

# **Mastercard Foundation**

Financial Statements

**December 31, 2020**

(expressed in thousands of US dollars)



## Independent auditor's report

To the Directors of Mastercard Foundation

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### Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Mastercard Foundation (the Foundation) as at December 31, 2020 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

#### What we have audited

The Foundation's financial statements comprise:

- the statement of financial position as at December 31, 2020;
- the statement of operations for the year then ended;
- the statement of changes in fund balances for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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### Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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### Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal

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control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

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### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Foundation to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*PricewaterhouseCoopers LLP*

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario  
June 21, 2021

**Mastercard Foundation**  
Statement of Financial Position  
As at December 31, 2020

(expressed in thousands of US dollars)

	2020		2019	
	General fund \$	Restricted fund \$	Total \$	Total \$
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	112,096	-	112,096	30,662
Prepaid expenses and sundry assets	3,228	-	3,228	4,205
Government remittances receivable	2,217	-	2,217	1,848
	117,541	-	117,541	36,715
<b>Investment in Mastercard Incorporated shares (note 3)</b>	-	31,355,848	31,355,848	27,558,167
<b>Property and equipment (note 4)</b>	3,120	-	3,120	3,433
<b>Intangible assets (note 5)</b>	896	-	896	599
	121,557	31,355,848	31,477,405	27,598,914

Approved by the Board of Directors

 Director

The accompanying notes are an integral part of these financial statements.

# Mastercard Foundation

Statement of Financial Position ...continued

As at December 31, 2020

(expressed in thousands of US dollars)

	2020		2019	
	General fund \$	Restricted fund \$	Total \$	Total \$
<b>Liabilities</b>				
<b>Current liabilities</b>				
Accounts payable and accrued liabilities	5,926	-	5,926	10,640
<b>Tenant deposits</b>	19	-	19	19
	5,945	-	5,945	10,659
<b>Fund Balances</b>				
<b>General fund</b>	115,612	-	115,612	30,088
<b>Restricted fund</b>	-	31,355,848	31,355,848	27,558,167
	115,612	31,355,848	31,471,460	27,588,255
	121,557	31,355,848	31,477,405	27,598,914

**Commitments** (note 12)

**Subsequent events** (note 13)

The accompanying notes are an integral part of these financial statements.

**Mastercard Foundation**  
Statement of Operations  
For the year ended December 31, 2020

(expressed in thousands of US dollars)

	2020		2019	
	General fund \$	Restricted fund \$	Total \$	Total \$
<b>Income</b>				
Fair value changes in investments				
Mastercard Incorporated shares	178,253	4,474,153	4,652,406	10,395,302
Portfolio investments	-	-	-	3,766
Investment income (note 6)	178,253	4,474,153	4,652,406	10,399,068
Rental income	178,773	-	178,773	151,004
	214	-	214	215
	357,240	4,474,153	4,831,393	10,550,287
<b>Expenditures</b>				
Program disbursements (notes 9 and 12(b))	886,697	-	886,697	301,927
Program costs (note 8)	30,244	-	30,244	25,696
Administration costs (notes 7 and 8)	31,247	-	31,247	30,236
	948,188	-	948,188	357,859
<b>Excess (deficiency) of income over expenditures for the year</b>	<b>(590,948)</b>	<b>4,474,153</b>	<b>3,883,205</b>	<b>10,192,428</b>

The accompanying notes are an integral part of these financial statements.

**Mastercard Foundation**  
**Statement of Changes in Fund Balances**  
**For the year ended December 31, 2020**

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(expressed in thousands of US dollars)

	<u>General fund</u>			
	Unrestricted \$	Internally restricted \$	Restricted fund \$	Total \$
<b>Balance – December 31, 2018</b>	9,327	138,583	17,247,917	17,395,827
Excess (deficiency) of income over expenditures for the year	(171,305)	5,847	10,357,886	10,192,428
Interfund transfer	192,066	(144,430)	(47,636)	-
<b>Balance – December 31, 2019</b>	30,088	-	27,558,167	27,588,255
Excess (deficiency) of income over expenditures for the year	(590,948)	-	4,474,153	3,883,205
Interfund transfer	676,472	-	(676,472)	-
<b>Balance – December 31, 2020</b>	115,612	-	31,355,848	31,471,460

The accompanying notes are an integral part of these financial statements.



