network policies.
- Expanding our annual spending with Black suppliers by more than 70% to \$100 million annually by 2025.
- Reviewing our brand work through the lens of racism and bias, with a view to enhancing our already strong performance.

Society

- Pledging \$500 million over five years to help close the wealth and opportunity gaps faced by Black communities in the U.S., drawing on assets from across the company — including our technology, partnerships, products and services.
- Taking a leadership role in public policy and advocacy efforts on police reform and criminal justice reform.
- Building on our employee volunteerism to devote even more time to organizations and activities that most directly impact Black communities around the world.
- Deepening our partnership with the National Urban League by launching the Entrepreneurship & Workforce Resource Partnership.
- Enhancing our community partnerships with other leading civil rights organizations and expanding our Master Your Card financial literacy program in Black communities.
- Examining how racism and bias, LGBTQ+ issues and other inclusion dimensions factor into our government engagement and company advocacy work globally.

01

ABOUT MASTERCARD

Mastercard is a global technology company in the payments industry. Our mission is to connect and power an inclusive, sustainable digital economy that benefits everyone, everywhere, by making transactions safe, simple, smart and accessible.

For more about Mastercard, please visit our [site](#).



01

02

03

04

05

ESG

OUR PURPOSE MANIFESTO

We see a connected world where humanity unites, prosperity is possible and opportunity is open to us all.

Our responsibility is to let basic human decency serve as our guide, to innovate with purpose, and to unlock potential for people everywhere.

We strive to bolster trust at every touchpoint, to use data for good, and to build networks that empower society.

We nurture the entrepreneurial spirit and show the world that borders aren't boundaries for partnership, because of the exponential power of people coming together.

We see beyond what technology can build, to how passion can transform economic growth into inclusive, sustainable growth.

We are rewriting the future as we go. Our connection with each other fuels us to connect the world.

And when we believe and build together, it creates priceless possibilities for everyone.



01

02

03

04

05

ESG

About Mastercard

Sustainability

At Mastercard, we understand how interconnected the world is, and we've seen firsthand how our commitment to environmental and social responsibility is directly connected to our continuing success as a business.

We are applying our technology, products, services, insights and partnerships, along with our people, to address urgent social, economic and environmental challenges on a commercially sustainable basis, helping ensure that people can reach their full potential, that economic growth is inclusive, and that the planet can thrive.

Sustainability at Mastercard involves reducing our carbon footprint and offering consumers the opportunity to do the same. It means creating pathways to foster inclusive growth for underserved communities around the world.

And it involves organizing ourselves around sound and ethical business practices that are guided by clear and sustainable purposes.

To learn more about our sustainability governance framework and stakeholder engagement, please visit pages 48–50 in our [2021 Proxy Statement](#).



AWARDS

Mastercard is honored to have earned recognition for our environmental, social and governance work.

We received the following awards, among others, in 2020:

- 100% on Disability: Disability Equality Index (DEI) — Best Places to Work for Disability Inclusion
- 100% on Human Rights Campaign Foundation Corporate Equality Index — Best Places to Work for LGBTQ Equality
- Bloomberg's Gender Equality Index
- CDP Supplier Engagement Leaderboard
- DiversityInc's Top 50 Companies for Diversity
- Dow Jones Sustainability North America Index
- Ethisphere's World Most Ethical Companies
- Forbes' World's Best Employers for Women
- Fortune's Blue Ribbon Companies
- Fortune's Change the World list
- Fortune's World's Most Admired Companies
- FTSE4Good Index
- JUST Capital's JUST 100 List and Industry Leader
- Newsweek's America's Most Responsible Companies



01

02

03

04

05

ESG

About Mastercard



MATERIALITY ASSESSMENT

Mastercard periodically conducts a formal environmental, social and governance (ESG) materiality assessment that captures views from internal and external stakeholders on ESG topics.

This formal assessment ensures that our ESG efforts prioritize key areas of impact important to our external stakeholders and our long-term business success. In the years between formal assessments, we refresh our results as needed.

In 2020, we completed a formal assessment that incorporated the research and guidance provided by the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB). The assessment was conducted in partnership with Business for Social Responsibility (BSR), a global nonprofit business network and consultancy dedicated to sustainability.

As part of the process, we interviewed internal executive leadership as well as external stakeholders, such as investors, nongovernmental organizations (NGOs), customers and suppliers. We also collected input from internal senior leadership across the business and in all regions.

We found that perspectives from both external and internal stakeholders are aligned. There was general agreement on the high-impact issues and on the rising number of medium-impact issues. A handful of topics emerged that required adjustment, such as third-party risk management, sustainable consumption and climate resilience.

High-impact topics



Diversity, Equity and Inclusion



Ethics and Compliance



Financial Inclusion and Security



Privacy and Data Protection



Safety and Security



Talent Recruitment, Retention and Well-Being

Innovation and new technologies

COVID-19 has widened economic inequalities and demonstrated that businesses slow to adopt digitization are more vulnerable.

However, the impacts of the pandemic, combined with the increasing sophistication and convergence of emerging technologies, also present a unique opportunity to build a more resilient and ethical post-pandemic world.

Mastercard is constantly experimenting, co-creating and de-risking new technology with our partners to develop scalable products and services that will accelerate their business growth.

We are using our expertise in building systems and networks to convert emerging technologies and trends into innovative commerce solutions and experiences. We look for new ways to leverage them to improve business-to-business transactions and spur strategic growth, thereby increasing value for our customers and partners and helping them empower businesses and consumers.

MASTERCARD FOUNDRY

Accelerating the future of commerce through experience and innovation.

We power Mastercard's ability to create and deliver differentiated products, services and experiences that unlock customer value and drive business growth.

PORTFOLIOS

- Commercial
- Customer Experience
- Data & Services
- Emerging Consumer Solutions
- Merchant
- Strategic Growth

EMERGING TRENDS

- Artificial Intelligence
- Biotechnology
- Blockchain
- Consumer Behavior
- Cryptocurrencies
- Cybersecurity
- Mixed Reality
- Nationalism
- Quantum Computing
- Regulatory
- Robotics
- Social Norms
- Startup Innovation

SIGNALS

DE-RISK

OPPORTUNITIES

EXAMPLE SOLUTIONS

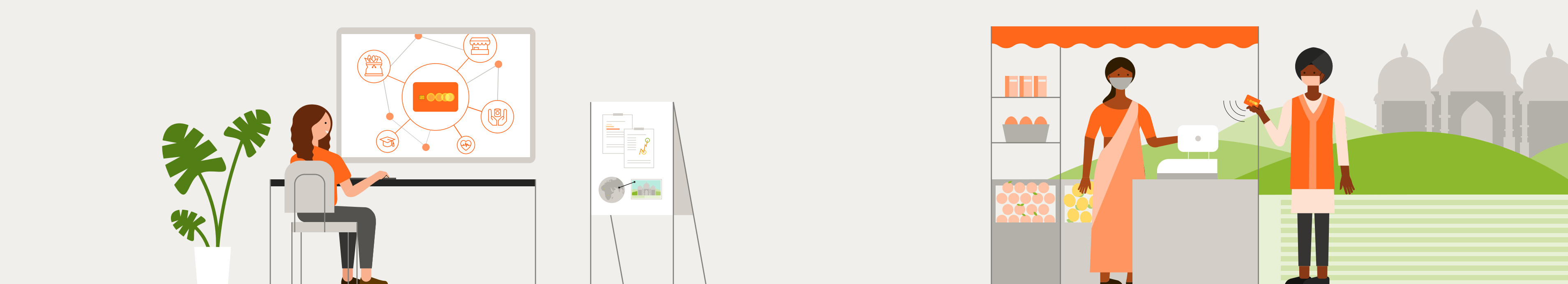
CAPABILITIES

- Experience Centers
- Experience Design
- Experience Research & Insights
- Innovation Management
- Partner Experience
- Product Lifecycle Management
- Research & Development

LABS

- Labs as a Service
- Nairobi Lab

- AI & Sonic Drive-thru
- Community Pass
- Loyalty Link
- Mastercard Farmer Network
- Payment on Delivery
- Provenance
- Track BPS



01

02

03

04

05

ESG

About Mastercard

COLLABORATION WITH PARTNERS

Labs as a Service (LaaS) teams consult with our customers to better understand their business challenges and develop custom solutions to support their digital transformation efforts. In 2020, these engagements included support for financial wellness and financial inclusion. We are exploring new products that could encourage savings to improve financial health and build credit scores as part of our financial inclusion commitments. We are partnering with clients who are making a meaningful difference.

Mastercard Accelerate helps fintechs connect with technology partners to find end-to-end solutions and countless methods for bringing new services to communities in need. Accelerate's Start Path program offers this support to promising companies with readiness to scale. We provide fintechs with a suite of tools and resources and access to Mastercard's executive network to maximize their commercial success and ability to shape the future of commerce. In 2020, 33 new companies joined the Start Path program, bringing total partnerships to nearly 250, including approximately 75 woman-led startups.

SIGNAL-SPOTTING AND RESEARCH AND DEVELOPMENT

In Mastercard's five globally located Innovation Labs, our R&D team explores disruptive technology and cutting-edge trends in new domains through applied applications.

Our research agenda is collaborative and purposeful, balancing creativity with delivery to build the future of commerce with our partners. Mastercard's cloud-first approach enables engineers to work with speed and address market needs at scale.

We have a well-established patent program that supports these activities, providing incentives for all employees wherever they sit, to rethink and reimagine the potential of the digital economy. These efforts led to Mastercard being recognized as #143 in the IPO 300, a listing of the top 300 companies who acquired U.S. patents in 2020, and we are one of the leaders in blockchain-related patents among financial services companies.



PRODUCT HIGHLIGHTS

Provenance Solution

Modern supply chains are increasingly complex, fragmented and opaque, as businesses expand their reach to consumers globally. The Mastercard Provenance Solution provides end-to-end visibility by leveraging blockchain technology, delivering real-time traceability and bridging gaps between data silos. This allows decision-making based on a shared record.

Pay on Demand

Mastercard formally launched Pay on Demand in Uganda in partnership with Airtel Africa, Asante and Samsung to accelerate digital inclusion in the underserved region. Pay on Demand unites financial institutions, original-equipment manufacturers and telecoms in order to reach underserved people in emerging markets. It enables those people to finance devices, thereby broadening their access to smartphones, which in turn allows them access to financial services such as credit.

Finicity Open Banking Solutions

Finicity, a Mastercard company, was founded to help individuals and families use their financial data to gain better insights and improve their financial health. Banks, lenders and fintechs can use Finicity Lend products to help consumers get access to credit and improve their credit scores by leveraging expanded data sources, leading to greater financial inclusion.

Track Micro Credit Program

The Mastercard Track Micro Credit Program commercially launched in Egypt in 2020, empowering small retailers by giving them access to credit and helping them break the cycle of cash dependence. The global platform enables financial institutions to extend credit to small retailers in developing markets by leveraging supply-chain data and fast-moving consumer goods companies' distribution channels. This helps small retailers to grow by seamlessly integrating credit into their existing sales cycle, helping to access and build credit, and frees small retailers and suppliers from a reliance on cash. The program includes scalable trainings and tools around financial literacy and product education. It was created in partnership with the Mastercard Center for Inclusive Growth.



01

02

03

04

05

ESG

About Mastercard

02

INCLUSIVE GROWTH

The COVID-19 pandemic, its economic repercussions and the global unrest caused by racial injustice created an inflection point for society in 2020, highlighting how we need to build a more sustainable and inclusive digital economy that works for everyone, everywhere.



Mastercard has been working toward building an inclusive digital economy over the last decade.



2011–2013

Mastercard introduced the Master Your Card community education program to help consumers and small businesses learn how to get more from their money by using electronic payments technology.

Mastercard launched a “Cost of Cash” study and co-chaired the World Economic Forum’s financial inclusion steering committee.



Center for Inclusive Growth

2014–2016

We created the Mastercard Center for Inclusive Growth, “the Center,” a philanthropic hub within the company that produces actionable insights, invests in social impact programs and engages a community of leaders — all in service of advancing equitable and sustainable economic growth.

In 2015, Mastercard committed to bringing 500 million people into the digital economy by decade’s end.



2017–2019

In 2018, Mastercard dedicated \$500 million of its savings generated by the U.S. and European tax reforms to advancing inclusive growth, so we created the Mastercard Impact Fund, an independent nonprofit entity. Administered by the Center, the Impact Fund’s mission is to provide funding in areas related to inclusive growth.

In 2019, Mastercard organized the first Global Inclusive Growth Summit.



2020

Our commitments to financial inclusion and inclusive growth proved prescient in 2020, as COVID-19 exacerbated social and economic inequalities and furthered the case for accelerating access to and full participation in the digital economy.

In April of 2020, having met our goal of bringing 500 million unbanked people into the financial system, we doubled down on our commitment to financial inclusion, pledging to bring an additional 500 million people into the digital economy, for a total of 1 billion people by 2025. We also pledged to connect 50 million entrepreneurs to the digital economy, while providing solutions to 25 million women entrepreneurs to help them grow their businesses.



01

02

03

04

05

ESG

Inclusive Growth

2020 HIGHLIGHTS

By harnessing our innovation, technology, people, capital and trusted network, we strive to help build a global economy that promotes greater financial security for individuals and their families; enables small businesses to grow and create jobs; uses an evidence-based approach to economic development; and closes persistent opportunity gaps for women and minorities. We envision an economy that is built for all and benefits all.

COVID-19 frontline relief

Collectively, Mastercard and the Mastercard Impact Fund have committed more than \$33 million in philanthropic grants to address both the health and financial impacts of the COVID-19 pandemic. This commitment includes \$25 million as a founding partner of the [COVID-19 Therapeutics Accelerator](#), alongside the Bill and Melinda Gates Foundation and the Wellcome Trust.

Small-business support

Mastercard has made a five-year, \$250 million commitment to providing small businesses impacted by the economic fallout of the pandemic with financial tools, technology, products, funding and insights, to help them survive and thrive. Support includes free cybersecurity checks and fraud assessments as well as assistance in moving to digital storefronts.

Racial equity

As part of In Solidarity, Mastercard pledged \$500 million over five years to help close the wealth and opportunity gaps faced by Black communities in the U.S. We also promised to take a leadership role in advocating for criminal justice reforms and to enhance our partnerships with civil rights groups and community-based organizations leading the work across the U.S.

A path forward

We know that this moment calls for more than incremental change. It calls for systemic change that examines the fundamentals of how our economies do and don't work for all segments of society. The Mastercard Center for Inclusive Growth, in partnership with the Centre for Public Impact, developed [Built for All](#), a global framework outlining how public, private and civic sectors must collaborate to mobilize action and ensure a future of sustained prosperity, equal participation and responsible stewardship.





Financial security

Building on our history of financial inclusion, we have helped millions of individuals and small businesses stay resilient during the pandemic, partnering with governments, financial service providers and NGOs. Digital transformation has helped existing partners pivot to remote work, shift to e-commerce and rapidly deploy relief during COVID-19.

HELPING GOVERNMENTS SUPPORT THEIR CITIZENS

In 2020, Mastercard worked with governments worldwide, providing systems and services to help protect people and businesses and allow efficient and equitable distribution of aid. We helped deliver vital welfare payments to alleviate hardship, credit lines to keep small businesses going, and economic stimulus to mitigate the impact of COVID-19 and accelerate recovery in its wake. More than half of the nearly 250 initiatives launched in more than 50 countries during the year were directly related to COVID-19 relief.

For example, a program in Los Angeles leveraged Mastercard's services and technology to raise funds through our Donations Platform and then load more than 38,000 cards with almost \$37 million in emergency funds. This COVID-19 relief helped roughly 105,000 residents. [The Angeleno Campaign](#) provided direct assistance over just a few months to families experiencing extreme financial hardship due to the pandemic shutdown.

DIGITIZING AND MODERNIZING FINANCIAL SERVICE PROVIDERS

Our early investments in digital transformation for Community Development Finance Institutions (CDFIs) scaled quickly in 2020 as CDFIs became a lifeline for micro and small businesses. Our grants helped CDFIs and NGO partners pivot to remote work during the pandemic and helped rapidly deploy billions of dollars in relief to small businesses in need:

- A \$2.5 million grant to Community Reinvestment Fund helped create a digital application process for federal aid. This alleviated much of the application burden for small businesses, supporting the disbursement of \$5.8 billion in loans through the federal Paycheck Protection Program (PPP). Over 2,400 businesses that benefited from the loans could not access PPP through traditional financial institutions.

Our grants helped CDFIs and NGO partners pivot to remote work during the pandemic and helped rapidly deploy billions of dollars in relief to small businesses in need.

- A million-dollar COVID relief grant contributed to the enablement of the nonprofit Grameen America, and the 52,000 low-income woman entrepreneurs it serves across the U.S., to go 100% digital, from weekly check-ins to loan disbursements and repayments. Going forward, all new loans will be funded directly via prepaid disbursement cards. The grant also helped fund critical relief activities, including loan forgiveness, payment holidays and digital repayment fees. Since 2015, Mastercard grants have contributed to Grameen's efforts to support nearly 135,000 women with more than \$1.7 billion in small-business loans.
- We committed to deploying \$20 million into CNote Promise Accounts, an insured cash management solution with impact. Through this commitment, funds will be deposited into CDFI banks and Low-Income Designated credit unions to provide funding that will expedite the recovery of underserved communities and woman- and minority-owned businesses across the U.S.
- Our partnership with the global nonprofit Accion, which helps 8 million people and 3 million small businesses, quickly adapted to the pandemic in 2020. We have now reached eight financial providers and more than 35 fintechs, helping micro- and small-business owners worldwide to digitize their products and services to support themselves and their customers. In response to COVID, new projects included a shift to e-commerce platforms adopting remote customer service support and reimagining group lending for a no-contact world.





