

Connecting People to New Opportunities

An Interview with Ajay Banga,
President and Chief Executive Officer, MasterCard

EDITORS' NOTE Ajay Banga is also a member of the Board of Directors at MasterCard. He joined the company as President and Chief Operating Officer in August 2009 and in July 2010, assumed his current post. Before joining MasterCard, Banga served as Chief Executive Officer of Citigroup's Asia-Pacific Region. He joined Citigroup in 1996 and served in positions of increasing responsibility including Chairman and Chief Executive Officer of the International



Ajay Banga

Global Consumer Group; President of Retail Banking North America; Business Head for CitiFinancial and the U.S. Consumer Assets Division; and Division Executive for the consumer bank in Central/Eastern Europe, Middle East, Africa, and India. Prior to Citigroup, Banga spent 13 years with Nestle, India, and spent two years at Pepsico. Banga currently serves on the Board of Directors of Kraft Foods and on the Board of Trustees of the Asia Society. He received a B.A. in economics from Delhi University where he graduated with honors. He is also an alumnus of the Indian Institute of Management, Ahmedabad.

COMPANY BRIEF MasterCard Worldwide (www.mastercard.com) is a leading global payments company that serves as a franchisor, processor, and advisor to the payments industry, and makes commerce happen by providing a critical economic link among financial institutions, governments, businesses, merchants, and cardholders worldwide. Powered by the MasterCard Worldwide Network, MasterCard processes over 23 billion transactions each year. MasterCard advances global commerce through its family of brands, including MasterCard®, Maestro®, and Cirrus®; its suite of core products such as credit, debit, and prepaid; and its innovative platforms and functionalities, such as MasterCard PayPass™ and MasterCard inControl™. MasterCard serves consumers, governments, and businesses in more than 210 countries and territories.

How would you highlight the importance of corporate philanthropy and social responsibility to the culture of MasterCard?

MasterCard is present in 210 countries and territories around the world. We recognize that being part of the local fabric in these markets carries the responsibility of being seen as not just doing well in running our business, but

also doing good for the communities in which we live and work.

Are your efforts focused on a global basis and how do you communicate your philanthropic/social responsibility focus to your people worldwide?

Yes, we do have a global focus, but we have markets prioritized based on our business scale and where we feel we can make the most difference.

We communicate with our people through multiple channels: our intranet, myMasterCard, is one such

effort, as are employee webcasts about upcoming events they can participate in.

We also conduct an annual Global Philanthropy Forum, where we provide an overview of our latest efforts and invite some key partners to participate. Last year, we had Junior Achievement and the Red Cross; this year, we will have the Grameen Foundation and the Network for Teaching Entrepreneurship.

How do you evaluate and measure the success of your efforts?

Measuring impact is more than tracking dollars given, employee hours donated, or the gifts in kind that we provide. We want to capture the lives/people our programs have touched, which includes, for example, the number of classes and workshops taught to children, youth, and adults. In the United States we have a community outreach program where our employees volunteer their time to teach financial education to the young adult unbanked populations across the country. Since we started the program in June of 2009, we have been able to reach over 20,000 people in 17 markets (New York, Miami, Chicago, Phoenix, Houston, San Antonio, Dallas/Ft. Worth, Washington, Atlanta, New Jersey, Los Angeles), and 84 percent of those educated said they learned new ways to save money.

Another way we define success is our efforts in helping to build the capacity of organizations that spur small business development and generate long-term economic growth. Recently, a team of employees worked in Latin America with a microfinance organization to expand its operations so it could offer more microloans and savings products to help move people out of poverty. MasterCard's employees helped that organization increase its reach and effectiveness, significantly improving the potential for it to improve the lives of its clients.

We also have special programs that make it easy for our cardholders to give back. In the Asia-Pacific region, MasterCard's Purchase with Purpose™ program offers cardholders the chance to increase the size of a donation MasterCard will make to designated charities when they use their MasterCard payment card for transactions with selected merchants or at specific events. The program has helped raise millions of dollars that have been spent to enhance communities around the world.

Are you focused on collaborating/partnering in your social responsibility programs and would you highlight some of these relationships?

Working with the Red Cross, we developed a prepaid disaster relief solution that has proved to be faster than traditional vouchers in getting help to individuals or families suffering losses ranging from fires to mass casualty events such as Hurricane Katrina. During Katrina, over one million cards were distributed, prompting the Red Cross to completely replace its paper-based voucher system, rolled out across 880 chapters. The change was noted as one of the biggest changes in financial relief since 1917, lowering overhead costs, which means more money going to victims.

From a purely philanthropic view, global organizations that MasterCard is proud to support are UNICEF, the United Nations Development Fund for Women, the International Youth Foundation, Junior Achievement, and The Garden of Hope Foundation.

How critical has it been to maintain your philanthropic efforts over the past 24 months during the global economic crisis?

MasterCard's commitment to connecting people to new opportunities isn't something that can have stops and starts, especially in the face of economic uncertainty. Promoting the idea of universal access to financial services, supporting entrepreneurs, and making a social difference in communities around the world have probably never been more essential than in the past two years. We can't forget the over two billion people around the world who do not have access to basic financial services such as banking, credit, and insurance. In the United States, there are currently 45 million people who are either unbanked or have no relationship with a bank whatsoever. We are working to try to close that gap, supporting the capacity for all people to provide for themselves and be participants in the global economy. ●