Mastercard Governance Update

May 2022

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Mastercard's strategy & key priorities

Consistent winning strategy:

Grow our core

Diversify into new customers and geographies

Build new areas for the future

Executed by focusing on three key priorities:

Expand in payments

For consumers, businesses and governments

Extend our services

To enhance transactions and drive customer value

Embrace new networks

To enable open banking, digital identity and other adjacencies

Our success is powered by:

People

Technology

Brand

Data

Franchise

Doing well by doing good

Key 2021 performance milestones

GAAP		
Net revenue **$18.9B** up 23%	Net income **$8.7B** up 35%	Diluted EPS **$8.76** up 38%
Non-GAAP [1] (currency-neutral)		
Net revenue **$18.9B** up 22%	Adjusted net income **$8.3B** up 28%	Adjusted diluted EPS **$8.40** up 30%
$7.6B in capital returned to stockholders	**$5.9B** Repurchased shares **$1.7B** Dividends paid	**$9.5B** cash flows from operations
Gross dollar volume (growth on a local currency basis) $7.7T up 21%	Cross-border volume growth (on a local currency basis) up 32%	Switched transactions 112.1B up 25%

1. Non-GAAP results exclude the impact of gains and losses on equity investments, Special Items and/or foreign currency. See "Management's Discussion and Analysis of Financial Condition and Results of Operations – Financial Results Overview" in Part II, Item 7 of our most recent 10-K for the reconciliation to the most direct comparable GAAP financial measures