DIGITAL-FIRST RESOURCES FOR SMALL BUSINESSES

In addition to the hardware and software requirements, small businesses also needed the technical guidance and support to rapidly shift to an all-digital economy.

Tech-enabled training and mentorship

Getting small businesses digital-ready often meant finding the right mentors. In partnership with Mercy Corps, the Center for Inclusive Growth created **MicroMentor**, a digital platform matching small-business owners across the Middle East and North Africa with mentors. From MicroMentor's initial launch in April 2019 to January 2021, nearly 1,600 mentors and more than 4,800 entrepreneurs engaged on the platform. In 2020, with the Mercy Corps and Global Cyber Alliance, we expanded the platform to Indonesia.

Digital tools for micro and small businesses

In response to the challenges small businesses have faced during the pandemic, Mastercard created **Digital Doors**, which provides small businesses with online access to e-commerce capabilities, products and educational resources to empower and protect them by ensuring that they have the right tools for digital transformation.

Through Digital Doors, we hosted a series of educational webinars, including many devoted to promoting minority-owned small businesses and their products and services. We also provided free access to several Mastercard tools, such as those for risk assessment, ID protection and diagnostics, to help small businesses recover faster and stronger from the pandemic. More than 3,700 individuals and small businesses took advantage of these tools in 2020.



We also have a number of options designed specifically for micro-commerce economies in marginalized communities. **Community Commerce**, which digitizes low-value transactions for shopkeepers in informal convenience stores, offers a safe and secure way for consumers and micro enterprises to receive, store and spend funds digitally. More than 140,000 individuals used it in 2020 to buy goods, creating digital transaction records and helping these small-business owners to gain access to credit and achieve greater financial resilience.



Mastercard Farmer Network (MFN) helps smallholder farmers who typically live on the margins of the economy by giving them a way to pay and get paid electronically, generate digital sales records, and store money digitally. It is now available in India, Kenya, Tanzania and Uganda. As of March 2021, the network had given approximately 500,000 registered farmers direct access to buyers, increasing price transparency and speeding payments. Overall crop sales through MFN increased 263% in 2020.

DESIGNING PRODUCTS AND SERVICES FOR UN- AND UNDERBANKED PEOPLE

We continued developing products, tools and educational programs designed to solve problems for underbanked and marginalized individuals and communities.

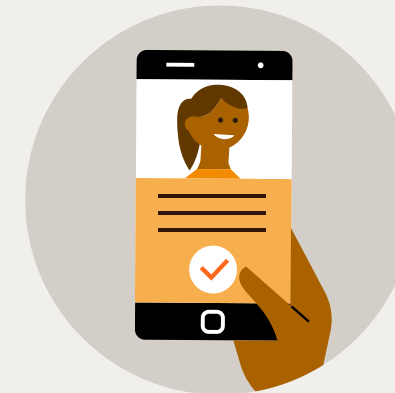
Enabling access to critical services through digital infrastructure

Mastercard's **Community Pass** is a digital platform designed to connect people to essential life services that can fuel inclusive growth. Nearly 900,000 individuals were registered on this secure platform in 2020. Community Pass connects users to the digital economy and helps them better access education, health care, humanitarian aid, agricultural marketplaces and micro-commerce. Eliminating manual, paper-based processes reduces the potential for errors and fraud while improving data and visibility for service providers.



An educational payments platform in Uganda

Kupaa allows parents, schools and governments to make and track digital payments using a mobile app. It also gives schools in marginalized communities a way to maintain real-time data. Despite school shutdowns caused by COVID, the platform was expanded to three new school districts in 2020, bringing the total number of schools registered to 560. Nearly 1,300 education stakeholders, such as teachers and bursars, went through Kupaa orientation in 2020. UNICEF included Kupaa in its digital education framework in 2020.



Access through inclusive digital identity

The digital "Inclusive ID" acts as a secure, formal identity service, without relying on names or photos or storing sensitive personal data. Instead, Inclusive ID creates secure, biometric tokens that are small, irreversible and unusable without the individual's presence and permission. They can be stored on a local device or smart card or as a QR code. These biometric tokens protect privacy and reduce the potential for misuse. Inclusive ID works in both online and offline environments with touchless capture to significantly reduce health risks.



Digitizing health records for tracking vaccinations

Wellness Pass is a platform for digitizing paper-based immunization records via a secure chip card developed by Mastercard and the [Global Vaccine Alliance](#). It's also an application that enables record portability and proper treatment, even in offline health centers. Wellness Pass includes electronic notifications, allowing service providers to help more children in marginalized communities stay current with their immunizations. In June 2020, we announced that Wellness Pass will be adapted to include pandemic intelligence and vaccination verification.

Mastercard's Community Pass is a digital platform **designed to connect people to essential life services that can fuel inclusive growth.**

A suite of low-cost, digital-first financial solutions

In 2020, we expanded our partnership with MoCaFi, a Black-owned fintech, to better serve financially vulnerable communities. Together we launched the MoCaFi Direct to Consumer debit card, which includes key mobile-first banking features and will help cardholders access capital at scale.

We also launched Mastercard **Money Connect Solutions**, which helps increase financially vulnerable families' access to financial products while reducing their costs. This digital suite of solutions integrates with our partners' existing apps or websites, including MoCaFi, facilitating the distribution of key services in a secure, more affordable and convenient manner. Those digital services include mobile check-cashing, bill payments, person-to-person payments, cross-border remittances and money management.

A program for financial coaching

Master Your Card (MYC) is an educational program that helps marginalized people and small-business owners build solid financial foundations by teaching them the ins and outs of the financial system.

During 2020, MYC sponsored virtual events, expanding our reach and message to more than 38,000 people, and engaged with more than 3,000 individuals and entrepreneurs directly. Eight new financial topics also were added to our library, and we launched two free online learning platforms designed for those aged 7 to 21. MYC youth initiatives include a student program teaching financial literacy in 200 schools in underserved communities in New York and St. Louis. The MYC/EVERFI program has reached more than 40,000 students since launching in 2016.

A gamified savings program for kids

It's never too early to teach kids about finance to help them build solid foundations for future success. In September 2020, in partnership with the Goalsetter app, Mastercard launched the **Cashola Card** — a debit card with parental controls. The card allows users to make encrypted peer-to-peer payments and includes an app that teaches financial concepts. Goalsetter is part of Mastercard's Start Path program and is a partner supporting our In Solidarity and financial inclusion efforts within the U.S.



Data science for social impact

As outlined in our [Data Responsibility Principles](#), Mastercard believes data science can be used to improve the lives of millions of people by tackling society's most significant challenges. We work with organizations from all over the world to do just that.



USING MASTERCARD INSIGHTS FOR SOCIAL IMPACT

We partner with governments and NGOs to incorporate data and data analytics into their decision-making processes.

Mastercard volunteers participated in a July datathon in Chicago that uncovered COVID-19's economic impact by industry, neighborhood and business size. The findings have been shared with a broad set of government and public stakeholders to help attract capital to priority neighborhoods in Chicago.

Our insights from another datathon helped the nonprofit Accion and Bolivia's largest microcredit bank to drive financial inclusion. We provided actionable steps for the bank to expand its digital footprint, improving marketing strategies and empowering employees through data insights. The partnership has helped the microfinance institution become more data-driven by building an internal data science team and championing data-driven decision-making across the organization.

We also supported governments, customers and multilateral organizations worldwide with our data analysis services by providing insights into trends and improving focus within key economic sectors such as tourism — via our [Economics Institute](#). Our analytical platforms, which include Spending Pulse and Tourism Insights, helped governments identify changing consumer trends, while our advisory services helped create sustainable plans for economic growth and recovery based on these trends. These insights informed governments' actions on business and unemployment disbursements, recovery planning, and fiscal stimuli targeted to encourage spending on tourism. For example, our tourism partnership with the Georgian National Tourism Administration is helping Georgia rebuild a healthier, more resilient and inclusive tourism industry, after experiencing less than a third of visitor volume in 2020, according to government estimates.



01

02

03

04

05

ESG

Inclusive Growth

SCALING THE FIELD OF DATA SCIENCE FOR SOCIAL IMPACT

We are committed to building a global network of data-driven solutions to help make economic growth inclusive and sustainable for everyone. The [data.org](#) platform, launched by the Mastercard Center for Inclusive Growth and the Rockefeller Foundation, introduced the \$10 million Inclusive Growth and Recovery Challenge in January 2020 to crowdsource scalable and sustainable data science solutions for social sector organizations.

The challenge drew more than 1,250 entries from 108 countries. Eight winners were selected based on their exceptional use of data science to advance global inclusive growth. Winners included plans to promote women's financial inclusion using AI and a way to open access to renewable-energy markets for women entrepreneurs.

DATA-DRIVEN TOOLS AND RESOURCES FOR LOCAL DECISION-MAKERS

Tools for more inclusive and equitable growth
The Inclusive Growth Score and toolkit is a suite of tools to help community leaders evaluate and fund economic development initiatives in underserved communities. The Inclusive Growth Score is an interactive online index that provides insights into social and economic growth at the census-tract level, visualized on a map. The index is based on timely and granular economic and location data and calculates scores using both proprietary and open-source data to promote social and economic growth in underserved communities across

the U.S. We also supported the development of two economic-equity resources in partnership with the Urban Institute: a Guide for Cities to create equitable technology programs and a spatial-equity data tool that will help cities to keep equity at the forefront when deploying new technologies.

Furthering criminal justice reform
Mastercard partnered with Georgetown University Law Center's Active Bystandership for Law Enforcement (ABLE) Project, a holistic program centered on training, accountability and transparency. Mastercard is providing a platform for ABLE via our City Possible and Signature City programs. Additionally, our employees serve as advocates for ABLE, introducing other corporations and community groups to ABLE's work.



Future of workers

The nature of work is changing rapidly. In developed economies, these shifts have created challenges to workers' financial security and upward mobility.

In emerging markets, digital economies face an urgent need to prepare and skill their workforces to meet labor market demand.

Mastercard generated new frameworks, partnerships and insights to help workers achieve economic mobility and find better opportunities in a changing labor market.

Empowering Black entrepreneurs and communities

As part of our In Solidarity efforts, we are supporting the development of entrepreneurship centers and workforce development pathways to foster job creation and economic opportunity in collaboration with the National Urban League. This program builds on a previous \$5 million commitment to support 5,000 Black entrepreneurs by 2025.

Pathways to job mobility in the U.S.

In partnership with the Brookings Institution, we produced two tools to help vulnerable workers transition to better local jobs. Using the Mobility Pathways tool, workers, firms and policymakers can compare jobs by wage level and current demand and, through a "mobility index," identify paths to better jobs. Another tool helps

local officials identify and evaluate job vulnerability across the U.S. in 380 metropolitan areas. Local leaders can use the data to devise ways to enhance workers' resilience to economic shocks. Officials in Texas, Idaho and Colorado are using these insights for their COVID-19 recovery strategies.

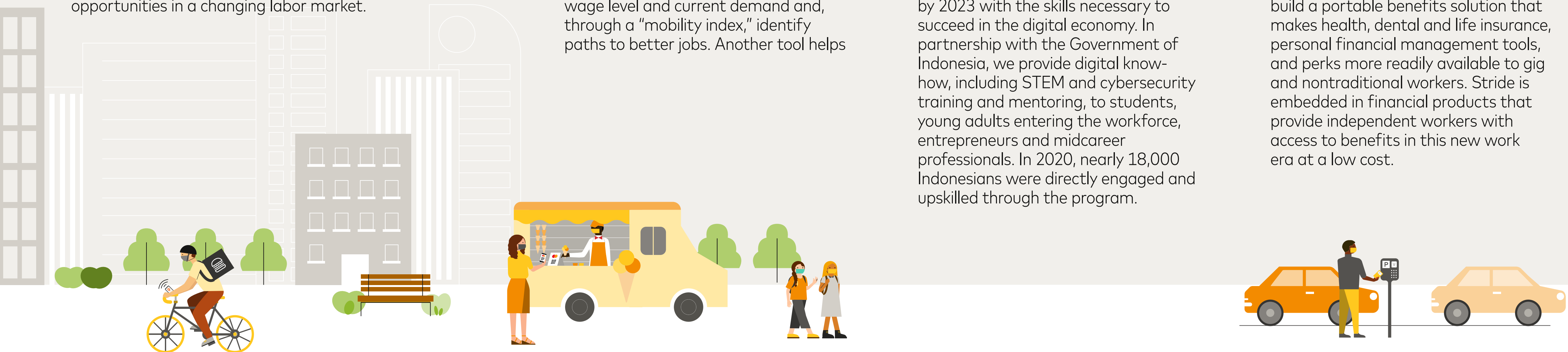
Building digital skills in Indonesia through training

In 2019, Mastercard committed to empowering 100,000 Indonesians by 2023 with the skills necessary to succeed in the digital economy. In partnership with the Government of Indonesia, we provide digital know-how, including STEM and cybersecurity training and mentoring, to students, young adults entering the workforce, entrepreneurs and midcareer professionals. In 2020, nearly 18,000 Indonesians were directly engaged and upskilled through the program.

Portable benefits

The rise of the independent, or gig, worker has had a significant effect on the global economy, but while the flexibility may suit certain nontraditional workers, the work doesn't come with the same range of benefits usually available to full-time employees. This has led to a large and growing number of workers losing out on benefits during the pandemic, and the trend will probably continue afterward. Current benefit systems are not designed around modern employment patterns, and expose the vulnerabilities that come with intermittent and flexible work arrangements.

Mastercard has partnered with leading benefits providers like Stride to build a portable benefits solution that makes health, dental and life insurance, personal financial management tools, and perks more readily available to gig and nontraditional workers. Stride is embedded in financial products that provide independent workers with access to benefits in this new work era at a low cost.



01

02

03

04

05

ESG

Inclusive Growth

Community support and giving

Helping people achieve financial security includes helping them meet basic needs — particularly during times of crisis.

We are supporting communities in need through charitable giving to organizations focused on helping people rebuild their lives in times of crisis and recovery.

We are also leveraging our technology and network to channel aid quickly and securely.

During the pandemic, Mastercard coordinated with partners, including Uber Eats, iFood and Lyft, to provide meals and essential services for

frontline workers and vulnerable communities, while also helping small businesses navigate the crisis. We donated nearly \$30 million in COVID-19 and other disaster relief, including \$1 million jointly with PepsiCo to support medical workers at White Plains Hospital, one of our hometown medical centers in Westchester, New York.



	Total Giving*
Community	\$50,472,000
COVID-19 & Other Disaster Relief	\$29,978,000
Match Employee Giving	\$5,633,000
Other Community	\$14,861,000
Data Science for Social Impact & Economic Development	\$12,905,000
Financial Security & Future of Work	\$16,791,000
	\$80,168,000

*Includes Mastercard's and the Mastercard Impact Fund's charitable donations disbursed in 2020 and does not include non-cash donations. The Mastercard Impact Fund is an independent not-for-profit entity created by Mastercard in 2018. The Fund was created after Mastercard dedicated \$500 million of savings generated by the U.S. and European tax reforms to inclusive growth.



The Mastercard Foundation works with visionary organizations to enable young people in Africa and in Indigenous communities in Canada to access dignified and fulfilling work. In 2018, the Foundation launched its youth employment strategy, Young Africa Works, to enable 30 million young men and women to access dignified and fulfilling work by the end of this decade.

It is one of the largest foundations in the world, with approximately \$40 billion in assets as of April 2021. To date, it has committed nearly \$4.4 billion to programs that support the advancement of financial inclusion and education to create a more inclusive and equitable world. The Mastercard Foundation was created in 2006 through the generosity of Mastercard's shareholders when Mastercard became a public company. Since its inception, the Foundation has operated as an independent organization with its own board of directors and president and CEO.

In 2020, Mastercard paid over

\$177 million

of dividends to the Mastercard Foundation.



01

02

03

04

05

ESG

Inclusive Growth



EMPOWERING A NETWORK TO GIVE

Mastercard donations technology allows for consumers to give to meaningful causes through everyday spending and provides customers with a way to embed the feature into their services. Mobilizing its network of partners and consumers, Mastercard enabled the collection of more than \$25 million in 2020 through more than 170 donation-driven marketing campaigns and consumer donation technology initiatives. With the COVID-19 pandemic hitting in early 2020, more than \$11 million was raised exclusively to support COVID-19 relief efforts, frontline pandemic workers, and small and micro enterprises facing financial hardship.

An important driver of this purpose-driven solution is empowering giving with our infrastructure and technology through the Mastercard Donate ecosystem.

This suite of digital solutions empowers giving and enables seamless and secure donations, integrating giving into people's everyday lives — whether they're shopping online, paying at the point of sale, withdrawing money from an ATM, or using their mobile banking app.

In 2020, we also continued our support for our longtime partners and their worthy causes:

- Since our partnership with the World Food Programme (WFP) began in 2012, Mastercard, its partners and its cardholders have donated more than \$37 million in over 30 countries, primarily to support school feeding programs. In 2020, more than \$4 million was donated to support WFP. For many children around the world, a daily school meal is often the only regular, nutritious meal they receive, and with the onset of COVID-19, WFP had to quickly adapt its program to ensure that children were still able to receive meals while schools were closed.

