



Western  
Union **WU**

**2020**

**Environmental, Social,  
and Governance Report**



**For 170 years,  
Western Union has  
put technology to work  
connecting people —  
bringing boundless  
possibilities within  
reach. Every day we  
build on this legacy  
as we help to shape a  
connected future.**



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## A Message from the CEO

Dear fellow stakeholders,

As we mark the 170th anniversary of Western Union, I cannot think of a more fitting way to honor our company's sustained legacy than the release of our third annual Environmental, Social, and Governance (ESG) Report.

This report comes in the wake of the most challenging year in recent history. Many communities around the world continue to endure significant hardship, as the health and economic implications of COVID-19 remain front and center. And as a society, we have barely begun to address the racial injustices and inequities that persist across the globe, coming to the fore in the U.S. and other countries over the last year.

Though 2020 put our company, our customers, and our employees to the test, I am proud to say that we emerged stronger, more resilient, and with an even sharper focus on our role as a connector of people and businesses globally. Even as borders were sealed and economies struggled, we tapped into our innovative spirit, our strong global financial network, and the power of our technology to do what we do best: build bridges between people and businesses, by moving money to and from nearly every corner of the earth.

At the same time, the pandemic reinforced our longstanding determination to be a global force for good. In addition to supporting our customers,



**Hikmet Ersek**

President, Chief Executive Officer, and Director  
Western Union Customer



# A Message from the CEO

employees, and communities throughout this unprecedented year, we refined our ESG strategy to better align with our business strategy, our stakeholders' expectations, and the transformative forces shaping our industry and the world.

We identified three key priorities that we believe will allow us to maximize our impact: advancing **diversity, equity, and inclusion** (DEI), promoting the **integrity of global money movement**, and furthering **economic prosperity**. In this report, we highlight six areas in which we advanced these priorities in 2020:

**Connecting people and businesses to the global economy:** By making complex international transactions easy, reliable, and compliant, we help businesses to expand beyond borders and individuals to prosper and thrive. During the COVID-19 pandemic, our global platform enabled us to serve our customers with creative digital solutions and help them send money to loved ones when they needed it most — driving more than 100% growth in the number of customers using our digital payout channels during a time of lockdowns and social distancing.

**Fostering an engaging and inclusive culture:** As a global organization with employees born in more than 120 countries, we recognize the important role we can play in advancing diversity, equity, and inclusion through our own corporate culture. We continue to evolve our hiring practices to increase the representation of women and people of color, while fostering inclusion through training, employee resource groups, and mentorship efforts.

**Moving money with integrity:** Our business is based on trust, and we are committed to keeping

our services out of the hands of those who would use them to do harm. We prevented \$1.4 billion in fraudulent transactions in 2020, resulting in the lowest amount of consumer fraud since 2005. We have put sophisticated safeguards in place and collaborate closely with law enforcement and other partners to thwart and combat criminal activity including human trafficking, terrorist financing, money laundering, drug trafficking, and illegal wildlife trade.

**Governing and managing for success:** Our governance and management practices are founded on principles of accountability, integrity, fairness, reliability, and security. In 2020, we engaged an external expert to help us to identify and prioritize the human rights impacts that most relate to our business and our business partners. Based on this, in 2021 we released a Human Rights Statement that is guided by internationally recognized standards. We also publish an annual Modern Slavery and Human Trafficking Statement, outlining our steps to identify and prevent modern slavery risks.

**Safeguarding our shared environment:** Climate change is one of the most significant challenges of our times, placing profound stresses on the natural environment, economies, and communities, particularly in vulnerable regions. To minimize our footprint and improve our environmental performance, we are examining our operations through the lens of sustainability. We have several mitigation initiatives in place to reduce greenhouse gas emissions from our operations and business travel. These include reducing our office space, consolidating data centers, and transitioning infrastructure to the cloud.

**Training, education, and humanitarian relief:** Since 2001, the Western Union Foundation has given more than \$131 million to help hundreds of thousands of people across the globe through education, job training, and disaster relief. As COVID-19 upended lives and livelihoods around the world, the Foundation reached approximately 200,000 people, investing \$6 million in crisis response and workforce reskilling in 2020.

Throughout our company's 170-year history, we have always been bridge builders. In 1851, this meant uniting a vast web of telegraph lines into a cohesive network. In 2020, it meant enabling nearly 150 million customers in over 200 countries and territories to send and receive funds from almost anywhere in more than 130 currencies, as a global pandemic raged. It also meant finding new ways to live our purpose — moving money for better — as the following pages attest.

These are exciting yet undeniably challenging times for all of us — times that call for concerted, responsible, collective action. Together with my colleagues throughout Western Union, I look forward to continuing our important work in alignment with the highest standards of responsibility, integrity, and sustainability. Together, we will build the bridges that extend opportunity, unlock potential, uplift communities, and improve lives.



**Hikmet Ersek**  
President, Chief Executive Officer, and Director



# Creating Connections to Bring Possibilities Within Reach

The Western Union Company (NYSE: WU) is a global leader in cross-border, cross-currency money movement and payments — connecting the world to bring more possibilities within reach.



## IN THIS SECTION

- [About Western Union](#)
- [Our Platform Model](#)
- [Offering Choice and Access to Our Global Customers](#)
- [Our Values](#)
- [Our Environmental, Social, and Governance \(ESG\) Strategy](#)
- [Aligning with the U.N. SDGs](#)



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## OUR WORLD OF CONNECTIONS

A business in Australia offering its customers in Angola an easier way to pay; a customer in the U.S. sending money via a mobile app back home to a small village in the Philippines; an NGO transferring funds from a bank account in the U.K. to be picked up in a mobile wallet by a field worker in a conflict zone; a student from China paying tuition fees to their university in Canada — our platform and network span and serve nearly every country in the world so everyone can connect and thrive.



*“Western Union’s evolving global platform connecting people and businesses through cross-border cross-currency money flows is re-imagining how the world moves money — almost anywhere, anytime, in more than 130 currencies. For 170 years, Western Union has connected people, reinventing ourselves again and again as times and customer needs change.”*

Shelly Swanback  
President, Product and Platform



# About Western Union

Throughout our 170-year history, Western Union has connected people. We built the first telegraph line across the United States, connecting people and communities across the continent.

Today, we connect businesses, financial institutions, non-governmental organizations (NGOs), governmental entities, and consumers to send and receive money and make payments through one of the world's most expansive, flexible, and versatile financial networks.

By enabling our customers to send and receive money however they wish — online or in person, through bank accounts, cards, mobile wallets, or cash — we provide a vital link across economies, geographies, and cultures. Our customers send money in more than 130 currencies across our broad network connecting nearly every country in the world, and trust that it will arrive securely and quickly. Businesses look to us not just for fast, efficient payment solutions and customized cash management strategies, but also for local market insights and risk management consultations.

By making complex international transactions easy, reliable, and compliant, we help businesses to expand beyond borders, governments to forge social progress, and people to prosper and thrive.

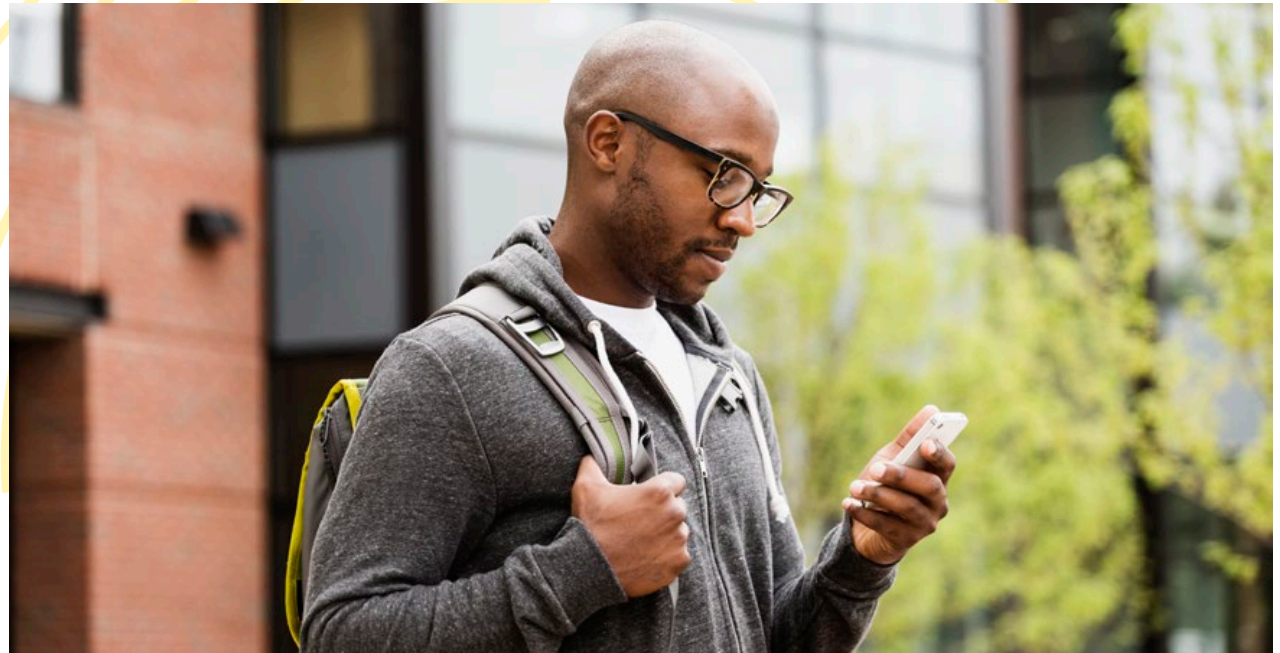
## Our Global Platform

Our global platform gives access to one of the world's widest-reaching money movement network and channels with compliance, licensing, operations, risk, settlement, and treasury capabilities.

We have opened our platform to a wide range of partners, including banks and financial institutions, telecoms, retailers, and other third parties. This enables them to move money, make payments, and offer a range of tailored financial services to their

customers. We are helping partners such as Ant Group's Alipay, Bharti Airtel, Sberbank, Google Pay, and stc pay unlock new opportunities for a wider range of customers and stakeholders.

With our technology portfolio, stack of application programming interfaces (APIs), and a broad range of access channels, we can offer partners scalable money transfer and payment solutions that can be seamlessly integrated in their own environments to bring new and advanced services to consumers and business clients.

