



NEWS RELEASE

Mastercard Foundation Proposes Diversified Investment Strategy to Deliver on Long-Term Philanthropic Goals

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Foundation to Remain a Long-Term Mastercard Stockholder

TORONTO--(BUSINESS WIRE)-- The Mastercard Foundation, in consultation with Mastercard Incorporated (NYSE: MA), today filed an application with the Ontario Public Guardian and Trustee for a court order to modify its Deed of Gift. Once the order is granted, the changes are expected to deliver greater flexibility in the Foundation's long-term investment and operational strategy to support its philanthropic mission.

Mastercard and its then shareholders created the independent foundation in 2006 through a gift of company stock as part of its initial public offering. The performance of Mastercard's stock over the past 17 years has led to the Mastercard Foundation developing into one of the largest charitable foundations globally with assets of approximately US\$37 billion.

Since the Foundation's formation, its stockholdings in Mastercard have served as its sole source of funding. The original Deed of Gift restricts the Foundation from selling its shares of Mastercard except as required to meet the Canadian disbursement quota and related operational needs until May 1, 2027. At that point, the Foundation is permitted to diversify its holdings and scale charitable programming spending, provided it does so in a structured and orderly way so as not to unreasonably disrupt the market for Mastercard stock. Today's filing seeks permission to commence the diversification process on January 1, 2024, and is part of the Foundation's operational growth and investment strategy.



"The creation of an independent Foundation through a significant gift of stock was an unprecedented act of generosity of Mastercard and its shareholders. The growth of the value of the Mastercard stock has enabled the Foundation to pursue its mission and create lasting impact. We believe a diversified portfolio sets us on the path to further expand our work and impact, investing in the people and programs necessary to deliver on our mission — a world where everyone has the opportunity to learn and prosper," said Reeta Roy, President and CEO of the Mastercard Foundation.

The Foundation has consulted with Mastercard on the diversification of its endowment if its application is successful. The Foundation maintains confidence in the strength of the Mastercard stock and will retain its name and branding, reinforcing the shared values with Mastercard of doing well by doing good and promoting financial inclusion. In addition, the Foundation and Mastercard have entered into a non-binding Memorandum of Intention and Understanding (MOI) to document the Foundation's commitment to an orderly sell-down and the ongoing belief in the strength of the stock. The Foundation currently plans to sell the Mastercard stock over seven years and retain a significant overweight holding of Mastercard in its portfolio. The relevant excerpts from the MOI are provided in the enclosed Appendix.

"The Foundation and its ability to thrive for the long-term is a lasting legacy of our company," said Tim Murphy, Chief Administrative Officer of Mastercard. "Even as we have operated independently, our respective work has helped to expand financial inclusion and inclusive growth around the world. We believe the steps outlined in the filing provide for an orderly diversification of the Foundation's holdings and look forward to a continued relationship with the Foundation team for years to come."

About the Mastercard Foundation

The Mastercard Foundation is a Canadian Foundation and one of the world's largest foundations, with a mission to advance education and financial inclusion. It works with visionary organizations to enable young people in Africa and in Indigenous communities in Canada to access dignified and fulfilling work. The Foundation was established in 2006 through the generosity of Mastercard when it became a public company. The Foundation is an independent organization. Its policies, operations, and programs are determined by the Foundation's Board of Directors and senior leadership.

www.mastercardfdn.org

About Mastercard (NYSE: MA)

Mastercard is a global technology company in the payments industry. Our mission is to connect and power an inclusive, digital economy that benefits everyone, everywhere by making transactions safe, simple, smart and accessible. Using secure data and networks, partnerships and passion, our innovations and solutions help

individuals, financial institutions, governments and businesses realize their greatest potential. With connections across more than 210 countries and territories, we are building a sustainable world that unlocks priceless possibilities for all.

