



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

April 3, 2025

Ning Chiu
Davis Polk & Wardwell LLP

Re: Mastercard Incorporated (the "Company")
Incoming letter dated April 2, 2025

Dear Ning Chiu:

This letter is in regard to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by William C. Cunningham (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. Your letter indicates that the Proponent has withdrawn the Proposal and that the Company therefore withdraws its March 5, 2025 request for a no-action letter from the Division. Because the matter is now moot, we will have no further comment.

Copies of all of the correspondence related to this matter will be made available on our website at <https://www.sec.gov/corpfin/2024-2025-shareholder-proposals-no-action>.

Sincerely,

Rule 14a-8 Review Team

cc: Robert Netzly
Inspire Investing, LLC

March 5, 2025

VIA ELECTRONIC SUBMISSION

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Ladies and Gentlemen:

On behalf of Mastercard Incorporated, a Delaware corporation (the “**Company**”), and in accordance with Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), we are filing this letter with respect to the shareholder proposal (the “**Proposal**”) submitted by Inspire Investing, LLC on behalf of William C. Cunningham (the “**Proponent**”) for inclusion in the proxy materials the Company intends to distribute in connection with its 2025 Annual Meeting of Shareholders (the “**2025 Proxy Materials**”). The Proposal is attached hereto as Exhibit A.

We hereby request confirmation that the Staff of the Division of Corporation Finance (the “**Staff**”) will not recommend any enforcement action if, in reliance on Rule 14a-8, the Company omits the Proposal from the 2025 Proxy Materials.

In accordance with relevant Staff guidance, we are submitting this letter and its attachments to the Staff through the Staff’s online Shareholder Proposal Form. In accordance with Rule 14a-8(j), we are simultaneously sending a copy of this letter and its attachments to the Proponent as notice of the Company’s intent to omit the Proposal from the 2025 Proxy Materials. This letter constitutes the Company’s statement of the reasons it deems the omission of the Proposal to be proper. We have been advised by the Company as to the factual matters set forth herein.

THE PROPOSAL

The Proposal states:

Resolved: Shareholders request the Board of Directors of MasterCard conduct an evaluation and issue a report within the next year, at reasonable cost and excluding proprietary information and confidential information, evaluating how it oversees risks related to discrimination against ad buyers and sellers based on their political or religious status or views.

REASONS FOR EXCLUSION OF THE PROPOSAL

For the reasons discussed below, the Company believes that the Proposal may be properly omitted from the 2025 Proxy Materials pursuant to:

- Rule 14a-8(i)(5) because the Proposal relates to operations which account for less than 5 percent of the Company's total assets at the end of its most recent fiscal year, and for less than 5 percent of its net earnings and gross sales for its most recent fiscal year, and is not otherwise significantly related to the Company's business.
- Rule 14a-8(i)(7) because the Proposal deals with matters related to the Company's ordinary business operations and is not significant to the Company.

I. The Proposal May Be Excluded under Rule 14a-8(i)(5) Because It Relates to Operations That Account for Less Than 5% of the Company's Total Assets, Earnings and Sales, and Is Not Otherwise Significantly Related to the Company's Business.

Rule 14a-8(i)(5) provides that a shareholder proposal may be excluded “[i]f the proposal relates to operations which account for less than 5 percent of the company's total assets at the end of its most recent fiscal year, and for less than 5 percent of its net earnings and gross sales for its most recent fiscal year, and is not otherwise significantly related to the company's business.”

In Staff Legal Bulletin No. 14M (Feb. 12, 2025) (“**SLB 14M**”), the Staff noted that the “analysis will focus on a proposal's significance to the company's business when it otherwise relates to operations that account for less than 5% of total assets, net earnings and gross sales. Under this framework, proposals that raise issues of social or ethical significance may be excludable, notwithstanding their importance in the abstract, based on the application and analysis of each of the factors of Rule 14a-8(i)(5) in determining the proposal's relevance to the company's business.”

A. The Proposal Relates to Operations that Account for Less Than Five Percent of Each of the Company's Total Assets, Net Earnings and Gross Sales.

The Proposal seeks to evaluate how the Company oversees risks related to discrimination against ad buyers and sellers based on their political or religious status or views, and relates to operations that account for less than 5 percent of each of the Company's total assets, net earnings and gross sales. The Company reported total assets of approximately \$48,081 million for the fiscal year ended December 31, 2024 and net revenue of approximately \$28,167 million for the fiscal year ended December 31, 2024. See pages 66 and 68 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

The Company does not sell advertising, and only buys advertising. The Company's spending on advertising globally accounted for no more than 0.5% – significantly less than 5% – of any of total assets, net earnings and gross sales for the fiscal year ended December 31, 2024. Moreover, the Company expects these advertising-related expenses to represent a similarly insignificant percentage based on the Company's total assets, net earnings and gross sales for fiscal year 2025. Accordingly, it is clear that the Proposal does not relate to Company operations that are economically significant to the Company and therefore may be excludable under the first prong of the Rule 14a-8(i)(5) test.