- Mastercard is a proud partner of Stand Up To Cancer (SU2C) and continued our support of their groundbreaking cancer research in 2020 by donating over \$5.5 million together with cardholders. During a year in which consumers were spending increasingly online and seeking touch-free payments in-store, we launched a program whereby every time a Mastercard cardholder made online purchases or contactless purchases in-store at qualifying grocery stores, drug stores, and restaurants, as well as for transit, Mastercard made a donation to SU2C, up to \$4 million. Over the past decade, Mastercard has donated over \$55 million to support SU2C.

Mastercard enabled the collection of more than \$25 million in 2020 through more than 170 donation-driven campaigns and initiatives.

03

OUR PEOPLE AND CULTURE

Our goal is to create a robust, inclusive and resilient workforce by prioritizing employees' development and well-being — physical, mental and financial — and by keeping decency at the core of all we do.



01

02

03

04

05

ESG

Mastercard's people strategy is evolving, especially in the wake of COVID-19. In 2020, we continued to draw on our business strategy to "Grow, Diversify, Build," as well as on our brand strength, to attract and retain the best talent. This strategy enables an empowered workforce that can adapt to whatever the future brings, and that supports the success of our business.

We've built a thriving culture in which our employees know we value innovation and collaboration, and where each person has an equal opportunity for success. The development and execution of regional action plans help keep our focus on equality, inclusion and diversity in all the localities where we operate. We are increasing awareness of unconscious bias by introducing and incorporating training and resources into our workplace. We are also examining various policies and practices for opportunities to realize greater inclusion and to remove potential barriers to success.

Through In Solidarity, we have made a series of commitments to spur us and others to champion equality and inclusion and provide a level field for all people at Mastercard and far beyond our corporate walls. Read more about these commitments [here](#).

Talent attraction and recruitment

Our evolving business strategy and emerging priorities shape the skills we need to deliver value to our customers and society now and into the future.

In addition to the expansion of our talent through acquisitions, we adjusted our hiring efforts in 2020 to reflect this need for new skills and increased specialization.

We positioned ourselves for the future by investing in our engineering talent pipeline and career paths.

We also moved to accelerate our inclusion strategy throughout the hiring process. We are enhancing our end-to-end talent program in part by increasing awareness of diversity within existing new-hire programs across the company. For more detail, see the ESG table on [page 62](#).

COVID necessitated a fully remote hiring process in 2020. Recruiting in a virtual environment meant we relied more on Mastercard's brand as a leading global technology company. Additionally, our traditional onboarding processes were adapted with a series of virtual 2020 New Hire Bootcamps. We surveyed all newly hired employees to determine the success of the virtual onboarding process and found that 94% of respondents felt it met or exceeded their expectations.



01

02

03

04

05

ESG

Our People and Culture



YOUTH EMPLOYMENT AND APPRENTICESHIP PROGRAMS

Through our youth employment and apprenticeship partnerships, Mastercard creates unique employment opportunities for underserved youth and young adults in select markets in the U.S., Ireland, and India. We believe these programs enhance our talent pipeline, increase the diversity of our workforce and create sustainable, positive social impact. The duration of our youth employment and apprenticeship programs ranges from a few weeks to a few years, with an emphasis on enhancing career readiness, learning new technology-related skills, providing financial support for postsecondary education, and broadening community engagement.



CAMPUS ATTRACTION

Mastercard nearly doubled our training class size for new-graduate hires in 2020. We developed new ways to find graduate talent in a virtual environment, including technology-focused virtual problem-solving events, a "Tech Talk" series with topics such as front-end architecture and big data, and technical interview prep workshops.

Our paid-internship programs also went virtual. In addition, our efforts include an 18-month new-hire program for recently graduated talent and an 18-month rotational leadership development program for new graduates with advanced degrees.

Through In Solidarity, we committed to bolstering Black employee recruitment through new and expanded partnerships with historically Black colleges and universities and other organizations that help us connect with diverse talent, like [InRoads](#).



MIDCAREER ATTRACTION

We have a number of programs to recruit employees looking to relaunch or reinvent their careers. Those programs can be adapted to fill specific skill needs, help upskill the entire organization, or boost diverse talent acquisition. One 16-week "Relaunch Your Career" program in 2020 focused on upskilling and retraining in four important areas to help women and men returning to the workforce feel confident about their new jobs.



EXECUTIVE DEVELOPMENT AND SUCCESSION

Mastercard safeguards the company's future by developing internal talent. Planning for the next CEO is an open and integral part of everyday senior leadership development. We encourage and nurture those who have C-suite aspirations to switch geographies and to move between line jobs, where they gain hands-on experience building their senior leadership skills. We also look internally to develop future country leaders by identifying talented individuals and preparing them to be flexible general managers. We train these senior executives in The Mastercard Way to support our culture's continued evolution. We equip them with skills to reconcile dilemmas, lead through uncertainty and navigate the real-life challenges associated with both business and people management.



Development and retention

Mastercard provides on-the-job training and development for every employee — all of it virtual in 2020.

We emphasize and develop skills for the future such as agility, collaboration and flexibility through our talent and leadership development programs.

Our leaders are trained to role-model those behaviors to help sustain our culture. A wide array of educational options gives every person multiple opportunities to enhance their skills and advance their careers.

We've embedded inclusion principles into every development curriculum, so our colleagues think and act inclusively. Mastercard believes people's distinctive backgrounds, experiences and ways of thinking help us deliver innovative products and solutions that are as diverse as the consumers and markets we serve.

LEARNING PROGRAMS AND OPPORTUNITIES

Mastercard's new Learning Academies, opened in 2020, are changing how we train and develop our employees. The Academies support our corporate business strategy and priorities, and offer programs aligned to regional priorities. This provides a consistent experience and global access to our learning ecosystem, regardless of which area an individual works in. We have a rich portfolio that includes everything from skill-refreshing courses to college and graduate degree credit.

We have updated our career frameworks, creating a new hybrid role by bringing together our product and engineering teams. This new career path complements our existing operations and technology path, designed to ensure that software developers have a defined career-advancement path.

Our top leadership development programs in 2020 reached 11% of the workforce, including 100% of new-graduate hires and 35% of global people managers. In response to the pandemic, we created our first-ever virtual programs by digitizing content. In another first, hundreds of program alumni participated in a series of virtual events to reconnect with peers, review key concepts and discuss leadership topics. We also provided our people managers with extra training to help them manage their employees during the pandemic.

DIVERSITY AND FUTURE TALENT PROGRAMS

We supplement our employees' talent and expertise with mentorship programs that give mentees tools and resources to help build and enhance their skills, inspire personal growth, overcome dilemmas, foster inclusion and support well-being.

We also use community engagement through various pro bono programs to build and enhance employees' skills so they can contribute to social impact and, in turn, become well-rounded, purpose-driven leaders.

We advanced our efforts to maintain a fair and equal workplace for all employees by increasing leadership opportunities in our company for women and underrepresented employees. Nearly 20% of our women employees around the globe participated in opportunities explicitly designed to develop our diverse employee populations through mentorship, pro bono work and other programs focusing on social impact. This training also helps emerging leaders find their voice as they continue to advance their career path.

NEW PROGRAMS



Women's Mentoring Series

Woman VPs, SVPs and EVPs act as mentors in this 12-month global program for women at the senior analyst and manager levels. It is designed to grow and retain our foundational bench of female talent deep in the organization. The program began in March 2020 with a focus on career-building. Curated content was shared monthly with the mentors and mentees, followed by questions and discussion to help direct the conversation.



Board Buddies

Mentors who have served on corporate and nonprofit boards are matched with rising leaders who are just beginning their nonprofit board service, in a one-year program for senior women and Black leaders. Mentors, known as "Board Buddies," prepare mentees for board service, equipping them with tools and resources so they are ready to serve. This informal peer support group helps our leaders who are engaged in nonprofit board service to navigate the nonprofit board journey.



Boards for Impact

This program helps connect talented Black leaders from Mastercard with nonprofit organizations in need of strong, diverse talent while also increasing Mastercard's community engagement. Serving on boards for these nonprofits helps our people develop key skills to become well-rounded, purpose-driven leaders. Mastercard employees serve on a number of boards, ranging from the arts to legal assistance.



01

02

03

04

05

ESG

Our People and Culture

Culture

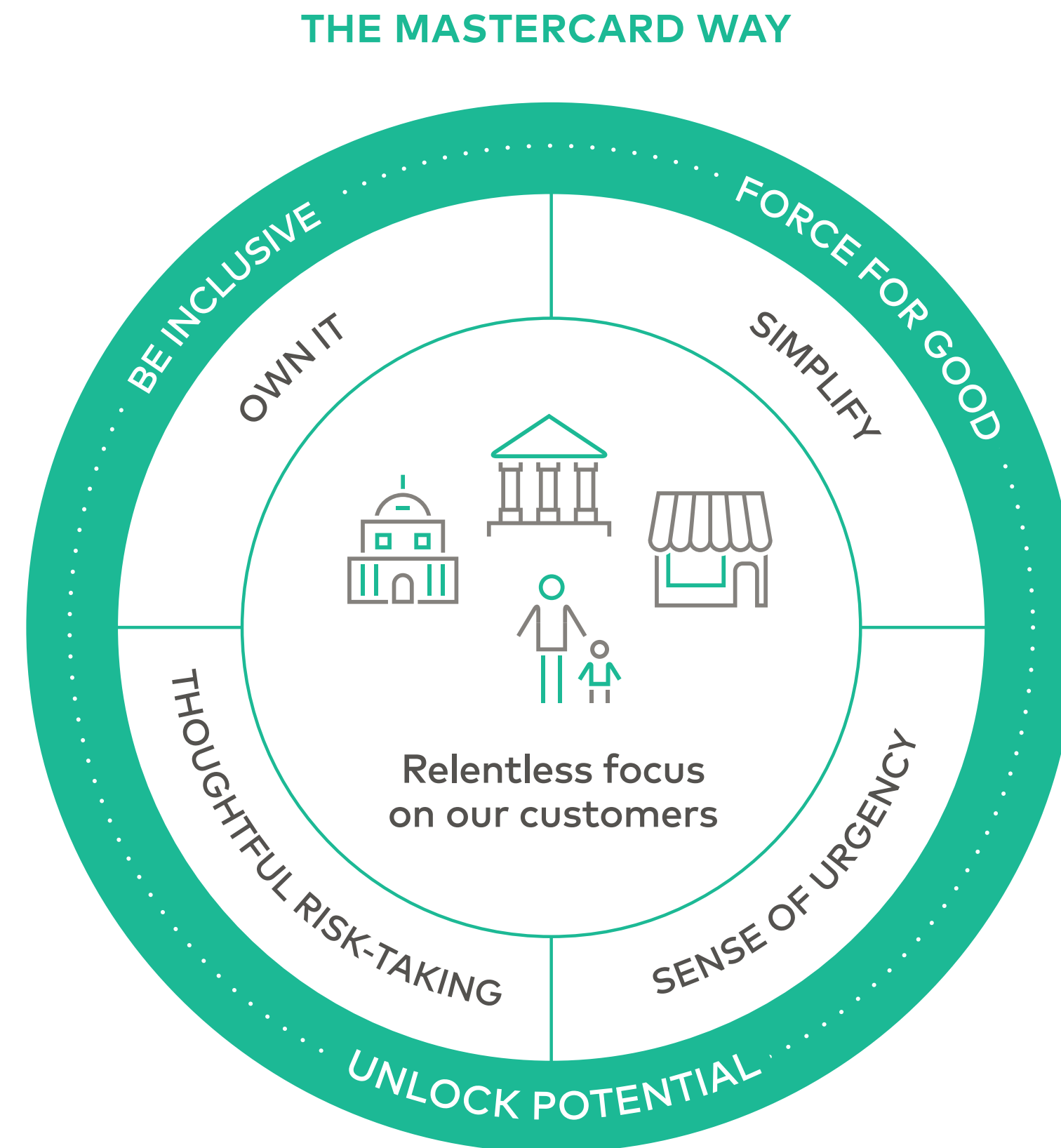
The Mastercard Way sets the standard for the health and well-being of our culture of decency.

It fosters a shared set of values and behaviors across the company and is designed around the idea that being inclusive and a force for good – in the workplace and beyond – unlocks potential for ourselves, our communities and our business.

Mastercard's approximately 21,000 global employees share a sense of urgency and ownership, balanced by thoughtful risk-taking, to drive a relentless focus on our customers as the heart of The Mastercard Way. In 2020, adherence to it was added to the performance review process for all employees.

We introduced The Mastercard Way Index in our 2020 Employee Experience survey in order to understand employees' perception of how behaviors are demonstrated from day to day. Survey scores were up from 2019 for 23 of 24 questions. Overall employee engagement favorability increased to 85%, up two points from 2019.

Career development questions increased four points to an overall favorability of 80%, while 93% of employees in 2020 said they were proud to work for Mastercard.



Underpinning all of this is our culture of decency.

INCLUSION AND DIVERSITY

Mastercard believes that treating everyone fairly and equally strengthens our company. We have committed to creating a global workforce, including our management and leadership teams, that mirrors the wider world. We seek diversity of thought, background, experience and ability. Inclusion is integrated into every facet of the employee life cycle. We even teach it as a leadership skill.

Nine Business Resource Groups (BRGs) provide channels through which employees can develop programs and initiatives and increase awareness about inclusion and diversity. Approximately a third of our workforce belongs to these employee affinity groups, which help innovation flourish within our company. Each of the 100-plus global chapters is open to all employees.

BRGsLive

For this initiative, our nine employee affinity groups created virtual hangouts to keep people connected during the quarantine. From volunteer opportunities to live dance parties complete with a DJ, there was something for everyone. These hangouts continue to foster community and a sense of belonging among our employees, whether they are back in the office or still working remotely.

Read more about inclusion and diversity at Mastercard on our [site](#).

AGILITY

Innovation is an everyday part of Mastercard culture, which encourages our employees to act quickly, think differently and innovate faster than ever. During COVID, our innovation teams conducted customer interviews virtually. They found ways to assess current uses accurately and determine future needs for our products, overcoming issues created by customers struggling with technology, space, noise and other difficulties because of the lockdown.

Project Possible

We activated employees across the company to help support customers and cardholders through the pandemic crisis with an initiative called Project Possible. Volunteers had the opportunity to stretch their skills and development by working on high-priority projects within the company, including e-commerce and digital optimization, contactless payments, and government engagement. One project helped to raise and disburse COVID-relief funds donated via the Mastercard Donate ecosystem, while another developed automated data and analytics on the impact of COVID-19 on contactless payments.

COMMUNITY ENGAGEMENT

Mastercard employees want to enrich the communities where they live and work, and in 2020 nearly 92% said we encouraged their efforts to do so. We help by supporting their charitable donations with matching gifts of up to \$15,000 per employee annually, and their volunteerism, such as mentoring underserved students. Full-time employees are allowed up to five paid days per year for eligible volunteer work. Additionally, employees who volunteer at least 40 hours per year with a single organization may apply for up to \$2,000 in grants for it.

Our people have volunteered more than 300,000 hours since 2015. In 2020, more than 29% of our people supported more than 5,100 organizations — with monetary gifts, which Mastercard matched, or through nearly 55,000 volunteer hours.



Total Giving

Employee philanthropy	\$4,568,000
Retiree philanthropy	\$562,000
Board of Directors philanthropy	\$98,000
Volunteer Incentive Program	\$155,000
Political Action Committee (PAC) match*	\$250,000
	\$5,633,000

* Employees who make PAC contributions are allowed to direct Mastercard corporate funding (noncharitable) to the charities of their choosing.



01

02

03

04

05

ESG

Our People and Culture

Mastercard Impact Corps

The Mastercard Impact Corps, which launched in 2019, aims to have an enduring impact on the communities where we live and do business. Mastercard people regularly donate their time to individual and team-based volunteering, pro bono placements, and STEM mentoring. The Impact Corps helps employees use their skills for social good by providing a framework for delivering meaningful community impact at scale.

Girls4Tech™

Our STEM-based Girls4Tech™ hit an important milestone in 2020, having reached 1 million 8- to 16-year-old girls since launching in 2014. That prompted us to commit to engaging 5 million girls by 2025. The program grew from 31 to 35 countries and added about 660 new mentors, for a total to date of nearly 5,300 Mastercard employees participating. We digitized the curriculum to redress educational gaps early in the pandemic. We've also expanded the offerings, creating program extensions including "Girls4Tech™ & Code," a 20-week coding and mentoring program, and "Girls4Tech™ Cyber & AI," a deeper dive in these hot skill areas. The ultimate Girls4Tech™ goal is to showcase that it takes all kinds of skills to pursue a STEM career and to create the leaders of tomorrow.

Our STEM-based Girls4Tech™ hit an important milestone in 2020, having reached 1 million 8- to 16-year-old girls since launching in 2014.

Pro bono

Various pro bono initiatives help Mastercard employees to be a force for good. In 2020, we expanded these initiatives to include ones specifically aimed at social justice and social impacts. As part of our In Solidarity commitments, we added programs aimed at racial justice as well. Those included a virtual pilot program for Mastercard employees to share their time and expertise supporting Black-led nonprofits focused on racial justice and equality.

In addition, more than 530 members of our latest launch class of new-graduate hires joined "Launch for Social Impact," participating in three-month assignments with nonprofits around the globe.