**Mastercard Foundation**  
**Statement of Cash Flows**  
**For the year ended December 31, 2020**

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(expressed in thousands of US dollars)

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess of income over expenditures for the year	3,883,205	10,192,428
Items not affecting cash		
Fair value changes in investments		
Mastercard Incorporated shares	(4,652,406)	(10,395,302)
Portfolio investments	-	(3,766)
Reinvestment of dividend income	-	(2,107)
Amortization of property and equipment	699	890
Amortization of intangible assets	224	205
Changes in non-cash operating items		
Prepaid expenses and sundry assets	977	(2,973)
Government remittances receivable	(369)	(1,016)
Accounts payable and accrued liabilities	(4,714)	4,991
	<u>(772,384)</u>	<u>(206,650)</u>
<b>Investing activities</b>		
Purchase of property and equipment	(386)	(1,042)
Purchase of intangible assets	(521)	(170)
Proceeds from sale of portfolio investments	-	144,456
Proceeds from sale of Mastercard Incorporated shares	854,725	85,052
	<u>853,818</u>	<u>228,296</u>
<b>Increase in cash and cash equivalents during the year</b>	<b>81,434</b>	<b>21,646</b>
<b>Cash and cash equivalents – Beginning of year</b>	<u><b>30,662</b></u>	<u><b>9,016</b></u>
<b>Cash and cash equivalents – End of year</b>	<u><b>112,096</b></u>	<u><b>30,662</b></u>

The accompanying notes are an integral part of these financial statements.

# Mastercard Foundation

## Notes to Financial Statements

December 31, 2020

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(expressed in thousands of US dollars)

### 1 Nature of organization

Mastercard Foundation, formerly known as The MasterCard Foundation (the Foundation), was incorporated under the Canada Corporations Act by letters patent on October 28, 2005 as a corporation without share capital and was legally continued under the Canada Not-for-Profit Corporations Act on October 1, 2014. The Foundation is an independent, private foundation established through a gift of Mastercard Incorporated shares (note 3) in May 2006. The Foundation's mission is to advance youth education and promote financial inclusion for financially disadvantaged persons and communities. It works almost exclusively in Africa.

The Foundation is registered under the Income Tax Act (Canada) (the Act) effective April 18, 2006 and, as such, is exempt from Canadian income taxes and is able to issue donation receipts for income tax purposes under registration number 817387277 RR 0001.

The Foundation has tax exempt status in the United States under Section 501(a) of the Internal Revenue Code, as a 501(c)(4) organization, effective from the date of its formation in 2005.

The Foundation has Foreign Company Registration in Rwanda from the Rwanda Development Board.

The Foundation obtained External Company registration under the Companies Act, 1963 (Act 179) from the Republic of Ghana.

The Foundation is registered as a Foreign Civil Society Organization in Ethiopia under the Civil Society Organizations Proclamation No. 1113/2019, Article 57(1).

The Foundation is established as a Foreign Company Registered (branch) in Kenya under the Companies Act 2015.

The Foundation signed a Headquarters Agreement with the government of Senegal, which provides the Foundation with legal status to operate without needing to incorporate a branch.

The Foundation obtained External Company (branch) registration under the Companies Act 2012 from the Republic of Uganda.

The Foundation obtained Foreign Company (branch) registration under Section 23 of the Company Act 2008 from the Commissioner of Companies and Intellectual Property Commission of South Africa.

### 2 Summary of significant accounting policies

The financial statements of the Foundation have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) with all amounts reported in US dollars, the Foundation's functional currency. The accrual basis of accounting is used for reporting all income and expenditures.

# Mastercard Foundation

## Notes to Financial Statements

December 31, 2020

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(expressed in thousands of US dollars)

### **Fund accounting**

The Foundation follows the restricted fund method of accounting for contributions. It ensures, as part of its fiduciary responsibilities, that all funds received with a restricted purpose are expended for the purpose for which they were provided. The financial statements include the following funds:

- The restricted fund represents the investment in Mastercard Incorporated shares, which are subject to disposition restrictions by the donor as further explained in note 3.
- The general fund consists of unrestricted and internally restricted amounts. Unrestricted amounts are available to the Foundation for operational and charitable disbursement purposes and the Foundation's investment in property and equipment. Internally restricted amounts are set aside specifically to meet the future commitments of certain charitable programs. The Board of Directors approves the transfer of funds between the unrestricted and internally restricted funds.

The Foundation transfers amounts from the restricted fund to the general fund to assist with operational and charitable disbursements, and additional investment in property and equipment. Amounts are transferred at fair value.

### **Income recognition**

Investment income represents dividends and interest. Dividends are recognized at the ex-dividend date and interest is recognized as earned. Dividends earned on restricted investments are not restricted.

Investment transactions are accounted for on a trade date basis. Changes in fair value on investment transactions are recorded in the statement of operations. Changes in fair value of restricted investments are restricted.

