



Mastercard Submission for AI Insights Forum

Thank you Majority Leader Schumer, Senator Rounds, Senator Heinrich and Senator Young for organizing this AI Insights Forum and for your commitment to examining and understanding this critical issue.

Mastercard is a global technology company in the payments industry. Our mission is to connect and power an inclusive digital economy by making transactions safe, simple, smart and accessible. Mastercard does not issue cards or set interest rates. We enable and secure the payments ecosystem, supporting businesses, government and consumers across a variety of payment flows.

Mastercard has more than 13,000 employees throughout the U.S. and 31,000 across the globe. Our employees are one of our company's greatest assets. We encourage, enable and expect them to bring their best to work every day to help keep Mastercard innovating and on the cutting edge. We're committed to responsibly embracing technology — and that includes artificial intelligence.

To advance our commitment to responsible AI, we take a human-centric approach and have set our own standards for testing and learning with the technology. Our AI innovations are grounded in seven foundational principles: privacy and security, transparency, accountability, integrity, inclusion, innovation and social impact. We've established an AI Governance Council of informed leaders from all areas of the business including our Head of AI, Chief Privacy Officer, Chief Data Officer and Chief Information Security Officer to oversee AI uses cases before their deployment. We've created "dos and don'ts" for employees and guardrails on how to learn and test new technology without compromising sensitive or confidential information and while fully respecting people's privacy and other human rights.

Artificial intelligence is not new to Mastercard. We process more than 1.2 billion transactions per day, at rates of up to 65,000 transactions per second. We secure these transactions within 50 milliseconds — faster than the blink of an eye. Mastercard uses artificial intelligence to fight fraud on our global payments network to protect consumers, merchants and financial institutions.

We have a full suite of fraud services that we are deploying, and AI continues to play a critical role in powering our products and fueling our network intelligence. For example, we are scaling our AI-powered transaction fraud monitoring solution, which delivers real-time predictive scores based on a unique blend of customer and network-level insights. Another tool creates artificial intelligence models that identify behavior indicative of money laundering. Its AI models monitor for compliance, using machine learning tools that continuously update to better reflect the evolving nature of



techniques used by money launderers. And with another platform, Safety Net, we monitor large-scale global fraud events with automated and supervised AI. In the past 12 months, this platform has prevented more than \$20 billion in fraud. This includes declining more than 162 million attempted fraud transactions in just the first six months of this year.

Leveraging our latest AI capabilities and our unique network view of account-to-account payments, we help financial institutions predict and prevent payments to scams of all types before any money leaves a victim's account. Because organized criminals can attempt to move scammed funds through a series of so-called mule accounts to disguise them, we help to counter this by working with financial institutions to follow the flow of funds through these accounts and then close them down.

Small businesses are a critical part of the U.S. economy and the Mastercard network. Preparing small business owners and their employees for the threats of today and tomorrow is a priority for us. Today, we're supporting businesses through AI-enabled threat-protection solutions. Using the latest AI technology, we have a cloud-based tool that automatically filters and counteracts malicious internet traffic, strengthening cyber protection for people and enterprises of all sizes, including small businesses.

The focus on workforce in today's forum is important as we look at the potential risks and opportunities that come with growing usage and interest in AI. At Mastercard, our talent has been driving our AI solutions that fight fraud and cyberattacks and improve the overall payments experience for consumers and small business owners.

AI is enabling greater personalized employee development. We're using AI in Unlocked — our talent marketplace — to match employees to opportunities based on their past skills and experiences, and desired areas for growth. As employees interact with the platform, it learns about their preferences and continues to improve. AI facilitates the implementation of adaptive learning pathways tailored to every individual's unique needs, preferences and learning style. It empowers employees to learn at their own pace while providing real-time insights and recommendations to guide their progress.

AI is also helping us deepen our understanding of employees' needs and support their productivity and well-being. To understand what our employees think and feel about the company and what matters most to them, we need to synthesize immense amounts of data and extract the most meaningful insights. We use AI sentiment analysis to help us understand key themes, areas of opportunities and overall sentiment of our global employee base. Plus, AI delivers personalized insights to help guide employees on things like cadence of meetings and encourages them to set aside focus time to help maintain a work balance.



New technology also means new opportunities for our employees. To date, we have created roles at Mastercard in AI Governance, AI Strategy and AI Product Management & Engineering. To address the constantly changing threat landscape and the new risks posed by AI, we are working to invest in our cyber workforce. Unfortunately, AI enables cyber criminals and adversaries to grow more proficient in their ability to evade detection through attacks that are more efficient and sophisticated than ever before. Innovation must keep pace.

Growing and training our cyber workforce is one area where we see significant opportunity with AI. By leveraging AI, cyber defenders can operate more efficiently, automating and enhancing some elements of threat detection and allowing our workforce to prioritize areas that require human intervention.

Across the cybersecurity industry, there is a talent shortage, and this gap is only widening. At Mastercard, we are working to grow and advance our cyber workforce to ensure it is prepared with the skills and training needed to address the evolving threat landscape. We have ongoing efforts to upskill our current cyber workforce through educational development and talent rotation opportunities to keep up with emerging technologies.

AI offers an exciting future if we direct it in the right ways. We can already see the potential for AI to transform economies, drive productivity and alter the labor market. At Mastercard, we aim to create an inclusive workplace and a world where everyone has an opportunity to succeed. As AI is increasingly deployed, we should be mindful of how these transitions will impact incomes and employment and the workplace, taking care to prevent the technology from unintentionally exacerbating inequality, reducing opportunity or leaving behind those who are already vulnerable. The risks involving AI are significant, and they are top of mind for us as we ensure our best practices are keeping pace with innovation.

In the field of financial health and inclusion, AI has the potential to be revolutionary. Embedding AI into financial services and using it to develop innovative products can help improve financial health outcomes around the world. For small businesses and entrepreneurs, AI can be transformative for optimizing customer service, revenue management, financial planning, business development and more. The potential AI holds to forge new pathways to prosperity underscores the importance of embracing digitalization and connecting more people and small business to the digital economy.

Thank you for including Mastercard in this important conversation. We hope you will consider us a partner in your work to maximize the advantages of AI while controlling for the potential downsides.