STEM internship

This two-week program in Gurugram, India, teaches underprivileged students in 8th through 10th grades about Mastercard, Payments 101, soft skills and project work. Nearly 100 students have gone through the internship since it began in 2015.



Employee benefits, well-being and rewards

Mastercard considers our employees' health and well-being to be paramount, especially in a time of global crisis.

Our workspaces are designed to be safe, secure, and free of harassment and discrimination for everyone.

Caring for our people's well-being in 2020 necessitated fortifying their physical health and safety and protecting their mental health while they worked remotely. It meant paying particular attention to their feedback about areas where they needed extra support. We listened, and are incorporating those needs into our well-being and safety strategies. We took several steps to demonstrate our willingness to help in ways big and small. There were no pandemic-related layoffs in 2020. We implemented a flexible COVID leave policy.

We also implemented protective measures so employees would feel safe when they returned to the office. Our priority was the individual safety of our employees, which compels us to base all decisions on data, science and government guidelines. We indicated to employees in May 2020 that "we're ready when you're ready," meaning that we want them to be comfortable when they return to the workplace. We made modifications to enhance safety, including temperature scans, enhanced air filtration systems and a reduction in capacity. Survey feedback shows our employees do feel safe in the office with the precautions we have instituted.

Informed by employee feedback, we introduced a phased reopening plan in 2021 with added flexibility and opportunities to meet in person and collaborate with one another. For the majority of our workforce, this will mean splitting time between working in the office and working remotely. Given that some sites may be ready while others are not, each location will determine its specific return-to-office schedule while maintaining the globally consistent return-to-work framework. Though our plans will continue to evolve, we will ensure that employees always feel safe and supported while maintaining health and safety protocols.



COMPENSATION

Mastercard's compensation philosophy sets employees up for long-term financial success. We offer competitive pay and stock-based performance incentives. Pay packages throughout the company are aligned with our stockholders' interests to ensure solid performance now and in the future. We continue to proactively assess our compensation practices against a variety of factors, including living-wage levels for the locations in which we operate.

Closing the pay gap

We are moving toward pay equity across all measures. Based on our most recent annual pay equity analysis, women employees earn equal pay for equal work — \$1.00 for every \$1.00 men employees earn. Globally, the median pay for women as of Sept. 30, 2020, is 92.4% of the median for men. In the United States, Mastercard employees of

color earn \$1.00 for every \$1.00 white employees earn, as of September 2020. The median pay for people of color as of Sept. 30, 2020, is 92.4% of the median for whites in the United States. While these overall numbers are promising, we are looking deeper into each segment within people of color to identify opportunities in our senior talent pipeline to further narrow the gap.

RETIREMENT

Our new Investing in You program reflects Mastercard's commitment to our people and their futures by enhancing their readiness for retirement. All employees globally have the opportunity to receive a matching contribution of \$1.67 for every \$1 contributed on the first 6% of base pay. The end result: When employees contribute 6%, we match their contributions with an additional 10%.

BENEFITS

Our holistic benefits mean Mastercard employees — and their families — can access appropriate support when and where they need it. In 2020, we invested in new policies, programs and tools to enhance everyone's work-life experience. Our global New Parent Leave benefit supports adoption and childbirth for all employees who become parents by adoption or childbirth in all geographies — regardless of gender, sexual orientation or caregiver status. It provides a global standard of 16 weeks of 100% paid leave and maintains 100% of bonus eligibility during this time. We also began providing financial support for adoption, surrogacy or fertility treatments to employees globally, if not covered by an employee's medical insurance.



Physical

- 1:1 virtual health coaching
- Global fitness challenges
- 100% coverage of COVID-19 testing costs
- Free telehealth consultations for U.S. employees

Mental

- Introduced open enrollment for mental health insurance
- Launched series of mental health webinars for people managers
- Introduced mental and holistic health platforms with associated apps

Professional

- Curated, self-directed learning and development
- Virtual mentoring

Societal

- Added Juneteenth to holiday calendar
- Launched pro bono programs for social justice and social impact

Financial

- Free financial planning assistance
- Immediate vesting for company match

Social

- Live and virtual social events
- BRG socials
- Global Kids Club



04

ENVIRONMENTAL STEWARDSHIP

Mastercard is mobilizing against climate change directly through our business, as well as by committing to net-zero emissions by 2050 and supporting our suppliers' decarbonization efforts.

We're developing innovations that regenerate natural resources and reduce carbon footprints. And we're leveraging our network effect — giving consumers tools to measure their own footprints and make donations to Priceless Planet.



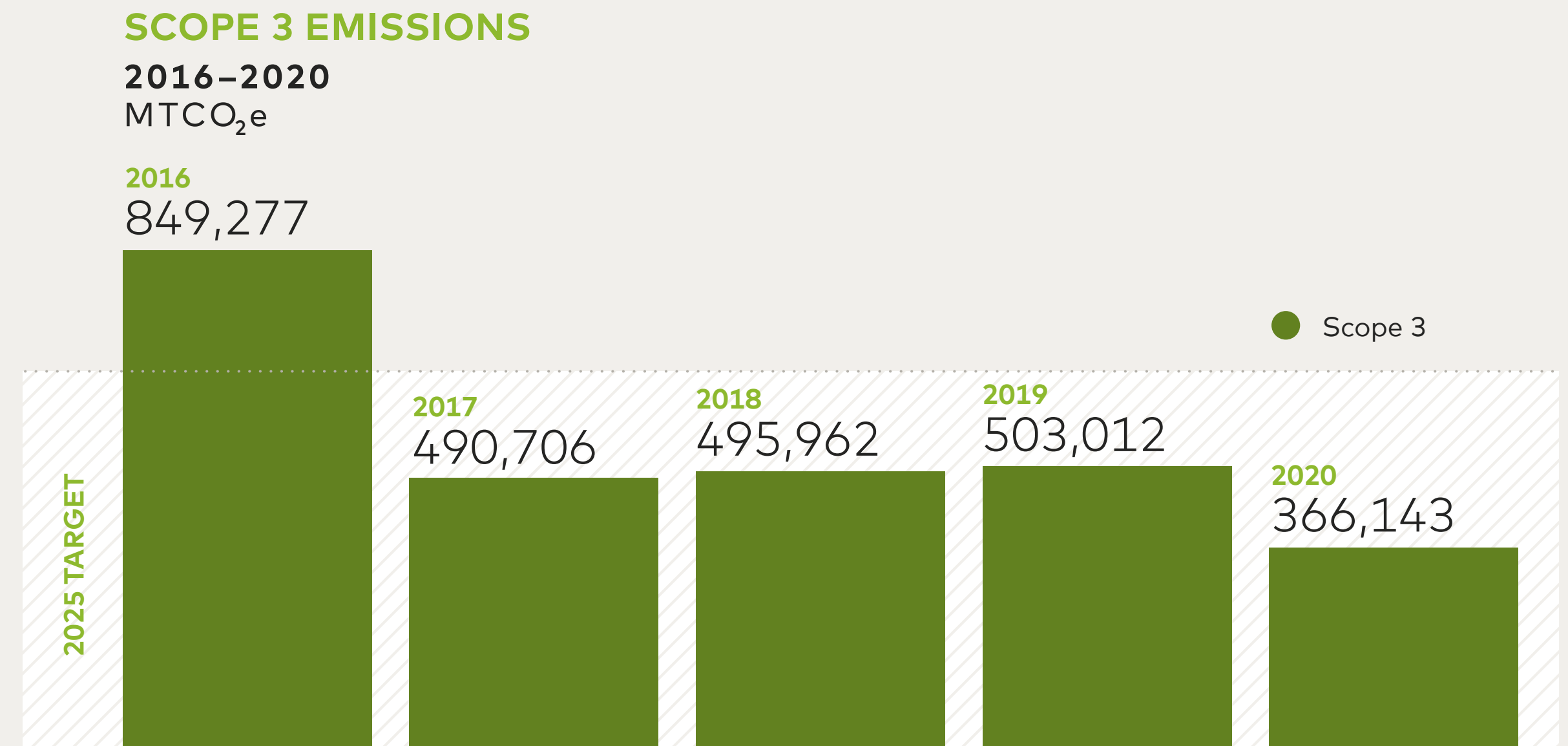
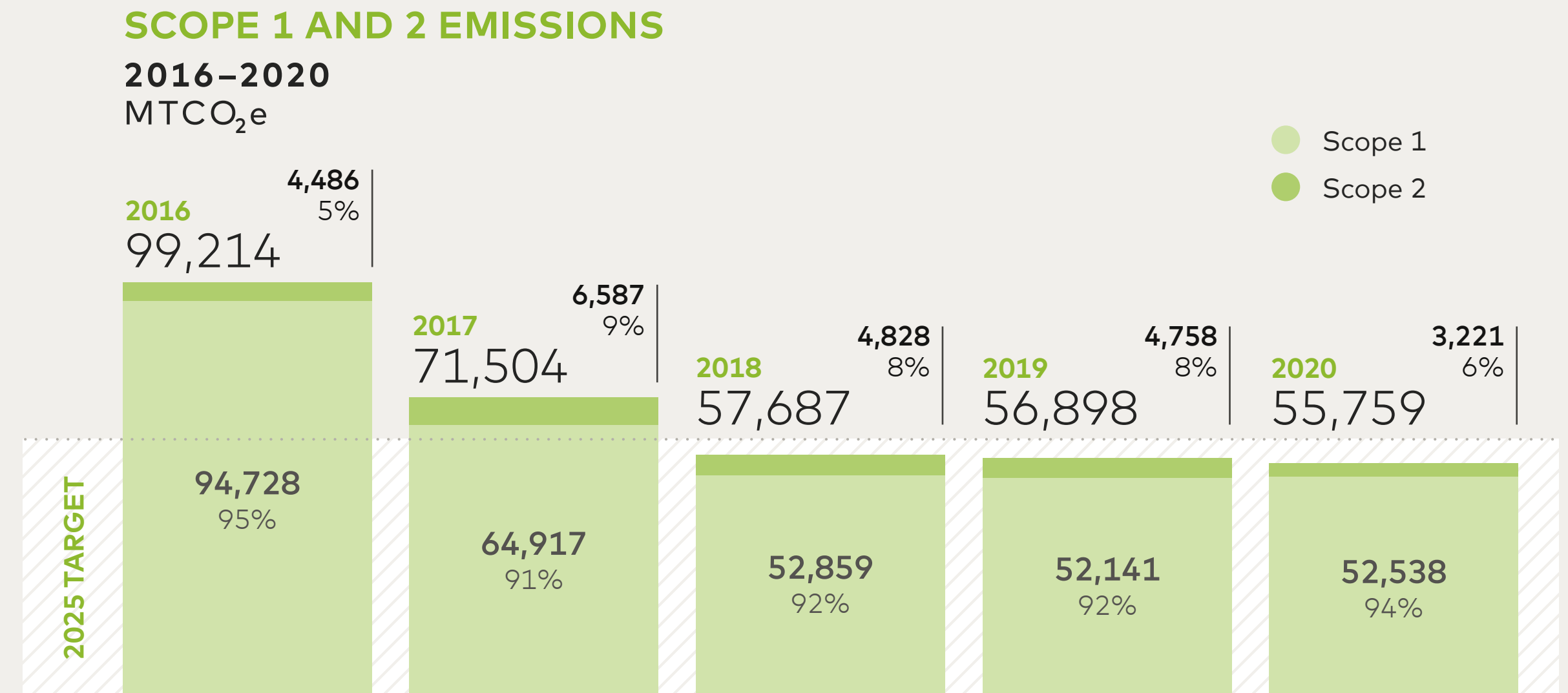
Operational footprint

Mastercard's global action plan calls for continuing the reduction of greenhouse gas (GHG) emissions in our operations and bolstering efforts to decarbonize our supply chain.

Our net-zero goal for 2050 builds upon existing science-based GHG reduction commitments aligned with the United Nations Business Ambition for 1.5°C pledge. We were the first in the payments industry to gain Science Based Targets initiative (SBTi) approval for our GHG goals in 2018. In 2020, we updated our GHG goals to align with a 1.5-degree Celsius climate trajectory. We are working toward these SBTi-approved goals to reduce total Scope 1 and 2 emissions by 38% and Scope 3 emissions by 20% by 2025 from a 2016 baseline, and to maintain or increase those levels of reduction until 2025, at which point we will set new SBTi goals with a new baseline year. After we have decarbonized as much of our emissions as possible, we will utilize carbon removals to bring our operational emissions to net zero.

In support of this commitment, we tied our executive compensation to ESG goals in 2021, including carbon neutrality, or the 100% offset of our operational CO₂ emissions. Specifically for our supply chain emissions, we work closely with our suppliers — with the aim of helping them reduce their emissions as well.

These targets reflect our long-term commitment to monitor and implement best practices to reduce emissions throughout the company, drive operational energy efficiency and further engage suppliers in value chain decarbonization. In the future, Mastercard also will review opportunities to invest in carbon removal projects, including nature-based solutions and technologies and services that reduce carbon impact while supporting broader economic and social development goals.





OPERATIONS

Mastercard operates 175 facilities around the world, and we're committed to ensuring that all of them are run in an environmentally responsible manner, including those that are leased. All Mastercard-owned properties in the U.S. are fitted with solar panels, and all owned properties in the world are LEED-certified.

When securing new leases, Mastercard prioritizes locations with green certifications, and includes requirements for renewable energy and other sustainability measures in all lease renewals. We have implemented the U.S. Environmental Protection Agency's new ENERGY STAR Tenant Space program as part of our commitment to green buildings. In 2020, our San Francisco

and Miami offices were among the first to be certified by the EPA, and the first in their respective cities. We also certified our space in Chicago. In 2020, Mastercard became the first technology company to receive the Green Lease Leaders Gold-level recognition.

Data centers

Two-thirds of our owned data centers have on-site renewable energy, in keeping with our 100% renewable energy commitment. Continual upgrades and new energy-saving projects help us meet or exceed our targets in all our owned spaces. We monitor power-use effectiveness levels for our operated data centers, and in 2020 we began monitoring and gathering data at our co-locations — facilities where Mastercard rents space for services and other computing hardware but does not manage the operations.

Nearly 90% of our global workspace meets regional or international green certification standards.

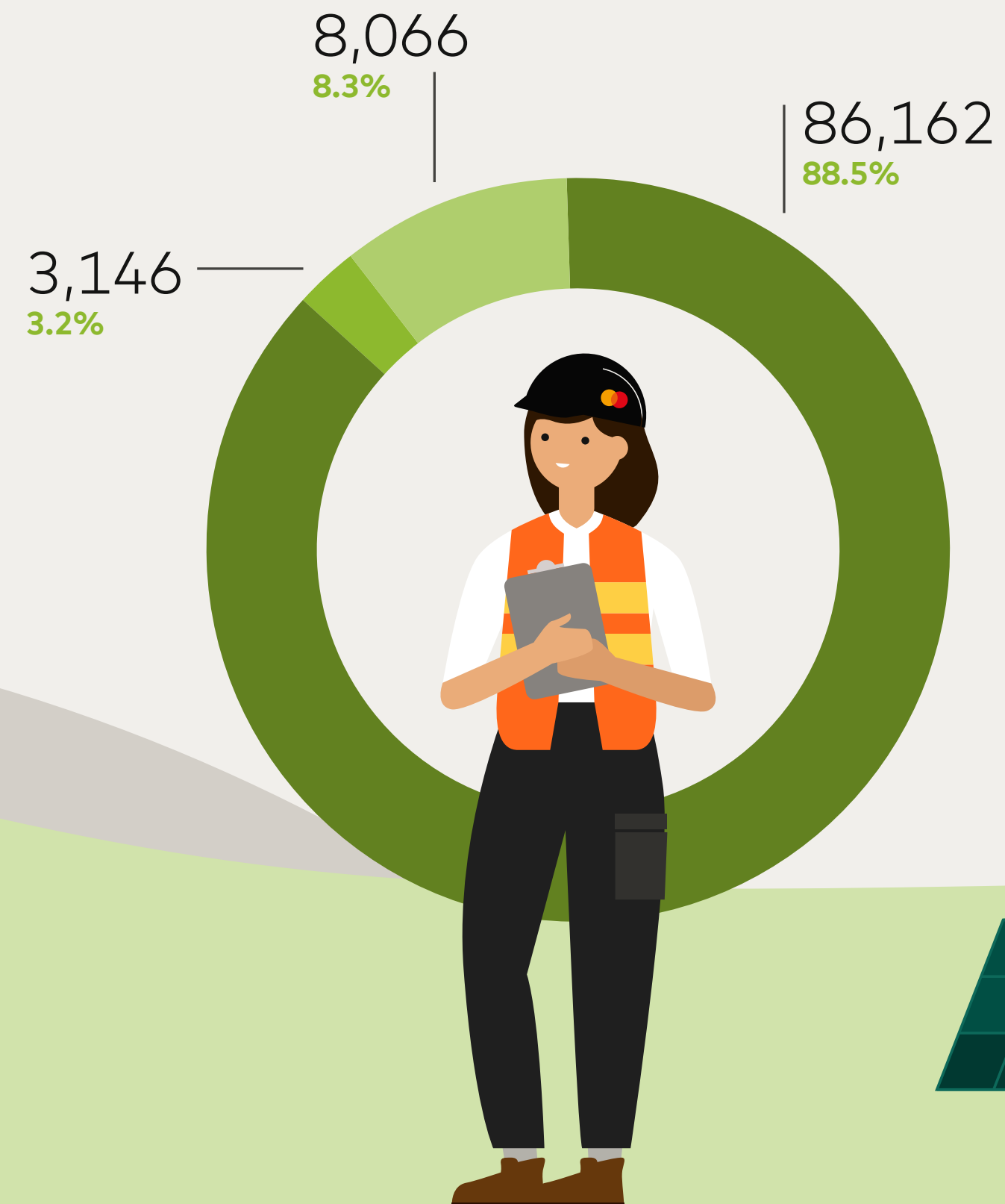
RENEWABLE ENERGY

We continued to use 100% renewable electricity across our global operations in 2020, which will support our efforts to achieve net zero by 2050. Mastercard joined RE100, the global corporate renewable energy initiative, to reinforce and formalize our commitment to using 100% renewable energy.

