



Mastercard Sustainability Solutions & Initiatives

Creating a more prosperous future
for people and the planet.

JUNE 2023



Climate change has become a climate crisis. The data speaks for itself — immediate action is required.

A more sustainable future can be realized when consumers are empowered to widely adopt environmentally friendly behaviors.

When businesses prioritize the development of sustainable products, services and supply chains, and when we combine the complementary strengths of the public and private sectors, we can turn commitments into plans and plans into action.

Tackling the global climate crisis is going to take all of us.

Let's start today.

Climate change has catastrophic impacts and costs:

100M

people pushed into poverty every year as a result of climate change¹

+1M

plant and animal species are threatened by extinction²

According to a 2021 report from The Intergovernmental Panel on Climate Change, Earth will reach or exceed 1.5°C of warming as early as 2030. By slowing down and limiting this warming, we can adapt to these conditions and create a more resilient human existence that preserves biodiversity and ecosystems.



Consumers are increasingly making more climate conscious choices

Passion for the environment is top of mind for consumers. They're increasingly concerned about the impact that their spending and consumption has on the environment and want to mitigate those effects.



of consumers are willing to take personal action to combat environmental and sustainability issues³

They understand their personal responsibility to preserve our planet and expect the same commitment to sustainability from brands they engage with.

62%

of people think it's important for companies to do more for the environment⁴

63%

of millennials (50% overall) would pay 5-10% more to support a sustainable brand⁵

³ Mastercard sustainability research 2021
⁴ Mastercard research 2021
⁵ 2023 U.S. Consumer Intel Report, Vericast 2021.





In response to changing consumer expectations, companies are adapting their business models to further integrate sustainability, stay ahead of the curve and maintain or even potentially grow their market share



96%

of the world's 250 largest companies report on sustainability⁷

76%

now have targets in place to reduce their carbon emissions⁸

30%

of Fortune 500 companies have either achieved a climate goal or are publicly committed to doing so by 2030 (up from 6% in 2016)⁹

To deliver positive social and environmental impact at scale, companies need to invest in the technology, insights and partners to make programs and business models commercially sustainable for the long term.

We are all in the sustainability business now.

⁷ The time has come: KPMG survey of sustainability reporting 2020, KPMG December 2020, "World's largest" by revenue as defined in the Fortune 500 ranking of 2019.

⁸ The time has come: KPMG survey of sustainability reporting 2020, KPMG December 2020, "World's largest" by revenue as defined in the Fortune 500 ranking of 2019.

⁹ Marcus Lu, "Visualizing the Climate Targets of Fortune 500 Companies," Visual Capitalist, June 2021 (data taken from Fortune, Natural Capital Partners).



Doing well by doing good

Our sustainability work is central to our overall Environmental, Social and Governance (ESG) strategy

At Mastercard, our mission is to power an inclusive, digital economy that benefits everyone. Our core values of operating ethically, responsibly and with decency are directly connected to our continuing success as a business.

[READ OUR CORPORATE SUSTAINABILITY REPORT →](#)



Environmental

Our environmental stewardship includes minimizing our own business's impact on the planet, as well as providing smart solutions that underscore the importance to our customers, stakeholders and cardholders.

[Learn more →](#)



Social

By applying the expertise of our workforce and leveraging our research, philanthropic capital, technology, data insights and partnerships, we are delivering commercially sustainable social impact at scale.

[Learn more →](#)



Governance

Ethical and responsible operations are embedded in our core values and daily work. Our independent board structure and robust risk management guide us in maintaining the highest business standards.

[Learn more →](#)



At Mastercard, we're leveraging the full scale of our business to combat climate change

Sitting at the intersection of global commerce, we're fully utilizing the **strength in innovation** to create sustainable digital products, **partnerships** and a coalition, activating our network to make an impact at scale.

20K

financial institutions

70M

merchants

3B

cardholders

With our cross-border services acquisitions, we can reach **90%** of the world's population via bank accounts, mobile wallets and cash agents.



We're embedding sustainability in everything we do — who we are as company, how we drive our business forward and how we support the communities and environment around us.



We are uniting companies, communities and consumers around climate action, making it possible for cardholders to contribute to the future of the planet with every swipe, click or tap.

Sustainability Solutions



Empowering people to take meaningful action against climate change

Together with our partners, we're developing a range of solutions that allow people to take direct action and contribute to the causes they support. We're activating the full scale of our business, technology, network and brand to empower consumer action worldwide.