B. The Proposal Is Not Otherwise Significantly Related to the Company's Business.

Rule 14a-8(i)(5) provides that a proposal may not be excluded if it is “otherwise significantly related to the company's business.” Consistent with SLB 14M, the Company believes that the Proposal is not significantly related to the Company's business after considering various factors, including that:

- The Company does not sell advertising, so a key element of the Proposal is entirely irrelevant.

- The Company's advertising-related expenses are economically insignificant to the Company, as reflected above.
- Buying advertising is not a primary component of the Company business. The Company is a technology company in the global payments industry focused on payments capabilities, payment products and applications, and services and other solutions. The Company's business is providing a wide range of payment solutions and services, including cyber and intelligence solutions, data and services solutions, automated clearing house batch and real-time account-based domestic and cross-border payments and solutions, processing and gateway, open banking solutions and digital identity solutions.
- The Global Alliance For Responsible Media ("**GARM**") is a primary target of the Proposal, and the organization was disbanded in August 2024.¹ Previously, GARM was one of more than hundreds of such member associations that the Company participates in. These activities are supervised by the Company's legal and compliance teams. Where Company employees do participate, it is in a non-executive advisory role. That is the same approach the Company took with respect to its association with GARM when it existed and the Company did not set any policy or make any commitments to GARM initiatives.

II. The Proposal May Be Excluded under Rule 14a-8(i)(7) Because the Proposal Deals with Matters Related to the Company's Ordinary Business Operations and Is Not Significant to the Company.

Rule 14a-8(i)(7) allows a company to omit a shareholder proposal from its proxy materials if such proposal deals with a matter relating to the company's ordinary business operations. The general policy underlying the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting." See Exchange Act Release No. 34-40018 (May 21, 1998) (the "**1998 Release**"). The 1998 Release also identified two central considerations that underlie this policy: (i) that "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight" and (ii) the "degree to which the proposal 'micromanages' the company 'by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.'" As demonstrated below, the Proposal implicates the first consideration.

A. The Proposal Relates to the Company's Advertising Strategy.

In accordance with the above-mentioned principles, the Staff has historically taken the position that shareholder proposals that focus primarily on a company's advertising strategy or policy are excludable under Rule 14a-8(i)(7) as relating to a company's ordinary business operations. See *Tesla, Inc.* (Mar. 25, 2024) (proposal requesting an educational, data driven, comprehensive advertising strategy); *The Home Depot, Inc.* (Mar. 17, 2021) (proposal requesting a report assessing how and whether the company ensures its advertising policies are not contributing to violations of civil or human rights); *The Walt Disney Company* (Jan. 8, 2021) (same); *Amazon.com, Inc.* (Mar. 23, 2018) (proposal requesting a policy relating to placing marketing material on platforms that expresses intolerance for certain people); and *Ford Motor Company* (Feb. 2, 2017) (proposal requesting an assessment of the political activity from the Company's advertising and its resulting exposure to risk).

¹ See <https://wfanet.org/leadership/garm/about-garm>.

The Proposal, viewed in its entirety with the supporting statement, focuses on the Company's advertising strategies and practices. While the supporting statement broadly references support of "competitive interests and build[ing] [the Company's] reputation for serving its diverse customers," the Proposal's objective is clear from the full text of the supporting statement, which almost exclusively focuses on advertising spending. Nearly all of the supporting statement simply describes the alleged impact of GARM's alleged goals and policies on advertising spending decisions.

While the Company may gain information like best practices from others, the Company alone makes decisions on its brand and marketing activities. These decisions – including advertising or media buys – are independent of any third party.

Thus, while the Proposal makes references to alleged discrimination against ad buyers and sellers based on their political or religious views, the Proposal's primary focus is on the Company's advertising strategies and practices. In requesting that the Company review risks related to the Company's choice of platforms and other outlets on which the Company advertises, the Proposal is focused on one aspect of the Company's broader advertising policies without taking into account that advertising strategy is a key management function, involving day-to-day business decisions such as the amount spent on advertising and advertising priorities among products and services. All of this relates to the marketing, promotion and sale of the Company's products and services, which clearly constitute the Company's ordinary business operations. The Proposal thus seeks to intrude upon the ordinary business operations of the Company in seeking to implement its own advertising strategies and practices.

B. The Proposal Does Not Raise Significant Social Policy Issues That Transcend the Company's Ordinary Business Operations.