We are committed, where appropriate, to investing in new renewable energy projects that bring more power to the grids on which we operate. For example, Mastercard has entered into long-term renewable energy arrangements in key countries that will contribute to our global net-zero ambitions, and where possible will provide ancillary co-benefits, such as the creation of pollinator habitats.

While we also use unbundled renewable energy credits as part of our approach, we are focused on reducing our use of these types of credits over time. Mastercard purchases Renewable Energy Credits (RECs) through verified sources to ensure that the RECs we buy are the highest-quality credits available.

We also purchase, when appropriate, renewable energy in the countries in which we operate in accordance with RE100 guidelines in an effort to place renewable energy on the grids on which we operate.



RENEWABLE LOAD BREAKDOWN

2020
MWH

- Renewable energy credits
- On-site renewables
- Direct renewable procurement



SUPPLIER ENGAGEMENT

Taking an innovative and collaborative approach to supplier sustainability has made Mastercard a leader in the field, as demonstrated by the "A" rating for Supplier Engagement we've maintained since 2018 from CDP. On average for the past few years, the emissions associated with our supply chain have amounted to more than 70% of our total carbon footprint. As such, continued support for setting and achieving GHG goals is being provided to suppliers.

We're supporting them in several ways. Sustainability requirements are now included in the onboarding process for suppliers, as well as in all proposal requests and supplier contracts. We have committed to engaging directly with specific suppliers who account for the majority of our supply-chain GHG emissions — in 2020, we identified and invited suppliers who collectively were contributing 86% of our supply-chain GHG emissions to report to the CDP.

Our proprietary Environmental Development Initiative offers resource materials, best practices and direct dialogue between our Environmental Sustainability Team and supply-chain partners, with the goal of helping big and small companies improve their environmental sustainability.

Carbon accounting

Mastercard asked our capital projects provider to collaborate with a sustainability consultant in 2020 to better understand the carbon impacts of our global real estate projects. The consultant analyzed the embedded carbon in hundreds of procured materials. The findings will be used to strengthen the sustainability requirements of our procurement standards and reduce our supply-chain emissions. These collaborative efforts will grow in number and scope as we move toward our net-zero goal.

Mastercard has received an "A" rating for Supplier Engagement from CDP since 2018.

2020 KPIs

83% of our global procurement spend invited to report to the CDP

58% responded

51% have approved science-based targets*

84% reported Scope 1 and 2 emissions*

46% reported Scope 3 emissions*

40% allocated emissions to Mastercard*

22% identified opportunities to collaborate*

* Percentage of those responded.

EMPLOYEE ENGAGEMENT

Mastercard's commitment to eliminating damaging plastic waste and reducing our employee carbon footprint in the workplace remains strong, despite significant challenges brought on by the pandemic.

We held several events to engage our employees, including a virtual Earth Week in April 2020, with daily activities tailored to address COVID challenges.

In 2020, before the pandemic, we set our waste-diversion goal at 85% across our owned sites, with an eventual goal of zero waste in our owned facilities in the U.S. Although office waste dropped markedly during the lockdown, we were forced to return to single-use plastics for the health and safety of our workforce. As a result, we fell short of our goal, with only 73% of global waste in owned facilities diverted from landfills.

Our work in other areas was more successful in 2020. We continued to recycle 100% of our electronic waste. Eight sites across North America held personal protective equipment (PPE) recycling drives via TerraCycle to mitigate waste from single-use masks and gloves. More than 56,000 pounds of used furniture was donated or recycled to schools and nonprofit organizations.

Work-from-home emissions

During the pandemic, employees were not commuting, nor were they traveling for business, thereby reducing Scope 3 emissions. While Mastercard does quantify emissions from commuting, we have not yet quantified work-from-home emissions. We are developing an estimation methodology, but we do not anticipate modifying our 2025 SBTi-approved goals as a result.



Environmentally conscious solutions

We are activating our technology, expertise, global partners and network of nearly 3 billion consumer and corporate cardholders to take collective action to preserve the environment.

We have embedded sustainability into the fabric of our business, and it is reflected in various products and services we now offer globally.

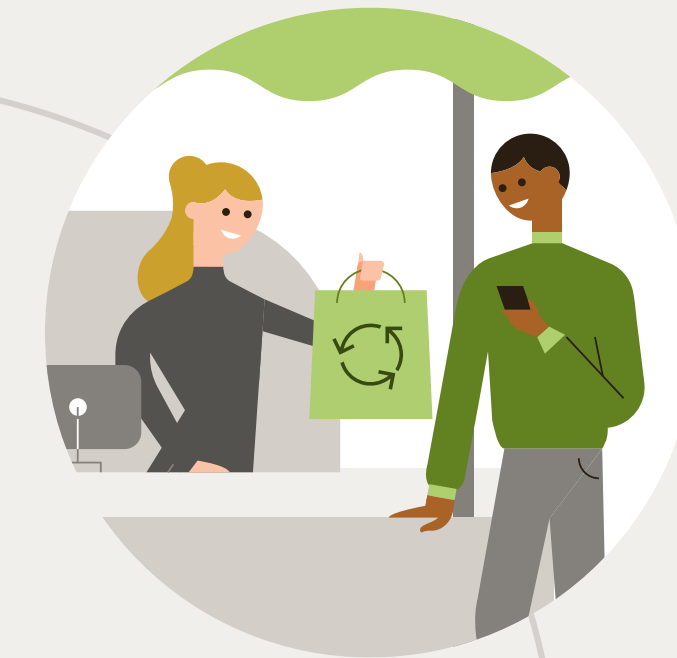
In January 2020, we formed the Priceless Planet Coalition, with the commitment to regrow 100 million trees in Earth's most vulnerable forests to maximize carbon capture for climate benefit, restore wildlife habitat, and provide financial opportunities for local communities and indigenous people. Membership had expanded to 40 companies by the end of 2020. As of May 2021, we are proud to say that our partner total is now nearly 60.

Mastercard selected the global environmental organizations Conservation International and World Resources Institute as our forestry partners to lead the mobilization and coordination of tree-planting efforts. With the help of these organizations, and supported by an independent advisory council, all restoration efforts under the Priceless Planet Coalition will adopt and adhere to rigorous science-based best practices for project selection, implementation and monitoring. Our first project commitments are to restore landscapes in Kenya, Brazil and Australia, with restoration activity taking place throughout 2021.

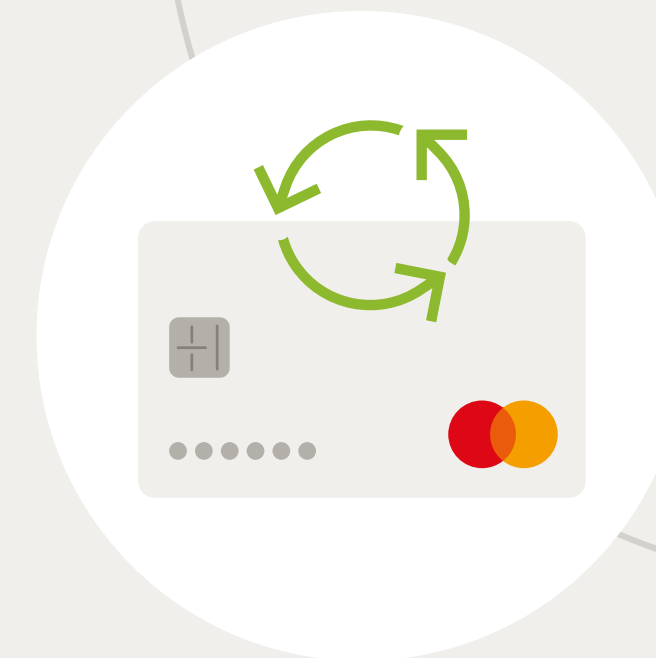
Informing consumers about their personal impact on the environment



Encouraging consumers to make mindful spending choices



Equipping consumers with environmentally friendly card materials



Empowering consumers to contribute to nature-based solutions

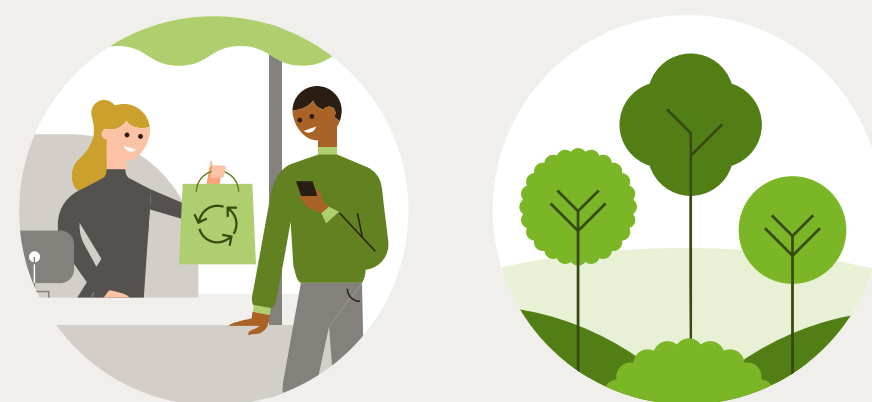




INFORMING CONSUMERS

We're leveraging our partnerships and global infrastructure investments to make environmental impact education accessible to more people worldwide. Mastercard's own studies, and those of independent researchers, have found that consumers are increasingly concerned about their individual environmental impact but may not know how to measure it. Nearly 70% of consumers we surveyed in 2020 said it's important to preserve the earth's resources. They also want to understand how their behavior affects the planet.

To help inform consumers of their environmental impact, we introduced a carbon calculator, powered by the Doconomy Åland Index, that integrates seamlessly with the Mastercard network. It allows us to calculate the carbon footprint of any purchase made using a Mastercard-branded card. Our advanced application programming interface (API) relays this information to the issuer, who in turn shares it with consumers.

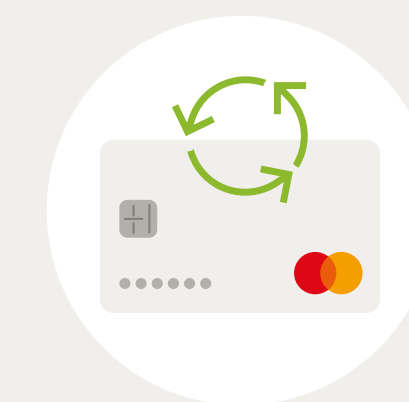


ENCOURAGING AND EMPOWERING CONSUMERS

Mastercard provides consumers with tools to take real action to improve their environmental impact, because our vision doesn't end with education. We're providing insights through our products — like maintaining a diet consisting of more plant-based foods and installing energy-efficient household facilities — that can help influence and improve consumers' sustainable behavior.

We also enable consumers to contribute to solutions that benefit our environment, such as linking rewards programs to the Priceless Planet Coalition's work. Cardholders may direct their reward points to Priceless Planet, with the value of their points being directed to our forest restoration projects using Mastercard's rewards platform technology and Give with Rewards. In addition, issuers and consumers can use the Mastercard Donate platform to facilitate donations toward reforestation.

Over 10 million cards have been produced for issuance since 2018 with approved sustainable materials using Mastercard's Sustainable Card Materials Directory.



EQUIPPING CONSUMERS

Mastercard launched the Sustainable Materials Directory in July 2020, encouraging wider adoption of certified, eco-friendly materials by card manufacturers in order to equip consumers with more sustainably produced cards. The directory offers financial institutions resources to learn more about those alternatives, connects them to card manufacturers, and ultimately enables them to enhance their sustainability initiatives with a systemic change to their supply chains.

In 2020, the number of sustainably made cards produced grew by more than 70% over 2019, demonstrating a drive toward global adoption. Mastercard has approved 42 different card products to replace first-use polyvinyl chloride (PVC) plastic, including recycled, recyclable, bio-sourced and biodegradable materials. More than 80 financial institutions have issued the environmentally friendly cards, which are made by 26 vendors so far.

05

ETHICAL AND RESPONSIBLE STANDARDS

Mastercard's deep commitment to ethical operations and legal compliance shapes every interaction with our employees, stakeholders and customers. Our operations are built around decency, integrity and respect.



01

02

03

04

05

ESG

Ethics and compliance

Our approach to ethical operations starts with our Code of Conduct, which is offered in multiple languages and is certified annually by our employees and our Board of Directors.

In 2020, we updated the Code, adding language regarding Mastercard's commitment to respecting and promoting human rights and our Data Responsibility Principles.

We require that our CEO and other senior officers abide by a Supplemental Code of Ethics, which we refreshed in 2020, that reflects our heightened expectations for them to lead by example, particularly in avoiding conflicts of interest.

WORKING TO ENSURE COMPLIANCE

Our Chief Compliance Officer (CCO) leads and oversees our Ethics and Compliance system, which encompasses a broad set of integrated programs.

The CCO reports functionally to the Audit Committee of the Board of Directors, and administratively to the Chief Administrative Officer. The CCO provides updates to the Audit Committee quarterly or more frequently, as needed. Reports cover performance matters such as the status of investigations, new initiatives, training programs and results of assurance activities.

Every Mastercard employee is enrolled in a mandatory, in-depth curriculum of online compliance training, which includes more than a dozen courses on subjects such as the Code of Conduct, anti-money-laundering measures, trade sanctions, privacy compliance, information security, preventing insider trading, and workplace conduct, including sexual harassment and discrimination.

Mastercard participates in the Risk Clarity survey, conducted by a third party and designed to take the pulse of our ethics and accountability culture globally. The survey assesses

an organization's culture of integrity by measuring the attributes that most strongly indicate reduced risk of misconduct. Our employees' responses are anonymous, and are benchmarked against other global companies that participate in the survey. We use these results to drive improvements that reinforce our ethical culture.

ETHICS HELPLINE & NON-RETALIATION POLICY

Our Mastercard Ethics Helpline, hosted by an independent third party, is a confidential, around-the-clock service for reporting activity suspected of violating the law, our Code of Conduct or any other company policy. We promptly investigate all concerns through our relevant internal investigative functions, and we bring in external support such as outside counsel as needed. To increase transparency regarding our investigative process and associated outcomes, twice a year we provide our employees with a Summary of Investigative Activity that contains investigative metrics and selected anonymized case profiles.

To encourage the use of the Helpline and other avenues for raising ethical and legal concerns, we have a Non-Retaliation Policy. Anyone found in breach of the Non-Retaliation Policy will be subject to disciplinary action, up to and including termination of employment.

KNOW YOUR CUSTOMER

We have made innovative advancements aimed at preventing our products, services and technologies from being used for laundering money, financing terrorist operations or evading economic sanctions. We comply with applicable laws and regulations and implement risk-based anti-money laundering policies, procedures and controls. These include Know Your Customer — or KYC — processes, which are applied to all customers before and during the business relationship. Our risk-based sanctions-compliance program includes policies, procedures and controls that are designed to prevent us from having business dealings with prohibited countries, regions, governments, individuals and entities.



01

02

03

04

05

ESG

Ethical and Responsible Standards



ANTI-CORRUPTION

We comply with anti-corruption laws around the world, including the U.S. Foreign Corrupt Practices Act (FCPA) and the U.K. Bribery Act.

As part of our comprehensive anti-corruption compliance program, we study external enforcement actions and internal business operations, and use what we learn as input into our risk assessment that guides our procedures and the implementation of internal controls. We train all employees on our anti-corruption and related policies, procedures and controls. We have also built a monitoring program that includes the latest testing technologies, such as artificial intelligence, to help spot and remediate noncompliance within our global operations to ensure that our controls are operating effectively.

REGULATORY COMPLIANCE

Mastercard is committed to complying with all applicable laws and regulations. We are subject to an increasingly rigorous landscape of regulatory oversight and compliance that is further affected by the diversification of our products and services.

Mastercard takes reasonable steps to implement policies, procedures and programs designed to promote compliance with applicable laws and regulatory obligations. We coordinate globally while acting locally, and leverage our expertise and relationships to manage the effects of regulation on Mastercard.

ANTITRUST AND COMPETITION LAW

Mastercard is committed to a fully competitive marketplace and to complying with antitrust and competition laws globally.

We encourage open and dynamic markets that drive innovation and value for our company and our customers. By focusing on creating innovative products and services, we attract and retain those customers.

We continue to enhance Mastercard's Antitrust and Competition Law Compliance program through risk assessments and mitigation strategies. We emphasize the importance of this topic by training all employees, providing simple guidance documents, and ensuring that controls are in place. The Antitrust and Competition Law Policy, including translations into 12 languages, is reviewed and updated annually.

