

## **Executive Summary**

Dr. Richard (Rich) Verma is the Chief Administrative Officer at Mastercard Incorporated, a role to which he was named in 2025. Most recently, he served as Deputy Secretary of State for Management and Resources for the U.S. Department of State. He previously served as General Counsel and Head of Global Public Policy at Mastercard Incorporated. Verma first joined Mastercard in 2020 as EVP of Global Public Policy and Regulatory Affairs. Prior to Mastercard, he was Vice Chairman and Partner for The Asia Group. Before this, Verma was the US Ambassador to India. In addition, Verma was the Assistant Secretary of State for Legislative Affairs, where he led the U.S. State Department's efforts on Capitol Hill, and was the former National Security Advisor to the Senate Majority Leader for many years. Previously, he was Partner and Senior Counselor for Steptoe & Johnson, a global law firm, where he joined as an Attorney in 1998. Early in his career, he served as Captain and Judge Advocate at the US Air Force. Verma earned a BS in Industrial Engineering from Lehigh University, a JD from American University, an LLM in International Law, and a PhD in Government and International Relations from Georgetown University.

## **Personal Attributes and Interests**

- Verma was born on November 27, 1968, in Edmonton, Canada, where his father was studying. His parents are from the Punjab region of India and his mother was originally from what is now Pakistan. The family moved to Johnstown, Pennsylvania when Verma was two. His father went on to become a professor of English at the University of Pittsburgh-Johnstown and his mother was a special needs teacher.
- He graduated from Westmont Hilltop High School in 1986, in Johnstown, Pennsylvania.
- He went to Lehigh University on an Air Force ROTC scholarship.
- He worked as an Intern to the Rep. Jack Murtha (D-Pennsylvania) while in college.
- While attending Lehigh University, Verma was a member of Lambda Chi fraternity and was a senior class President.
- In 2008, he joined Obama's Department of Defense transition team.
- He was a Senior Counselor at Albright Stonebridge Group from 2011 to 2014.
- He also serves as a Senior Advisor to the Atlantic Council.
- According to his Twitter page, he is a fan of Pittsburgh sports.

- He is the recipient of a number of awards and decorations, including the Air Force Meritorious Service Medal and the State Department's Distinguished Service Award.
- In 2007, he was named as one of the 50 Most Influential by India Abroad magazine.
- He is also the recipient of the Council on Foreign Relations International Affairs Fellowship, and the Chief Justice John Marshall Lifetime Service Award.

## **Current Focus**

### **Company Overview**

Mastercard, Inc. operates as a technology company. The firm engages in the payments industry that connects consumers, financial institutions, merchants, governments and business. It offers payment solutions for the development and implementation of credit, debit, prepaid, commercial and payment programs. The company was founded in 1966 and is headquartered in Purchase, NY.

### **His Role**

As Chief Administrative Officer, Verma leads the company's Law, Government Affairs & Policy, Franchise, Corporate Security and Community & Belonging teams.

### **Expanding Crypto Capabilities**

"We also continue to advance crypto payments with an end-to-end approach, collaborating with cryptocurrency platforms to allow consumers to spend their cryptocurrencies, including stablecoins at more than 150 million Mastercard acceptance locations worldwide, Kraken, OKX and Bleep among our newest card issuance partners helping to connect the crypto economy to everyday spending," said CEO Michael Miebach on the May 2025 earnings call. "And behind the scenes, we have enabled stablecoin settlement on the Mastercard network itself. We are working with fintech acquire Nuvei to enable the option to settle payments and stablecoins for their merchants. And we help make these payments secure with crypto secure, now actively monitoring risks for hundreds of issuers globally. This is in addition to our work on blockchain technology to unlock faster and more transparent cross-border B2B payments with our multi token network, which we discussed last quarter."

