

# Our Story



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About MasterCard and the Value We Deliver

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ABOUT

# MasterCard

IN THE SIMPLEST TERMS...

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MasterCard is a technology company in the global payments business.



We connect consumers, financial institutions, merchants, governments and businesses worldwide, enabling them to use electronic forms of payment instead of cash and checks.



We use technology and data-driven insights to make electronic payments more convenient, secure and efficient for people everywhere.



MasterCard does not issue cards, but develops advanced payment solutions and seamlessly processes billions of transactions around the world every year.



Our business has a global reach—extending to more than 210 countries and territories—and continues to experience growth in a world where 85% of retail transactions are still made in cash and checks.

# The Value We Deliver

We use our technology and expertise to deliver better ways to pay. In doing so, we connect financial institutions, merchants, governments and consumers around the world. The value we deliver is as follows:



## CUSTOMERS

MasterCard provides customer financial institutions with solutions that help them increase revenue, gain wallet share, and deepen relationships with their own customers.



## MERCHANTS

MasterCard provides merchants with solutions that help to increase revenues, enable new sales channels, create better purchase experiences, improve efficiencies, and fight fraud.



## GOVERNMENTS

MasterCard provides governments with solutions that help them reduce costs, gain efficiencies, curtail fraud and corruption, and advance social progress.



## CONSUMERS

MasterCard provides consumers with easy and seamless buying experiences that connect them to the things in life that matter most.



# Introduction

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Everyone wants easier ways to pay;  
**we invent them.**

Checkout lines are slow;  
**we speed them along.**

Merchants want more sales;  
**we give them data and insights.**

People need financial access;  
**we connect them.**

Corporate purchasing is complicated;  
**we make it simple.**

Commuters are busy;  
**we speed them on their way.**

Governments need greater efficiencies;  
**we help create them.**

Small businesses are vital;  
**we give them access to a world of buyers.**

Retailers want to fight fraud;  
**we provide the tools.**



Everyday, our employees around the world are focused on making payments easier.

We do this because behind every transaction is a person who benefits from a better buying experience.

Our technology and expertise power  
**1.9 billion cards**  
and **35.9 million acceptance locations\***

in 210 countries and territories, and 150 currencies.



At MasterCard,  
we believe in a world with better ways to pay

**A more connected world**  
**A WorldBeyondCash**

## Vision, Mission and Values

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### VISION

A world beyond cash

### MISSION

Every day, everywhere, we use our technology and expertise to make payments safe, simple and smart

### VALUES

#### **Trust**

We act with integrity and respect; we encourage openness

#### **Agility**

We act with a sense of urgency and deliver value through our innovation and execution

#### **Partnership**

We work as one team to the benefit of all—consumers, merchants, business partners, governments and the communities we serve

#### **Initiative**

We are empowered to take bold and thoughtful action, and we hold ourselves accountable for delivering results



## Corporate Citizenship

MasterCard adds value to society in many ways.

### PAYMENT SOLUTIONS

MasterCard's products and solutions benefit society by promoting efficiency, convenience and security.

- From major cities to developing markets, we are driving commerce and changing the way the world does business.
- We provide consumers with convenient and safer payment options such as credit, debit, prepaid, contactless, online and mobile payments.
- We connect merchants to consumers—both at the local level and around the globe.
- We help consumers, businesses and governments track and streamline their spending.

### CORPORATE PHILANTHROPY AND COMMUNITY ENGAGEMENT



Through our corporate philanthropy programs, MasterCard is committed to increasing the prosperity of communities around the world by focusing on financial inclusion initiatives to increase individuals' economic opportunities and life outcomes.

Education and skill-building initiatives in entrepreneurship and financial literacy help ensure that individuals have access to opportunities to achieve financial independence and realize their potential.

MasterCard's corporate giving activities focus on two areas:

- **Financial Inclusion** – Programs in entrepreneurship and financial literacy help individuals increase job skills, learn how to start and sustain businesses and have the confidence to make responsible financial decisions for themselves and their families. Through these educational programs, MasterCard helps ensure that individuals have access to opportunities to achieve financial independence and realize their potential.
- **Community Engagement** – MasterCard is a strong supporter of its local communities. We make investments to numerous local organizations through the company and through the talent and time of our employees.