FRANCHISE

Mastercard's Franchise enables value exchanges between parties through a collaborative and secure payments ecosystem. Our core commitment is to enable consumers and businesses to access their financial assets and engage in commerce, expanding their liberty, connectivity and individual agency. While we respect the rights of individuals to transact privately with others, such transactions must be lawful. Our Franchise requires anticipating threats and combating fraud. We hold all stakeholders in our network to high standards. We require that our stakeholders avoid engaging in or facilitating any activity that is illegal or that damages the goodwill, reputation or integrity of Mastercard and, if such activity is detected, we work with our partners to take action. Stakeholders may also raise and report grievances to the Franchise function, and the team will investigate and take appropriate action.

The Franchise works to ensure a balanced ecosystem where all participants may benefit and retain the ability to differentiate against their competition. We achieve this through the following key activities:

Participant onboarding

Defining ecosystem roles and responsibilities for each participant and ensuring that they meet the necessary prerequisites to partake in and contribute to the network.

Operating standards

Defining operational, technical and financial standards to which network participants must adhere. Identifying changes and emerging roles in the ecosystem to achieve efficiency, quality output and a high level of performance, while reducing confusion and/or failure to comply with industry regulations.

Safety and security

Establishing the core principles essential to network participants, including safeguarding consumer protections and integrity so as to increase confidence in any transactions on the network.

Responsible stewardship

Setting standards for performance to support ecosystem growth and optimization to improve quality over time. Protecting the ecosystem with proactive monitoring to ensure participant adherence to operating standards.

Issue resolution

Addressing financial or nonfinancial disputes in a timely and orderly fashion that benefits the entire global network of participants.

We also work with law enforcement and nongovernmental organizations by investigating referrals for illegal activity and actively participating in various forums, including:

- **Child Exploitation:** Internet Watch Foundation (IWF) and the National and International Centers for Missing and Exploited Children (NCMEC)
- **Intellectual Property:** International Anti-Counterfeiting Coalition (IACC)
- **Pharmaceuticals:** Center for Safe Internet Pharmacies (CSIP)

In 2021, we extended existing Specialty Merchant Registration requirements.

The banks that connect merchants to our network will need to certify that the seller of adult content has effective controls in place to monitor, block and, where necessary, take down all illegal content.



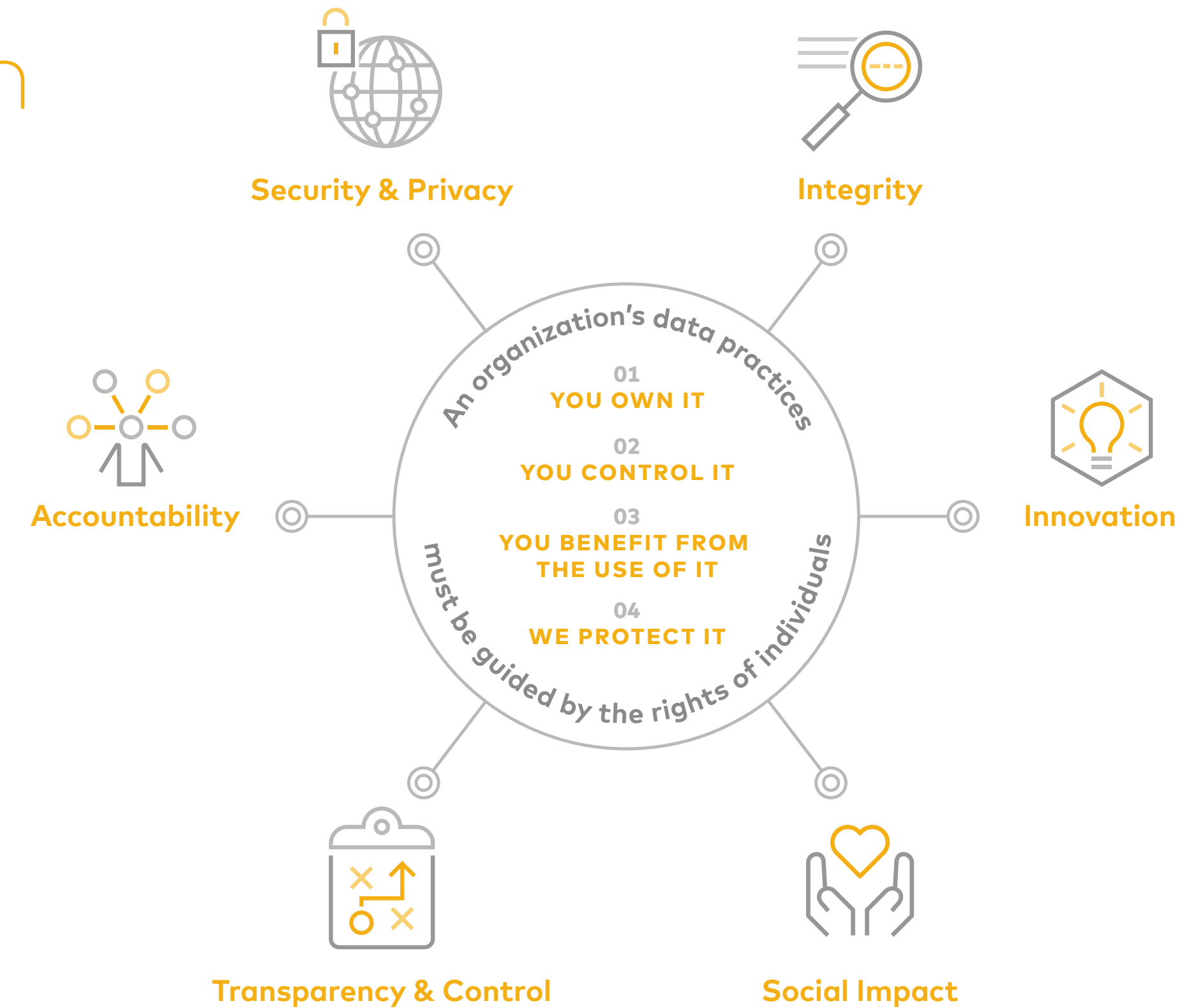
Privacy and data protection

OUR PRIVACY COMMITMENT

Mastercard's dedication to decency extends to how we handle data. We believe that privacy and data protection are fundamental human rights, and this belief informs all of our business decisions, including how we handle the personal information of our employees, customers and cardholders. Our long-standing commitment to privacy, data responsibility and security has established Mastercard as a trusted partner.

With the global pandemic, life has become increasingly digital, with the potential for more health-related information collected and shared. As the amount and types of generated data increase, so too does the complexity of ensuring that personal information is handled responsibly and securely.

Our responsible data practices prioritize privacy as a key innovation enabler. At Mastercard, developing competitive products and services goes hand-in-hand with earning and cultivating the trust that's been placed in us.



The following data responsibility principles guide how data can be leveraged in a responsible and secure way to drive innovation while protecting individuals. Central to our data innovation strategy is the continued advancement of

our Artificial Intelligence (AI) capabilities. We have established an AI Governance framework to ensure that the impact from our use of AI continues to be beneficial and aligned with our data responsibility principles.

1. You own it

We believe your personal information is just that — personal.

Individuals own their personal information, and have a right to understand how, when and where it is used and shared. We explain clearly how we handle personal information in our [Global Privacy Notice](#), which is complemented by specific notices for certain products and activities.

2. You control it

We believe that individuals have the right to understand and control how their data is handled.

Anyone — at any time and at no cost — can opt out of having their personal information used for marketing, data analytics and other programs using our simple online system. We strive to use personal information only in a legitimate, fair and inclusive manner, with full respect for each person's choices.

Furthermore, individuals have the right to access, correct, modify or move their personal information via our [online portal](#), which is currently available for all users located in Brazil, the European Union, and the United States, and will soon be accessible worldwide.

3. You benefit from the use of it

We believe that an individual's personal information should be used to make their life easier and richer.

We are committed to responsible data-driven innovation, both within our organization and as a significant player in the data ecosystem. For instance, Mastercard has developed a suite of [Open Banking Solutions](#) to add value to our business partners and allow people to benefit from innovative payment services, while keeping individuals at the center of all we do. We regularly work with policymakers and industry bodies across the globe to enact strong privacy protections for individuals, while still enabling businesses to operate globally and use data for responsible innovation.

4. We protect it

We believe that privacy must be embedded in the design of every one of our products and solutions.

We innovate by placing the individual at the center, protecting and respecting their privacy and personal information along the way. This is cutting-edge product innovation that starts in the design process at ideation and moves through development and delivery. We limit the data that we collect to what's needed to get the job done, and we look for ways to encrypt or de-identify personal information while making sure each product is still convenient and easy to use.

Privacy by Design also means we are working to protect and respect human rights and freedoms more generally. For instance, we monitor and seek to correct for bias, discrimination and other potential risks or harms to individuals or groups, and we promote fairness, inclusion and diversity across our data practices.

As an example of Privacy by Design, our [Mastercard: The Shift to Digital](#) leveraged aggregated and anonymized data to create actionable insights in response to the pandemic. These insights helped governments and businesses to navigate the shift to digital payments, minimize the impact of the pandemic, and plan for economic recovery, while fully protecting people's privacy and personal information.

As another example, Mastercard announced the new [Enhanced Contactless \(Ecos\)](#) specifications in January 2021, applying the latest quantum-resistant technologies to developing the next generation of contactless payments. Ecos leverages new technology to deliver enhanced privacy, security and trust when account information is shared between the card or digital wallet and the checkout terminal.



ACCOUNTABILITY

We believe an individual's data must be kept secure and used responsibly.

We employ rigorous standards to ensure the protection, safety and security of data within Mastercard and with all our partners and vendors.

Mastercard complies with all regional and local regulations, including the General Data Protection Regulation (GDPR) in the European Union, the Lei Geral de Proteção de Dados (LGPD) in Brazil and the California Consumer Privacy Act (CCPA). In particular, we've embraced the GDPR as an opportunity to enhance our global data practices by extending its high consumer protection standards to all users.

Twice a year, Mastercard's security, privacy and information practices are reviewed by United States financial regulators for compliance with the requirements of U.S. financial privacy laws. Mastercard is also one of the very few companies that have implemented Binding Corporate Rules in Europe and achieved APEC Cross-Border Privacy Rules certifications.

In addition, we actively participate in privacy and data thought-leadership groups and regulatory expert groups around the globe, including the OECD's privacy expert group and its Network of Experts on AI, the World Economic Forum Taskforce on

Data Intermediaries, the EU Agency for Cybersecurity (ENISA) AI Expert Group, the EU Commission Expert Group on Business-to-Government Data Sharing, the Singapore Data Protection Advisory Committee, and the IEEE Steering Committee on AI Risk Impact Assessments.

GLOBAL DATA RESPONSIBILITY IMPERATIVE

Mastercard's Global Data Responsibility Imperative is a public commitment to ethical and responsible data practices that enable data innovation while honoring individuals, their data rights and the trust they place in Mastercard.

The Imperative's six principles are designed to enable us and other like-minded organizations to optimally navigate the challenges and opportunities of the digital economy, so it works for everyone, everywhere. These principles are meant to complement — and not be a substitute for — regulatory compliance. This underscores Mastercard's belief that responsible data practices are sustainable business practices.

DATA GOVERNANCE

The Board of Directors, including the Audit Committee, and senior management are updated annually, or more frequently as needed, by several of Mastercard's senior executives who are responsible for driving our companywide commitment to best practices in privacy, data governance and data security.

Chief Data Officer

Oversees Mastercard's efforts to maintain a responsible, ethical enterprise data program that adheres to our high standards for data quality, curation and governance.

Chief Privacy Officer

Leads our compliance with worldwide laws and regulations regarding how we collect, use, share, store and transfer data, and manages our relevant engagements with regulators and policymakers.

Data Protection Officer

Leads our Global Privacy Compliance Assurance program to ensure that Mastercard continues to adhere to global General Data Protection Regulation (GDPR) standards and local privacy requirements. Additionally, the Data Protection Officer oversees the protection of personal data and the handling of privacy requests from individuals to exercise their rights.

Chief Security Officer

Develops and oversees the programs, policies and controls we have implemented to reduce and prevent logical and physical risks to our people, intellectual assets and tangible property.



Safety and security

As societies digitize at an accelerated pace, cyberattacks have become increasingly prevalent. As a result, cybersecurity has become a prerequisite for trust in our economies, fueling the need for security programs and solutions.

PREVENT

IDENTIFY

SECURING OUR ECOSYSTEM

In the digital world, each digital connection and interaction is another point of vulnerability, an opportunity for criminals, a potential fraud incident.

In such a boundless digital environment, we are taking steps to secure against cyberattacks and build trust with our customers and consumers. Our world-class portfolio of global cyber capabilities adopts a multi-layered approach designed to make transactions and interactions more convenient, more seamless, and more secure every step of the way.

EXPERIENCE

DETECT



01

02

03

04

05

ESG

Ethical and Responsible Standards

EXAMPLES OF KEY SOLUTIONS



Prevent:

Solutions and services to prevent fraud and secure infrastructure, devices and data.

NuDetect

NuDetect improves authorization decisions by mitigating fraud before a purchase is processed. It leverages passive biometrics and behavioral analysis to distinguish authentic users from potential fraudsters, based on their online, mobile app and smartphone interactions. Every year, NuDetect monitors hundreds of billions of data points worldwide.

Tokenization

Our tokenization platform, Mastercard Digital Enablement Services (MDES), reduces fraud by creating dynamic, unique card numbers, or tokens, that can be used for mobile point-of-sale transactions or purchases made in-app or online. Mastercard has continued to scale MDES and MDES for Merchants. In 2020, we processed over 7 billion transactions through MDES, six times more than in 2018.



Identify:

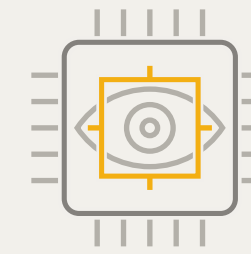
Services used to identify genuine consumers, devices and companies.

Identity Check

Mastercard Identity Check reinvents online payment authentication and provides consumers with an optimal user experience when shopping on any connected device. Next-generation authentication helps reduce fraud, false declines and unnecessary friction — meeting the need for simple and secure payments. Our network facilitates rich data exchange and authenticates billions of secure transactions every year.

Digital Identity

Our Digital Identity solution enables consumers to prove their identity easily and securely while maintaining control of what personal data elements are shared. Our solution is based on a consumer-centric framework that provides guiding principles, promotes trust and understanding, and restores control of personal data to the individual.



Detect:

Solutions that aim to stop cyberattacks, reduce fraud and detect weaknesses.

Safety Net

Safety Net, an AI-powered global catastrophic cyberattack detection solution, monitors transactions continuously, screening hundreds of millions of transactions daily. By instantly isolating systemic threats and blocking fraudulent transactions, Safety Net limits the financial and reputational damage of large-scale fraud. It stopped more than \$10 billion in cyberattacks in 2020.

Decision Intelligence

Decision Intelligence uses AI and Mastercard's global transaction data to enable smart transaction approval in real time. The platform distills thousands of data points, such as account spending, device information and fraud profiles, into a single decision score that helps issuers fine-tune their authorization decisions. It detected fraudulent transactions of approximately \$3 billion in 2020.



Experience:

Services enhancing physical and digital experiences to grow commerce.

Contactless

The contactless technology provides the simplicity of a "tap and go" experience, along with a platform for safe digital payments on smartphones and other enabled devices. In response to COVID-19, we introduced higher contactless no-PIN limits globally to support the increased use. We saw strong acceleration of contactless transactions in 2020, as more than 80 markets grew contactless penetration by at least 10% year-over-year, driven by consumer demand for increased speed, safety and cleanliness at checkout.

Rapid dispute resolution

Mastercard's Ethoca identifies problems before they enter the chargeback process. With nearly 14,000 participating merchants and banks, Ethoca runs one of the largest global collaboration networks in the world, helping businesses fight fraud, prevent disputes and improve the consumer experience. In 2020, Ethoca prevented over 9.5 million chargebacks.



01

02

03

04

05

ESG

Ethical and Responsible Standards

In addition to our extensive cybersecurity solution suite, Mastercard drives actions, behaviors and technologies that make our ecosystem more secure as part of a global response that is coordinated and collaboration-based.

These efforts include:

- Innovating with governments to secure our ecosystem.
- Innovating with commercial partners, including developing cutting-edge, low-cost biometric cards.
- Shaping society's thinking on cutting-edge topics with programs on AI, cyber, and digital identity.
- Shaping industry thinking through programs such as the Virtual Cyber and Risk Summit.
- Partnering to organize cyber education through collaborations such as the Oxford Cyber Futures online program.

As members of the broader global community, we are working to harmonize and unify security standards in the digital economy.

- We promote cross-border connectivity and data flows through our work with the Global Data Alliance.
- We drive alignment on industry-leading best practices and standards around current and emerging technologies such as EMV, Contactless, Ecos, IoT, Digital ID, and AI. For example, we announced our model for digital identity in 2019, and at the heart of this model are our 10 Principles of Digital Identity, which focus on data rights, ownership, confidentiality, consent, and other factors.
- We work with the CyberPeace Institute and Better Identity Coalition to establish globally accepted cybersecurity practices.
- We seek out opportunities to work in close concert with the G-7, D-10, G-20 and NIST.
- We are co-founders of the Payment Card Industry Security Standards Council (PCI Council).

