

Congruency Report on Privacy and Human Rights

WHEREAS: Inconsistency persists between critical human rights policies and actual practices, and pose substantial risk to companies, their customers, and society at large.

SUPPORTING STATEMENT: Mastercard Incorporated (the “Company”) states that “the individual is at the center of our data practices as is our commitment to data privacy and protection.”¹ Its Human Rights Statement espouses the following:

- “We expect our employees and partners of all kinds – from suppliers and customers to peer organizations – to share our commitment to respect and promote human rights.”
- “Our commitment to human rights is founded in our belief that we must bring our basic human decency to everything we do...”
- “We conduct regular impact assessments to ensure that we mitigate any risks to peoples’ privacy, security and human rights.”

While any freedom-loving individual would likely admire such principles, Mastercard appears to implement – or rescind – them inconsistently across countries where it conducts business, and incongruently with its principles.

For example, only days after a dinner in San Francisco where corporate executives (including Mastercard’s chair)² rose to their feet repeatedly to applaud Chinese dictator Xi Jinping,³ the Company announced a long-awaited joint venture partnership with the communist-controlled NUCC Information Technology (Beijing) Co.⁴ to provide payment processing services in the country.⁵ This means customer data is collected and stored on government-accessible servers.

The Chinese government has an abhorrent human rights record, as evidenced by its abuses against the Muslim Uyghurs and other ethnic minorities in Xinjiang, including forced labor programs, forced sterilizations, and torture.⁶ Chinese authorities perpetrate genocide and use emerging technologies to carry out discriminatory surveillance and ethno-racial profiling measures designed to subjugate and exploit minority populations.⁷

¹ <https://www.mastercard.com/global/en/vision/corp-responsibility/human-rights-statement.html>

² <https://twitter.com/committeeonccp/status/1725125452447068249>

³ <https://www.dailysignal.com/2023/11/17/us-business-execs-give-chinese-dictator-multiple-standing-ovations-during-exclusive-dinner/>

⁴ <https://www.chinabankingnews.com/wiki/netunion-clearing-corporation/>

⁵ <https://investor.mastercard.com/investor-news/investor-news-details/2023/Mastercard-JV-Approved-to-Begin-Domestic-Payments-Processing-in-China/default.aspx>

⁶ <https://www.state.gov/forced-labor-in-chinas-xinjiang-region/>; <https://www.bbc.com/news/world-asia-china-59595952>; <https://www.state.gov/wp-content/uploads/2022/07/Forced-Labor-The-Hidden-Cost-of-Chinas-Belt-and-Road-Initiative.pdf>

⁷ https://www.state.gov/wp-content/uploads/2022/08/22-00757-TIP-REPORT_072822-inaccessible.pdf

Among the Company's initiatives are its rapidly spreading "Community Pass" digital ID project,⁸ which includes a "health pass" component⁹ used to track personal information such as health conditions and vaccine statuses.¹⁰ ¹¹ It's not difficult to imagine the misuse of private data collected in partnership with the communist regime, following Chairman Xi's "zero COVID" policies in late 2022.¹²

In contrast, upon the invasion of Ukraine, the Company immediately halted all its operations and services in Russia,¹³ which only served to strengthen, not weaken, Moscow's in-country payment processing system.¹⁴ It left its customers in Russia with fewer options.

Considering these incongruent applications of its alleged human rights principles, it appears the Company's determination to "to strategically promote human rights in communities of all kinds and sizes" has its limits.

Resolved: Shareholders request the Board of Directors issue a report by March 31, 2025, at reasonable cost and omitting proprietary or confidential information, analyzing the congruency of the Company's privacy and human rights policy positions with its actions across all nations where it operates, especially in such places as war zones and under oppressive regimes, as they impact how the Company maintains its reputation, viability and profitability.

⁸ <https://www.mastercard.us/en-us/business/governments/community-pass.html>

⁹ <https://www.mastercard.com/content/dam/public/mastercardcom/na/global-site/public-sector/other/community-pass-health-june2021.pdf>

¹⁰ <https://www.mastercard.com/news/eemea/en/newsroom/press-releases/press-releases/mastercard-wellness-pass-launch-in-ethiopia/>

¹¹ <https://reclaimthenet.org/mastercards-digital-id-project-is-being-used-by-governments>

¹² <https://www.cnn.com/2022/11/11/business/china-apple-airdrop-function-restricted-hnk-intl/index.html>

¹³ <https://www.mastercard.com/news/press/2022/march/mastercard-statement-on-suspension-of-russian-operations/>

¹⁴ <https://www.ft.com/content/0bdef21b-426e-4e98-9a25-998c9bad500c>