## CONSUMER EDUCATION

Advocating for healthy and responsible use of financial services is something that MasterCard takes to heart. To educate and encourage responsible spending, we develop financial literacy programs that are geared to all age groups and tailored to specific regions and countries.

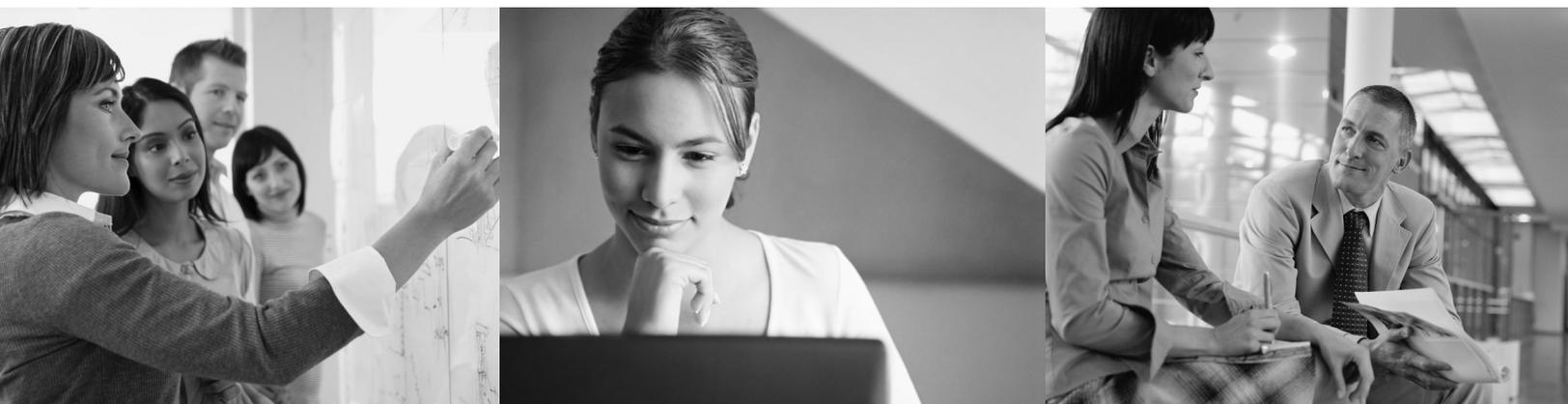
## SECURITY LEADERSHIP



Compared to any other time in its history, the payment card industry faces an increasing variety of security challenges as the transaction environment grows in size and complexity. With more stakeholders, payment channels and people driving the use of payment cards, the need to enhance the integrity of an increasingly dynamic system while ensuring global acceptance is more important than ever.

For more than 45 years, MasterCard has been an industry leader in safeguarding cardholder data by collaborating with all members of the payment card value chain and creating innovative security solutions.

As a founder and early proponent of EMV technology, MasterCard's strategy to fight card fraud in many regions around the world relies heavily on enabling chip-based payments. MasterCard has been a primary driver behind the impressive strides that EMV technology has made in addressing fraud in regions that have moved or are in the process of moving to chip-based payments. EMV has delivered on its promise to reduce counterfeit and lost and stolen fraud, as well as support new data security efforts. EMV has also provided the marketplace with increased operational efficiencies, improved offline risk management and a host of enhanced value-added solutions that go beyond simply making transactions more secure.



# Corporate Culture

## DIVERSITY AND INCLUSION

The complexity of the current economic climate demands creative and innovative business approaches and presents the opportunity for growth in developing markets by addressing unexpected or counter-intuitive consumer needs. Shifting demographics, increasing purchasing power of non-traditional segments and a trend towards customization present a compelling case for viewing MasterCard's business efforts through a diverse lens.

As a global technology company, diversity and inclusion is a business imperative for MasterCard. Diversity allows for a deeper understanding and greater access to new markets, as well as the payment needs of MasterCard customers and their cardholders and merchants.

To achieve the full potential of diversity as a driver of business innovation, we have established an inclusive culture where employees are highly motivated, engaged and connected. Our diverse workforce helps us compete in a complex, evolving global marketplace—one that places a premium on innovation and the ability to deliver customized, competitive solutions.

In addition, at MasterCard, we firmly believe that we must ensure the demographics of our suppliers reflect those of our customers. In 2001, we launched the Supplier Diversity Program so businesses owned by women, minorities and veterans, as well as small businesses, would have equal opportunity to participate in our procurement process.