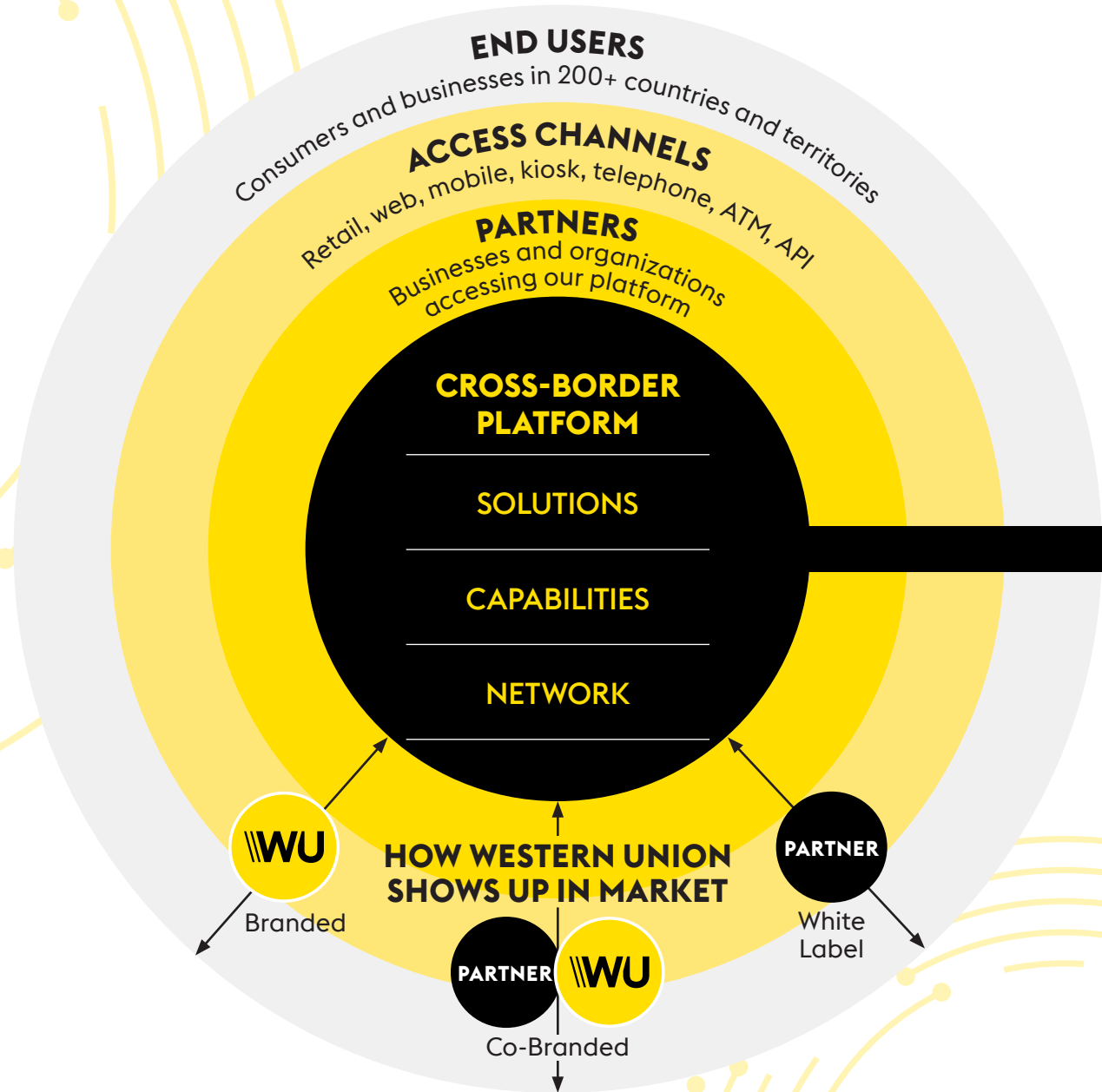






# Our Platform Model

Our global cross-border, cross-currency money movement platform moves funds in 130+ currencies in minutes across the globe and provides customers, businesses, and partners the money movement solutions they need.





# Offering Choice and Access to Our Global Customers



## 200+

services in 200+ countries and territories



## 130+

payout in 130+ currencies



## 75+

digital access via westernunion.com in 75+ countries and territories



## 120

account payout into billions of bank accounts and millions of digital wallets and cards in 120 countries



## 100

real-time account payout in 100 countries



## 550,000+

retail locations in urban, rural, and remote areas



## 90%+

global consumer brand awareness



## 38

customer service in 38 languages



## 80%

of westernunion.com transactions via mobile devices



## 1,000+

NGO customers



## 500+

financial institution customers



## 700+

university customers



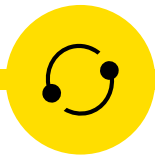
# Our Values

Our values speak to the role we play in connecting people around the world. Our stakeholders trust us to treat them with respect, to serve them fairly, and to connect them to opportunity. In connecting with us, they connect with our values.



## Globally Minded

We embrace different cultures: our customers' and our own. We encourage diverse thinking, challenge the status quo to improve and grow our business, and promote a culture of equity and inclusion.



## Purpose Driven

We fulfill our purpose by creating value for our consumers and businesses, connecting them through innovative products and services that facilitate global money movement.



## Trustworthy and Respectful

We trust in each other and know that the trust of our customers is vital. We earn this trust by striving to treat everyone with respect and dignity.



# Our Environmental, Social, and Governance Strategy

Western Union leverages the power of our global financial network to connect people to opportunity while building confidence and trust — in one another, in the global financial system, and in the future we are working to build together.

In 2020, we continued to align Western Union’s Environmental, Social, and Governance (ESG) strategy to our business and the transformative forces shaping the next decade and beyond. We assessed our material topics, evolving stakeholder expectations, and the effectiveness of our ESG disclosures and reporting efforts.

The output of this process is an ESG strategy that is closely aligned with our business strategy and positions the Company to meet current and emerging ESG topics. Guided by the strategy, it is our ambition to support progress and leadership on the multi-faceted challenges and opportunities faced by the world in the coming years.

## Materiality

To inform our ESG strategy and ensure prioritization of the ESG topics important to our stakeholders and our business, in 2020 we completed a refreshed assessment of our material ESG topics.

We considered the perspectives and expectations of stakeholders including investors, business partners, financial services peers, ESG ratings agencies and standard setters, company leadership, and members of our Corporate Governance, ESG, and Public Policy Board Committee. The process involved interviews with key internal and external stakeholders, stakeholder surveys, benchmarking, a landscape assessment, and research on megatrends.

## Key strategic topics

Through this process, we identified 21 ESG topics that we believe are important to the success of our business and to our stakeholders. While all of these topics will continue to be part of our ESG efforts, we found that three were of greatest importance to our business and stakeholders:

- Diversity, Equity, and Inclusion (DEI)
- Integrity of Global Money Movement
- Economic Prosperity (financial inclusion and globalization/migration)





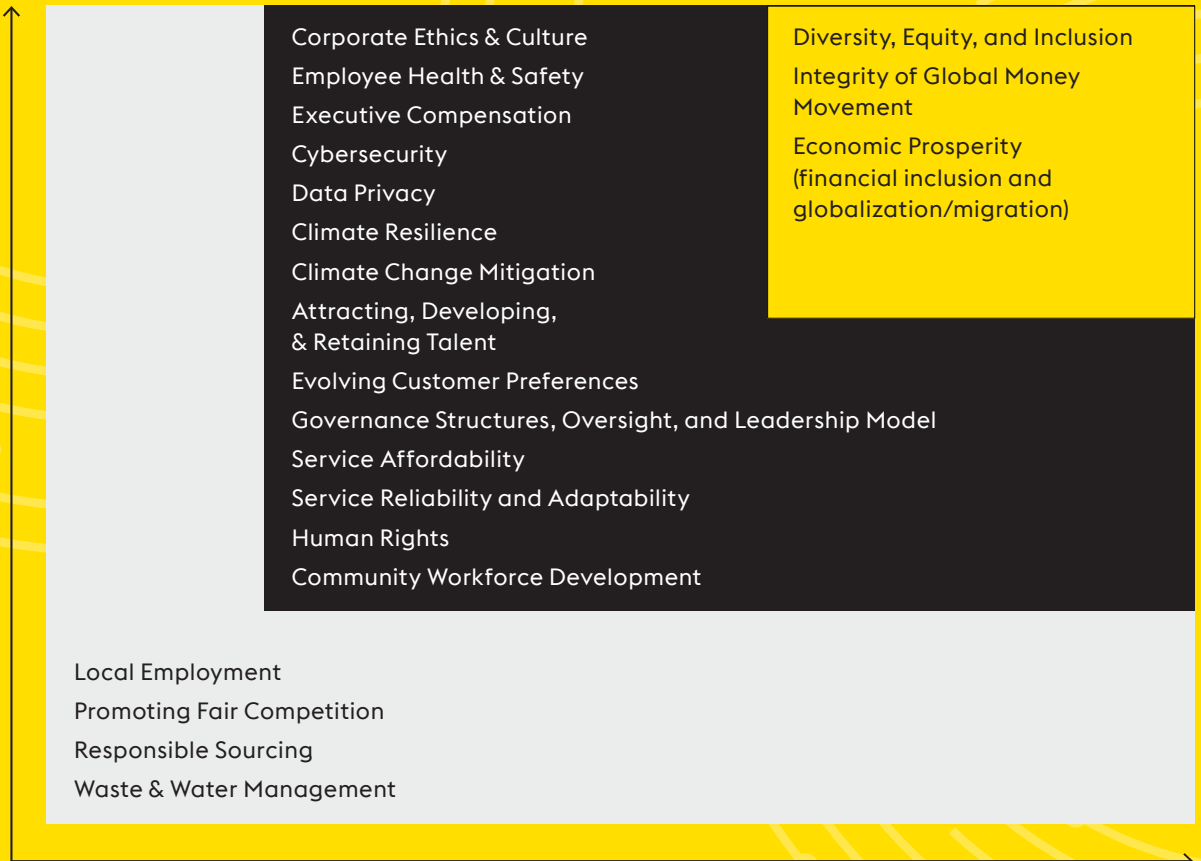
# Our Environmental, Social, and Governance Strategy

## WESTERN UNION'S MATERIALITY MATRIX

Our materiality matrix highlights 21 ESG topics identified through our refreshed materiality assessment as important to our business and stakeholders. While all of these topics will continue to be part of our ESG efforts, we identified three that were of greatest importance.

The assessment guides our ESG reporting and supports prioritization as we continue to advance our ESG initiatives and governance.

IMPORTANCE TO STAKEHOLDERS



IMPORTANCE TO WESTERN UNION



# Our Environmental, Social, and Governance Strategy

## Diversity, Equity, and Inclusion

As a global organization with employees born in more than 120 countries and territories and customers in more than 200, we recognize the important role we play in advancing DEI. This includes increasing representation of women and people of color within Western Union, ensuring that our products are inclusive and accessible for our customers, and leveraging the size and scale of our organization to advocate for societal change.

2020 highlighted many of the DEI issues that continue to challenge individuals and societies, from the COVID-19 pandemic's disparate impact on communities of color and women, to the evolving conversation around racial injustice.

For Western Union, advancing DEI starts with creating an inclusive work culture that champions our teams' unique backgrounds and perspectives while reflecting the global communities we serve. We are committed to ensuring that every employee feels a sense of belonging and is treated fairly.

To drive progress against this backdrop, our focus is on implementing inclusive hiring practices to bring more diverse candidates into our organization while creating a culture of inclusion and belonging to ensure they stay and grow with Western Union. We have set the following targets to measure our progress:

- Maintain gender pay equity globally and racial/ethnicity pay equity in the U.S.
- Increase gender diversity in leadership, achieving 40% women in senior management positions by 2025
- Increase racial and ethnic diversity among employees, including by reaching 25% Latinx and Black employees in the U.S. by 2025

## Integrity of Global Money Movement

Today's interdependent economies and consumer trust both depend on cross-border money movement that is safe, secure, and built on a foundation of integrity. As a leader in global money movement, we recognize that we can make significant contributions in this area. We are committed to enabling an effective, accountable, and transparent global financial infrastructure that protects individuals and empowers society to realize its full potential.

We play an integral role in preventing fraud and combating illicit financial flows. Our partnerships with law enforcement agencies, international and multilateral organizations, and nonprofit organizations help combat terrorism financing, disrupt drug trafficking, and intercept the movement of counterfeit goods.

Leveraging Western Union's expertise and global infrastructure, we help combat financial flows that support modern slavery and human trafficking. We are also committed to helping protect and preserve natural ecosystems by combating financial flows related to the illegal wildlife trade and green crime.

We work with customers, regulators, and partners to uphold the integrity of our financial infrastructure and mitigate the risks posed by financial crime everywhere we operate. To demonstrate our sustained commitment in this area, we have set goals to:

- By 2025, conduct more than 300,000 partner engagements, such as compliance program reviews or trainings, with Western Union partners globally to continue building capacity within the financial system to detect and prevent illicit activity
- By 2025, reach 300 million consumers and clients to promote fraud awareness and education



# Our Environmental, Social, and Governance Strategy

## Economic Prosperity

Over the course of our history, our growth has been intertwined with the economic prosperity of the communities and markets we serve. By facilitating the global flow of funds, we have enabled individuals around the world to pursue their ambitions across borders, and to share their success with their families and friends at home. By enabling businesses to operate and grow across borders and currencies, we help bring the world closer together in shared economic prosperity.