### **Program disbursements**

Disbursements to conduct program activities require execution of a contract between the Foundation and qualified donees or other third parties. Disbursements are recorded as expenditures in the year in which they are paid out. Disbursements for multi-year funding are based on a schedule of payments and are disbursed when specified performance criteria are met.

### **Program disbursement commitments**

Where program funding has been approved, such amounts are disclosed as commitments. Commitments to qualified donees and other third parties are sometimes made in multiple disbursements.

### **Cash and cash equivalents**

Cash and cash equivalents include cash and any short-term investments with a maturity of three months or less from the original date of purchase.

# Mastercard Foundation

## Notes to Financial Statements

December 31, 2020

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(expressed in thousands of US dollars)

### Portfolio investments

Portfolio investments are held from time to time and are recorded at fair value. Investments are made in accordance with the Foundation's investment policy. All investments are in liquid securities.

### Investments in Mastercard Incorporated shares

Investments in Mastercard Incorporated shares are recorded at fair value. Fair value is determined based on the appraised fair value of the shares, generally at the closing bid price, less an estimated discount rate to reflect the restricted nature of the shares (note 3); such discount rate is determined by an independent appraiser each year. The valuation discount rate used as at December 31, 2020 was 19.5% (2019 – 17.5%).

### Property and equipment

Property and equipment are stated at cost less accumulated amortization. Amortization is determined using the straight-line method over the estimated useful lives as follows:

Leasehold improvements	term of lease
Furniture and fixtures	ten years
Computers	three years
Other	five years

The Foundation reviews the carrying amounts of its property and equipment regularly. If the property and equipment no longer have any long-term service potential to the Foundation, the excess of the net carrying amount over any residual value is recognized as an expense in the statement of operations.

### Intangible assets

Intangible assets are recorded at cost and consist of the non-exclusive right to use the Mastercard trademark, copyrighted materials related to Mastercard Incorporated as used by the Foundation, computer software and website development costs.

The trademark and copyrighted materials both have indefinite useful lives. The Foundation reviews the value of these intangible assets on an annual basis for impairment or at any other time when events or changes have occurred that would suggest an impairment of the carrying value.

Computer software and website development costs are amortized on a straight-line basis over two years and three years, respectively.

### Program costs

Program costs are operating expenses associated with charitable giving activities.

# Mastercard Foundation

## Notes to Financial Statements

December 31, 2020

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(expressed in thousands of US dollars)

### Allocation of expenses

The Foundation engages in financial inclusion and youth learning programs. Program costs include personnel, legal and other costs directly related to the programs. The Foundation also incurs other costs related to personnel, premises and other expenditures for the administration of the programs. Some of these costs are allocated to program costs, such as payroll and personnel related costs, which have been allocated based on an estimate of time spent and effort expended on program related activities. Occupancy costs have been allocated to programs in proportion to the space occupied by staff working on program related activities.

### Foreign exchange translation

Income and expenditures denominated in foreign currencies are translated into US dollars at the previous month's closing exchange rate. Assets and liabilities denominated in foreign currencies are translated at the year-end date. Foreign exchange gains and losses are included with administration costs in the statement of operations.

### Financial assets and liabilities

The Foundation initially measures cash and cash equivalents, government remittances receivable and accounts payable and accrued liabilities at fair value and subsequently at amortized cost.

The Foundation measures its portfolio investments and investment in Mastercard Incorporated shares on the statement of financial position at fair value, with changes in fair value recorded in the statement of operations. Transaction costs associated with the acquisition and disposal of the portfolio investments and investment in Mastercard Incorporated shares are expensed as incurred.

Financial assets, other than those measured at fair value, are tested for impairment at the end of each reporting period when there are indicators the assets may be impaired.

### Use of estimates

The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingencies at the date of the financial statements and the income and expenditures during the reporting period. Significant estimates included in these financial statements are used in determining the discount rate used in the valuation of the Mastercard Incorporated shares, the allocation of expenditures, accruals and the useful lives of property and equipment and intangible assets. Actual results could differ from those estimates.