Our **plug-and-play** solutions differentiate your consumer proposition to help you further your environmental responsibility agenda: attract, engage and retain customers, and secure your reputation as an innovative brand.

Mastercard Sustainability Products:

[Carbon Calculator](#)

[Sustainable Cards](#)

[Sustainability Innovation Lab](#)

[Wildlife Impact Card Program](#)

Educating consumers on their personal impact on the environment



Carbon Calculator

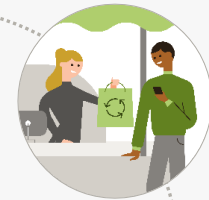


Environmental Social Governance

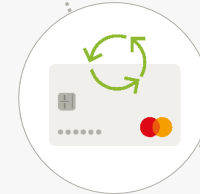
Encouraging consumers to make mindful spending choices



Carbon Calculator



Consumer
Solutions



Equipping consumers with environmentally friendly (e.g., recycled or certified alternative) card materials



Sustainable cards

Empowering consumers to donate to nature-based solutions



Donation ecosystem



Priceless Planet Coalition™

Join a global network of partners taking action to combat climate change

The Priceless Planet Coalition unites the efforts of merchants, banks, communities and consumers to take action and fight climate change. We're using nature-based solutions to help remove carbon dioxide from the atmosphere, tackle biodiversity loss and environmental pollution and empower local communities.

Together we will restore **100 million trees**



In partnership with



WORLD
RESOURCES
INSTITUTE



Learn more →

Customer benefits



Align your brand with a world-leading climate change program backed by Mastercard



Further your corporate ESG priorities with genuine and tangible environmental and social impact



Engage consumers with turnkey campaign materials and drive donations towards much needed forest reforestation projects



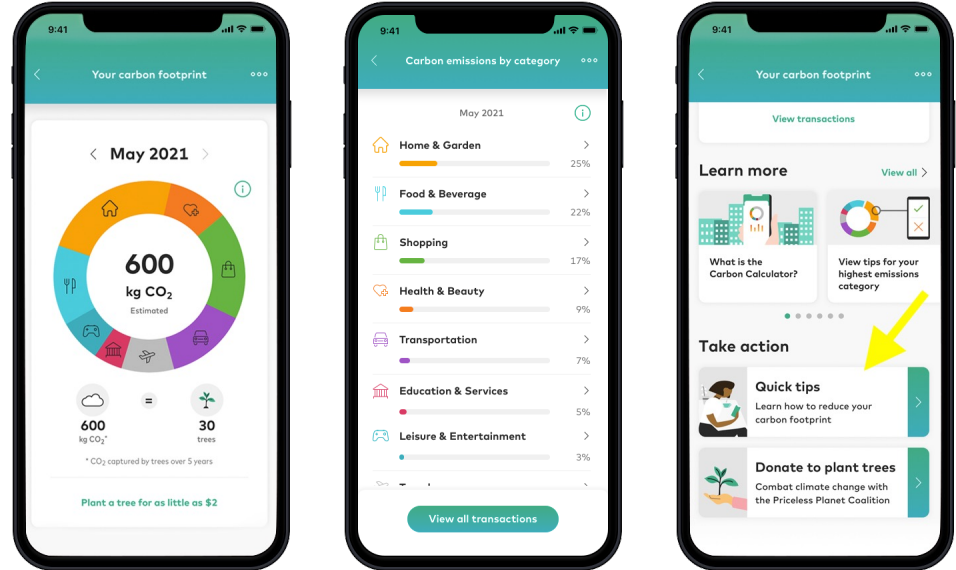
Carbon Calculator



Encouraging consumers to make mindful spending choices

With clear insight into the effect their day-to-day footprint has on the planet, consumers can make small adjustments that result in real change.

The Carbon Calculator, developed in collaboration with Swedish fintech Doconomy, **integrates seamlessly with your apps** to show consumers the estimated carbon footprint of their retail purchases and encourage more mindful spending behavior.



Carbon Calculator

When implemented with the **Mastercard Donate API**, cardholders can choose to compensate for their emissions by funding the reforestation of trees via the Priceless Planet Coalition.