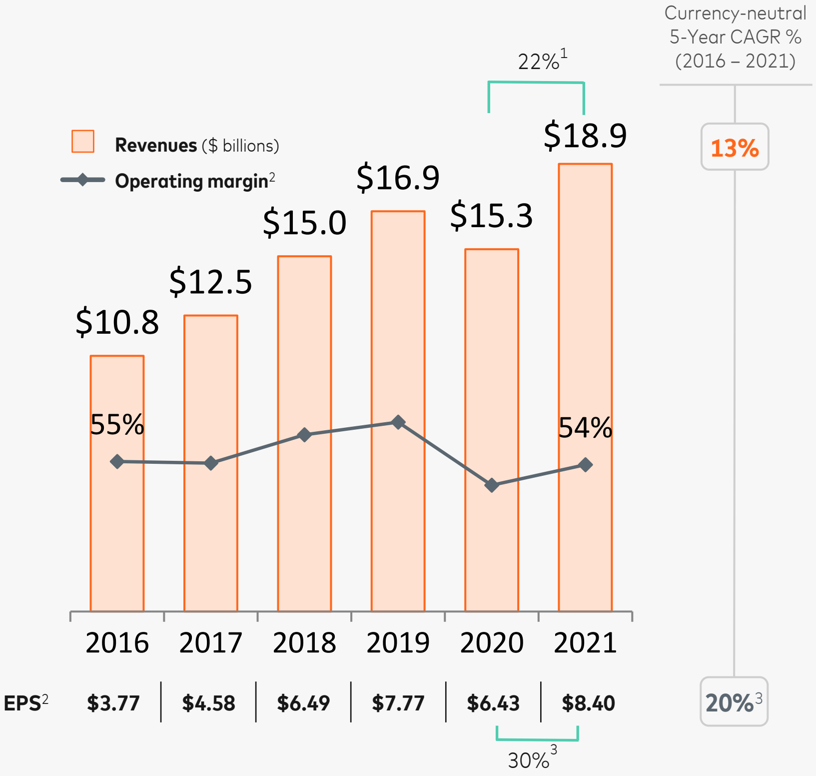
Key business milestones

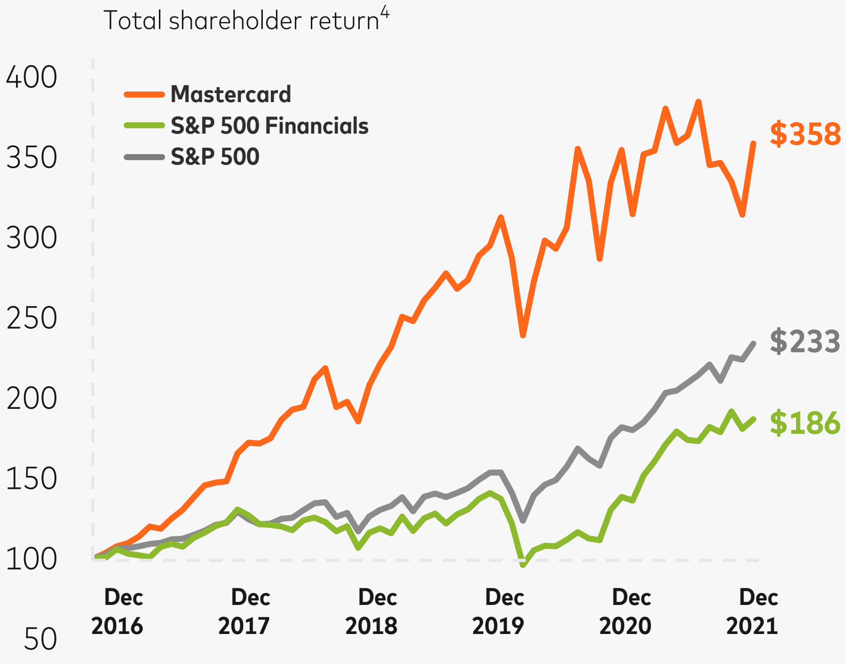
Expand in payments	• Won deals with **key customers**, including **Gap** and **Cathay Pacific & Asia Miles**, and expanded existing relationships with **Singapore Airlines**, **JetBlue Airlines**, **British Airways**, and **LATAM Airlines**
	• Continued leadership with **fintechs;** over **250** new partnership deals globally[1]
	• Acceptance is driving cash displacement: **>90M** acceptance locations and ~**18% CAGR (2018-2021)**[2]
	• Contactless penetration increased to **~1 in 2** of our in-person switched transactions globally in Q4 2021[3]
	• New payments innovations:
	    • Announced **Mastercard Installments** open-loop buy now, pay later solution
	    • Expanded consumer bill payment capabilities with the acquisition of **Arcus** in Latin America
	    • Continued to scale **Mastercard Track** for B2B accounts payables through new partners and capabilities

Extend our services	• Our **service** lines represented **~1/3** of Mastercard's net revenue in 2021 and grew at **25%** YoY[4] • **Services** provide differentiation, revenue diversification & bring great talent, including **~one-third** of new joiners[1] • Key services acquisitions include announcement of **Dynamic Yield**, McDonald's cutting-edge personalization platform
Embrace new networks	• In **open banking, Finicity's** North American connections cover **over 95%** of deposit accounts in the US[3], while the acquisition of **Aiia** brings strong API connectivity to **over 3,000** banks across Europe[5] • We acquired **Ekata** in the **digital identity** space, giving us access to a global dataset of **2B** identities and **over 5B** digital interactions to support consumer identify verification[1]

1. As of November 10, 2021 – Mastercard Investment Community Meeting
2. Year-end number as reported by Acquirers through the QMR process using predefined forms and definitions. Growth calculated from year-end totals of the Acquirer QMR data.
3. As of January 27, 2022 – Q4 2021 Mastercard Inc. Earnings Conference Call
4. On a currency-neutral basis
5. Per Aiia's website

Creating shareholder value





1. Currency-neutral
2. Excluding the impact of gains and losses on the company's equity investments and special items. See Appendix D for non-GAAP reconciliation
3. Currency-neutral, excluding the impact of gains and losses on the company's equity investments and special items. See Appendix D for non-GAAP reconciliation

4. Source: Factset – based on initial investment of $100 on 12/31/16 through 12/31/21; MA stock price of $103.25 on 12/31/16 vs. $359.32 on 12/31/21

Capital planning update[1]

PRIORITIES - UNCHANGED	RECENT HIGHLIGHTS

Strong balance sheet
Preserve strong balance sheet, liquidity and credit ratings
	• Strong operating cash flow
	• Substantial liquidity at year-end 2021
	  - $7.9B cash and investments balance
	  - $6B undrawn credit facility[2]
	• Significant additional debt capacity within existing credit ratings: Moody's A1; S&P A+