## 3 Investment in Mastercard Incorporated shares

	2020 \$	2019 \$
109,125,803 Class A Mastercard Incorporated restricted shares – gifted shares (2019 – 111,871,927)	31,355,848	27,558,167

# Mastercard Foundation

## Notes to Financial Statements

December 31, 2020

(expressed in thousands of US dollars)

Under the deed of gift with Mastercard Incorporated, the Foundation is subject to a period of limited alienation that is effective until April 30, 2027. During this limited alienation period, the Foundation can only dispose of its Mastercard Incorporated shares to satisfy its disbursement quota (see note 11) and operating expenses. After this limited alienation period (May 1, 2027), the Foundation may dispose of the shares at its discretion, in an orderly and structured manner so as not to unreasonably disrupt the market for Mastercard Incorporated's shares. Furthermore, the balance of the gift on the commencement of the unlimited alienation period is required to be divided into two funds, namely, the Perpetual Endowment Fund (the capital is to be held in perpetuity; the income is to be disbursed to satisfy the charitable purpose of the gift) and the Remaining Fund (to be disbursed in its entirety within the first ten years of the unlimited alienation period), with allocation between the funds being based on the deed of gift. In September 2019, the Board of Directors invoked its rights under the deed of gift to remove the ten-year spend down requirement for the Remaining Fund and will disburse the funds at the discretion of the Board of Directors.

### 4 Property and equipment

	2020		2019	
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Leasehold improvements	3,822	1,817	2,005	2,310
Furniture and fixtures	1,212	396	816	866
Computers and other	483	184	299	257
	<u>5,517</u>	<u>2,397</u>	<u>3,120</u>	<u>3,433</u>

During fiscal 2020, the Foundation wrote off \$82 (2019 – \$204) in property and equipment and related accumulated amortization.

### 5 Intangible assets

	2020 \$	2019 \$
Mastercard Incorporated trademark	179	179
Copyrighted materials	89	89
Computer software – net of accumulated amortization of \$127 (2019 – \$117)	564	138
Website development costs – net of accumulated amortization of \$323 (2019 – \$194)	64	193
	<u>896</u>	<u>599</u>

During fiscal 2020, the Foundation wrote off \$85 (2019 – \$nil) in intangible assets and related accumulated amortization.

# Mastercard Foundation

## Notes to Financial Statements

December 31, 2020

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(expressed in thousands of US dollars)

### 6 Investment income

Included in the general fund's investment income of \$178,773 (2019 – \$151,004) is dividend income of \$177,268 (2019 – \$150,134) and interest income of \$1,505 (2019 – \$870).

### 7 Administration costs

	2020 \$	2019 \$
Payroll and personnel related costs	13,924	13,093
Office and other	6,204	2,922
Professional fees	6,197	8,477
Occupancy	1,997	1,282
Legal and audit	813	1,004
Travel	738	2,110
Amortization of property and equipment	699	890
Amortization of intangible assets	224	205
Foreign exchange loss	451	253
	<hr/> 31,247	<hr/> 30,236

### 8 Allocation of expenses

#### Payroll and personnel related costs

Total payroll and personnel related costs of \$27,000 (2019 – \$23,230) have been allocated to program related activities or administrative activities based on an estimate of time spent and effort expended by employees on each of the activities. \$13,076 (2019 – \$10,137) in payroll and personnel related costs has been allocated to program costs and \$13,924 (2019 – \$13,093) has been allocated to administration costs.

#### Occupancy costs

The Foundation allocated the relevant portion of the occupancy costs incurred to program costs based on the following:

- floor premises occupied by departments involved in charitable activities were allocated using percentage of time spent and effort expended by such employees on program related activities; and
- floor premises of common areas and support departments were allocated as administration costs.

Occupancy costs of \$3,726 (2019 – \$1,699) have been allocated on the basis described above. \$1,729 (2019 – \$417) in occupancy costs has been allocated to program costs and \$1,997 (2019 – \$1,282) has been allocated to administration costs.

# Mastercard Foundation

## Notes to Financial Statements

December 31, 2020

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(expressed in thousands of US dollars)

### 9 Related party transactions

The Foundation has a formal professional code of conduct in place for staff and the Board of Directors, governing conflict of interest and competitive purchasing practices. During the year, organizations affiliated with certain current members of the Board of Directors received payments for consulting services or disbursements to conduct charitable activities. Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. The total payments included in the accounts of the Foundation related to these organizations amounted to \$14,025 (2019 – \$21,019) as follows:

	2020 \$	2019 \$
Disbursements to director affiliated organizations (2020 – five; 2019 – five)	7,622	14,927
Payments to director affiliated consultants (2020 – two; 2019 – two)	5,848	5,752
Directors' programs (2020 – 13; 2019 – 12)	555	340
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	14,025	21,019
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### 10 Financial risk management

Financial risk management relates to the understanding and active management of risks associated with the operations of the Foundation and its assets. The Foundation is exposed to market risk, which includes price, currency and liquidity risk.

- **Price risk**

The Foundation's investment in Mastercard Incorporated shares is subject to market risk, which includes price risk arising from market volatility.