SECURING MASTERCARD

Mastercard's core security programs protect our systems and reduce risk with a range of tools, including an enterprisewide vulnerability management program and specialized infrastructure that strengthens our physical and virtual systems. We are actively identifying, responding to, and managing threats, both cyber and physical, reducing risk and enabling our business partners to focus on our ability to operate successfully in any logical environment or physical locality. Our Security Threat and Response Management serves three purposes:

- **Vulnerability Management** works with various lines of business in a collaborative effort to provide a comprehensive, integrated approach to vulnerability management that will substantially improve our capability to define, detect and quickly and efficiently mitigate or remediate vulnerabilities within our environment.
- **Enterprise Resilience** reduces Mastercard's risk by creating a global culture of preparedness through education, awareness, planning and practice while fostering partnerships to work together efficiently when adversity strikes.

- **Security Event Management** protects all Mastercard assets, physical and logical, and ensures that business across the globe can be conducted safely and securely. This is achieved through a centralized aggregation point (Fusion Center) where intelligence is gathered and collated and a coordinated situational response is formulated; through the constant monitoring of world events and our network (via our Security Operations Center) to ensure swift prevention, detection and mitigation of threats to our environment and its people, facilities and events; and through advanced techniques for investigating and responding to global threats across Mastercard.



01

02

03

04

05

ESG

Ethical and Responsible Standards

Mastercard Fusion Center

The Mastercard Fusion Center leads and synchronizes Mastercard global resources to anticipate, identify and mitigate fraud and cyber and physical security threats in order to protect Mastercard and contribute to the financial ecosystem's security. Our operations are modeled on government and law enforcement centers — business teams from across Mastercard and external partners work together to improve regular information-sharing and crisis response.

The integration of multiple teams into the Fusion Center enables faster detection and prevention of threat incidents and faster response time to mitigate incidents through efficient cross-organization collaboration. In 2020, we bolstered the preparedness of our Fusion Center by adding more business units and our European Cyber Resilience Center (ECRC) in Belgium. The ECRC is a technological hub for collaboration between members of the public and private sectors and regulators to support resilience and combat cyber threats to the payments ecosystem in the region.

The Fusion Center facilitated the annual Threatcasting workshop, which helps to identify potential threats for the next decade, and we collaborated with internal and external participants to assess how to disrupt, mitigate and recover from these predicted threats.

Analysis and response

Our security program is regularly audited by U.S. and international agencies, including on-site assessments. We also host frequent customer assessments and penetration tests, both on-site and remotely. The methodology, and our resulting annual certifications, satisfies multiple industry-recognized frameworks, including those of:

- The U.S. National Institute of Standards and Technology's (NIST's) Special Publication 800-115: "Technical Guide to Information Security Testing and Assessment"
- Open Web Application Security Project (OWASP) methodology
- Payment Card Industry (PCI) standards
- Penetration Testing Execution Standard (PTES)
- International Organization for Standardization (ISO/IEC 27000)



Human rights

In recognition of how interconnected the world is and how we contribute to that interconnectivity, we expect our employees and partners of all kinds — from suppliers and customers to peer organizations — to share our commitment to respect and promote human rights. This includes seeking to address violations of human rights within the spheres of our work, while harnessing the power of our network to promote human rights around the world.

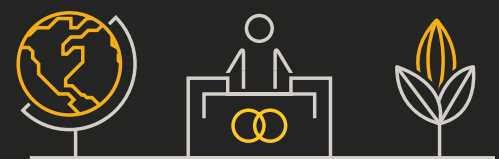
In 2019, we undertook an assessment to help identify and prioritize the human rights most correlated with our business, where we have the greatest leverage and to which we can contribute the greatest value. The assessment, which we conducted with the assistance of a third party, incorporated the guidance provided by the UN Guiding Principles on Business and Human Rights. The results informed our Board-approved [Human Rights Statement](#) in April 2020.

FOUNDATIONAL PRINCIPLES



Culture of decency

Mastercard's commitment to human rights is founded in our belief that we must bring basic human decency to everything we do. Decency and mutual respect are the foundation for the kinds of relationships that drive innovation, which sets the stage for open-minded and thoughtful collaboration with others. Decency helps ensure that we challenge perspectives, not other people, in a respectful and direct manner, to achieve the best outcomes.



Stakeholder engagement

Mastercard's job includes listening, making connections and developing solutions that are relevant and sustainable. We welcome the views of our diverse stakeholders, both internal and external, who help identify the human rights issues that are most salient to our business and help us achieve the biggest impacts.



Connecting people to opportunity

Both our business strategy and our sense of social responsibility push us to ensure that people and organizations have access to our networks, tools and solutions. We do this by fostering inclusive growth; working toward financial inclusion; partnering with other organizations; and working to support more socially, commercially and environmentally sustainable solutions across all our work.



Promoting good governance and respect for individual choice

We believe upholding the highest standards of ethics and responsibility is crucial to being successful. We have long maintained a strong commitment to ethics, compliance, transparent financial reporting and strong internal controls. We strictly adhere to the rule of law and do not accept use of our services for illegal activity by our customers. Our respect for law creates a reliable standard for enforcement and maintains a balance between protecting people's human rights and protecting people's rights from government infringement.

KEY AREAS OF IMPACT

Our approach to data

Mastercard places the individual at the heart of our commitment to data privacy and protection. We conduct regular impact assessments of our practices to ensure that we mitigate any risks to people's privacy, security and human rights.

Our network

We partner with others to prevent our products, services and technologies from being used in furtherance of human rights abuses, including money laundering, terrorist financing and evasion of sanctions. We also work with others to monitor, detect and prevent transactions that are illegal, such as abuse of intellectual property rights, child exploitation, illegal internet gambling and illicit pharmaceutical sales.

Our people

We are committed to providing a safe and healthy workplace, free from discrimination, harassment and retaliation by employees or our suppliers, contingent workers or business partners. All Mastercard employees receive training on these policies and on our expectations for a culture of decency and respect.

Our supply chain

Our suppliers are contractually bound by standards of ethical conduct when dealing with workers, their suppliers, customers and other third parties. They are contractually required to meet or exceed our high standards for privacy and security, and we conduct periodic reviews of our systems and theirs to ensure compliance.



01

02

03

04

05

ESG

Ethical and Responsible Standards



Responsible sourcing and supplier diversity

Mastercard is committed to sourcing responsibly and using a diverse set of suppliers. Our [Supplier Code of Conduct](#) details our expectations and requirements regarding child labor, freedom of association, compensation, working hours and conditions, discrimination, health and safety, environmental sustainability, and more. We also outline the steps Mastercard takes to ensure that our business and supply chains are free from slavery in our [Modern Slavery and Human Trafficking Statement](#), and that they respect human rights in our [Human Rights Statement](#).



\$100 million

We pledged to increase our annual spending with Black suppliers by more than 70% by 2025.

Mastercard is incorporating inclusion and diversity throughout our global supply chain. We are building strong, ongoing relationships with small and/or diverse businesses through our initiative. As part of our In Solidarity commitments, we pledged to increase our annual spending with Black suppliers by more than 70%, to \$100 million annually, by 2025.

We also encourage our prime, direct suppliers, also known as Tier 1, to establish their own diverse supply chains. We require participating prime, direct suppliers to report information and data on their use of small and diverse suppliers, which are considered Tier 2. Our Tier 1 and Tier 2 spending with diverse suppliers was more than 12% of our total U.S.-based spending in 2020.

"Sustainability has long been embedded into the DNA of Mastercard as we recognize the vital role it plays in the future success of our business. This report demonstrates how we lead with decency, invest in innovation, build trusted partnerships, and lead through action, all in pursuit of a more inclusive, sustainable world where everyone can reach their potential."

Kristina Kloberdanz
Chief Sustainability Officer, Mastercard





**VERIFICATION OPINION DECLARATION
GREENHOUSE GAS EMISSIONS**

To: The Stakeholders of MasterCard

Apex Companies, LLC (Apex) was engaged to conduct an independent verification of the greenhouse gas (GHG) emissions reported by MasterCard for the period stated below. This verification opinion declaration applies to the related information included within the scope of work described below.

The determination of the GHG emissions is the sole responsibility of MasterCard. MasterCard is responsible for the preparation and fair presentation of the GHG statement in accordance with the criteria. Apex's sole responsibility was to provide independent verification on the accuracy of the GHG emissions reported, and on the underlying systems and processes used to collect, analyze, and review the information. Apex is responsible for expressing an opinion on the GHG statement based on the verification. Verification activities applied in a limited level of assurance verification are less extensive in nature, timing, and extent than in a reasonable level of assurance verification.

Boundaries of the reporting company GHG emissions covered by the verification:

- Operational Control
- Global

Types of GHGs: CO₂, N₂O, CH₄, HFCs

GHG Emissions Statement:

- Scope 1:** 3,221 metric tons of CO₂ equivalent
- Scope 2 (Location-Based):** 52,538 metric tons of CO₂ equivalent
- Scope 2 (Market-Based):** 268 metric tons of CO₂ equivalent
- Scope 3:**
 - Purchased Goods & Services, Capital Goods, and Upstream Transportation and Distribution: 344,076 metric tons of CO₂ equivalent
 - Fuel- and Energy-Related Activities: 6,485 metric tons of CO₂ equivalent
 - Waste Generated in Operations: 486 metric tons of CO₂ equivalent
 - Business Travel (air and rail travel): 7,373 metric tons of CO₂ equivalent
 - Employee Commuting: 7,723 metric tons of CO₂ equivalent

Data and information supporting the Scope 1 and Scope 2 GHG emissions assertion were in most cases historical in nature and in some cases were estimated.

Data and information supporting the Scope 3 GHG emissions statement were in some cases estimated rather than historical in nature.

Period covered by GHG emissions verification:

- January 1, 2020 to December 31, 2020

Criteria against which verification was conducted:

- World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2)



- WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Scope 3)

Reference Standard:

- ISO 14064-3:2019 - Greenhouse gases -- Part 3: Specification with guidance for the validation and verification of greenhouse gas statements

Level of Assurance and Qualifications:

- Limited
- This verification used a materiality threshold of ±5% for aggregate errors in sampled data for each of the above indicators

GHG Verification Methodology:

Evidence-gathering procedures included, but were not limited to:

- Interviews with relevant personnel of MasterCard and their consultant;
- Review of documentary evidence produced by MasterCard;
- Review of MasterCard data and information systems and methodology for collection, aggregation, analysis and review of information used to determine GHG emissions; and
- Audit of samples of data used by MasterCard to determine GHG emissions.

Verification Opinion:

Based on the process and procedures conducted, there is no evidence that the GHG emissions statement shown above:

- is not materially correct and is not a fair representation of the GHG emissions data and information; and
- has not been prepared in accordance with the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2), and WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3).

It is our opinion that MasterCard has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.

Statement of independence, impartiality and competence

Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

No member of the verification team has a business relationship with MasterCard, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex's standard methodology for the verification of greenhouse gas emissions data.



Attestation:

Mary E. Armstrong-Friberg, Lead Verifier
Principal Consultant
Apex Companies, LLC.
Cleveland, Ohio

David Reilly, Technical Reviewer
Principal Consultant
Apex Companies, LLC.
Santa Ana, California

March 11, 2021


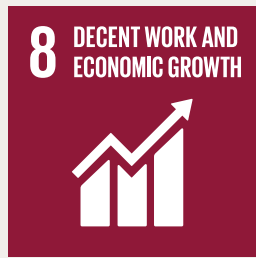



This verification statement, including the opinion expressed herein, is provided to MasterCard and is solely for the benefit of MasterCard in accordance with the terms of our agreement. We consent to the release of this statement by you to CDP in order to satisfy the terms of CDP disclosure requirements but without accepting or assuming any responsibility or liability on our part to CDP or to any other party who may have access to this statement.

SUSTAINABLE DEVELOPMENT GOALS

Mastercard is in a unique position to connect and power an inclusive, digital economy that benefits everyone, everywhere, by making transactions safe, simple, smart and accessible.

By their nature, many of our programs and solutions are supportive of the SDGs, and we believe that it is important to continue to drive private-sector awareness, collaboration and action in this area.

We are proud that through the power of our network, we are able to make real sustainable change by helping individuals, financial institutions, governments and businesses realize their greatest potential.

SDGs	EXAMPLES
 <p>5 GENDER EQUALITY</p>	<p>Mastercard was approved as a signatory of the UN's Women's Empowerment Principles (WEPs). From achieving pay equity in 2020 to supporting female small-business owners and startups, Mastercard is committed to gender balance both inside and outside of Mastercard. External efforts included leading the 30% Club and Financial Alliance for Women, and partnering to advance gender equality with Gavi, the Vaccine Alliance and USAID. Internally, Mastercard unified parental leave and started publishing the global gender pay gap.</p> <p>Mastercard's signature science, technology, engineering and mathematics (STEM) program, Girls4Tech™, reached its initial goal of educating 1 million girls. The program has a new and inspiring ambition to reach 5 million girls by 2025. The program, which launched in 2014, offers activities and curriculum built on global science and math standards. It incorporates Mastercard's deep expertise in technology and innovation, enabling students to discover a range of STEM careers, such as fraud detective, data scientist and software engineer.</p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Mastercard expanded its worldwide commitment to financial inclusion, pledging to bring a total of 1 billion people and 50 million micro and small businesses into the digital economy by 2025. As part of this effort, there will be a direct focus on providing 25 million women entrepreneurs with solutions that can help them grow their businesses.</p> <p>Mastercard has committed up to \$300 million in the fight against COVID-19, including \$250 million over five years to provide small businesses with financial tools, technology, products and insights to help them survive and thrive.</p>
 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<p>Mastercard is working with city and state leaders around the world, providing access to anonymized and aggregated data-driven insights free of charge, to help them assess the impact of COVID-19 on their communities and optimize their recovery plans. Mastercard's City Possible program supported local responses to the COVID-19 pandemic with data insights, innovative aid distribution channels, and small-business support in places like Los Angeles and Madrid. Since debuting with just 16 founding members in November 2018, City Possible has now expanded to 220 city members and candidate cities.</p> <p>Our insights into trends and improving focus within key economic sectors such as tourism have informed government action on business and unemployment disbursements, recovery planning and targeted fiscal stimulus to encourage tourism spending. For example, we announced the launch of a four-year "Partnership for the Digital Economy," covering various strategic areas of development in line with the French government's strategic public policy regarding digitization and growth of the economy, including tourism and financial inclusion. Similar Digital Country Partnerships exist with Azerbaijan, the Czech Republic and Panama.</p>
 <p>13 CLIMATE ACTION</p>	<p>Mastercard is working to mitigate the effects of climate change through our business directly and by mobilizing our trusted network. We've set a goal of reaching net-zero emissions by 2050, which builds upon existing SBTi-approved greenhouse gas (GHG) reduction goals. In light of these goals, we continue to use 100% renewable electricity across our global operations and support suppliers with their own GHG reductions.</p> <p>Launched in January 2020, the Priceless Planet Coalition unites the efforts of consumers, financial institutions, merchants and cities to fight climate change through the restoration of 100 million trees over five years — together with climate science and forest restoration experts Conservation International and World Resources Institute.</p>
 <p>17 PARTNERSHIPS FOR THE GOALS</p>	<p>Through In Solidarity, a companywide initiative to promote equity and justice, we promised to enhance our partnerships with civil rights groups and community-based organizations in the U.S. For example, in partnership with the National Urban League, we launched the Entrepreneurship & Workforce Resource Partnership with a \$5 million donation. The partnership will draw on Mastercard's analytics and technology, Mastercard Labs and other resources to support 5,000 black entrepreneurs by 2025.</p> <p>The Mastercard Center for Inclusive Growth and The Rockefeller Foundation announced data.org as a platform for partnerships that will continue to build the field of data science for social impact. As part of the announcement, data.org launched a new \$10 million impact challenge to crowdsource scalable and sustainable data science solutions for nonprofit, civic and government organizations.</p>



01

02

03

04

05

ESG

Sustainable Development Goals

Governance

Our Nominating & Corporate Governance Committee oversees sustainability matters, including those relating to environmental stewardship. A cross-functional team of executives in sustainability, facilities, enterprise risk management, enterprise resilience, legal, finance and sourcing work together to identify, assess and manage climate-related risks and opportunities.

Strategy and risk management

Preparing for and responding to climate-related risks and opportunities and helping our customers and communities develop the capacity to respond to future changes are key aspects of our business strategy. It will take time and considerable strategic thought to ensure that the actions we take today will create a more equitable, sustainable and resilient future for all. In 2020, we completed a qualitative scenario analysis to identify potential climate-related physical and transition risks and opportunities as our business and people transition to a low-carbon and adaptive economy.

This analysis included multiple International Energy Agency (IEA) and Representative Concentration Pathways (RCP) scenarios and time horizons to evaluate future states, noting that at this point it is not clear which one is the most likely. To assess the transition risks and opportunities for our market and business, we used high-, medium- and low-emission scenarios focused on five key regions – the United States, Europe, Africa, the Middle East, and Asia Pacific – across two time horizons, short-term (2025) and medium-term (2040). These time horizons roughly align with our GHG targets and consider near-term and long-term. To assess the physical impacts of climate change on certain facilities, including our global and regional headquarters, key data centers and key supplier locations, we evaluated potential threats to business-critical sites under future climate projections based on the Intergovernmental Panel on Climate Change's (IPCC's) Representative Concentration Pathways (RCP).