### **Targeting Investments in Solutions**

"We've made targeted investments in diversified solutions in high-growth areas," said CEO Michael Miebach on the May 2025 earnings call. "As we said at the Investor Day last year, approximately 85% of our value-added services and solutions revenues are recurring in nature, providing a stable baseline for growth. And we are well positioned for future growth

as we continue to scale by further penetrating existing customers and targeting new buying centers and new services. We are leveraging a one-to-many distribution with global technology partners who can embed our services as part of their value proposition. Galileo will enable ethical alerts for most of their card portfolios and integrate our open banking powered capabilities onto their platform. Global cybersecurity company, VikingCloud, will distribute our risk warning and cybersecurity remediation capabilities to further enable their small business clients to protect against cyber crime. And financial crime prevention company, Feedzai is extending their use of Mastercard's consumer fraud risk solution. It's already live in the UK with 14 major banks, and this partnership streamlines our ability to scale account-to-account fraud solutions to new markets globally. To further penetrate existing customers, we bring differentiated solutions that drive impact throughout their value chain. This can be across consumer onboarding, activation, and usage, all the while making payments safe and secure. Our services help balance a positive, frictionless consumer onboarding experience with ensuring consumers are who they say they are. Tangerine Bank in Canada is using our account opening identity solutions to do just that. And bringing our identity attributes and open banking solutions together, we have helped experience, enhance their digital checking account offerings within experience smart money. Once those customers are onboarded, our assets can support their ongoing engagement and loyalty, resulting in improved customer satisfaction. For example, we help power Sam's Club loyalty rewards program, and we're working with First Abu Dhabi Bank to develop an AI-powered concierge integrated into the bank's Mastercard offers platform. This innovative solution will help customers discover and access card offers and benefits in a contextual manner. Additionally, our business and market insight services help our customers with portfolio optimization."

### **Rolling Out One Credential Solution**

Mastercard has unveiled its new One Credential solution designed to enable consumers to leverage multiple payment methods at the point of purchase through one consolidated account, Fintech Futures reported in February 2025. The checkout solution aims to offer consumers a way of completing purchases without needing to toggle between different cards and payment methods, bringing together debit cards, prepaid cards, credit and installment options. The solution connects to both online portals and banking apps, through which consumers can manage payment preferences, and is particularly targeted at Gen Z, with the wider availability of structured credit intended to help boost credit scores. Mastercard claims to have a series of issuers lined up ready to deploy One Credential, including Bendigo and Adelaide Bank Group, Episode Six, Galileo Financial Technologies, i2c, Lithic, Marqeta and Wio Bank. The payments giant has recently been working to streamline payment experiences for consumers, and previously outlined its

commitment to phasing out the requirement for manual card entry, which it intends to achieve by 2030. This commitment includes the planned introduction of tokenized traditional card numbers, replacing passwords with biometric-powered payment passkey, and an enhancement to its online checkout solution Click to Pay.

## **2025 Expectations**

"I wanted to share our thoughts on fiscal year 2025," said Mastercard CFO Sachin Mehra in a January 2025 earnings call. "Let me start by saying that the fundamentals of our business remain strong. And we are well positioned for the opportunities ahead, driven by a diversified business model, the significant opportunity for further secular shift to digital forms of payment in both consumer and commercial, and strong demand for our differentiated Value-Added Services & Solutions. The macro environment remains supportive of our base case, reflecting healthy consumer spending. And we remain confident in our ability to successfully execute our strategy while maintaining a disciplined capital planning approach. Overall, we are positive about the growth outlook for the short, medium and long term. As it relates to our expectations for full year 2025, we expect net revenues to grow at the high end of low double digits to low teens range on a currency-neutral basis, excluding acquisitions. We estimate a headwind of approximately 2 ppt from foreign exchange, while acquisitions are expected to add 1 to 1.5 ppt to this growth rate for the year. From an operating expense standpoint, we expect growth to be at the low end of a low double digits range versus a year ago on a currency-neutral basis, excluding acquisitions and special items. We expect a tailwind of approximately 1 to 2 ppt from foreign exchange, while acquisitions are forecasted to increase the OpEx growth rate for the year by approximately 5 ppt."