As we look to the future, we aim to play an ever-more critical role in driving economic prosperity throughout the world.

Our inclusive global financial network enables customers worldwide to access financial services digitally or in cash. We are committed to using our products and services, digital and retail access points, and partnerships to drive financial inclusion and resilience for individuals, businesses, and organizations — creating the long-term foundations for economic success.

We aim to leverage the power of Western Union to continue to enable economic prosperity across the communities we serve.

## Implementing our ESG strategy

We are proud to have many best practices and building blocks in place. To continue to advance our efforts, we anticipate further aligning our programs and initiatives to our ESG ambitions, and building our collaborations with partners in order to deepen our positive ESG impact. We will continue this work in 2021 and beyond.



*“Through our evolved ESG strategy, we have sought to understand risk and embrace opportunity when it comes to ESG at Western Union. By closely aligning our ESG priorities with our business strategy and the transformative forces shaping the next decade, we aim to drive long-term value for Western Union and our stakeholders.”*

Nicole Vogrin  
Chief Corporate Affairs and Communications Officer



# Aligning with the United Nations Sustainable Development Goals

## Supporting the Sustainable Development Goals

As a global business with a reach to nearly every country in the world, we have an important role to play in addressing global challenges. The United Nations Sustainable Development Goals (U.N. SDGs) provide a blueprint for achieving a more sustainable future.

While we aim to make a positive impact broadly across the 17 SDGs, we focus our impact on the six goals that align most closely with our three ESG focus areas, core strengths, and global impact.

### U.N. SDGs

### U.N. TARGETS

### WESTERN UNION ACTIONS



**Goal 1:** End poverty in all its forms everywhere

**1.4** By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership, and control over land and other forms of property, inheritance, natural resources, appropriate new technology, and financial services, including microfinance

- Facilitate remittances, which exceed any other form of capital flow into developing countries (excluding exports)<sup>1</sup>
- Offer an inclusive model enabling us to serve those with and without access to digital infrastructure and other financial services
- Engage in advocacy and support for migrants and refugees



**Goal 5:** Achieve gender equality and empower all women and girls

**5.5** Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life

- Advance initiatives to attract, develop, and retain women leaders, aiming for 40% women in senior management by 2025
- Continue company-wide training on sexual harassment prevention and unconscious bias
- Provide grants and scholarships that benefit women through the Western Union Foundation



**Goal 8:** Promote inclusive and sustainable economic growth, employment and decent work for all

**8.1** Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance, and financial services for all

**8.5** By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

**8.6** By 2020, substantially reduce the proportion of youth not in employment, education, or training

- Enable access to financial services for unbanked and underbanked
- Partner with financial institutions, postal services, and other partners around the world to enable access to financial services
- Maintain gender pay equity globally and racial/ethnicity pay equity in the U.S.
- Support job training for vulnerable youth through the Western Union Foundation
- Invest in globally diverse seed-stage companies in the payment tech space through the Western Union & Techstars Accelerator

1. World Bank and KNOMAD, Migration and Remittances Brief 33, October 2020





# Aligning with the United Nations Sustainable Development Goals

## U.N. SDGs

## U.N. TARGETS

## WESTERN UNION ACTIONS



**Goal 10:** Reduce inequality within and among countries

**10.7** Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies

**10.B** Encourage official development assistance and financial flows, including foreign direct investment, to states where the need is greatest, in particular least developed countries, African countries, small island developing States and landlocked developing countries, in accordance with their national plans and programs

**10.C** By 2030, reduce to less than 3% the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5%

- Engage on migration issues at a global, regional, and national level
- Facilitate remittances, which exceed any other form of capital flow into developing countries (excluding exports)
- Enable consumers and businesses to send and receive money and make payments to nearly every country in the world in 130+ currencies, across our global financial network, accessing billions of bank accounts, millions of digital wallets, cards, and more than half a million retail locations; globally, the average cost of sending money through Western Union in 2020 was approximately 4% of the amount sent



**Goal 16:** Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable, and inclusive institutions at all levels

**16.2** End abuse, exploitation, trafficking, and all forms of violence against and torture of children

**16.4** By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets, and combat all forms of organized crime

**16.5** Substantially reduce corruption and bribery in all their forms

- Continue to work to prevent fraud through education and sophisticated controls; prevented \$1.4 billion of fraudulent transactions in 2020
- Support improvements in the financial system’s capacity in detecting and preventing forms of corruption and illicit finance
- Continue efforts to combat illicit financial flows, including human and wildlife trafficking, terrorist financing, and drug trafficking
- Strictly prohibit and work against corrupt business practices



**Goal 17:** Strengthen the means of implementation and revitalize the global partnership for sustainable development

**17.3** Mobilize additional financial resources for developing countries from multiple sources

**17.16** Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology, and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries

- Facilitate remittances, which exceed any other form of capital flow into developing countries (excluding exports)
- Engage in public-private partnerships to combat illicit activity, including human trafficking
- Engage in public-private partnerships to support financial inclusion with the World Economic Forum and other organizations
- Enable financial flows in response to natural disasters and humanitarian crises



# Connecting People and Businesses to the Global Economy

We connect businesses, financial institutions, NGOs, governmental entities, and consumers around the world — leveraging our cross-border platform and leading global financial network to build bridges across economies, geographies, and cultures.



## IN THIS SECTION

- Financial Inclusion
- Innovation that Connects and Empowers
- Access and Affordability
- Support for Migrants and Refugees



For 170 years we have seen our role not just in terms of goals expressed on a balance sheet, but in the context of our larger contribution to society. Our services connect people looking to better their lives and the lives of their loved ones, and businesses looking for new partners, customers, and markets – enabling them to realize their ambitions.

Enabled NGOs to send

**\$2.5 billion+**

around the world

**~150 million**

customers and thousands of business clients globally

**17%** of Western Union customers have sent money for education, supporting a better life for their loved ones<sup>2</sup>

2. Western Union Consumer Tracking Surveys



*“We have proudly served citizens from all over the world for many years, forging connections between people and businesses, and expanding economic prosperity as we move money for better. This powerful economic force is a formidable asset to families, communities, and whole economies across nearly every corner of the globe. Our customers are heroes.”*

Rodrigo Garcia Estebarena  
General Manager, Mexico, Caribbean, and Central America



# Financial Inclusion

## Our Approach

We aim to provide a full range of money transfer and payment solutions to a broad spectrum of consumers. Where many of our peers focus primarily on digital transactions, we pair innovation in our fast-growing digital network with scale in our retail presence to serve customers in whatever way they prefer. This approach enables us to serve financially underserved communities that other financial institutions may not reach. Our more than 550,000 retail locations are located in many underserved communities and neighborhoods, and we extend our services through our growing digital business.

## Digital Inclusion

Digital inclusion is a key part of our strategy and a growth driver of our business. We continue to drive our digital expansion geographically and add more capabilities to serve our customers and enable them to connect to the digital economy.

Lockdowns and social distancing measures in 2020 prompted many customers to use our digital channels for the first time, driving a nearly 30% increase in the number of customers using westernunion.com last year. We saw more than 100% growth in the number of customers using our digital payout channels, meaning that more customers chose to send to a bank account, mobile wallet, or card in 2020.

Our platform's robust digital underpinnings and processes accommodated this remarkable increase in digital traffic, enabling us to serve our customers with creative digital solutions and help them send money to loved ones when they needed it most.

**The rapid acceleration of digital financial services can support financial inclusion, but risks exacerbating inequalities — leaving behind those without access to digital infrastructure such as broadband and mobile connectivity. Through our engagement with the World Economic Forum's EDISON Alliance, we support collaboration with government and industry in order to close the digital divide and accelerate digital inclusion.**

### OUR CUSTOMERS

**1,000+**

non-governmental organizations (NGOs) globally

**~150 million**

customers and thousands of business clients globally

**700+**

universities around the world

**500+**

financial institutions



# Financial Inclusion

## Bridging the Digital and Physical Worlds

While society is becoming more connected, a significant portion of the world’s population remains offline, and many people lack access to traditional financial services. Our inclusive approach allows us to reach and serve a broad range of consumers, including those in rural communities with limited digital infrastructure, people who encounter difficulties using digital services, those who have a preference for cash, and cross-border shoppers who lack internationally enabled credit cards. Our ability to transact in cash means we can also provide critical services to the approximately 1.7 billion adults worldwide<sup>3</sup> who, by choice or circumstance, are unbanked — people without an account through a financial services provider.

Despite the accelerated trend in digital payments, cash remains the main form of payment in many parts of the world, even among banked customers. In many African and Southeast Asian markets, for example, where branchless banking is broadly available and millions of mobile wallet transactions happen daily, many consumers still need to convert to cash before they can pay for everyday goods because the digital point-of-sale infrastructure is simply not in place.

To drive global inclusion — and avoid leaving some people on the sidelines — we strive to deliver for our customers on their needs today and into the future.



3. World Bank Global Findex Report 2017



# Financial Inclusion

## REMITTANCES: A CRITICAL BUILDING BLOCK FOR COVID-19 RELIEF AND RECOVERY

Remittances are one of the most powerful forces in global economic development today and, in many countries, represent a large portion of Gross Domestic Product (GDP). Apart from providing for basic needs, remittances serve as an engine for development by generating income and jobs, in some cases transforming economies and ultimately whole societies.

### Sustained Support

In January 2021, we commissioned a report with Oxford Economics: [The Remittance Effect: A Lifeline for Developing Economies Through the Pandemic and Into Recovery](#). According to the report, not only are remittance flows greater in magnitude than any other form of capital flow into developing countries (excluding exports), but they are also more sustained. When the COVID-19 pandemic first hit, the World Bank and others predicted dire declines in remittance flows to low- and middle-income countries. As time passed, however, the economic support via remittances proved resilient.

The report shows what we have witnessed repeatedly: crises make people more determined to provide support to the people they care about. When times get hard in developing economies, remittance-senders become frontline workers of economic security.

The money they send flows directly into the hands of loved ones back home, stimulating spending on housing and other essentials, boosting savings, improving creditworthiness, and supporting economic and financial stability.

### A Lifeline for Many

Remittance flows to developing economies have been indispensable, exceeding Official Development Assistance (ODA) by a factor of three. According to the World Bank, remittances proved resilient in 2020, reaching \$540 billion, just 1.6% below the 2019 total of \$548 billion. Remittances exceeded foreign direct investment flows by a wider margin in 2020 than 2019. Excluding China, remittance flows surpassed the sum of foreign direct investment and official development assistance.<sup>4</sup>

Given the magnitude, reliability, and cascading effect of remittances, they are sure to be a crucial building block in developing economies' relief and recovery efforts surrounding the COVID-19 pandemic.



4. World Bank and KNOMAD, Migration and Development Brief 34, May 2021



# Financial Inclusion

## Partnering for Our Customers

We have opened our platform so we can be a unique partner in global money movement, enabling financial institutions and organizations in telecom, e-commerce, and the technology sector to expand the services offered to their customers.

With a single partner we can connect thousands of customers to the global economy through our cross-border capabilities. To this end, we continued to serve customers globally through our white label and co-branded business in 2020. We advanced a number

of digital partnerships, including with Sberbank, the leading Russian retail bank, and stc pay, the digital payments service of Saudi Arabia's largest telecom.

Through our PayCode service partnership with Amazon, another partner, customers can make a purchase online at Amazon and then pay locally, in person, at Western Union agent locations — without having to use an internationally enabled credit or debit card. As of March 31, 2021, we were live with PayCode in more than 42,000 locations across 21 countries.

In an age when speed, reliability, and convenience mean everything, we are increasing the number of touchpoints where our customers can access our services and connect with their loved ones around the world. In 2020, we added more locations in key send markets, along with new payout options.