Long-term business growth Invest in strategy-led organic and inorganic opportunities	• Strong balance sheet and cash flow generation from operations position us well to continue to invest in long-term growth through organic and inorganic options
Return excess capital to shareholders Return excess capital with bias toward share repurchases	• Returned $7.6B in capital to stockholders in 2021, and an additional ~$3.6B YTD[1] 2022 • New $8B repurchase authorization approved by Board in November 2021 • Dividend increased by ~11%
Capital structure Migrate to a more normalized mix of debt and equity over time	• Issued ~$2.1B of long-term debt in 2021 (includes a Sustainability bond of $600M, enhancing commitment to ESG initiatives) • Exercised redemption option in October 2021 and repaid $650M of maturing debt due in November 2021 • Issued €750M (~$855M) in February 2022

1. As of April 29, 2022
2. No financial covenants on existing debt or credit facility

Governance and board leadership

Our director nominees' experience, tenure, independence and diversity

92%
12 of our 13 director nominees are **independent**

67%
8 of our 12 independent director nominees identify as **racially or ethnically diverse**

67%
8 of our 12 independent director nominees are **non-U.S. citizens and/or have international experience**

33%
4 of our 12 independent director nominees identify as **female**

50%
6 of our 12 independent director nominees have a **tenure of 4 years or less**

61
Average age of our independent director nominees

5.3
Average tenure in years of our independent director nominees

Director skills (including number of nominees possessing these skills)

C-suite experience	Financial and risk	Sustainability	Technology, digital and innovation	Global perspective	Public company board experience	Consumer	Regulatory and governmental	Information security	Payments
12	12	12	12	11	11	10	9	8	8

Executive compensation highlights

What we heard from investors	How we responded
Executive retention was a key focus	We successfully retained our top executives during 2021
Alignment with stockholder experience valued	We utilize a relative TSR modifier in our PSU program to enhance the link and alignment between stockholders and employees
The need to provide flexibility under the PSU program to accommodate unexpected volatility was acknowledged	• Replaced the three-year compound annual growth rate targets for the financial components of the program with three individually set annual targets established at the onset of the three-year performance period expressed as a growth rate over the previous year's actual result • Eliminated the design feature that automatically adjusts targets based on the variance between forecasted and actual Personal Consumption Expenditure (PCE) over the three-year performance period • Instituted a financial metric payout cap that limits the number of shares earned for financial performance to 100% of the target if performance against the three individually established growth targets yields an above target payout while the three-year compound annual growth rate goal for each metric is not achieved • Continue to use a three-year relative TSR modifier to ensure alignment with stockholder value
Fairness in application of discretion desired	We made a downward adjustment of -12 percentage points to the strategic performance aspect of the corporate score with respect to 2021 compensation
Adjustments should be considered only in extraordinary circumstances	Performance targets under the 2019 PSUs were not modified
ESG modifier well-received	ESG modifier expanded to all employees and further refined with respect to environmental aspect

Doing well by doing good

We know firsthand that our commitment to environmental and social responsibility — and our core values of operating ethically and responsibly and with decency — is directly connected to our continuing success as a business

People	• Expanded new **flexibility and well-being offerings** • Evolved our **talent acquisition model** to introduce "always on" sourcing and deployment capabilities • Expanded our **pro bono, purpose-based development opportunities** to our employees • Engaged **underrepresented, diverse populations** via apprenticeships, internships and campus programs
Planet	• Accelerated our commitment to reach **net-zero by 2040** • Leveraged the Priceless Planet Coalition to engage 85+ global partners to **restore 100 million trees** by 2025 • Integrated the **Mastercard Carbon Calculator** across our global network • Launched the **Sustainability Innovation Lab**, an innovation hub
Prosperity	• Committed to bringing **1 billion** more individuals into the financial mainstream and reached over **675 million** • Added **over 24 million small and medium businesses** to the digital economy • Expanded our **City Key program** to help our government partners scale and provide financial support for **more than 2.4 million people** in 2021
Principles of Governance	• Continued to require employees to complete **annual compliance training** • Disclosed **global tax guidelines** – we only engage in transactions or tax planning aligned with our core principles • Conducted third-party evaluations of our information security program to benchmark against recognized global security standards

Stockholder & company proposal: special meetings

We agree that stockholders should have the right to call a special meeting.