Risks were analyzed across several time horizons including a future mid-term projection (2035) and a future long-term projection (2060). This qualitative analysis of 12 sites is part of our broader process to evaluate threats and risk mitigation opportunities across our global operations, supply chain and revenue sources. Each of the 12 sites was examined by looking at seven potential risks resulting from the physical impacts of climate change. The RCP8.5 scenario was selected because it represents a business-as-usual, worse-case scenario climate emissions trajectory model and provides an upper-boundary condition to support our analysis and risk-management measures. This preliminary analysis indicates that we could see increasing risk of chronic climate stressors (increasing temperatures, sea level rise) and acute climate events (flooding, drought, extreme temperatures) at a majority of the sites by 2060. Such potential risks are not forecasts and are not necessarily indicative of future performance. They also do not take into account potential risk-mitigation or adaptation efforts and assume that such sites continue to operate through the dates specified.

Current opportunities include: sustainable and resilient programs and services, such as the [Priceless Planet Coalition](#), and [carbon calculator tools](#) such as ours, which is powered by the Doconomy Åland Index; accelerated digitization of transactions; and resilience services, such as support for disaster needs. Current transition risks include: impacts to travel patterns and inequitable global growth.

We are using the results of the initial analysis to inform our key functions, including risk, strategy and government engagement.

Metrics and targets

We have made several notable commitments to combat climate change, including:

- [Net-zero](#) emissions by 2050
- [SBTi-approved GHG goal](#) to reduce total Scope 1 and 2 emissions by 38% and Scope 3 emissions by 20% by 2025 from a 2016 baseline
- RE100, which reinforces our achievement of procuring [100% renewable electricity](#)
- [Regrowth of 100 million trees](#) over 5 years through the Priceless Planet Coalition



01

02

03

04

05

ESG

TCFD Index

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) INDEX

Additionally, in line with TCFD's recommendations, we publicly disclose our climate-related information through our annual [CDP Climate Change response](#). We have provided a table mapping TCFD's disclosure recommendations to our CDP responses.

TCFD CORE ELEMENT	TCFD DISCLOSURE REQUIREMENT (SHORT)	TCFD DISCLOSURE REQUIREMENT (COMPLETE)	CDP 2021 CLIMATE CHANGE
Governance	Degree of board oversight	(a) Describe the board's oversight of climate-related risks and opportunities.	C1.1b
	Management's role	(b) Describe management's role in assessing and managing climate-related risks and opportunities.	C1.2, C1.2a
Strategy	Climate-related risks and opportunities	(a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	C2.1a, C2.3, C2.3a, C2.4, C2.4a
	Impacts of risks and opportunities	(b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	C2.3a, C2.4a, C3.1, C3.1d, C3.1e, C3.1f, C3.2a, C3.3, C3.4, C3.4a
	Resilience of the organization's strategy	(c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C-or-lower scenario.	C3.2, C3.2a
Risk management	Climate risk identification process	(a) Describe the organization's processes for identifying and assessing climate-related risks.	C2.1, C2.2, C2.2a
	Climate risk management process	(b) Describe the organization's processes for managing climate-related risks.	C2.1, C2.2
	Integration with other risk-management processes	(c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	C2.1, C2.2
Metrics & targets	Identify risk-assessment metrics	(a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk-management process.	C4.2, C4.2a, C4.2b, C9.1
	Identify GHG emissions	(b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	C6.1, C6.3, C6.5
	Identify targets and risk metrics	(c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	C4.1, C4.1a, C4.1b, C4.2, C4.2a, C4.2b

ESG DATA TABLE

The following table discloses information about our ESG programs, policies and metrics mapped to the following voluntary reporting frameworks and initiatives: The Global Reporting Initiative (GRI); the Sustainability Accounting Standards Board (SASB) Software & IT Services industry standards; and the World Economic Forum (WEF) Stakeholder Capitalism Metrics (SCM) core themes. The metrics reported are based on relevance to our business and our current disclosures, aligning to our ESG materiality assessment.

General			
Purpose, mission and values	Purpose Statement ; Who We Are	102-16	Governing purpose
Markets served	Who We Are	102-6	
Countries of operations	Global locations	102-4	
Scale of organization	2020 10-K ; 2021 Proxy	102-7	
Operational and financial results	2020 10-K	201-1	Employment and wealth generation
Statement from senior decision-maker	Page 2	102-14	
Stakeholder engagement, including memberships	2021 Proxy ; several references throughout report	102-13, 102-21, 102-40, 102-42, 102-43, 102-44	Stakeholder engagement
Entities included in the consolidated financial statements	2020 10-K	102-45	
	The report covers the 2020 fiscal year, spanning Jan. 1 to Dec. 31, 2020. In some cases, we include data and information about programs and activities relevant to our corporate sustainability key areas of impact that occurred in the 2021 fiscal year, as noted.	102-46, 102-50	
List of material topics	Page 10	102-47	Stakeholder engagement
Restatements of information	None	102-48	
Changes in reporting	None	102-49	
Date of most recent report	2019 Corporate Sustainability Report published August 27, 2020	102-51	
Reporting cycle	Annual	102-52	
Contact point for questions regarding report	sustainability@mastercard.com	102-53	



01

02

03

04

05

ESG

ESG Data Table

ESG DATA TABLE

DESCRIPTION	FY 2020	FY 2019	FY 2018	GRI	SASB	WEF SCM
General						
Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option			102-54		
GRI content index	Pages 62–69			102-55		
External assurance	Page 58			102-56		
Governance						
Ethics and Compliance						
	Pages 45–47					
Values, principles, standards and norms of behavior	Page 45; Code of Conduct; Supplier Code of Conduct			102-16		Governing purpose
Employee completion of annual compliance and ethics training (% of total workforce)	100%	100%	100%	205-2		Ethical behavior
Grievance mechanism for employees, third parties and public at large	Page 45; Ethics Helpline			102-17		Ethical behavior
Anti-competition	Page 46			102-25		
Anti-corruption	Page 46; Code of Conduct			205-2		Ethical behavior
Employees and Board of Directors received training about anti-corruption (%)	100%	100%	100%			
Monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Mastercard discloses all material legal proceedings in our SEC reports .				TC-SI-520a.1	
Public policy and political contributions	Political Activity and Public Policy Statement			415, 415-1		
Governance Structure	2021 Proxy Statement			102-18, 102-19, 102-23, 102-24		Quality of governing body
Executive-level responsibility for ESG topics	2021 Proxy Statement			102-20		
Composition of the highest governance and its committees	2021 Proxy Statement			102-22, 405, 405-1		
Board of Directors	2021 Proxy Statement			405, 405-1		
Women	29%	27%	27%			
Men	71%	73%	73%			
Asian	43%					
Black	7%					
Latino	7%					
White	43%					
Sustainability experience	86%					

Women/men and ethnicity totals do not include unknown. Denominators include unknown. Senior management includes Senior Vice President and above.



01

02

03

04

05

ESG

ESG Data Table

ESG DATA TABLE

DESCRIPTION	FY 2020	FY 2019	FY 2018	GRI	SASB	WEF SCM
Governance						
Management committee	2021 Proxy Statement			405, 405-1		
Women	21%	20%				
Men	79%	80%				
Internationally based	38%	43%				
Average age	52	53				
Racially or Ethnically diverse	44%					
Remuneration policies and disclosure	2021 Proxy Statement			102-35, 102-36, 102-37		
Annual total compensation ratio	2021 Proxy Statement			102-38		
Risk management	2020 10-K			102-33		
Business continuity risks related to disruptions of operations	2020 10-K				TC-SI-550a.2	
Approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Pages 48–54; Privacy and data protection report				TC-SI-230a.2	Risk and opportunity oversight
Privacy, data protection and security	Pages 48–54; Privacy and data protection report ; Mastercard Binding Corporate Rules ; Our commitment to privacy			418	TC-SI-220a.1, TC-SI-230a.1	
Policies and practices relating to user privacy	Pages 48–50; Privacy and data protection report ; Mastercard Binding Corporate Rules ; Our commitment to privacy				TC-SI-220a.1	
Monetary losses as a result of legal proceedings associated with user privacy	Mastercard discloses all material legal proceedings in our SEC reports .				TC-SI-220a.3	
Data security: monitoring fraud	Pages 51–54				TC-SI-230a.1	
Responsible Sourcing and Supplier Diversity	Pages 40, 56; Supplier Code of Conduct			102-9		
Social						
Total Employees	21,000	18,600	14,800	102-7, 102-8, 405, 405-1	TC-SI-330a.3	Dignity and equality
Employees in # of countries outside of U.S.	63% in 82 countries	61% in 82 countries			TCI-SI-330a.4	
Employees by gender (global)						
Female	38%	39%	39%			
Male	61%	61%	61%			
Senior management by gender (global)						
Female	32%	33%	33%			
Male	68%	67%	67%			

Women/men and ethnicity totals do not include unknown. Denominators include unknown. Senior management includes Senior Vice President and above.



01

02

03

04

05

ESG

ESG Data Table

ESG DATA TABLE

DESCRIPTION	FY 2020	FY 2019	FY 2018	GRI	SASB	WEF SCM
Social						
Employees by ethnicity (U.S.)						
Black or African American	5.6%	5.5%	5.6%			
Hispanic or Latino	8.4%	8.3%	8.4%			
Asian	22.3%	20.6%	19.9%			
All other people of color	1.8%	2%	1.7%			
White	59.5%	60.6%	64.4%			
Senior management by ethnicity (U.S.)						
Black or African American	6.4%	4.2%	4.5%			
Hispanic or Latino	11.1%	11.2%	10.7%			
Asian	13.3%	14.8%	15.1%			
All other people of color	0.9%	1.8%	1.7%			
White	66%	67.4%	68%			
Country managers by gender (global)						
Female	31%	29%				
Male	69%	71%				
Undergraduate interns						
	<u>Page 28</u>					
Female (global)	42%	47%				
Male (global)	57%	49%				
Asian (U.S.)	42%	37%				
Black or African American (U.S.)	5%	11%				
Hispanic or Latino (U.S.)	9%	16%				
All other people of color (U.S.)	3%	1%				
White (U.S.)	39%	32%				
Recruitment						
	<u>Pages 27–28</u>					
% of global final candidate interviews that include women	78%	71%	77%			
% of global final candidate interviews that include men	81%	80%				
% of U.S. final interviews that include a candidate of color	81%	83%	81%			
% of U.S. final interviews that include a white candidate	73%	79%				

Women/men and ethnicity totals do not include unknown. Denominators include unknown. Senior management includes Senior Vice President and above.



01

02

03

04

05

ESG

ESG Data Table

ESG DATA TABLE

DESCRIPTION	FY 2020	FY 2019	FY 2018	GRI	SASB	WEF SCM
Social						
Senior management recruitment	<u>Pages 27–28</u>					
% of global final candidate interviews that include women	81%	67%	70%			
% of global final candidate interviews that include men	90%	88%				
% of U.S. final interviews that include a candidate of color	73%	82%	79%			
% of U.S. final interviews that include a white candidate	80%	84%				
Hiring	<u>Pages 27–28</u>					
% of global hires that were women	38%	40%	41%			
% of global hires that were men	62%	60%	59%			
% of U.S. hires that were people of color	50%	45%	42%			
% of U.S. hires that were white	46%	55%	58%			
Senior management hiring						
% of global hires that were women	44%	33%	38%			
% of global hires that were men	56%	67%	62%			
% of U.S. hires that were people of color	36%	42%	37%			
% of U.S. hires that were white	64%	58%	63%			
University hires	<u>Page 28</u>					
% of global university hires that were women	39%	42%				
% of global university hires that were men	61%	58%				
% of U.S. university hires that were people of color	61%	61%				
% of U.S. university hires that were white	38%	39%				
Career moves						
% of global career moves experienced by women	39%	40%	40%			
% of global career moves experienced by men	60%	60%	60%			
% of U.S. career moves experienced by people of color	39%	38%	38%			
% of U.S. career moves experienced by white	59%	60%	61%			
Senior management career moves (laterals and promotions)						
% of global career moves experienced by women	36%	35%	35%			
% of global career moves experienced by men	64%	64%	65%			
% of U.S. career moves experienced by people of color	35%	36%	38%			
% of U.S. career moves experienced by white	62%	61%	61%			

Women/men and ethnicity totals do not include unknown. Denominators include unknown. Senior management includes Senior Vice President and above.



01

02

03

04

05

ESG

ESG Data Table

ESG DATA TABLE

DESCRIPTION	FY 2020	FY 2019	FY 2018	GRI	SASB	WEF SCM
Social						
Equal pay	<u>Page 35</u>	<u>Page 50</u>		405-2		Dignity and equality
Women-to-men pay equity (global)	\$1.00 to \$1.00	\$1.00 to \$1.00	\$0.996 to \$1.000			
Median pay for women (global)	92.4%	92.2%				
People-of-color-to-Caucasian pay equity (U.S.)	\$1.00 to \$1.00	\$1.006 to \$1.000				
Median pay for people of color (U.S.)	92.4%	93.0%				
Employees subject to collective bargaining agreements (U.S.)	0	0	0	102-41		
Employee engagement	<u>Page 31–33</u>				TC-SI-330a.2	
Employee engagement favorability	85%					
Employee health, safety and well-being	<u>Pages 34–35</u>					Health and well-being
Benefits	<u>Pages 35; Employee benefits</u>			401-2, 401-3, 403-6		
Ratio of CEO's compensation to median employee's compensation	210 to 1	168 to 1	167 to 1			Dignity and equality
Training and education	<u>Pages 29–30</u>			404, 404-2		
Employees given performance and career development reviews	100%	100%	100%	404-3		
Human rights	<u>Page 55; Human Rights Statement; Code of Conduct; Modern Slavery & Human Trafficking Statement</u>			410, 412, 412-1, 412-2		
Inclusive growth	<u>Page 13–25</u>					
Mastercard's giving	<u>Pages 24, 32</u>					
Total Mastercard giving	\$80,172,000					
Community	\$50,476,000					
COVID-19 and other disaster relief	\$29,978,000					
Match employee giving	\$5,633,000					
Employee matching gifts	\$4,568,000					
Board of Directors matching gifts	\$98,000					
Retiree matching gifts	\$562,000					
Volunteer incentive program	\$155,000					
PAC match	\$250,000					
Other community	\$14,861,000					
Data science for social impact and economic development	\$12,905,000					
Financial security and future of work	\$16,791,000					

Women/men and ethnicity totals do not include unknown. Denominators include unknown. Senior management includes Senior Vice President and above.



01

02

03

04

05

ESG

ESG Data Table

ESG DATA TABLE

Environmental

Net-zero target Mastercard committed to net-zero emissions by 2050.

Science-based target Our target calls for a 38% absolute reduction in Scope 1 and 2 greenhouse gas emissions by 2025 from our 2016 base year, and a 20% reduction in Scope 3 emissions over the same period.

We aligned with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and have included a separate [index](#) that reflects our governance, strategy and risk management, and metrics and targets related to climate.

Greenhouse gas emissions

[Page 37](#)

Climate change

Scope 1 GHG emissions (MTCO ₂ e)	3,221	4,758	4,828	305-1, 305-5	
Scope 2 GHG emissions (MTCO ₂ e) (location-based)	52,538	52,141	52,859		
Scope 2 GHG emissions (MTCO ₂ e) (market-based)	268	162	3,399		
Breakdown of Scope 1 + 2 GHG emissions (MTCO ₂ e)					
Data centers	32,455	31,295	29,798	305-2, 305-5	
Offices	22,319	23,649	26,644		
Travel	985	1,955	1,246		
Scope 3 GHG emissions (MTCO ₂ e)	366,143	503,012	495,962	305-3, 305-5	
Purchased goods and services ⁽ⁱ⁾	344,076	396,270	395,684		
Fuel- and energy-related activities	6,485	8,452	11,779		
Waste generated in operations	486	1,288	339		
Business travel	7,373	53,738	49,174		
Employee commuting	7,723	43,264	38,986		
Greenhouse gas intensity (MTCO ₂ e/\$revenue)	0.0000036	0.0000034	0.000006	305-4	
Energy management	Page 38-39			302	
Total energy consumed (MWh)	107,320	109,718	114,944	302-1, 302-4	TC-SI-130a.1
Data centers	61,862	50,522	40,481		
Offices	45,458	59,196	74,463		
Grid electricity (%)	97%	97%	98%		TC-SI-130a.1

⁽ⁱ⁾ Includes purchased goods and services and capital goods.



01

02

03

04

05

ESG

ESG Data Table

ESG DATA TABLE

DESCRIPTION	FY 2020	FY 2019	FY 2018	GRI	SASB	WEF SCM
Environmental						
Renewable energy (%)	100%	100%	100%		TC-SI-130a.1	
On-site creation	3.2%	3%	2%			
Direct procurement	8.3%	10%	11%			
Unbundled renewable energy credits	88.5%	87%	87%			
Data centers	<u>Page 38</u>				TC-SI-130a.3	
Average PUE ⁽ⁱⁱ⁾	1.5	1.55	1.41		TC-SI-130a.3	
Waste management						
	<u>Page 41</u>			306		
Waste generated (lbs)	1,037,603	3,111,778	2,294,341	306-2		
Waste diverted (lbs)	760,657	2,470,640	1,766,001	306-2		
Percentage of waste diverted	73%	80%	77%	306-2		
Water management						
				303		
Water consumption (cubic meters)	120,504	130,253	128,549	303-5		

⁽ⁱⁱ⁾ Vocalink's PUE was included in 2020 and 2019. For previous years, it was not included.



01

02

03

04

05

ESG

ESG Data Table