In China, we partnered with Ant Group, the parent company of China's leading digital payment platform Alipay, to enable Chinese users to receive global remittances directly in their bank accounts. We also expanded our partnerships with companies ranging from Walmart U.S., the world's largest retailer, to

## COLLABORATING TO EXPAND FINANCIAL INCLUSION

Our cross-border platform and strong brand provide the foundation for enabling access to additional financial products and services for the millions of consumers who already trust us to move their money — many of whom are underserved currently and in need of access to expanded financial services.

In 2020, we began offering select customers third-party financial products, integrated into our money transfer services. Our partnership with the insurance company AXA offered a subset of westernunion.com customers in France the option to sign up seamlessly for life and disability insurance when they transferred money.

Insurance products can provide a critical safety net for the families of our money transfer customers, given that remittances represent an average of 60% of total income for the roughly 800 million people globally who receive them.<sup>5</sup> These families and communities may be exposed to significant financial shocks if the person who sends them money loses earning capacity.

In 2021, we expanded the AXA product offering to nearly all westernunion.com customers in France. We have begun exploring additional opportunities to help underserved customers meet their long-term financial goals, provide peace of mind, and sustain the financial well-being of their loved ones.

*“AXA is committed to scaling inclusive insurance through a business with a social impact approach. We are excited by the prospect of leveraging Western Union’s extensive network and trusted brand to reach its global customer base, thereby bringing accessible, relevant, and affordable protection to those who need it the most.”*



Thomas Buberl  
Chief Executive Officer of AXA

5. International Fund for Agricultural Development (IFAD) Sending Money Home: Contributing to the SDGs one family at a time, 2017



# Financial Inclusion

Cebuana Lhuillier, the largest micro-financial services company in the Philippines, which is the world's fourth-largest remittance-receiving country. Our extended relationship with Kroger, America's largest grocery retailer, ensures access for Kroger's customers to our digital and retail services.

These partnerships underscore our belief in the value of global connectivity. For us, their promise is not just in the opportunity to enhance our value to our customers and shareholders but to learn and grow together as we continue to expand participation in the world's economy.

We are excited about the transformative power of these and other strategic relationships to unlock new ways to serve global customers through collaboration and innovation.



*"The bridging of digital and in person payment options drives financial inclusion, which can positively impact millions of consumers*

*and whole economies, especially in developing markets."*

Sohini Rajola  
Head of Network — APAC & Middle East

## Serving Small Businesses and Organizations

**Serving small businesses:** We are a trusted partner in helping small and medium enterprises (SMEs) unlock opportunities by enabling them to connect to the global economy and take part in the global exchange of goods and services. According to the World Bank, seven out of 10 jobs in emerging markets are created by SMEs with fewer than 250 employees.<sup>6</sup> Connecting businesses to the global marketplace can support business expansion, job creation, and economic prosperity.

Our online platform WU EDGE (Enterprise Digital Global Exchange) offers businesses the tools they need to transact with customers and suppliers worldwide. In 2020, the WU EDGE platform was live in 18 markets: Australia, Austria, Canada, Chile, Czech Republic, France, Germany, Hong Kong, Italy, Malta, New Zealand, Poland, Singapore, Spain, Switzerland, U.A.E., U.K., and U.S.

**Serving NGOs and their beneficiaries:** Every day, and particularly in times of crisis, NGOs must move resources to remote and sometimes challenging areas. Often, NGOs send funds not knowing when they will arrive, what the amount will be, and the cost in fees and charges. These uncertainties can limit NGOs' vital operations on the ground, as well as create challenges of accountability and transparency.

Our NGO GlobalPay gives NGOs better ways to manage and deliver funds where they are needed, making it easy to send payments globally in more

6. World Bank, [Small and Medium Enterprises Finance](#)

than 130 currencies. In 2020, NGO GlobalPay enabled more than 1,000 NGOs to send more than \$2.5 billion around the world to more than 200 countries and territories — moving money to fund global COVID-19 relief, and to aid relief workers.

In 2020, we worked closely with a leading humanitarian organization to enable it to disburse funds to beneficiaries spread across three continents, including many in countries affected by conflict. This disbursement solution proved particularly critical for beneficiaries, given the significant upheaval caused by the pandemic coupled with the challenging circumstances within the geographies which these payments needed to reach. Over the course of the year, Western Union paid out transactions totaling approximately \$35 million on behalf of this effort as it provided emergency assistance on the ground.

**Supporting international education:** With millions of international students in the world today, education payments are a segment of our payments division. We enable universities to offer these students a fast and easy way to pay their tuition and fees through WU GlobalPay for Students. Around the world, more than 700 educational institutions, including eight of the top 10 globally ranked universities, trust us to manage their international payments.





# Innovation that Connects and Empowers

At our core, we have always been bridge builders. In our earliest days, this meant creating a cross-continental telegraph system. In 2020, it meant more cloud-based applications, the further opening of our cross-border platform, leveraging the power of data analytics to introduce more tailored offerings to customers, and introducing high-impact services like doorstep delivery of money transfers in some countries. These innovations made it possible for customers in more than 200 countries and territories to send and receive funds from almost anywhere, even during the global pandemic.

## Our Approach

Our cross-border, cross-currency platform serves hundreds of millions of customers and clients, including nearly 150 million consumers in our Western Union-branded business, along with telecoms, banks, and financial institutions, as well as smaller fintech players. As part of our commitment to innovation, we have made key investments in technology across the business in areas that have provided direct benefit to global consumers in 2020.

## Current Initiatives

**Innovating for our customers amid COVID-19:** As COVID-19 upended lives and challenged governments, businesses, and communities; our customers provided critical support for loved ones across the globe, becoming the frontline workers of economic security. By quickly adapting to meet our customers' needs, we were able to do what we do best: build bridges between people and businesses, by moving money to and from nearly every corner of the earth.

As some of our agent locations closed temporarily, and customers faced movement restrictions as a result of COVID-19, we began piloting several innovative solutions to ensure that customers who were unaccustomed or unable to use digital transfers could still send and receive money. These included home delivery of money transfers in cash in select markets, including Colombia, Jordan, Nepal, and Sri Lanka. We also introduced a "digital location" concierge service in certain countries, which offered personalized phone or video support to help customers make digital money transfers from the comfort and safety of their homes.

### Digitizing the customer and agent experience:

Demand for our digital services increased following the onset of COVID-19. When the pandemic hit, we were ready with a proven digital platform for consumers and clients to transfer money quickly, conveniently, and reliably on their smartphone or computer.

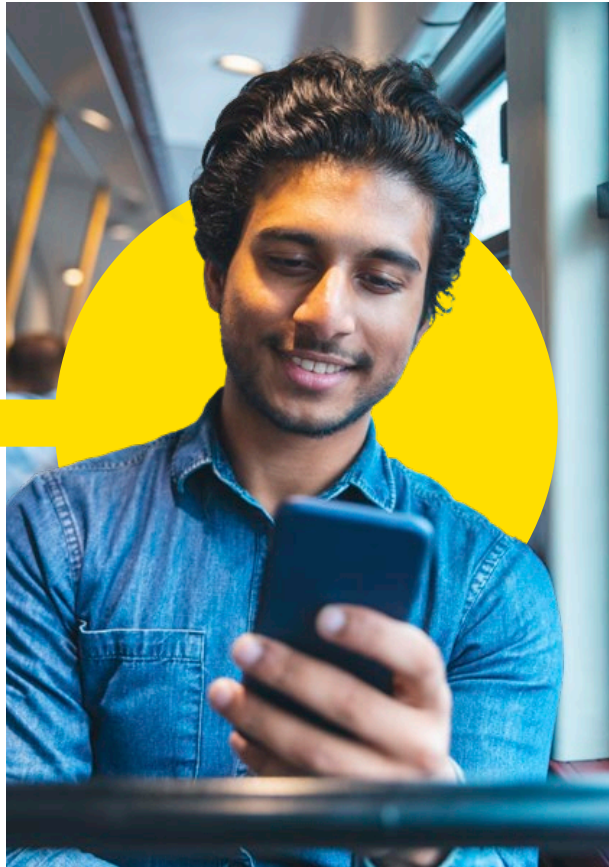
*"Through the use of automation, machine learning, and AI based modeling, we're focused on making continual improvements to the customer experience and the operations that deliver them. We know that globally, customers demand a frictionless experience, and we're advancing our predictive insights to enable a more curated and seamless experience."*

Ashutosh Shinde  
Software Engineering & Site Management Group Leader





# Innovation that Connects and Empowers



As we grew our digital business, we also continued to digitize and automate more of our agent experience, allowing for more streamlined interactions with customers. In 2020, we launched additional automations and Artificial Intelligence (AI) geared to proactively address common agent issues, providing a more seamless and frictionless experience for front-line associates and customers.

**Making it easy for customers to transfer money and pay by phone:** Our Interactive Voice Assistant (IVA) is a next-generation conversational voice assistant platform that enables customers to send money or pay bills through Western Union, using only their phone. This platform, currently available in the U.S. and Canada and supporting English, Spanish, and French, is a contactless way to send and receive critical money transfers for customers.

**Serving customers in real time:** Real-time payments can enhance financial inclusion and improve the efficiency of financial systems,<sup>7</sup> including for the underbanked. Our real-time capabilities accelerate cross-border money movement to eligible accounts, cards, and digital wallets — in minutes across multiple currencies. By the end of 2020, our customers could send funds in real time to bank accounts and wallets in 100 countries, including China, the European Union, India, Indonesia, the Philippines, and several countries in Africa.

We also offer real-time payments to India via the Unified Payments Interface (UPI), a system developed by the National Payments Corporation of India. It allows our customers globally to send money to bank accounts in India by using the receiver's UPI identification, instead of providing bank account and routing details.

Combining the latest in conversational AI with real-time understanding of our platform and network, our IVA helps customers seamlessly find information, quickly make changes to an existing transaction, and leverage more options to send money reliably.

7. [Economic Impact of Real-time Payments](#), Deloitte, July 2019



# Innovation that Connects and Empowers

## BACKING TOMORROW'S TECHSTARS

In 2021, we will enter the third year of our partnership with Techstars, the Techstars & Western Union Accelerator, a U.S.-based mentorship-driven accelerator program that invests in and works with innovative seed-stage companies in the payment tech space. Each year, Western Union and Techstars evaluate hundreds of entrepreneurs working on innovations including machine learning, AI, analytics, and payments technologies and ultimately select 10 companies for the three-month accelerator program. The selected companies receive capital investment, hands-on mentorship, and access to our senior leaders and experts and the Techstars worldwide network of founders, investors, mentors, and industry leaders.

Since its inception in 2019, hundreds of entrepreneurs from around the world have applied for the program. Selected companies are focusing on facial recognition, AI, automated credit building, and innovative financial services for underserved consumers.

The companies from our 2020 class are led by diverse founders from around the world including Egypt, the Gambia, Hong Kong, India, Indonesia, Israel, Nigeria, the Philippines, Singapore, South Africa, Spain, and the U.S.

In 2021, Western Union is executing a pilot rollout with Challenger Finance, a company from the 2019 inaugural cohort. This pilot will provide a "no-fee bank account" to a sample of our employee base, alongside a planned series of financial education tools to improve financial well-being as an employee benefit.



Companies in the 2020 Techstars & Western Union Accelerator are led by founders from many different countries, which reflects the global diversity of Western Union's base of employees, customers, and partners. A global lens is critical for innovation to shape the future of money movement.



# Access and Affordability

We know that for many of our customers, affordability is a key factor in moving money. As a company, we strive to balance that consideration with the costs and investments required to sustain the quality, flexibility, and security of our service.

## Access

Western Union’s network offers a broad blend of channels to serve the diverse payment preferences of customers worldwide. We are one of the few financial institutions that bridges the digital and physical worlds through a global platform that enables consumers and businesses to send and receive money and make payments to nearly every country in the world. Our flexible and varied model includes bank accounts, cards, mobile wallets, and cash – our customers have the freedom to choose the option that best suits them.