Proposal & current status

- Both Mastercard and Mr. Chevedden agree that stockholders should have the right to call a special meeting
- Mastercard seeks stockholder approval of a charter amendment to enable stockholders to exercise that right
- Mastercard and Mr. Chevedden disagree over the ownership threshold at which stockholders should have this right
  - Mr. Chevedden believes stockholders should have this right at a 10% level
  - Mastercard believes stockholders should have this right at the 15% level
- Mastercard has had direct engagement with Mr. Chevedden

Mastercard's position

- 15% ownership level strikes an appropriate balance between enhancing stockholders' rights and adequately protecting stockholders' interests
- 15% ownership threshold promotes long-term value and strengthens board and management accountability to stockholders
- 15% ownership threshold ensures that special meetings are extraordinary events given their cost to the company
- 15% aligns with the governance practices among the S&P 500, approximately 75% of which offer special meeting rights for ownership thresholds higher than 10%
- The Board included other reasonable limitations around stockholder-requested special meetings, to avoid duplication or unnecessary special meetings
- The Board has strong governance features that also make the lower 10% ownership threshold unnecessary

Stockholder proposal: certain political contributions

We already have practices, policies, procedures and disclosures that address Board oversight of political contributions.

Proposal & current status

- Mr. Timko proposes that any future direct or indirect donation to any one or more member of the US Congress who objected to the certification of the 2020 presidential election results be subject to Board approval
- Mastercard has had direct engagement with Mr. Timko

Mastercard's position

- Mastercard is prohibited by law from making any contributions to any candidates at the federal level, including members of Congress who refused to certify the results of the 2020 election
- Similarly, trade associations and other business groups are prohibited from using any Mastercard funds, including membership dues, to make any contributions to federal candidates
- Our Political Action Committee Board adopted two new criteria after January 6, 2021:
    - Commitment to democracy, constitutional protections and the rule of law
    - Respect and tolerance for a diversity of views, leadership on matters of social impact, adherence to high standards and exemplary ethical character
- Nominating & Corporate Governance Committee provides regular oversight of public policy activities, including the PAC
- We are a recognized leader in political transparency and accountability

Stockholder proposal: charitable contributions

We have robust disclosures and Board oversight of our charitable contributions.

Proposal & current status

- The National Legal and Policy Center (NLPC) requests that Mastercard provide a report, published on the company's website and updated semi-annually – and omitting proprietary information and at reasonable cost – that discloses, itemizes and quantifies all Company charitable donations, aggregated by recipient name & address each year for contributions that exceed $999 annually.
- Mastercard has had direct engagement with the NLPC

Mastercard's position

- The bulk of our social impact work is done via the Mastercard Center for Inclusive Growth (Center), a part of Mastercard that is dedicated to advancing equitable and sustainable economic growth and financial inclusion around the world and which administers the philanthropic Mastercard Impact Fund (Fund) to produce independent research, scalable global programs, and an empowered community of thinkers, leaders and doers on the front lines of inclusive growth
- The Fund's Form 990 provides the names of the charitable organizations the Fund supports, their addresses, and the general purpose and amounts of the grants. These detailed tax filings, dating back to the year of the Fund's creation, can be found on the Center's website
- The Fund has its own Board that reviews and monitors grants and the Center provides an annual report to Mastercard executives about the work of the Fund
- The social impact work of the Center and Fund is featured in presentations to our Board as well
- Further details are reported in our Sustainability Report, the Corporate Responsibility section of our website and on the website for the Center

Stockholder proposal: ghost guns

Together with the Board, management undertakes a thoughtful consideration of the risks involved, including reputational risk and countervailing implications for our commitment to consumer data privacy and security.

Proposal & current status

- A group of stockholders request the Board conduct an evaluation and issue a report within the next year (at reasonable cost, omitting proprietary information) describing if and how Mastercard intends to reduce the risk associated with the processing of payments involving its cards and/or its electronic payment system services for the sale and purchase of untraceable firearms, including "Buy, Build, Shoot" firearm kits, components, and/or accessories used to assemble privately made firearms known as "Ghost Guns"
- Mastercard has had direct engagement with the proponents

Mastercard's position

- Mastercard permits lawful purchases to be made on our network. These principles are described in the Human Rights statement adopted by our Board in April 2020
- We take a vigorous approach to ensuring that only lawful purchases are permitted on our network
- We asked elected officials to enact meaningful policies to address gun violence because we believe that it is their responsibility
- We fund initiatives with partners, including targeted merchant education, and support national non-profit educational programs
- Limited information flows through our systems – a reflection of our deep commitment to consumers' right to data privacy, protection and security, which would be impacted by any decision by us to gather more information about transactions
- Given the importance and sensitivity of these issues, we report regularly to our Board and its committees on data privacy, protection and security, and network integrity matters, including as they specifically relate to firearms transactions, and the Board oversees and guides management about the role of the company in areas that require synthesized, thoughtful consideration, including in connection with the topic of firearms transactions.