In the 1998 Release, the Commission expressed that while proposals relating to ordinary business matters "but focusing on sufficiently significant social policy issues generally would not be excludable" under Rule 14a-8(i)(7), the Staff has indicated that proposals that relate to both ordinary business matters and significant social policy issues may be excludable if the proposals do not "transcend the day-to-day business matters."

We recognize that the Staff did not concur with exclusion on ordinary business grounds in *The Walt Disney Company* (Jan. 22, 2025) because that proposal "transcend[ed] ordinary business matters." According to SLB 14M, when evaluating whether the significant social policy exception applies, the Staff will make determinations as to excludability of proposals "on a case-by-case basis, taking into account factors such as the nature of the proposal and the circumstances of the company to which it is directed" and will thus "take a company-specific approach in evaluating significance."

Based on The Walt Disney Company's ("**Disney**") SEC filings, advertising appears to be much more significant to Disney's business than to the Company's business. Disney is an ad buyer and seller, unlike the Company. Disney has three segments – Entertainment, Sports and Experiences – and advertising constitutes one of the significant revenue streams in both the Entertainment and Sports segments. In particular, within each of the lines of businesses within Entertainment, advertising constitutes a significant part of the revenue and/or costs ("The majority of Linear Networks revenue is derived from affiliate fees and advertising... The majority of Direct-to-Consumer revenue is derived from subscription fees and advertising... The Company incurs significant marketing and advertising costs before and throughout the theatrical release of a film...").²

² See pg. 3, 5 and 6 of Disney's Form 10-K filed November 14, 2024 (available here: <https://www.sec.gov/Archives/edgar/data/1744489/000174448924000276/dis-20240928.htm>).

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Unlike Disney, the Company is not at all in the business of selling advertising, and its advertising expenses account for a minimal portion of its operations. In addition, the Proposal raises general, rather than company-specific, claims and concerns. The supporting statement makes only one reference to the Company, and it is entirely unrelated to the Company's advertising practices, which is the core purpose of the Proposal. Thus, the resolution in the Proposal does not raise a significant social policy issue to the Company.

III. Waiver of the 80-Day Requirement in Rule 14a-8(j)(1) Is Appropriate.

The Company further requests that the Staff waive the 80-day filing requirement set forth in Rule 14a-8(j) for good cause. Rule 14a-8(j)(1) requires that, if a company "intends to exclude a proposal from its proxy materials, it must file its reasons with the Commission no later than 80 calendar days before it files its definitive proxy statement and form of proxy with the Commission." However, Rule 14a-8(j)(1) allows the Staff to waive the deadline if a company can show "good cause." The Staff recently released SLB 14M, which provided updated guidance on exclusion of shareholder proposals on the basis of Rule 14a-8(i)(5) and Rule 14a-8(i)(7). Accordingly, we believe that the Company has "good cause" for its inability to meet the 80-day requirement, and we respectfully request that the Staff waive the 80-day requirement with respect to this letter.

CONCLUSION

For the reasons set forth above, we believe that the Proposal may be excluded from its 2025 Proxy Materials pursuant to Rule 14a-8(i)(5) and Rule 14a-8(i)(7).

Respectfully yours,



Ning Chiu

Attachment

cc w/ att: Adam Zitter, Corporate Secretary, Mastercard Incorporated
Robert Netzly and Tim Schwarzenberger, Inspire Investing LLC

Proposal

Respect Civil Liberties in Advertising Services

Supporting Statement:

Mastercard Inc. is a global brand with immense influence and ad-buying power. It should be advertising in ways that support its competitive interests and build its reputation for serving its diverse customers.

But recent reports have shown that it colluded with the world's largest advertising buyers, agencies, industry associations, and social media platforms through the Global Alliance for Responsible Media to demonetize platforms, podcasts, news outlets, and others for expressing disfavored political and religious viewpoints.¹

A product of the World Federation of Advertisers, GARM was formed in 2019 and quickly amassed tremendous market power. WFA members represent about 90% of global advertising spending, nearly a trillion dollars annually.²

GARM's express mission was to "do more to address harmful and misleading media environments," specifically "hate speech, bullying and disinformation," all under the guise of "brand safety."³ GARM leader Rob Rakowitz explained that the "whole issue bubbling beneath the surface" of the advertising industry and digital platforms is the "extreme global interpretation of the US Constitution."⁴

GARM graded platforms on how much they censored using the above terms as well as terms like "insensitive" or "irresponsible" treatment of "debated sensitive social issues."⁵ The 2024 Viewpoint Diversity Business Index⁶ found that 76% of the largest tech and finance companies, including MasterCard have similarly vague and subjective terms. These terms encourage companies—and activists like GARM—to restrict service for arbitrary and discriminatory reasons and let them avoid accountability by hiding censorship behind vague and shifting standards.