We are able to meet customer needs with solutions that are more capital intensive—for example, in geographies that require specialized capabilities due to heightened regulatory requirements and low availability of cash – without compromising security and quality. We have differentiated compliance capabilities that allow us to meet customer needs and operate within the law in places many others cannot.

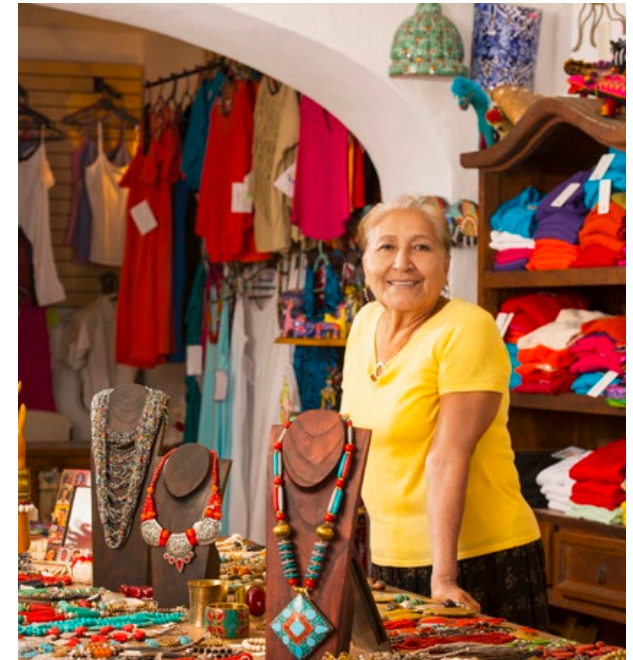
## Affordability

The costs associated with our services vary, as they reflect the value to the customer. Customer priorities shift depending on their specific money movement needs and the associated factors of access, convenience, speed, trust, and channel choice.

In many countries, we offer the ability to transact digitally or in cash on both the send and receive sides. Building and maintaining a protected and trusted network with this capability is a significant investment for Western Union. We also invest in strong safeguards and compliance measures to help protect our customers, partners, vulnerable groups, and the global financial system.

Costs associated with transactions in cash are different than costs related to transactions associated with accounts. A cash service, for example, carries greater overhead for agent oversight, compliance, and settlement processes.

When comparing prices, customers should take care to ensure that they are comparing similar services—price points may vary based on transaction speeds, funding and payout options, and other service variables. We provide customers with pricing estimation and other tools to promote transparency and to aide customer understanding. Our customers have access to a price estimation tool on our digital channels, and can also obtain estimates for fees and rates through our in-country call centers and retail locations.



While we are supportive of the goals that the U.N. and other multilateral organizations have around eradicating world poverty, it is important to consider that their associated cost targets for remittances are aspirational and developed from this lens. This “one size fits all” approach is not always aligned with customer needs or market realities.

Globally, the average cost of transferring money through Western Union in 2020 (including fee and foreign exchange) was approximately 4% of the amount being sent.



# Access and Affordability

## ENABLING HUMANITARIAN FLOWS TO LEBANON

In response to natural disasters and other humanitarian crises, we often set up a limited time “zero-fee” program for funds sent to the affected area. We also frequently match employee and agent donations to the Western Union Foundation for disaster relief – making contributions go even further. It is a coordinated effort that utilizes our expertise, reach, and relationships to help people when they need it most.

After enormous blasts shook the Lebanese capital of Beirut in August 2020, we announced one week of zero-fee transactions for customers who wished to send financial support to loved ones in Lebanon. In response, customers sent more than \$70 million through more than 80,000 zero-fee transactions.

These remittances helped our customers feel connected to their loved ones and serve as economic first responders during a terrible tragedy.

The Western Union Foundation, which provides aid and relief to those affected by humanitarian crises and natural disasters, supported relief and recovery services through International Medical Corps. The Foundation also opened an employee fundraising appeal, matching donations 2:1.

With support from the Foundation, International Medical Corps focused on meeting the health and protection needs of families affected by the blast, while addressing gaps in services that were already exacerbated by a series of ongoing crises including the refugee crisis, the COVID-19 pandemic, and the country’s political and economic difficulties.



Photo credit: International Medical Corps



*“We recognize the people of Lebanon for their spirit of resilience. Our zero-fee program was a small form of relief during this incredibly challenging time.”*

Jean Claude Farah  
President, Global Network



# Support for Migrants and Refugees

Together with the Western Union Foundation, we have a long history of supporting issues related to migrants and refugees, who are important parts of our customer base, our workforce, and our communities.

Our support is multifaceted and includes actively engaging on the issues at a global, regional, and national level; raising awareness; sharing stories; supporting organizations and programs focused on helping migrants and refugees; and funding research.



Hikmet Ersek, Western Union’s President and CEO, and a young refugee graduate of the Whitaker Peace & Development Initiative program at the Kiryandongo Refugee Settlement in Northern Uganda.

## Engaging on the Issues

In recent years, we have been actively engaged in issues related to migrants and refugees at the global, regional, and national levels through work with organizations including:

- [Business Roundtable](#)
- [Coalition for the American Dream](#)
- [American Immigration Council](#)
- [Congressional Hispanic Leadership Institute](#)
- [Federación de Guerrerenses en Illinois](#)
- [National Immigration Forum](#)
- [Scalabrini International Migration Network](#)
- [Welcoming America](#)
- [World Economic Forum](#)

## Raising Awareness

Our President and CEO, Hikmet Ersek, himself a migrant, uses his voice to raise awareness of critical issues related to migration in the media and in global forums. In 2020, Ersek received the Forging Connections Award from Upwardly Global in honor of his dedication to speaking out for the rights of migrants, refugees, and underrepresented populations worldwide.



We believe that, together with other companies, we can help reframe the public narrative on migrants and refugees as one of inclusion and opportunity. We aim to do this by sharing stories of the vital contributions migrants and refugees make to their communities, tackling negative stereotypes, and reinforcing the dignity of all people. We engage our global audience — our employees, our customers, and our 12+ million social media followers — on these issues.

## Supporting Organizations

The Western Union Foundation (the Foundation) supports numerous organizations around the world focused on migrants and refugees, including:

- **The International Rescue Committee (U.S. and Greece)** — supports refugees to integrate into their new countries and earn income. In Greece, the Foundation’s support provided relief and workforce training and supported advocacy to change public

*“At Western Union, we listen, learn from and collaborate with immigrant-led and immigrant-rights groups at the grassroots and national levels. Together, we help create welcoming and inclusive communities for immigrants and refugees around the world.”*

Mario Hernández  
Public Affairs Group Leader





# Support for Migrants and Refugees

perceptions of refugees and asylum seekers. In the U.S., support is focused on English as a Second Language tutoring programs and job readiness training.

- **Kiron Open Higher Education (Jordan and Lebanon)** — provides free, online and blended study programs to refugees and underserved communities, supporting greater access to education and job opportunities.
- **MIT Refugee Action Hub (Global)** — enables access to professional development, blended learning and academic support, and integrated employment pathways to match talented learners to thriving careers.
- **National Partnership for New Americans (U.S.)** — empowers migrant and refugee youth by developing leadership skills critical for integration and economic success.
- **Save the Children (Mexico)** — supports young migrants and asylum seekers with life skills, financial literacy trainings, and job linkages to strengthen their employability and provide a pathway to safe formal labor market careers.
- **Upwardly Global (U.S.)** — helps immigrant and refugee professionals rebuild their careers and advances their inclusion into the U.S. workforce.
- **Whitaker Peace & Development Initiative (WPDI) (Uganda and Mexico)** — works to promote peace, reconciliation, and social development in conflict-affected communities through skill-building programs

## Funding Research

In South America, the Foundation funded research carried out by the Center for Global Development and Refugees International to better understand the barriers migrants face in accessing formal labor markets across five countries. Last year, the first official reports were published, examining the Venezuelan migrant crisis in Colombia and Peru and providing recommendations for policy changes to facilitate integration for better economic inclusion. The research contributed to Colombia's announcement to grant temporary legal status to 1.7 million Venezuelan migrants over the next decade.

*“Most refugees living in low- and middle-income countries are legally barred from working, preventing them from creating a sustainable life for themselves and their families. With the help of the Western Union Foundation, we have been able to conduct research exposing the impacts of these barriers on refugees, and work with governments and donors around the world to overcome them.”*

Helen Dempster, Project Lead of the #LetThemWork Initiative at the Center for Global Development (CGD)



*“With the support of the Western Union Foundation, WPDI has helped improve the lives of thousands of young people affected*

*by violence and conflict in Sub-Saharan Africa and Mexico. Western Union's purpose to connect people and support economic empowerment for historically overlooked communities is naturally aligned with our mission at WPDI.”*

Forest Whitaker  
WPDI Founder



Photo Credit: MIT Refugee Action Hub



# Fostering an Inclusive Workplace

At Western Union, we encourage and embrace an inclusive workplace and culture, steeped in our core values:

- globally minded
- purpose driven
- trustworthy and respectful



## IN THIS SECTION

- ➔ Attracting, Engaging, and Retaining Employees
- ➔ Diversity, Equity, and Inclusion (DEI)

Veena Dandapani  
Head of Product Strategy and Management





We work to build and support a workforce that reflects the global diversity of the nearly 150 million customers we serve in more than 200 countries and territories around the world.

**GLOBAL EMPLOYEE BASE**

**120+**  
countries of birth

**76**  
nationalities

**49+**  
languages spoken



*“I’ve been with Western Union for 11 years, moving from our operating center in San José, Costa Rica to Vilnius, Lithuania. There are cultural differences between the two locations, of course, but our culture that respects and values global diversity remains the same.”*

Adrian Muller  
Global Sanctions Strategy Group Leader



# Attracting, Engaging, and Retaining Employees

Our diverse talent is our most valuable asset. We want to attract, engage, and retain the very best. To this end, we prioritize behaviors that matter, invest in our people, and build their capabilities to adapt, develop, and innovate.

To attract top talent, we invest in innovative programs and tools to identify qualified and diverse job candidates.

To engage and retain talent, we provide professional development opportunities and reward employees with competitive compensation and benefits.

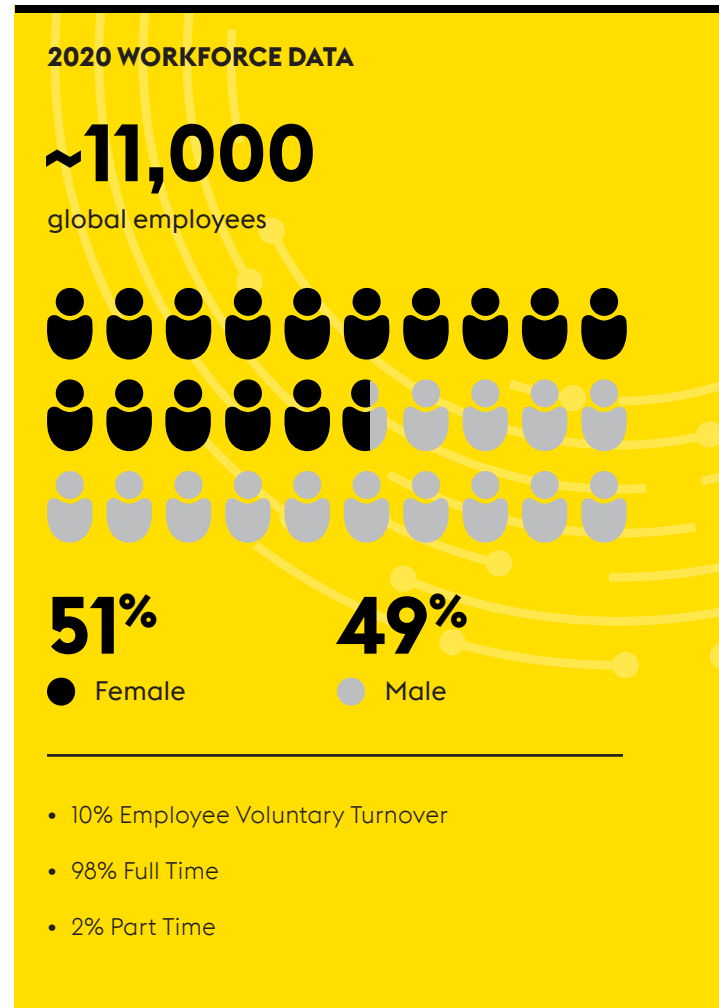
We want to foster a positive talent journey, where employees continue learning and developing with us as they contribute to the growth and success of Western Union.