80%

of European consumers would like banks to measure the carbon impact of their purchases¹¹

54%

of consumers see reducing their carbon footprint as more important now than pre-pandemic¹⁰

Learn more →

Customer benefits



Create a new and meaningful dialogue with cardholders to increase engagement



Provide a competitive offering to attract new climate-conscious customers



Demonstrate your commitment to fighting climate change through consumer tools



Sustainability Innovation Lab

Based in Stockholm, Sweden, the Lab serves as a global research and development center for climate-conscious digital products and solutions and supports impact-driven startups and customers

This new global R&D center will bring together our network of innovators and customers to **design climate-conscious digital products and solutions** to empower businesses, governments and billions of consumers to co-create solutions that empower consumers to spend more sustainably, as well as transform production and distribution of goods and services in ways that have less of an impact on the environment.

'The Sustainability Innovation Lab will enable us to co-create a robust portfolio of environmentally friendly solutions, uniting everyone — businesses and consumers alike — in climate action.'

— Malin Berge, Vice President, Strategic Growth at Mastercard



Donation API empowers rewards

Enabling 'giving while living'



Donate API

Mastercard's Donate API and hosted widget **enable direct (one-off or monthly) donations to the reforestation of trees via the Priceless Planet Coalition** and round-up contributions at point of sale.¹² The Donate API can also enable donations to Conservation International to fund tree restoration projects.



Rewards

Empower consumers to **turn their rewards points into donations toward tree planting** via the Priceless Planet Coalition and more charitable causes with our scalable, turnkey solution.

69%

of consumers feel it's important to replace the resources taken from the earth¹³

44%

of U.S. consumers would 'definitely switch' financial institutions to use a Pay with Rewards card¹⁴

Customer benefits



Increase cardholder engagement and perceptions



Grow card-based transactions and revenues and improve loyalty offerings



Seamless integration with Mastercard rewards system (MRS) via API

¹² Can also support micro donations (a few cents) to the Priceless Planet Coalition for every transaction processed by Mastercard for the selected payment card.

¹³ Global Consumers Seek Companies that Care About Environmental Issues, Nielson, 2018

¹⁴ Pay with Rewards is a related solution that allows cardholders to spend points like cash at the moment of purchase. Source: Mastercard In Control U.S. Consumer Concept Screening Research by TNS Research International.



Mastercard Donate Ecosystem inspires cardholders to create positive impact — our technologies drive conscious consumption with easy and secure donation experience

Issuer-focused solutions

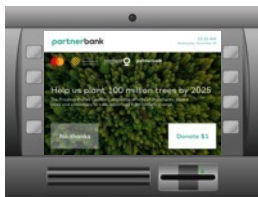
Mastercard Donate API

Enables consumers to donate via their bank's mobile app or with affinity cards — combined offer with Carbon Calculator is available



Donations at the ATM

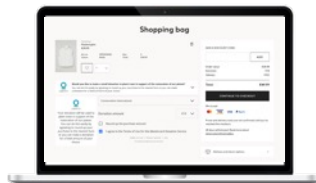
Enable donations at ATM when withdrawing



Merchant-focused solutions

e-Commerce donations

Enable round-up and fixed-amount donations at the online checkout



POS round-up donations

Enable round-up donations at the physical POS



Other solutions

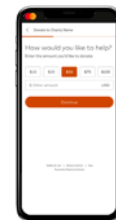
Donation websites

Enable consumers to donate online



Donation Widgets

Integrate donation options in web interfaces to enable consumers to donate online



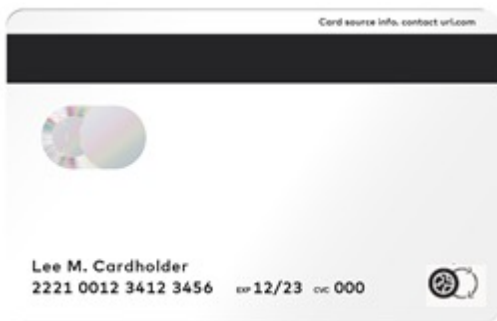


Sustainable card materials

Equipping consumers with cards made from more sustainable materials

Mastercard is developing standards used by 250+ financial institutions for recyclable, bio-sourced, chlorine-free and ocean plastics to reduce first-use plastic in payment card production.

Issuers can choose from our Sustainable Materials Directory of independently certified eco-friendly materials from multiple vendors **across the globe**. Card materials that meet Mastercard's criteria are permitted to feature the Mastercard sustainable card badge, driving consumer recognition over competing individual marks.