## **Services & Solutions Runway for Growth**

"As we outlined at our Investor Day, services represent a serviceable addressable market of at least \$165 billion," said Mastercard CE Michael Miebach in a January 2025 earnings call. "We delivered almost \$11 billion in services and solutions revenue in 2024, \$11 billion. That's exciting. But it's equally exciting that we're less than 7% penetrated. That's a significant runway for growth. We have a clear plan to execute against it. First, we're developing and launching differentiated products. This quarter, we launched new services to support customer acquisition, provide unique market insights, manage subscriptions and identify threats. This includes closing on the acquisitions of both Minna Technologies and Recorded Future. Let's stay right there. Cyber criminals have been around for decades, but attacks and fraud attempts are increasing at high levels as commerce increasingly move online and as AI becomes more prevalent. Our investments, both organic and inorganic, are key to fighting fraud and protecting the ecosystem. They also drive revenue

growth. And add Recorded Future to this list. It is now part of Mastercard. Recorded Future is the world's largest threat intelligence company with more than 1,900 customers across 75 countries. Customers include over 50% of the Fortune 100 and government agencies in 45 countries, including more than half of the G20. We've been deploying AI at scale for well over a decade, so has Recorded Future. They leverage AI-powered insights to analyze threat data from every corner of the Internet and customers gain real-time visibility and actionable insights to proactively reduce risks. We now have an even more robust set of powerful intelligence, identity, dispute, fraud and scan prevention solutions. Together, these uniquely differentiated technologies will enable us to create smarter models, distribute these capabilities more broadly and help our customers anticipate threats before cyber attacks can take place. That means better protection for governments, businesses, banks, consumers the entire ecosystem and well beyond the payment transactions. We're also leveraging our distribution at scale to deepen market penetration of our services and solutions."

### **Opening Closed-Loop Systems**

"We're also driving incremental volume and transactions on our network by opening up closed-loop systems," said MAstercard CEO Michael Miebach in a January 2025 earnings call. "Beyond the transit opportunities we talked about many times, we're also partnering with local wallet providers to create greater simplicity and access for the end consumer. In Sweden, we're working with Swish so that users can tap to pay and store both domestically and abroad by adding their Mastercard to the Swiss app. In Latin America, we collaborated with Davivienda to co-create a digital-first debit product aimed at driving financial inclusion. We signed an exclusive partnership with them to launch the product on the DaviPlata digital app. And our pay local service seamlessly connects with local digital wallets, enabling consumers who use Mastercard to make card payments across a broader set of local merchants. At the same time, merchants benefit from access to more consumers and the protections we provide. The solution supports local tourism, that market that we travel to where we couldn't pay, provides a seamless consumer experience and helps drive cross-border volumes. Building on partnerships with leading wallet providers like Alipay and GrabPay, several additional players in Asia Pacific will now open their wallets to cards. This include DANA in Indonesia, Touch 'n Go in Malaysia, Bakong in Cambodia, and LankaPay in SriLanka."

### **Broadening Acceptance**

Mastercard CEO Michael Miebach discussed how the company can become the most accepted payments network in a January 2025 earnings call. "Today, there's over \$11 trillion and 1.5 trillion transactions and cash and check around the world. We are capitalizing on

the significant secular opportunity by expanding acceptance, reimagining checkout, opening closed-loop systems and enabling new verticals. First up, we're positioned to be the most accepted payments network in the world with around 150 million acceptance locations globally today. Second, we are reimagining checkout. And that with our 2030 global plan to phase out manual card and password entry online in favor of smiles and fingerprints. Not only is that a better experience, but it's also more secure and is fully aligned with our data privacy principles. And the online space needs that. Fraud rates are 7 times higher online and in store. And approximately 25% of online shopping cards are abandoned because checkout is just too slow. Our tokenization biometric capabilities sit at the heart of these solutions," he said. "Tokens provide tremendous value, and we offer a set of services on and around those tokens such as life cycle management and authentication, which enhance that value. Now while the growth of token makes the ecosystem safer and more secure, we also benefit on the natural tailwind associated with the growth of token usage."

