



Mastercard UK 2018 Gender Pay Report

Gender equality is at the heart of Mastercard's commitment to building and maintaining a successful, inclusive, high-performing culture and business

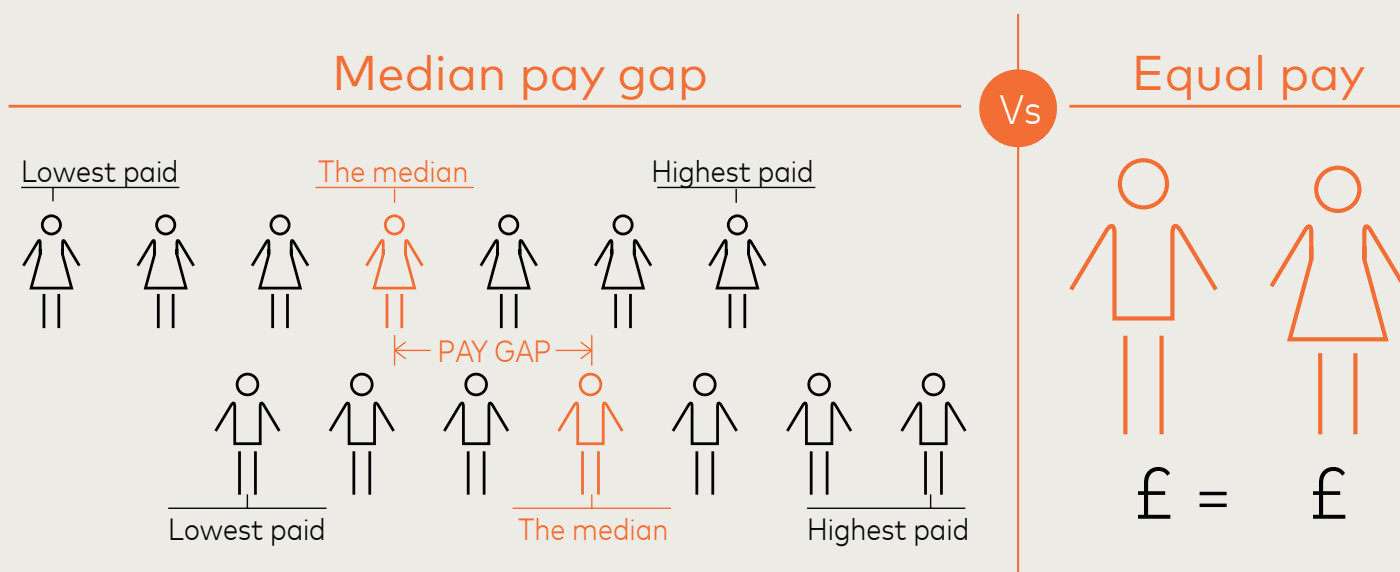


Introduction

The UK Government's gender pay gap regulation provides an opportunity for UK based businesses to openly share and discuss the issue of gender pay.

In order to address the issue, it is important to understand the difference between the gender pay gap and equal pay in the U.K. Whilst both of these deal with the potential disparity in pay between genders in the workplace, they are fundamentally two different issues. Equal pay means that men and women in similar roles at the same levels are paid equally for equal performance. The gender pay gap is a measure of the difference between men's and women's mean and median average earnings across an organisation and it's expressed as a percentage of men's earnings.

The mean average is calculated by taking the aggregate hourly pay for women and dividing it by the total number of female employees. By doing the same calculation for male employees, that gives a mean average hourly pay for males. The difference between them is the 'mean gender pay gap'. Calculating the 'median' average is explained in the graphic below.



Pay equity

Equality is one of the foundational cores of our commitment to building an inclusive, high-performing culture at the company, so we remain dedicated to practices designed to ensure there is equal pay for equal work.



To support our commitment, we have established a framework for examining pay practices annually with the support of third-party analysis. All roles in our organization are reviewed and benchmarked to the external market and we assess compensation decisions for potential pay disparities by gender, among other categories. If disparities are found and not explained in an acceptable manner, appropriate responsive action is taken. Furthermore, we offer employees multiple channels to raise pay disparity concerns, such as our Ethics Helpline, our Employee Relations team, Human Resources or the Law Department.

