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# Mastercard UK 2017 Gender Pay Report

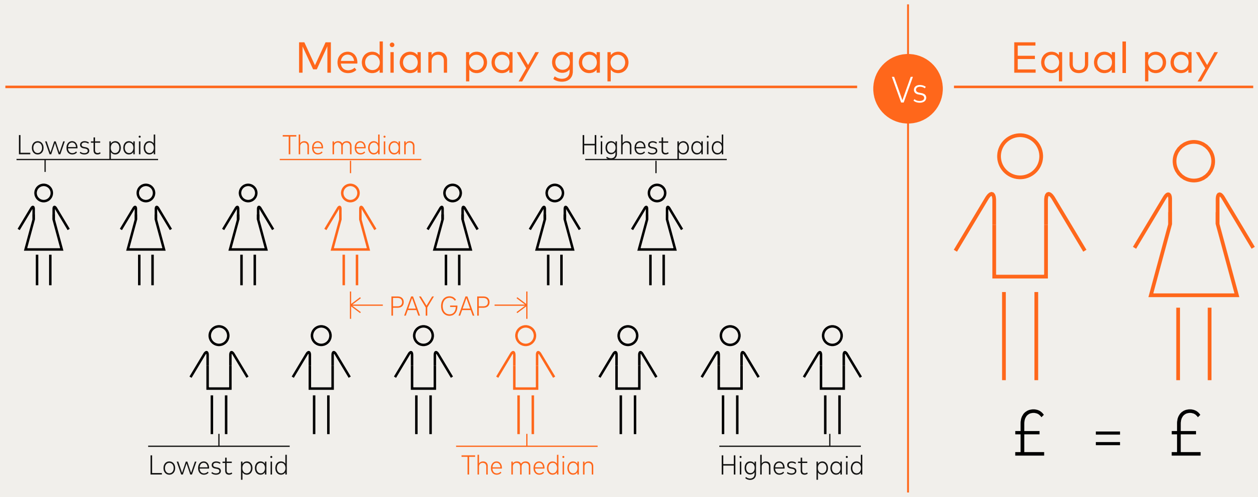
Gender equality is at the heart of Mastercard's commitment to building a successful, inclusive, high-performing culture and business

## 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. Whilst both of these deal with the disparity of pay women receive in the workplace, they are fundamentally two different issues. Equal pay means that men and women 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 gives a mean average hourly pay for both genders, with the difference between them being the 'mean gender pay gap'. Calculating the 'median' average is explained in the graphic below.




## The approach to closing the gender pay gap

Mastercard is already committed to equal pay for men and women around the world. Globally - as well as in the UK - we conduct a review process to ensure that men and women are paid equally, and we are taking action to ensure equal pay. In the UK, men and women at the same levels are paid equally for equal performance. By the same measure, globally, women at Mastercard earn $.991 for every $1.00 that men earn — a small but important gap that we are committed to closing in the short term.

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## Mastercard's UK gender pay gap figures

The gender pay gap and gender bonus gap figures show the percentage of pay that female employees earn less than 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 2017 (pay), and in the 12 months reference period to 5th April 2017 (bonus):

### Pay and bonus gap

Pay gap
Mean 19.9%
Median 22.5%

Bonus gap
Mean 4.3%
Median 42.2%

The UK's national average gender pay gap is 18% 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 in lower paid roles. 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.

At Mastercard our efforts mean we have seen improvements in gender balance in new hires, promotions and appointments, but we still see an issue when it comes to representation of women in the most senior roles. However, we are committed to solving this and believe the key is building a pipeline of strong female talent.

*"Achieving gender balance is quite simply the right thing to do for business, for society and for the economy. That's why I'm pleased the UK government has put this important issue front and centre and given every business in the UK the opportunity to not just identify the issue but to understand it and ultimately solve it.*

*At Mastercard we already have equal pay for equal roles but what this report does highlight is that we continue to see more senior men than women, so there is still work to do. We are constantly looking for talented women to join our company and are focused on developing the talent we already have here and building the programmes to encourage women to aim higher and achieve more. Creating the right environment is the first step but through measurement and monitoring we will be able to close the gender pay gap and build a more successful and balanced business."*

**Ann Cairns, President, International at Mastercard**

# 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 slate of which at least half are female candidates.

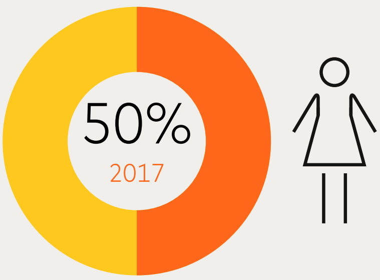

Data as of December 31, 2017

**Slates with at least one female candidate**
(43.5% of UK hires were female)

### Career mobility

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 program 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 discuss any development and succession planning gaps by gender at our senior management levels.

During 2017 women represented 50% of lateral moves and upward promotions.




Percentage of lateral moves and upwards promotions taken up by women

## 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 2017. We know it can be tough for people to return to work after time away, 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 12 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

Ultimately, we aspire to ensure that men and women participate equally in all levels of our company, with the same access to compensation and career development opportunities. To achieve this, we are committed to our existing initiatives as well as to developing new approaches to improve how we recruit, retain and develop women at Mastercard.

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 for
Mastercard in the UK

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# Appendix - Statutory disclosures

## Pay and bonus gap

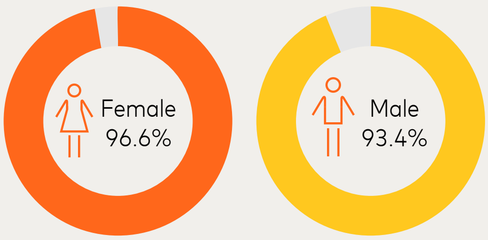
The graphic below shows the gender pay and bonus gap for our employees specifically within the smaller entity of Mastercard UK Management Services Limited, at the snapshot date of 5 April 2017 (pay), and in the 12 months reference period to 5th April 2017 (bonus):

**Pay gap**
Mean 19.8%
Median 14.1%

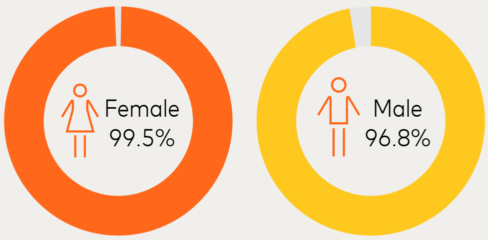
**Bonus gap**
Mean 0.9%
Median 46.6%

## Proportion of employees receiving a 2016 bonus

Bonus payments are available at all levels of the organisation




All UK employees




Mastercard UK Management Services Limited

## Gender distribution quartiles

**All UK employees**

Quartiles - 1 (Lower pay)
55.9% female | 44.1% male

Quartiles - 2
46.0% female | 54.0% male

Quartiles - 3
41.6% female | 58.4% male

Quartiles - 4 (Higher pay)
30.3% female | 69.7% male

All UK employees

**Mastercard UK Management Services Limited**

Quartiles - 1 (Lower pay)
64.6% female | 35.4% male

Quartiles - 2
49.1% female | 50.9% male

Quartiles - 3
31.9% female | 68.1% male

Quartiles - 4 (Higher pay)
30.4% female | 69.6% male

Mastercard UK Management Services Limited