Awards & recognition

America's Most JUST Companies – CNBC 2022

2022 World's Most Ethical Companies® – www.ethisphere.com – 7-Time Honoree

WSJ | Journal Reports – Management Top 250

Bloomberg Gender-Equality Index 2022

Global RepTrak 100 Most Reputable Companies 2022

Sustainability Award 2021

Fortune Most Admired Companies 2022

Fortune Best Workplaces in New York 2021

Forbes Blockchain 50 - 2022

Human Rights Campaign Foundation – Best Places to Work 2022 for LGBTQ+ Equality – 100% Corporate Equality Index

SHE – The SPDR SSGA Gender Diversity Index ETF

Fast Company – Innovation by Design 2021

Fast Company – World Changing Ideas 2022

Fast Company – Next Big Things in Tech /2021

FTSE4Good

CECP – The CEO Force for Good

Dow Jones Sustainability Indexes

WFP – World Food Programme

World Economic Forum

Kantar BrandZ – 2021 Most Valuable Global Brands

Morning Consult – Most Trusted Brands 2021

Yahoo! Finance – empower – Ethnic Minority Role Model Lists

Yahoo! Finance – outstanding – Present LGBT+ Role Model Lists

Yahoo! Finance – heroes – Women Role Model Lists

DiversityInc 2022 Top 50 Companies for Diversity®

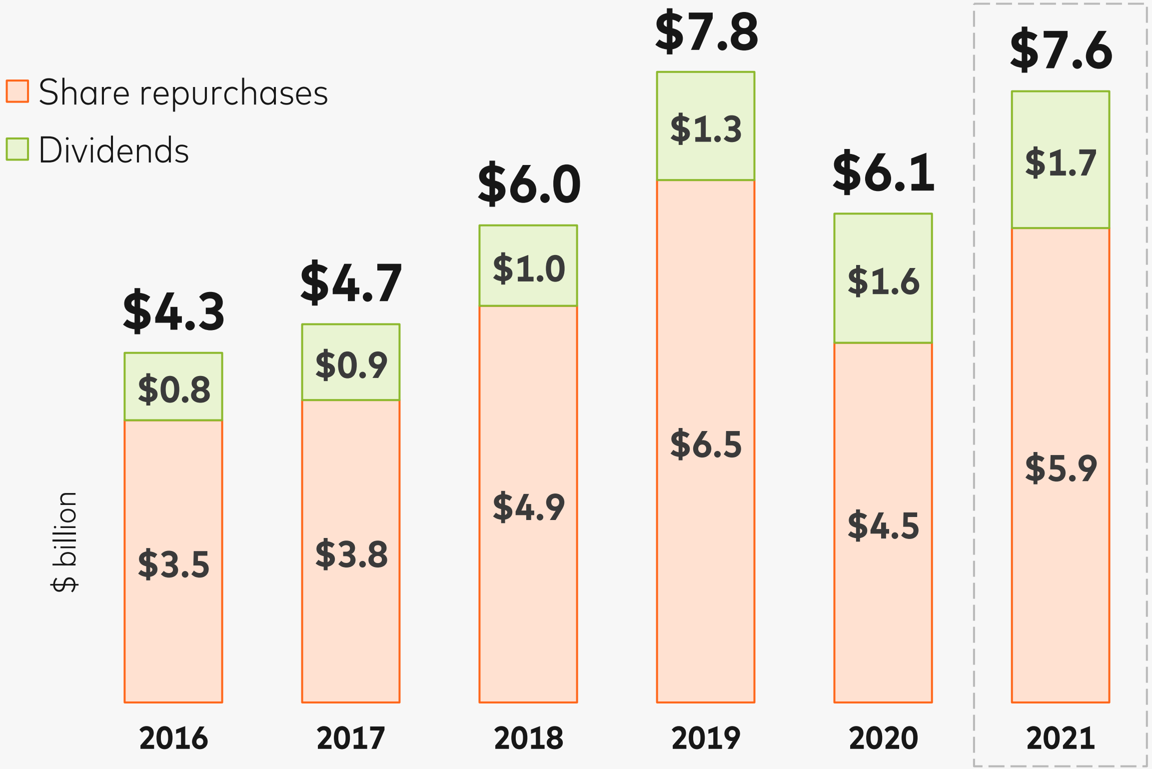
DiversityInc 2022 Top Companies for Board of Directors