In addition to making good business sense, this program offers several indisputable benefits:

- ❖ Developing an inclusive, competitive, and enhanced supply chain
- ❖ Enhancing our brand-building efforts
- ❖ Creating a competitive advantage
- ❖ Strengthening the communities in which we operate

## ETHICS

We believe that how we do business is as important as what we achieve. To that end, MasterCard is committed to the highest standards of professional integrity, which is why ethics and compliance are embedded in our core values. We strive to go beyond the minimal compliance requirements and take a proactive approach to conducting business in an open and transparent way. Our Code of Conduct, compliance policies and employee ethics awareness and training programs provide ongoing guidance at a time when trust and integrity are valued more than ever.



## Corporate Facts At-A-Glance

- ❖ **MasterCard Incorporated** is the name under which the company is registered.
- ❖ **MasterCard Worldwide** is the name under which the company does business.

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### CORE BRANDS



MasterCard is the primary general purpose card brand. This brand has come to be associated with a variety of forms of payment in the United States and other markets around the world. Regional and domestic/local debit brands that require a personal identification number ("PIN") for verification represent alternative, and sometimes primary, brands within many countries. In these markets, issuers have historically relied on the Maestro and Cirrus brands (and other brands) to enable cross-border transactions, which typically constitute a small portion of the overall number of transactions.

As of December 31, 2012, cards carrying the MasterCard logo were accepted at 35.9 million acceptance locations worldwide, including 2.1 million ATMs and 0.6 million other locations where cash may be obtained. Information on ATM and manual cash access locations is reported by our customers and is partly based on publicly available reports of payments industry associations, government agencies and independent market analysis. Cards bearing the Maestro or Cirrus logos are accepted at many of these same locations.



### STOCK INFORMATION

- ❖ MasterCard's Initial Public Offering (IPO) was the largest domestic IPO in 2006 and, at the time, the 12th largest domestic IPO in U.S. history.
- ❖ MasterCard stock is traded on the New York Stock Exchange.
- ❖ The MasterCard ticker symbol is MA.
- ❖ MasterCard is included in the S&P (Standard and Poor's) 100 index of major blue-chip companies.

## ATM ACCEPTANCE MILESTONE

In 2012, worldwide MasterCard ATM acceptance surpassed two million terminals. MasterCard is the first network to reach that milestone in the ATM channel.

It's been a quarter of a century since MasterCard acquired Cirrus Systems Inc. and combined it with our "Master Teller" ATM network. At that time, Cirrus was an association of 1,425 U.S. banks and had about 6,500 terminals in 46 states. Today, the two million ATMs connected to our network enable cash access in the more than 210 countries and territories where we do business. Every ATM in our network accepts cards bearing any of our brands.

While we are dedicated to realizing our vision of a world beyond cash, for now cash access remains a vital capability for almost all cards that bear our marks. Cash access is essential in many developing markets where the POS acceptance infrastructure is still evolving and is important even in some mature electronic payment markets where consumer habits of cash usage are deeply ingrained.

## GLOBAL PRESENCE

- ❖ MasterCard's reach extends to more than 210 countries and territories.
- ❖ MasterCard employs More than 7,500 employees around the world.
- ❖ MasterCard is structured in the following regions:
  - Asia/Pacific, Middle East & Africa
  - Europe
  - Latin America & Caribbean
  - North America (United States and Canada)



## CORPORATE OFFICES AND REGIONAL OVERVIEW

### Global Headquarters

MasterCard is headquartered in Purchase, New York.

### MasterCard Technologies and Operations Headquarters

MasterCard operates 24 hours a day, 7 days a week, 365 days a year. At MasterCard Technologies and Operations in St. Louis, Missouri, our Operations Command Center and Data Center process transactions quickly and accurately, day and night.

### **Asia/Pacific, Middle East & Africa (APMEA)**

From regional headquarters in Singapore and a network of division and market offices, MasterCard in APMEA develops and delivers business solutions customized to the varied needs of 112 markets, stretching from New Zealand to Morocco and from Japan to South Africa.

### **Europe**

MasterCard Europe manages MasterCard's business on the continent. With its headquarters in Waterloo, Belgium, MasterCard Europe works with 51 European countries stretching as far as the eastern border of Russia.