Following the conclusion of the 2018 assessment and validation process, globally, women at our company earn \$0.996 to every \$1.000* that male employees earn.

Mastercard's UK gender pay gap figures

For our 2018 UK Gender Pay Gap report, Mastercard UK's data incorporates all of our employees in the UK, including those of VocaLink Limited, which was acquired by Mastercard in 2017. As such the 'All UK' 2018 data is not comparable on a like-for-like basis to 2017's report.

The gender pay gap and gender bonus gap figures show the percentage of pay that female employees earn when compared with male employees, in both mean and median averages. The graphic below shows the gender pay and bonus gap for our UK employees, at the snapshot date of 5 April 2018 (pay), and in the 12 months reference period to 5 April 2018 (bonus):

Pay and bonus gap



Pay gap
Mean 14.8%
Median 20.1%



Bonus gap
Mean 36%
Median 28%

The UK's national median gender pay gap is 17.9%** and Mastercard's UK pay gap is close to this. Similar to UK businesses as a whole, Mastercard has fewer women than men in its most senior roles, and more women in lower level roles, which are paid less than senior level positions. This also has a consequence on bonus pay, with senior roles commanding greater bonus potential. There are several factors that drive this gap, many of which are not unique to Mastercard. So closing the gender pay gap is not a quick fix. To do our part to address this issue we have to look further, to tackle the issue of gender representation in higher paying positions. However, we have been and remain committed to this important issue and believe the key is building a pipeline of strong female talent and instilling a shared focus on the advancement of women into more senior roles.

*2018 pay equity analysis results are based on actions taken for the available employee population as of 1 September 2018

**Provisional 2018 Office of National Statistics figure



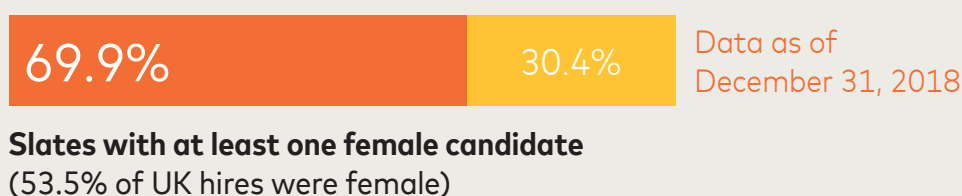
Here are some of the ways Mastercard is thinking differently about the gender talent gap

Moving forward

We have a set of initiatives designed to improve our gender diversity at all levels of the company, particularly senior levels.

Recruitment

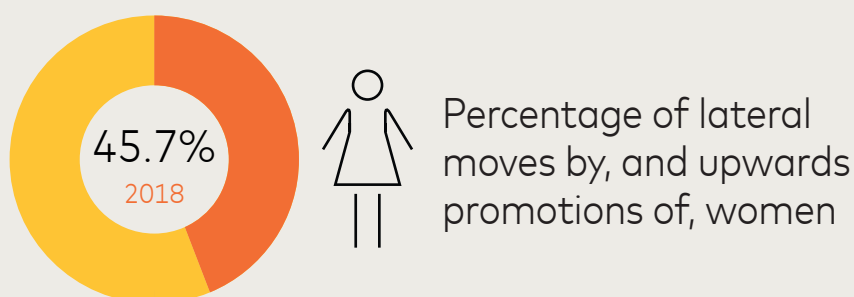
One of our objectives is to recruit from diverse candidate slates, where hiring managers start with a diverse slate of candidates. For senior and mid-career levels, our aim is to have a final slate of which at least half are female candidates.



Career development

In terms of career development, we are focused on creating opportunities for high potential women and expanding their skills and experiences through lateral and upward job assignments. We have created a global female leadership development programme called 'Women Who Lead' to ensure we are focused on providing our women with the necessary skills to take on broader roles within the organization – whether through intensive workshops, career moves and other means. We also have formal, targeted discussions to review any development and succession planning gaps by gender at our senior management levels.