## Our Approach

We have a clear talent philosophy at the heart of our approach:

- **Behavior matters.** Treating people with respect and dignity is just as important to us as our business results.
- **We value diversity, equity, and inclusion.** Diversity, equity, and inclusion (DEI) are core strengths at Western Union, and are embedded in our core values: globally minded, purpose-driven, and trustworthy and respectful.
- **Our talent is critical to our enterprise.** We expect our leaders and managers to create the conditions for innovation, actively develop employees to their full potential, and build our organizational capabilities.
- **We ensure a high-performance culture.** We believe in strong, sustained performance from all our people.

All leaders globally are expected to uphold this talent philosophy and use it to guide their management approach.



*“Now more than ever, we are focusing on living our values and truly fostering an inclusive workplace and a culture that attracts, develops, rewards, and retains the very best talent for Western Union.”*

Mark Bocianski  
Head of Talent and Learning



# Attracting, Engaging, and Retaining Employees

## Attracting Diverse Top Talent

In today's competitive talent market, attracting the talent we need is key to delivering on our goals. Our Board and senior management actively assess our new talent needs and evaluate the extent to which current employees have those critical skills. We also work with our existing employees to identify skill sets and develop capabilities to support our business strategy.

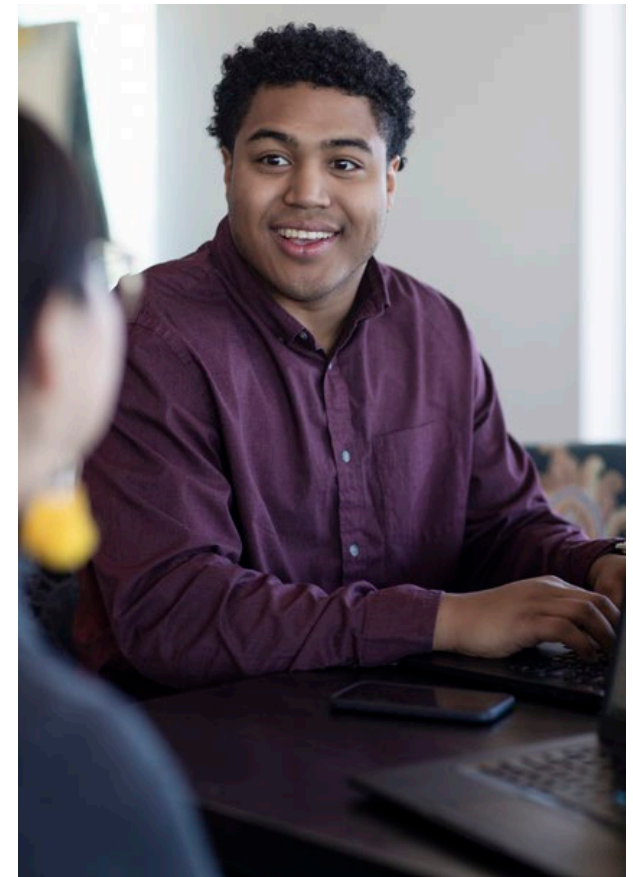
Our talent screening and recruitment practices focus on obtaining critical skills to drive our organization forward and recruiting diverse<sup>8</sup> candidates. This is an essential part of our commitment to fostering an inclusive, high-performing organization.

### Focusing on Diverse Hiring

In 2020, we focused on ensuring that our recruiting processes and practices generate diverse candidate slates; 78% of our candidate slates and 69% of interview panels globally were diverse last year.<sup>9</sup>

To further support these efforts, we:

- Identified Talent Acquisition Champions in Denver, U.S.; Manila, Philippines; Pune, India; San José, Costa Rica; and Vilnius, Lithuania to help drive and monitor our DEI performance and support Talent Acquisition DEI Program Leaders.
- Reviewed and refreshed all job advertisements to ensure they align to industry best practice through the inclusion of a DEI statement.
- Provided a four-hour unconscious bias training session for recruiters.
- Established targeted partnerships with universities and recruitment agencies to support early careers and further enhance our DEI agenda.
- Implemented a virtual internship program in our Denver headquarters focused on diverse groups.
- Expanded our candidate review process to focus more on skills and competencies than educational background, in line with our participation in the **Business Roundtable's Multiple Pathways Initiative**.



8. Western Union generally defines "diverse" or "diversity" as women, racially/ethnically diverse, and/or LGBTQ+

9. Diverse slates refer to hiring slates that present a mix of diverse candidates. Globally, gender is considered in assessing diversity. In the U.S., race is also considered



# Attracting, Engaging, and Retaining Employees

## Engaging with Our Employees

### WU Listening Strategy

It is important that our employees have the information they need and feel that their concerns are heard. Our WU Listening Strategy aims to foster greater communication and ensure that everyone feels informed and empowered.

**More frequent and dynamic engagement:** In 2019, we implemented WU Listens, an employee engagement tool and methodology. It replaced a lengthy yearly engagement survey with shorter monthly surveys. More frequent and dynamic engagement helps leaders, managers, and employees better understand how employees are feeling, what they value, and what they need. This has been particularly critical during the COVID-19 pandemic. We benchmark our engagement results against global peers to better understand our strengths and areas of opportunity.

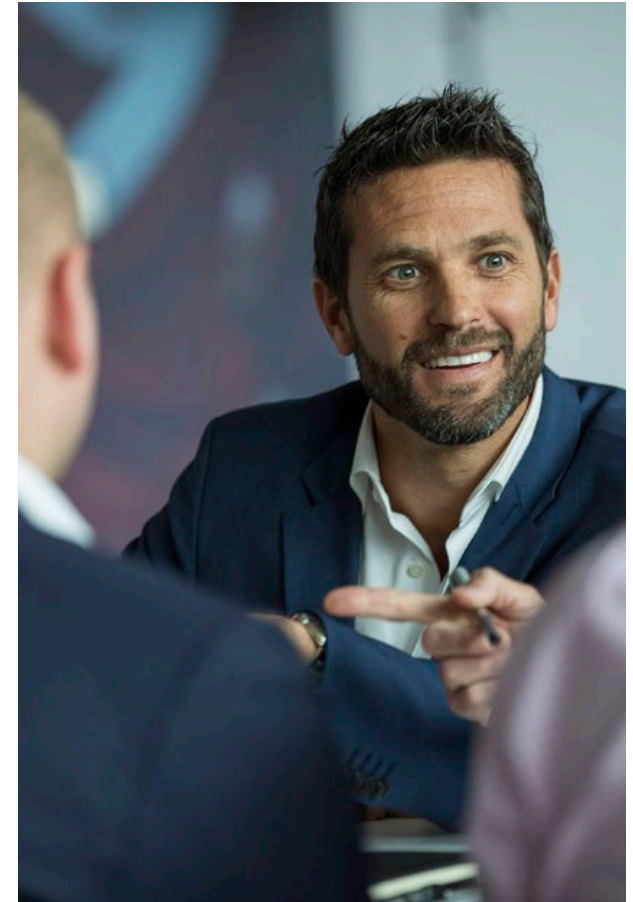
The tool uses Artificial Intelligence (AI) and machine-learning technology to enable us to conduct more frequent surveys, measure engagement and satisfaction, and learn more from our employees so we can respond to their feedback.

We saw improved engagement across the board through 2020 – particularly in areas of overall employee engagement, company direction, and leadership communication. In early 2021, we continued to see strong, sustained engagement.

In addition to regular questions about engagement, leadership, and communication, in 2020 we asked for employees' feedback about our COVID-19 response, DEI, as well as awareness of and comfort in using our [Ethics Helpline](#).

### Digitizing our Talent Management

In 2020, we continued to digitize the management of our employee lifecycle experience. This includes aligning our talent journey systems (recruiting, learning, analytics, succession, and talent review) to a single platform. Our aim is to streamline processes, integrate all talent data with real-time talent analytics dashboards, and enable leaders across the Company to have an up-to-date view of internal and external talent capabilities.



### EMPLOYEE ENGAGEMENT SCORES IMPROVED IN 2020

	High	Low	Year End
2020	<b>79</b> ↑	<b>69</b> ↑	<b>79</b> ↑
2019	<b>74</b>	<b>68</b>	<b>71</b>



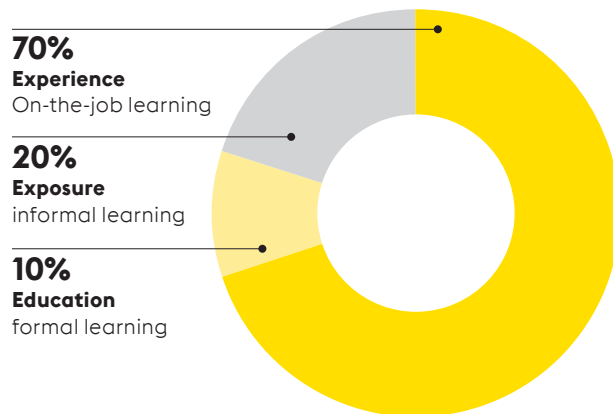
# Attracting, Engaging, and Retaining Employees

## Investing in Our People

### Leadership Development

To position our people for success and empowerment, we provide our employees with access to a variety of learning, including self-paced digital and facilitated formats. Employees also gain valuable experience through on-the-job learning, special assignments and projects, and coaching and mentoring. We use a variety of assessments to help employees identify and develop areas to both improve current performance as well as areas that prepare them for future opportunities.

### MODEL FOR LEARNING AND DEVELOPMENT



**Learning model — 70-20-10:** Our employee development philosophy centers around learning and empowerment. To this end, we use the 70-20-10 model for learning and development, illustrated below on the left, where employees learn new skills through 70% experience, 20% exposure and 10% education.

**WU Way Leader Model:** To empower our leaders to implement our talent philosophy in everyday practice, we developed the WU Way Leader Model. This model is anchored in our purpose and values and identifies the five leadership attributes we expect from our leaders to deliver a better customer experience and drive growth for Western Union: enterprise mindset, talent cultivator, lean and agile leadership, innovation enabler, and passion for customers.

The model includes three leadership training programs to support employees in different stages of development as leaders. Reflecting 2020’s remote work environment, we expanded our curriculum to include virtual training on collaboration and connecting across teams, digital capabilities, inclusion, and leadership.

**Learning tools and platforms:** Through our learning tools and platforms, including LinkedIn Learning and Workday Learning, we provide employees with access to the latest micro-learning tools — encouraging them to participate and learn more effectively. This year we expanded the availability of LinkedIn Learning to the majority of our employees across the globe. We also continued investments in Green Belt Lean training programs for employees and executive management.

Consistent with 2019, our employees participated in an average of 18 hours of training per employee in 2020, including instructor-led and self-directed learning.

**Ethics and compliance training:** Our commitment to a culture of ethics and compliance is reflected in the training we provide to our employees. In 2020, new employees were required to complete an average of four hours of training on ethics and compliance issues, including training on privacy, sexual harassment prevention, and unconscious bias. Existing employees received an average of five hours of required continuing education on ethics and compliance topics.