250+

sustainable card issuers (and growing)

76%

of consumers believe that a sustainable card solution can make it easier for them to help the environment¹⁵

Customer benefits



Demonstrate your commitment to environmental responsibility



Easily meet critical criteria for truly sustainable card solutions



Benefit from industry halo effect and active marketing support

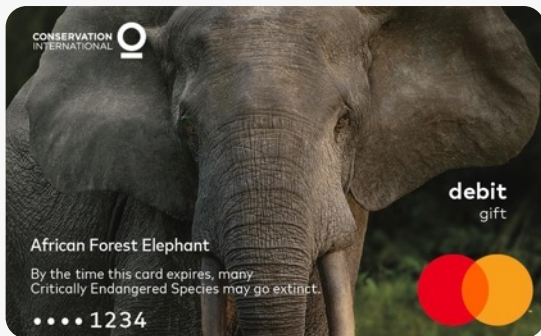


Wildlife Impact Card Program

Inspiring consumers to protect Critically Endangered species and their habitats

Wildlife Impact cards, which are made of sustainable materials, are a unique suite of nature-themed cards featuring Critically Endangered species. The expiration date on each card highlights the urgency for action, noting that many critically endangered species may become extinct before the card expires.

Optional features such as Carbon Calculator and Donate API make it easy to deliver a holistic card value proposition.



Customer benefits

- ✓ Increase cardholder engagement and perceptions
- ✓ Differentiate your product proposition to attract new customers
- ✓ Grow card-based transactions and revenues

Mastercard is supporting Conservation International to protect and restore the habitats of more than 2,000 Critically Endangered wildlife species around the world, including priority areas equal to 40 million hectares of landscapes and 4.5 square kilometers of seascapes globally by 2030.

Learn more about our work with Conservation International



Green Digital First Solutions

Deliver a world-class digital first experience to today's connected, eco-conscious consumers, while growing **revenue, relevance and consumer engagement**.



REASONS TO ACT

85% of consumers are willing to take personal action to combat environmental and sustainability issues¹

55% of consumers now prefer using mobile banking apps to stay on top of their finances, up from 47% pre-pandemic²



CUSTOMER BENEFITS

- Exceeding consumer expectations of companies doing more for the environment
- Raising consumer loyalty and engagement by demonstrating a commitment to environmental responsibility
- Offering digital, card, and donation solutions that empower consumers to contribute to sustainability

Sources: 1. Mastercard sustainability research 2021; 2. Capgemini World Retail Banking Report, 2020



Go digital with purpose

- ✓ Passion-led sponsorship Experiences
- ✓ Carbon Calculator
- ✓ Reward points as donations for tree planting
- ✓ Wildlife Impact Card Program
- ✓ Sustainable card materials
- ✓ Priceless Planet Coalition™
- ✓ Mastercard Donate Ecosystem

At Mastercard, we're leading by example as we mobilize our network

We're the first in the payments industry with a carbon emissions reduction plan approved by the Science Based Targets Initiative (SBTi), the global standards body that promotes best practices in science-based climate action target setting.

In November 2021, we announced an acceleration of our plan to achieve net-zero emissions by 2040. Our action plan will focus on continuing the aggressive reduction of emissions in our operations and bolstering efforts to decarbonize our supply chain.



Green buildings

All our owned campuses and owned data centres are certified by Leadership in Energy and Environmental Design (LEED), and nearly 90% of our global workspace meets regional or international green certification standards.



Renewable energy

Mastercard joined RE100, a coalition of leading businesses working toward zero carbon emissions, to formalise our commitment to continue sourcing 100% renewable electricity across our global operations.



Supplier engagement

We have received an 'A' rating for Supplier Engagement since 2018 from CDP, a global environmental disclosure system whose members measure, manage and disclose their risks and accomplishments on climate change.

In March 2021, Mastercard issued a \$600 million sustainability bond to support the company's goal of building a more sustainable and inclusive digital economy. *'Our Sustainability Bond will support both social and green initiatives to drive inclusive and sustainable growth for our company and the communities we serve around the world.'*

— Michael Miebach, president and CEO of Mastercard



Together, we can create
a more prosperous future
for people and planet

To learn more about Mastercard's sustainability solutions and
initiatives, contact your Mastercard Account Representative