### **Expecting Economic Expansion**

Mastercard CEO Michael Miebach described the macroenvironment and the company's strategy in a January 2025 earnings call. "The macroeconomic environment continues to perform well, and it is underpinned by healthy consumer spending as we've seen in today's news. The labor market is strong with low unemployment and continued wage growth. Inflation has moderated, but to varying degrees across categories and countries. Consumers remain engaged. Affluent consumers have benefited from the wealth effect, while the mass segment remains supported by the labor market. Our Economics Institute expects a year of global economic expansion in 2025, defined by shifts in monetary and fiscal policy, or by geopolitical concerns remain. Overall, we remain positive about our growth outlook. We will continue to monitor the external environment and stand ready to adjust if needed. We remain hyper focused on successfully executing on what we can control. Our strategic priorities, which fuel our growth algorithm. As we laid out in detail at our Investor Day, those three strategic priority areas include consumer payments, commercial and new payment flows, and services and solutions."

### **Key Challenges**

#### **Continuing to Monitor Macroeconomic Environment**

"The headline is that our business remains strong and consumer spending remains healthy," said CFO Sachin Mehra on the May 2025 earnings call. "On the macroeconomic front, the fundamentals that support consumer and business spending have been solid to date. Specifically, unemployment rates remain low and for the most part, wage growth

continues to outpace the rate of inflation. At the same time, increased economic and geopolitical uncertainty has weakened sentiment and creates risks. But remember, our business is diversified. And that is true across products and services, discretionary and nondiscretionary spend categories, domestic and cross-border spend, and countries and corridors. For example, when looking at cross-border corridor pairs, meaning the inbound and outbound flows between two countries, no cross-border corridor pair represented more than 3% of our total cross-border volume in 2024. This diversification brings resilience as does our disciplined approach to capital allocation. We will continue to monitor the external environment and have expense levers to adjust if necessary."

### **Employment History**

- Chief Administrative Officer, Mastercard Incorporated (from 2025 to Present)
- Deputy Secretary, State, Management and Resources, U.S. Department of State (from 2023 to 2025)
- General Counsel and Head, Global Public Policy, Mastercard Incorporated (from 2021 to 2023)
- EVP, Global Public Policy and Regulatory Affairs, Mastercard Incorporated (from 2020 to 2021)
- Vice Chairman and Partner, The Asia Group (from 2017 to 2020)
- US Ambassador to India, U.S. Embassy in New Delhi (from 2014 to 2017)
- Partner and Senior Counselor, Steptoe LLP (from 2011 to 2014)
- Assistant Secretary, State for Legislative Affairs, U.S. State Department (from 2009 to 2011)
- Partner, Steptoe LLP (from 2007 to 2009)
- Foreign Policy Advisor and Senior National Security Advisor to the Majority Leader, U.S. Senate (from 2002 to 2007)
- Attorney, Steptoe LLP (from 1998 to 2002)
- Captain and Judge Advocate, US Air Force (from 1994 to 1998)
- Country Director, National Democratic Institute (from 1993 to 1994)

### **Other Boards and Organizations**

- President's Distinguished Fellow , Lehigh University (from 2025 to Present)

- Member, Board of Trustees, Ford Foundation (from 2021 to Present)
- Member, Board of Directors, T. Rowe Price Group, Inc. (from 2018 to Present)
- Member, Board of Directors, Malaria No More (from 2018 to Present)
- Member, Strategic Advisory Group, Paladin Capital Group (from 2018 to Present)
- Member, Board of Trustees, Lehigh University (from 2018 to Present)
- Member, Board of Directors, National Endowment for Democracy (from 2018 to Present)
- Centennial Fellow, Edmund A. Walsh School of Foreign Service, Georgetown University (from 2017 to Present)
- Senior Fellow, Belfer Center, Harvard University (to Present)
- Adjunct Senior Fellow, Indo-Pacific Security Program, Center for a New American Security (to Present)
- Former Senior National Security Fellow, Center for American Progress (from 2011 to 2014)
- Former Member, Board of Trustees, Lehigh University (from 1999 to 2002)
- Former Member, Commission on the Prevention of Weapons of Mass Destruction (WMD) Proliferation and Terrorism, US Congress
- Former Member, Board of Directors, Alumni Association, Lehigh University

### **Education History**

- Ph.D. in Government and International Relations, Georgetown University (to 2020)
- LLM in International Law, Law Center, Georgetown University (from 1996 to 1998)
- JD, Washington College of Law, American University (from 1990 to 1993)
- BS in Industrial Engineering, Lehigh University (from 1986 to 1990)