**18**

Average hours of training per employee in 2020<sup>10</sup>

10. Gartner’s benchmark for financial services companies shows that 71% of benchmarked companies report 10–25 hours of employee training



# Attracting, Engaging, and Retaining Employees

## RESPONDING TO EMPLOYEE NEEDS

As we evolved our workplace in response to the COVID-19 pandemic, we introduced multiple new benefits and employee development resources to support the mental and physical health and financial security of our employees. These include:



### Flexibility & Remote Work

- Work from home for the majority of employees, along with work-from-home tools and resources
- Defined flexibility model to support caregivers managing personal and work demands while working from home
- Resources on how to work remotely effectively, such as “Leading at a Distance” on our LinkedIn Learning platform, which was the most popular voluntary training among our employees in 2020
- Reimbursements to a majority of employees to help offset the cost of working remotely, including an internet subsidy and a one-time equipment support bonus



### Mental Health

- A dedicated Health & Wellness section on our intranet, providing resources for mental and physical health, working virtually, and personal development

- Online well-being webinars, stretch sessions, yoga classes, and access to an award-winning meditation and sleep application, which provides hundreds of guided meditations
- An Employee Assistance Program providing no-cost emotional and psychological support for all employees globally



### Medical

- Paid sick and family leave, with an additional two weeks of leave for employees affected by the virus
- Telehealth doctor visits in the U.S. and India
- Enhanced health insurance services in Italy, including recovery allowance and post-hospitalization assistance



### Caregiving Support

- Enhanced back-up and in-home child and elder care in certain countries
- A global tutoring benefit introduced for all employees in 2021 that supports families by providing their children (K-university) with 24/7 tutoring support for 200+ subjects

## Employee Compensation

We want to motivate, retain, and reward our employees for their contributions, and attract future talent to help our business succeed. To this end, we offer compensation packages designed to inspire exceptional performance and results in line with our business strategy, stockholder commitments, and company values. We strive to deliver progressive, meaningful compensation and benefits that support career growth and development, as well as work-life balance.

The Board and senior management have central oversight of our reward and compensation program. Our compensation framework aims to help us stay competitive in the labor market while also ensuring financially sustainable decision-making.

To guide our annual compensation health assessment, we examine and benchmark market data for countries where we operate and where there is available data. In 2020, benchmark data was available for approximately 85% of our jobs globally. Our assessment indicated that compensation was aligned to the external local market median.

We will continue to evolve total compensation to remain competitive in the marketplace and meet the changing needs of Western Union and our employees.



# Attracting, Engaging, and Retaining Employees

**Pay Equity:** Western Union has a longstanding commitment to fair and equitable compensation practices. We regularly review our compensation programs and practices to ensure they support pay equity.

In 2021, we conducted an overall pay equity assessment in partnership with an independent third party. This compares the compensation of women to men globally, and the compensation of racially or ethnically diverse colleagues to Caucasian/white colleagues in the U.S., controlling for role, level, and geography. This analysis is designed to support our commitment to equal pay for equal work.



*“We are committed to equal pay for equal work, and transparency with our employees and stakeholders regarding our pay equity profile.*

*By sharing details around pay equity at Western Union, we’re holding ourselves accountable to continued progress in this area.”*

Terry Lodes  
Head of Total Rewards and HR Technology

## OUR GLOBAL PAY EQUITY 2021

### Highlights

Taking into account role, level, and geography, the results of our 2021 review show that as of March 1, 2021:



Globally, women at Western Union earn more than 99 cents for every \$1 earned by men



In the U.S., colleagues who are racially or ethnically diverse earn more than 99 cents for every \$1 earned by Caucasian/white colleagues

### Our Commitment

We are committed to pay equity and to transparency with our employees and stakeholders. To this end:

- We measure and are committed to reporting our global pay equity annually, keeping us accountable for ongoing progress
- We continue to drive progress on pay equity by addressing any inconsistencies in pay, reflecting our commitment to a more diverse, equitable, and inclusive company
- We do not request or use historical compensation information to inform salary offers for new hires, instead relying on competitive local market data and internal equity assessments
- We review salary ranges at least annually, and post them for internal employees and managers to review at any time
- Pay is reviewed on an individual basis at least annually for all employees
- We offer employees multiple channels to raise pay equity concerns, such as our human resources team, Employee Relations, and our Ethics Helpline



# Attracting, Engaging, and Retaining Employees

**Employee Benefits:** Our benefit packages aim to support the health and well-being of our employees and their families, including domestic partners of any sex, in the majority of countries. We receive benchmarking information annually to help inform any changes or additions to our benefit programs. We provide employees in certain countries with a self-service benefits portal that gives them direct access to benefit information and services.

Benefit packages vary among countries based on laws, cultural norms, and market practices. However, the following benefits are generally available to all full-time Western Union employees:

- **Medical benefits**—Traditional medical/hospitalization plans or allowances to pay for medical expenses in all countries where it is market practice to do so
- **Risk insurance benefits (life, disability, and accidental death and dismemberment)**—Available in all countries either as traditional insurance policies or through an allowance
- **Global adoption assistance**—Reimbursement of up to \$10,000 per adoption for eligible expenses
- **Employee Assistance Program**—Program provides counseling, legal, and other professional services, available for all employees and their family members
- **WU Scholarship Program**—Scholarships available to the dependent children of employees around the globe to assist with tuition costs for post-secondary education

- **Global recognition and reward program**—Peer-to-peer and manager discretionary awards with points that can be redeemed for merchandise or events
- **Business travel assistance and insurance**
- **Leave**—Various forms of country-specific leave that may include sick, parental, caregiver, or military leave

We enhanced our leave plans in the U.S. and Canada:

**Parental leave:** Parental leave applies to all non-birthing parents, including adoptive parents, while pregnancy leave applies to all birthing parents. In the U.S., parental leave was lengthened from two to 10 weeks in 2020. In 2021, we enhanced pregnancy leave to eight weeks, so parents who give birth have a total of 18 weeks of paid leave at 100% of pay.

In Canada parental leave was extended to non-birthing parents. Pregnancy and parental leave provide 100% of pay (less statutory payments) for up to seven weeks for recovery for the birthing parent and six weeks for bonding for the non-birth parent.

**Flexible time off (FTO):** On January 1, 2021 we expanded a flexible time off (FTO) program for all non-exempt employees across the U.S. This allows unlimited paid time off, and empowers people to plan paid time off, while also meeting business needs.

Other benefits and discounts that are available to eligible employees in some offices, in line with market practices and laws, include:<sup>11</sup>

## Health and Well-being



- Vision insurance
- Dental insurance
- Mothers' rooms for nursing mothers, wellness rooms for personal health needs, quiet rooms for physical, spiritual, and religious needs
- Fitness centers on-site or special rates at off-site fitness centers

## Financial Well-being



- Legal assistance plans\*
- Tuition reimbursement\*\*\*
- Transportation subsidies
- Cafeterias and on-site cafes
- Retirement savings plans
- Student loan contribution plan\*

## Caregiving Support



- Subsidized back-up eldercare\*
- Subsidized back-up childcare\*\*
- Resources for parents caring for children with learning or behavioral challenges\*

11. \*U.S. only; \*\*U.S., Canada, U.K., Germany; \*\*\*U.S., Costa Rica, India





# Attracting, Engaging, and Retaining Employees



## Employee Health and Safety

We are committed to creating a safe and healthy workplace. Our Environmental, Health, and Safety Policy aims to protect the health and safety of our employees, customers, and visitors by conducting our business in a responsible manner.

We have implemented awareness campaigns, programs, and processes to achieve our goal by encouraging employee involvement as stakeholders in their own health and safety. We expect employees to report potential safety hazards and issues and invite them to stay involved in developing and implementing solutions.

## Human Capital Risk and Controls Self-Assessments

We have developed risk and controls self-assessments to identify and assess risks to achieving our goals. This process includes identifying key risk indicators across various business functions, which we monitor monthly.

For example, through this process, our human resources department has been monitoring our employee attrition rates for factors such as location, attrition within the first year of hire, and women in leadership. We track and report metrics and issues identified to our Executive Risk Committee and work to develop and implement cross-functional strategies to address issues.



Dave Thomas Foundation for Adoption

**BEST Adoption-Friendly Workplace™**

**In 2020, Western Union was again recognized as a “Best Adoption-Friendly Workplace” by The Dave Thomas Foundation for Adoption.**

**Globally, Western Union offers financial reimbursement and paid leave for employees who adopt a child or children under the age of 18.**



# Diversity, Equity, and Inclusion

We are committed to fostering a diverse and inclusive work environment. As a global company operating in more than 200 countries and territories, diversity is central to who we are and an important factor in driving innovation and performance. We actively prioritize building a diverse workforce that reflects our global customer base.

We want every employee to feel that they belong, are treated equitably, and have the same growth opportunities. Our commitment is to provide an inclusive work culture that champions our teams' unique backgrounds and perspectives while reflecting the global communities we serve.

## Our Approach

As an organization, we value diversity at all levels. We promote diversity in a number of ways, for example through our policies and practices in **hiring**, promotion, and compensation. We also encourage ethical decision-making via our **Code of Conduct** and ethics training program; offer diversity training programs, sponsorship, and mentoring initiatives; provide unconscious bias training; and support allyship, grassroots affinity groups, and belonging initiatives.

In 2020, we increased DEI efforts focused on a range of measures, including embracing work in a flexible environment and subsidizing childcare and eldercare to support our working caregivers. This is a continuation of a multi-year journey during which we have expanded the number of women in leadership, rolled out unconscious bias training across our entire global employee base, and implemented Company-wide sexual harassment prevention programs. We remain committed to transparency on **pay equity** and to ensuring equal opportunities are presented globally across the Company.



*“We’re building a strong foundation of what DEI means at Western Union. To do this well, we are driving true behavioral change across the organization. Everybody has to feel they’re accountable.”*

Shannon Fisher Armbrecht  
Head of People Strategy  
Diversity, Equity, and Inclusion Lead



# Diversity, Equity, and Inclusion



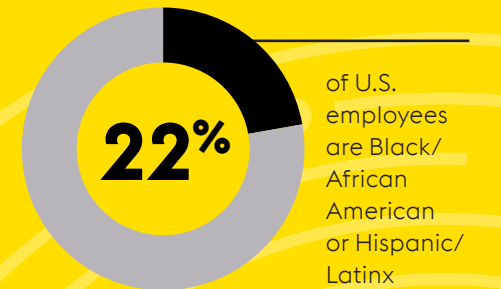
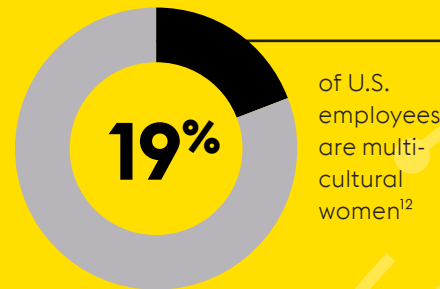
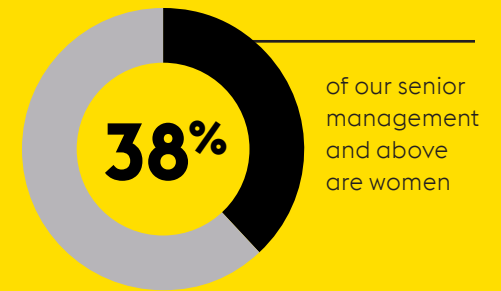
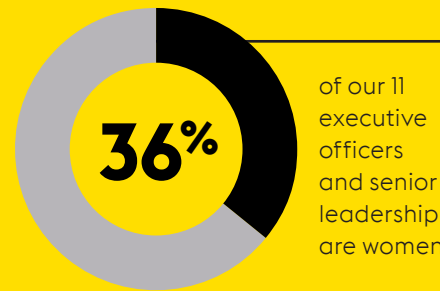
## OUR GLOBAL WORKFORCE PROVIDES A STRONG FOUNDATION FOR DIVERSITY

**120+**  
countries  
of birth

**49+**  
languages  
spoken

**76**  
nationalities

**10**  
countries of birth  
represented by the  
11 members of our  
executive officers and  
senior leadership



<sup>12</sup>. Women who self-identify as Black/African American, Hispanic/Latinx, Asian/Pacific Islander, American Indian/Alaskan Native, or as two or more races



# Diversity, Equity, and Inclusion

## DEI and the Board

Our Corporate Governance, ESG, and Public Policy Committee is responsible for recommending director nominees to our Board of Directors. In exercising its director nomination responsibilities, the committee considers diversity in gender, ethnicity, geography, background, and cultural viewpoints, among other factors. The make-up of the Board is guided by principles in our Corporate Governance Guidelines.