- **Currency risk**

The Foundation holds cash and cash equivalent balances denominated in currencies other than its reporting currency, the US dollar. Consequently, the Foundation is exposed to the risk that the exchange rate of the US dollar relative to other currencies may change in a manner that has an adverse or beneficial effect on the reported value of the Foundation's cash and cash equivalents.

- **Liquidity risk**

Liquidity risk is the risk the Foundation will not be able to meet its financial obligations primarily related to program disbursements as they come due. The Foundation manages liquidity risk through regular monitoring of forecast and actual cash flows in conjunction with the determination of both the timing and amount of sales of the Mastercard Incorporated shares, which are subject to sale restrictions as disclosed in note 3.



# Mastercard Foundation

## Notes to Financial Statements

December 31, 2020

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(expressed in thousands of US dollars)

The Foundation manages market risk by ensuring that total outstanding program commitments do not exceed 20% of the Foundation's assets.

### COVID-19 pandemic

On March 11, 2020, the World Health Organization declared the outbreak and spread of COVID-19 a global pandemic. The outbreak and continuing spread of COVID-19 and the related disruption to the worldwide economy is affecting regions in which the Foundation operates. The pandemic has impacted how the Foundation operates in these regions and has resulted in increased volatility in the fair market value of its investments. The duration of the pandemic and its effects cannot be determined with certainty, nor the extent of the financial impact, which could be material, on future financial statements.

## 11 Status of Foundation

The Foundation is a Canadian registered charity and is designated as a private foundation under subsection 149.1(1) of the Act. The Act requires that a private foundation expend certain amounts each year on its own charitable activities or by way of donations to other qualified donees (disbursement quota). The Foundation received approval from the Canada Revenue Agency for an averaging arrangement with respect to its disbursement quota obligations, representing the sum of its annual disbursement quotas for fiscal years 2007 through 2016 inclusive. During 2011, the Foundation obtained a five-year extension of the averaging arrangement. With this extension, the Foundation will be considered to have met its disbursement quota requirements for each of the fiscal years 2007 to 2021, provided it has expended amounts on its own charitable activities and/or has made gifts to qualified donees on a cumulative basis, which equal its disbursement quota requirements for the 15-year period ending December 31, 2021.

## 12 Commitments

### a) Lease commitments

The Foundation is committed to total lease payments under operating leases for office space as follows:

	\$
2021	3,678
2022	3,310
2023	2,899
2024	2,394
2025	2,005
Thereafter	530
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	14,816
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# Mastercard Foundation

## Notes to Financial Statements

December 31, 2020

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(expressed in thousands of US dollars)

### b) Program disbursements and commitments

During the year, the Foundation expensed \$886,697 (2019 – \$301,927) relating to program disbursements to qualified donees and other third parties.

Commitments to provide program funding to qualified donees and other third parties are sometimes made in multiple disbursements. However, the Foundation only commits to and expenses one disbursement at a time for each donee or other third party, with the subsequent disbursements subject to review for compliance with specified performance criteria. If the specified performance criteria are met, funding of subsequent disbursements is made.

As a component of its financial inclusion programming, the Foundation seeks to provide access to credit as a means to alleviate poverty. In support of this programming, the Foundation has agreed to provide a limited guarantee to partner organizations for a portion of the obligations owing by qualified borrowers. The maximum potential amount of future payments the Foundation could be required to make under the guarantees is \$95,000 (2019 – \$45,000). As at December 31, 2020, no amounts had been accrued or paid under this program.

The total program commitments relating to future years, not yet expensed, amounted to \$1,484,716 (2019 – \$1,058,864) and are scheduled to be paid as follows:

	Program commitment \$	Scholarship commitment \$	Total \$
2021	571,065	77,629	648,694
2022	244,198	74,298	318,496
2023	189,470	60,804	250,274
2024	90,143	49,058	139,201
2025	19,823	38,124	57,947
Thereafter	20,389	49,715	70,104
	<hr/>	<hr/>	<hr/>
	1,135,088	349,628	1,484,716

Included in these commitments is \$20,076 (2019 – \$33,475) committed to organizations affiliated with members of the Board of Directors.

### 13 Subsequent events

On June 8, 2021, the Foundation announced that it will deploy \$1.3 billion over the next three years in partnership with the Africa Centres for Disease Control and Prevention (Africa CDC) to save the lives and livelihoods of millions of people in Africa and hasten the economic recovery of the continent. The Saving Lives and Livelihoods initiative will acquire vaccines for at least 50 million people, support the delivery of vaccinations to millions more across the continent, lay the groundwork for vaccine manufacturing in Africa through a focus on human capital development, and strengthen the Africa CDC.