DiversityInc 2022 Top Companies for Mentoring

DiversityInc 2022 Top Companies for ESG

Appendices

Appendix A - Return of capital



~$52 billion[1] returned to shareholders since 2006 IPO

Note: Table may not sum due to rounding
1. Through December 2021. Includes $15.5 billion prior to 2016.

Appendix B - Risk management practices

Board of Directors

Our Board oversees major risks, including strategic, operational (including cybersecurity), legal and regulatory, financial and CEO succession planning risks.

The Board's standing committees oversee delegated responsibilities for specific risks (as of June 2022)

Nominating and Corporate Governance Committee

- Governance structure and processes
- Legal and policy matters with potential significant reputational impact
- Matters of significance to the company and its stockholders, including corporate responsibility, environmental stewardship and human rights

Human Resources and Compensation Committee

- Employee compensation policies and practices
- Key diversity initiatives and people and capabilities policies and practices, including those related to organizational engagement and effectiveness and employee development
- Non-executive director compensation policies and practices
- Succession planning

Audit Committee

- Financial statement integrity and reporting
- Major financial and operational risks
- Technology risk exposures
- Legal and compliance risks
- Internal controls

Risk Committee

- Risk management governance, framework and programs, including risk appetite
- Settlement and counterparty risk
- Information security, privacy and data protection
- Regulatory risks

In overseeing these risks, the Board gives consideration to our brand and reputation, as well as our culture and conduct.

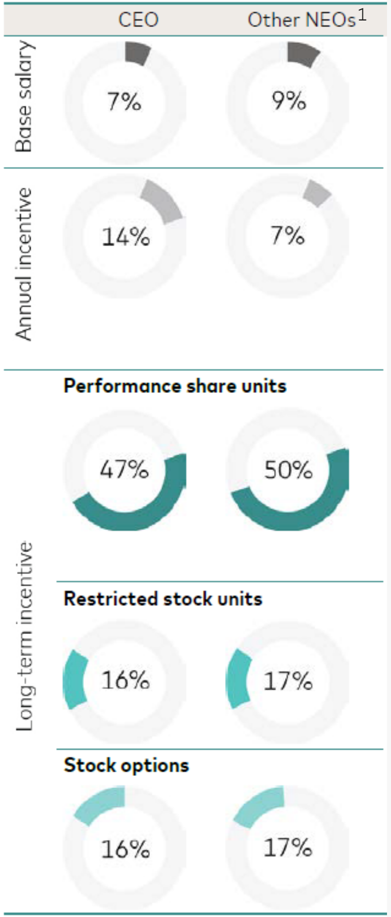
Management

The key risk responsibilities of our management team include:

- Risk Management Committee's day-to-day risk management efforts
- Business units' responsibilities to identify and manage business risk
- Central functions' responsibility to design a risk framework, including setting boundaries and managing risk appetite
- Internal audit's responsibility to provide independent assurance on design and effectiveness of internal controls and governance processes