During 2018, women represented 45.7% of lateral moves and upward promotions.





Flexible workplace policies and programmes

We continue to look at innovative sourcing approaches to attract more women into the organisation. For example, we launched a Returnship programme in the UK in 2017 and following its clear success we have since expanded it globally. We know it can be tough for people to return to work after time away from the workplace, and with so many talented men and women looking for a way to restart their careers, our programme is designed to help them find their way. Returners, who are new to Mastercard, enter into a 16 week programme working on strategic and commercial projects, and are supported with on-the-job training, a "buddy" from within the business as a partner to mentor and guide them, learning resources and coaching. At the end of the programme they are actively considered for open roles.

We understand that fostering a flexible work-life balance is critical. Results, not hours, count at Mastercard. We embed flexibility to enable all employees to balance work demands with personal responsibilities. We also have a progressive paid leave policy for new parents, as well as a flexible benefits programme, which is open to all employees.

What we'll focus on next

Our commitment to creating a more diverse and inclusive workplace is ongoing. We continue to evolve our approach to gender equality and aspire to ensure that men and women participate equally at all levels of our company.

I confirm that the figures in our disclosure are accurate and have been calculated in accordance with gender pay gap reporting requirements as outlined in the legislation and accompanying guidance.



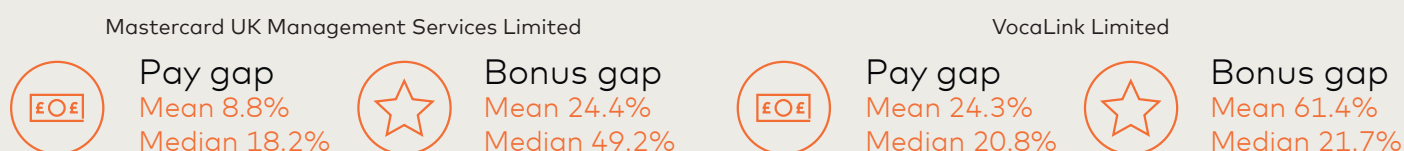
Mark Barnett
Divisional President &
Corporate Country Officer for
Mastercard in the UK



Appendix - Statutory disclosures

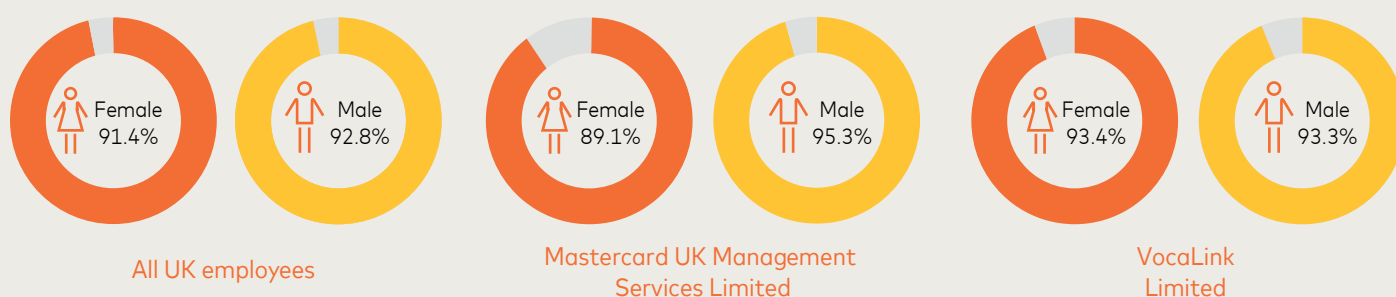
Pay and bonus gap

The graphic below shows the gender pay and bonus gap for our employees specifically within the smaller entities of Mastercard UK Management Services Limited and VocaLink Limited, at the snapshot date of 5 April 2018 (pay), and in the 12 months reference period to 5 April 2018 (bonus):



Proportion of employees receiving a 2017 bonus

Bonus payments are available at all levels of the organisation



Gender distribution quartiles