For its part, GARM promoted hyper-partisan and censorial groups like the Global Disinformation Index and NewsGuard, which smear many mainstream outlets as "disinformation."⁷ GARM threatened Spotify because Joe Rogan promoted views it disagreed with on COVID-19. And it infamously boycotted X because Elon Musk loosened some of the platform's censorship restrictions.⁸

GARM disbanded shortly after public pressure and a lawsuit from X in 2024,⁹ which ironically evinces how brand-damaging these practices are. But these censorious practices are still prevalent. Many of the "Big Six" advertising agencies that were all a part of GARM, for example, maintain similar policies.¹⁰

These policies and MasterCard's actions also create legal exposure under antitrust and anti-discrimination laws.

¹ <https://judiciary.house.gov/media/press-releases/chairman-jordan-seeks-documents-over-40-companies-involved-garms-corporate-0>

² <https://dw-wp-production.imgix.net/2024/07/2024-07-10-GARMS-Harm-How-the-Worlds-Biggest-Brands-Seek-to-Control-Online-Speech.pdf>

³ <https://wfanet.org/knowledge/item/2019/06/18/Global-Alliance-for-Responsible-Media-launches-to-address-digital-safety>

⁴ <https://dw-wp-production.imgix.net/2024/07/2024-07-10-GARMS-Harm-How-the-Worlds-Biggest-Brands-Seek-to-Control-Online-Speech.pdf>

⁵ <https://wfanet.org/knowledge/item/2023/08/23/New-insights-on-platform-safety-trends-through-GARMS-latest-measurement-report>

⁶ <https://www.viewpointdiversityscore.org/business-index>

⁷ <https://dw-wp-production.imgix.net/2024/07/2024-07-10-GARMS-Harm-How-the-Worlds-Biggest-Brands-Seek-to-Control-Online-Speech.pdf>

⁸ <https://foundationforfreedomonline.com/censorship-industry-garm-members-receive-billions-in-federal-contracts/DocuSign>

⁹ <https://www.nytimes.com/2024/08/08/technology/elon-musk-x-advertisers-boycott.html>

¹⁰ <https://foundationforfreedomonline.com/censorship-industry-garm-members-receive-billions-in-federal-contracts>

MasterCard needs to rebuild trust by providing transparency around these policies and practices. This will assure customers, shareholders, and others that it is protecting, not targeting, free speech and religious freedom.

Resolved: Shareholders request the Board of Directors of MasterCard conduct an evaluation and issue a report within the next year, at reasonable cost and excluding proprietary information and confidential information, evaluating how it oversees risks related to discrimination against ad buyers and sellers based on their political or religious status or views.

April 2, 2025

Re: Mastercard Incorporated
Withdrawal of No-Action Request Dated March 5, 2025 Regarding Shareholder Proposal Submitted
by Inspire Investing, LLC on behalf of William C. Cunningham

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, NE
Washington, DC 20549

Dear Sir or Madam:

On behalf of Mastercard Incorporated (the “**Company**”), and in reference to our letter, dated March 5, 2025 (the “**No-Action Request**”), pursuant to which we requested that the Staff of the Office of Chief Counsel of the Securities and Exchange Commission concur with our view that the Company may exclude the shareholder proposal (the “**Proposal**”) submitted by Inspire Investing, LLC on behalf of William C. Cunningham (the “**Proponent**”) from the proxy materials it intends to distribute in connection with its 2025 Annual Meeting of Shareholders, we submit this withdrawal request.

Attached as Exhibit A is a letter, dated April 1, 2025 (the “**Withdrawal Communication**”), sent via electronic mail to the Company by the Proponent, in which the Proponent voluntarily agrees to withdraw the Proposal. In reliance on the Withdrawal Communication, we hereby withdraw the No-Action Request.

Please contact the undersigned at (212) 450-4908 or ning.chiu@davispolk.com if you should have any questions or need additional information. Thank you for your attention to this matter.

Respectfully yours,



Ning Chiu

Attachment: Exhibit A

cc: Adam Zitter, Corporate Secretary, Mastercard Incorporated
Robert Netzly and Tim Schwarzenberger, Inspire Investing LLC

Withdrawal Communication

Via Email

April 1, 2025

Mastercard Incorporated
Office of the Corporate Secretary
2000 Purchase Street
Purchase, NY 10577

Re: Withdrawal of Shareholder Proposal for 2025 Annual Meeting

To whom it may concern,

Inspire Investing, LLC hereby withdraws the 14a-8 shareholder proposal submitted for inclusion in Mastercard's 2025 proxy materials. The proposal at issue relates to the subject described below.

Proponent: William C. Cunningham
Company: Mastercard Incorporated
Subject: Report on Respecting Civil Liberties in Advertising Services

Sincerely,

Robert Netzly

Robert Netzly
Chief Executive Officer

Tim Schwarzenberger

Tim Schwarzenberger, CFA
Director of Shareholder Engagement