Appendix C - Executive compensation highlights

	What we do
☑	Pay for performance
☑	Align executive compensation with stockholder returns through long-term incentives
☑	Reinforce the importance of sustainability by linking annual incentive compensation to ESG metrics
☑	Maintain significant stock ownership requirements and guidelines, as well as a post-vest holding period on PSUs
☑	Use appropriate peer groups when establishing competitive compensation
☑	Review management succession and leadership development programs
☑	Reward individual performance but with limits that cap individual payouts in executive incentive plans
☑	Regularly assess compensation programs to mitigate undue risk taking by executives
☑	Mandate "double-trigger" provisions for all plans that contemplate a change in control
☑	Maintain robust clawback and equity award forfeiture policies
☑	Retain an independent compensation consultant
☑	Hold an annual say-on-pay advisory vote
	What we don't do
☒	No hedging or pledging of Mastercard stock
☒	No excise tax gross-ups for executive officers
☒	No tax gross-ups, other than under our global mobility programs
☒	No repricing stock options
☒	No new evergreen employment agreements
☒	No dividend equivalents on unvested equity awards
☒	No guaranteed annual salary increases or bonuses
☒	No granting of discounted or reload stock options
☒	No spring loading of equity grants



1. Named Executive Officers (NEOs)

Appendix D – Non-GAAP reconciliation

($ in millions, except per share data)

	2016	2017	2018	2019	2020	2021	5-Year (2016 – 2021) CAGR	5-Year (2016 – 2021) CAGR Currency-neutral [1]
Net revenue	$ 10,776	$ 12,497	$ 14,950	$ 16,883	$ 15,301	$ 18,884	12%	13%
Operating margin - as reported	53.5%	53.0%	48.7%	57.2%	52.8%	53.4%		
Special items [2]	1.1%	1.4%	7.5%	-%	0.5%	0.9%		
Adjusted operating margin	54.5%	54.4%	56.2%	57.2%	53.3%	54.3%		
GAAP diluted EPS	$ 3.69	$ 3.65	$ 5.60	$ 7.94	$ 6.37	$ 8.76	19%	21%
Special items [2,3]	0.08	0.92	0.89	(0.06)	0.07	0.14		
(Gains) losses on equity investments [4]	–	–	–	(0.12)	(0.01)	(0.50)		
Non-GAAP diluted EPS	$ 3.77	$ 4.58	$ 6.49	$ 7.77	$ 6.43	$ 8.40	17%	20%

Note: Table may not sum due to rounding

1. Represents the translational and transactional impact of currency and the related impact of the company's foreign exchange derivative contracts designated as cash flow hedging instruments.
2. Impact of the following: 2016: U.K. Merchant Litigation Provision of $117 million pre-tax ($0.08 per diluted share); 2017: deconsolidation of Venezuela subsidiaries of $167 million pre-tax ($0.10 per diluted share) and Canadian Merchant Litigation Provision of $15 million ($0.01 per diluted share); 2018: litigation provisions of $1,128 million pre-tax ($0.96 per diluted share) related to a fine by the European Commission of $654 million, U.S. merchant class litigation and the filed and anticipated opt-out U.S. merchant cases of $237 million, and settlements with U.K. and Pan-European merchants of $237 million; 2020: estimated attorneys' fees and litigation settlements of $28 million pre-tax related to U.K. and Pan-European merchants, and an ongoing confidential legal matter associated with the company's prepaid cards in the U.K. of $45 million pre-tax ($0.07 per diluted share); 2021: estimated attorney's fees and litigation settlements of $94 million pre-tax ($0.07 per diluted share) and the resolution of a foreign indirect tax matter from 2015-2021 of $88 million pre-tax ($0.07 per diluted share).
3. Impact of the following: 2017: net tax expense related to the one-time deemed repatriation tax on accumulated foreign earnings (the "Transition Tax") of $873 million ($0.81 per diluted share); 2018: net tax benefit of $75 million ($0.07 per diluted share) comprised of a $90 million benefit related to carryback of foreign tax credits due to transition rules, offset by a net $15 million expense related to an increase to our Transition Tax. 2019: $57 million net tax benefit ($0.06 per diluted share) which included a $30 million benefit related to a reduction to the 2017 Transition Tax resulting from final tax regulations issued in 2019 and a $27 million benefit related to additional foreign tax credits which can be carried back under transition rules.
4. Impact of the following: 2019: net gains of $167 million ($124 million after tax, $0.12 per diluted share), related to unrealized fair market value adjustments on marketable and non-marketable equity securities; 2020: net gains of $30 million ($15 million after tax, $0.01 per diluted share) related to unrealized fair market value adjustments on marketable and non-marketable equity securities; 2021: net gains of $645 million ($497 million after tax, $0.50 per diluted share) related to unrealized fair market value adjustments on marketable and non-marketable equity securities.