www.mastercard.com

Forward-Looking Statements

This press release contains certain forward-looking statements by Mastercard that are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. When used in this press release, the words “believe”, “expect”, “could”, “may”, “would”, “will”, “trend” and similar words are intended to identify forward-looking statements. Forward-looking statements involve a number of risks and uncertainties. The factors that could cause actual results to differ materially from expectations, include, but are not limited to, whether the parties obtain court approval in a timely manner and the market impact of the Mastercard Foundation’s diversification of its shares of Mastercard common stock, as well as additional factors detailed in Mastercard’s filings with the U.S. Securities and Exchange Commission. Forward-looking statements speak only as of the date they are made, and Mastercard undertakes no duty to update any forward-looking statements made in this press release or to conform such statements to actual results or changes in the company’s expectations.

Appendix

The following excerpts are taken from the Non-Binding Memorandum of Intention and Understanding (MOI) entered into between Mastercard Foundation and Mastercard Incorporated on June 15, 2023. The MOI confirms that, with the exception of certain provisions (including section 4, quoted below), the MOI does not constitute an enforceable agreement between the parties, but is a non-binding statement of the present intention and understanding of the parties based on their consultations to date.

NB: The “Unlimited Alienation Period” referenced in the excerpts below is a defined term in the Deed of Gift between the Mastercard Foundation and Mastercard. It refers to the period beginning on May 1, 2027, and continuing indefinitely thereafter, when the Foundation is permitted to diversify its endowment. The Foundation has applied to vary its Deed of Gift so that the Unlimited Alienation Period begins on January 1, 2024.

“4. Adherence to Requirements in Deed of Gift. In carrying out the sale of Mastercard shares, the Foundation confirms its commitment to adhere to the requirements in Section 5.01(c) of the Deed, which provides that all sales of Mastercard shares during the Unlimited Alienation Period shall be conducted in an orderly and structured manner so as not to unreasonably disrupt the market for Mastercard shares. Section 5 of this MOI reflects the plan approved by the Foundation to implement the orderly sell-down of the Mastercard shares and the Foundation’s commitment to do so in a manner that does not unreasonably

disrupt the market for Mastercard's shares.

The parties acknowledge and agree, consistent with the Deed, that nothing in this MOI shall prevent the Foundation's directors from performing their fiduciary duties with respect to the Mastercard shares, which requires them to act in the best interests of the Foundation and its charitable purposes.

5. Plan for Sales of Mastercard Shares. Conditional upon the granting of the said Order and after the new commencement date of the Unlimited Alienation Period, the Foundation has approved the following plan with respect to the ordered and structured sales of the Mastercard shares:

(a) The Foundation will proceed with the sell-down of the Mastercard shares into the public market to diversify its investment portfolio over a seven-year period, ending when the Foundation notifies Mastercard that it has reached the target investment described in paragraph 5(b) (the "Sell-down Period").

(b) The Foundation intends to maintain a target investment in Mastercard shares that represents approximately 10% of the Foundation's investment portfolio (which portfolio shall consist of the Mastercard shares plus other investments in the diversified portfolio including the Perpetual Endowment Fund) at the end of the Sell-down Period. This target is approximate, and the Foundation's investment in Mastercard shares may fluctuate following the Sell-down Period.

(c) The Foundation will sell between 13-15% of its initial Mastercard shares (i.e., the total Mastercard shares held by the Foundation at the beginning of the Unlimited Alienation Period) annually during the Sell-down Period.

(d) The Foundation will limit daily sales of Mastercard shares to not more than 5% of the average daily trading volume for the previous two weeks.

(e) The parameters in paragraphs 5(a), (b), (c) and (d) are subject at all times to prevailing market conditions, applicable securities laws, and the Foundation's fiduciary duties. This may result in periodic adjustments to aspects of the plan above over the course of the Sell-down Period."

6. Mastercard Acknowledgement and Agreement: Mastercard acknowledges and agrees with the Foundation's intended actions ...to seek the Order allowing earlier diversification, on the basis of the Foundation's expressed commitment and intentions as set forth in Sections 4 and 5 of this MOI. Mastercard will provide its written consent to the [application to vary the Deed]."

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