### **Latin America and Caribbean (LA/C)**

The Latin America and Caribbean region is one of the fastest-growing regions at MasterCard. With headquarters in Miami, Florida, LA/C has 12 offices that manage MasterCard business in more than 37 countries.

### **North America**

The North America Region manages business in the United States and Canada. The group is headquartered in Purchase, New York, with Canadian operations based out of Toronto.

## Awards and Recognition



MasterCard is frequently recognized by various publications and organizations. Below is a sampling of recent accolades:

### 2013

- ❖ Bloomberg Business Week 50: MasterCard is ranked number 10 in this annual ranking of top-performing U.S. companies
- ❖ National Association for Female Executives' (NAFE) Top Companies for Executive Women
- ❖ Professional Women's Magazine's "Best of the Best"
- ❖ Latino Magazine's LATINO 100, their first-ever listing of the top 100 companies providing the most opportunities for Latinos



### 2012

- ❖ Working Mother Magazine's 100 Best Companies for Working Mothers
- ❖ Human Rights Campaign's (HRC) Best Places to Work for LGBT Equality
- ❖ Diversity Inc. Magazine: MasterCard ranked number 15 on the top 50 companies for diversity
- ❖ Diversity MBA Magazine: 50 Out Front Best Places for Diverse Managers to Work List



## Senior Management

### MasterCard Executive Committee

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**Ajay Banga**

President and Chief Executive Officer

**Ann Cairns**

President, International Markets

**Gary J. Flood**

President, Global Products and Solutions

**Ron Garrow**

Chief Human Resources Officer

**Noah J. Hanft**

General Counsel, Corporate Secretary and  
Chief Franchise Integrity Officer

**Martina Hund-Mejean**

Chief Financial Officer

**Walt M. Macnee**

Vice Chairman

**Chris A. McWilton**

President, North America

**Robert Reeg**

President, MasterCard  
Technology & Operations

## Board of Directors

**Ajay Banga**

President and Chief Executive Officer  
MasterCard Incorporated

**Silvio Barzi**

Advisor and Former Executive Officer  
UniCredit Group

**David R. Carlucci**

Former Chairman and Chief Executive Officer  
IMS Health Incorporated

**Steven J. Freiberg**

Chief Executive Officer  
E\*TRADE Financial Corporation

**Richard Haythornthwaite**

Chairman of the Board, MasterCard Incorporated;  
Non-Executive Chairman, Network Rail

**Nancy J. Karch**

Director Emeritus, McKinsey & Company

**Marc Olivie**

President and Chief Executive Officer  
W.C. Bradley Co.

**Rima Qureshi**

Senior Vice President and Business Unit Head  
CDMA Mobile Systems, Ericsson

**José Octavio Reyes Lagunes**

President, Latin America Group  
The Coca-Cola Company

**Mark Schwartz**

Chairman, MissionPoint Capital Partners LLC

**Jackson P. Tai**

Former Vice Chairman and Chief Executive Officer  
DBS Group and DBS Bank Ltd.

**Edward Suning Tian**

Chairman, China Broadband; Capital Partners, L.P.

## Noteworthy Company Milestones



**1966**  
Company formed under Interbank Card Association (ICA) name



**2006**  
Executed an IPO on the New York Stock Exchange and became a publicly traded company



**1969**  
ICA acquired MasterCharge name and trademark circles

- The company changed the name it does business under to MasterCard Worldwide

- The MasterCard Foundation was formed



**1979**  
MasterCharge name changed to MasterCard International



**2008**  
MasterCard merged with Europay France



**1990s**  
MasterCard and Europay International launched Maestro



**2009**  
MasterCard acquired Orbiscom, Ltd.



**1997**  
Launched *Priceless* advertising campaign



**2010**  
Launched MasterCard Labs to promote greater innovation in electronic payments

- Acquired DataCash Group plc, to expand e-Commerce payment solutions



**2001**  
Established MasterCard Advisors

**2011**  
Acquired the prepaid card program management operations of Travelex (now referred to as Access Prepaid Worldwide)

- MasterCard and Telefónica created a joint venture to offer mobile financial solutions in Latin America



**2002**  
Became a registrant with the U.S. Securities & Exchange Commission

- Transitioned from a membership association to a private-share company

- Integrated with Europay International



**2012**  
Acquired Truaxis, Inc., a Silicon Valley, California-based provider of relevant credit and debit card-linked offers to consumers through merchants and financial institutions ■