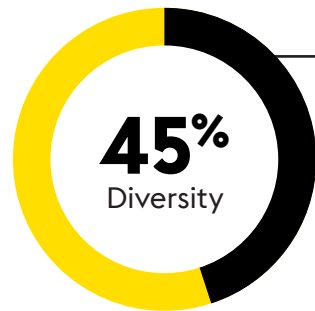
The Board regularly reviews the Company's practices related to diversity, equity, and inclusion. Specifically, the Compensation and Benefits Committee reviews and discusses with management the results of Western Union's organizational health, talent reviews, and engagement surveys to oversee and promote diversity, equity, and inclusion in the Company's workforce.

Our Board composition reflects our Company values. As of 2020, 45% of the 11 Board members were diverse, with three Directors who were female and three Directors who identify as Latinx, Asian, or LGBTQ+. For more information about our Directors' skills, qualifications, and characteristics, including Board diversity information, please see pages 12–13 of our [2021 Proxy Statement](#).

## Leadership Diversity

Women comprise 36% of our executive officers and senior leadership team. This 11-member group includes leaders born in 10 different countries who have wide-ranging global leadership experience.

## BOARD DIVERSITY BALANCE



- 3 Female
- 1 Latinx
- 1 Asian\*
- 1 LGBTQ+

\*Asian Female

In 2020, members of this team participated in an anti-racism workshop series focused on understanding personal experiences with race, which provided a series of experiential exercises and thought-provoking discussion. The aim was to help leaders learn how to navigate conversations about race and create a plan of action based on empathy and knowledge of racial injustice and its history in the U.S. Additionally, our CEO and other senior leaders met with Western Union's Black Advisory Council to understand challenges and create opportunities for empowerment among our Black employees and other diverse groups. To further support leading an inclusive workplace and our "listen, learn, act" approach, Western Union's senior leaders also participated in training on unconscious bias awareness.

*"DEI is an important focus for us as a global company with employees born in more than 120 countries. The impact of the pandemic and issues of racial injustice that came to the fore in 2020 reinforced our commitment to building a culture of inclusion – at Western Union and across the global communities we serve."*



Caroline Tsai  
Chief Legal Officer and Corporate Secretary

## Women in Leadership

In 2015, we set a goal to reach 40% women in director and above positions by 2020. We made progress towards this goal, moving from 31% in 2015 to 34% in 2018 and 35% in 2019. However, during the COVID-19 pandemic our numbers declined, reaching 33% director level and above by the end of 2020.

We know that across the world, the pandemic impacted men and women differently. Recognizing this, we expanded our benefits designed to support working caregivers, enabled flexible schedules, and introduced additional benefits related to mental health and well-being (see page 36 for details). We also introduced norms and expectations designed to



# Diversity, Equity, and Inclusion

reduce burnout, such as encouraging meeting-free Fridays. Yet like many companies, we experienced attrition of women during the pandemic, as women — particularly women in leadership roles — left or considered leaving the workforce at higher rates than men.<sup>13</sup>

We remain committed to expanding women in leadership. We aim to reach 40% women in senior management and above by 2025, and will continue to develop our practices and programs to drive this important aspect of our DEI focus.<sup>14</sup>

## Building a Culture of Inclusion

We have employee engagement and culture teams in select offices worldwide. While each site varies somewhat in its approach, these “Empower” teams are supported by on-site business leaders to focus on the “culture of the customer,” DEI, community, the environment, and other issues that are meaningful to employees in those locations.

In addition, in 2020, we launched a Black Advisory Council and an LGBTQ@WU Global Committee alongside our existing Women@WU group. Throughout the year, these three employee resource groups worked to foster diversity, equity, and inclusion across Western Union. To further build our culture of inclusion, connect our teams, and support each other, we also created mentorship, allyship, and sponsorship programs.



**In January 2021, Western Union was listed for the second year as one of 380 companies included in the 2021 Bloomberg Gender-Equality Index (GEI), which recognizes transparency and high performance on issues related to gender equality.**

13. *Women in the Workplace*, McKinsey and LeanIn.org, 2020

14. In 2020 Western Union introduced a progressive approach to job titles and leveling, which entailed collapsing all senior manager and above positions from multiple management levels into two leadership levels. Our 2025 goal is therefore focused on senior management and executive management.



# Diversity, Equity, and Inclusion



## Black Advisory Council

The Black Advisory Council partners with leadership, employees, resource groups, and organizations focused on driving meaningful change for racial equality, equity, and inclusion inside and outside of Western Union. The Council supports and advises our talent strategy and goals to hire and retain more diverse talent. The group also engages with Black and other diverse employees to foster inclusivity and belonging, while providing learning and development opportunities to the wider employee community about Black culture. In addition, the Council supports communities and investment in students from Black and other diverse groups through targeted scholarship and minority owned business programs.

2019–2020 accomplishments include:

- Developed a new scholarship program, Project Finish Line, to support Black, indigenous, and people of color (BIPOC) students in their junior and senior years of college, removing financial barriers that may otherwise prevent them from completing their degree program
- Supported local Black women-owned businesses through grants in collaboration with the Western Union Foundation and SistahBiz
- Bridged the gap for families in predominantly Black communities affected by the pandemic by providing household essentials, food, and holiday gifts through a partnership with the

Urban Leadership Foundation of Colorado and the Denver Nuggets

- Expanded partnerships with job boards, search firms, and networks focusing on diverse groups to support diverse candidate slates

- Added two new paid holidays for U.S. employees, including a day of service holiday on Martin Luther King Jr. Day and observation of Juneteenth

### SPEAKING UP ON ISSUES OF RACE AND UNCONSCIOUS BIAS



In the spring of 2020, a senior leader at Western Union included the lyrics to a well-known slave spiritual that is also used by an English sports team in a weekend send-off message

to colleagues. As an African American woman working at a company that prides itself on DEI, I was caught off guard, perplexed, and genuinely torn about what to do.

I spoke up. Together, we developed a plan to raise awareness that would go well beyond self-paced diversity training. We held a podcast shortly after the incident, and had an open and honest conversation about the situation with employees. The podcast provided a channel for authentic public dialogue about race and unconscious bias and provided important context, knowledge, and understanding.

The reality is that events and circumstances like this take place in workplaces every day. When no one speaks up, it can go unacknowledged, unnoticed, and sometimes even denied.

When an opportunity to speak up presents itself, it's important to overcome your fears and summon the courage to act—it isn't easy, but it is necessary to foster greater understanding, compassion, and growth. We have more work to do, but I am proud to work for a company that listens, learns, and empowers its employees and leaders to drive change in the workplace.

Kanika Wilkerson  
Global Internal Communications  
Founder, Black Advisory Council



# Diversity, Equity, and Inclusion



## LGBTQ@WU

In 2020, employees laid the groundwork for an employee resource group for LGBTQ+ employees and allies in 2021. To help amplify awareness and support of our LGBTQ+ employees and the global community, we led several activities around the globe.

With top leadership involvement and support, we celebrated 2020 Pride Month with events globally, including Denver (Western Union HQ), and our Talent Centers in Argentina, Costa Rica, Lithuania, Philippines, and Singapore. We also sponsored the Virtual Pride Parade in Denver.

We held a global virtual chat with Jan Siegmund, a member of our Board of Directors and one of the Financial Times' top ten 2017 OUTstanding Leading LGBT+ Executives. Mr. Siegmund, a former ADP executive who founded ADP's LGBTQ+ employee resource group, shared his views on building an inclusive workplace and empowering LGBTQ+ groups and their allies.

We also developed online inclusion spaces for LGBTQ+ employees and employees who would like to support DEI efforts through allyship, sponsorship, and mentorship.



## Women@WU

Key Women@WU initiatives included continuing the Women@WU Circles across Western Union. The Circles provide a forum for women to network, learn, and support each other in an inclusive environment, and to develop personally and professionally. We also launched the Women@WU Speaker Series.

Several programs were held in India focusing on Women@WU, including an experiential development program designed exclusively for aspiring women leaders, and Outstanding YOU, a program to drive excellence for women colleagues.

## Measuring Impact

We started measuring employee perceptions of Western Union as an inclusive workplace in 2020. We created a DEI index to measure how employees feel about diverse hiring, their comfort with being themselves, top leaders' commitment to diversity, and inclusive leadership.

At the end of 2020, our DEI index assessed by employees was at 80 points, meaning that employees felt very positive about DEI at Western Union. It has been one of the essential factors driving employee engagement. Going forward we will be updating our DEI index on a quarterly basis.

*“As a truly global brand and corporation with a diverse and multi-cultural stakeholder base, we are on an exciting journey to build a culture of inclusive innovation. We believe this is critical for our Company’s transformation, organizational health and, ultimately, our performance.”*



Hikmet Ersek, President and CEO

## Looking Forward

DEI remains at the core of who we are. Looking ahead, we will continue to work to advance equity for all, building on our culture of belonging to ensure employees feel empowered and respected, regardless of geographical location, position, language, gender identity, ethnicity, sexual orientation, religion, disability, or social status. Globally, we are committed to continuing to build our culture of inclusion and belonging, and advancing diversity among our employee base and leadership.



# Moving Money with Integrity

At Western Union, we are committed to enabling an effective, accountable, and transparent global financial infrastructure that protects individuals and empowers society to realize its full potential.

## IN THIS SECTION

- Protecting Customers
- Combating Illicit Activity
- Preventing Corruption
- Going Beyond Compliance: Sustaining a Culture of Integrity
- Focusing on Cybersecurity, Data Privacy, and Protection





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Our unique cross-border platform and network facilitates swift and reliable money movement enabling people, businesses, governments, and communities around the world to connect and thrive.

To this end, everywhere we operate we work with customers, regulators, and partners to mitigate the risks posed by financial crime and build the integrity of our financial infrastructure. Guided by our culture of integrity and commitment to protecting consumers and their data, we accomplish this by leveraging our leading compliance capabilities, global licensing experience, and inclusive cross-border platform.

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**\$1.4 billion**  
of fraudulent transactions  
prevented in 2020

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**~2,300**  
human trafficking investigations  
conducted since 2013



*“We are proud of our culture of integrity and the capabilities we have developed in support of our commitment to doing business responsibly. Changes in our business, the risk environment, and regulatory expectations, however, require that we continue to evolve and advance our efforts to maintain the trust of our customers and other stakeholders.”*

Tyler Hand  
Chief Compliance Officer



# Protecting Customers

## Protecting Against Fraud

We are passionate about protecting our customers and clients against fraud.

Our Global Consumer Anti-Fraud Program aims to protect customers and clients from becoming victims of fraud, and to prevent criminals from using our services to further their fraudulent schemes. Examples of the types of fraud we tackle include purchase scams, romance scams, and advanced fee scams.

Our fraud prevention program is designed to protect our customers, agents, and partners through a number of sophisticated fraud controls. These include a courtesy callback program; consumer fraud hotlines; partnerships with law enforcement and consumer advocacy organizations; consumer awareness and education initiatives; and extensive agent training programs.

### Helping Partners Prevent Fraud

We train our agents and business clients on fraud-detection techniques and fraudster tactics and educate them on preventative responses across retail and digital platforms. We maintain a Global Agent Compliance Program manual outlining our agents' anti-fraud responsibilities, and give our agents fraud kits, newsletters, fraud alerts, and access to our online Agent Resource Center. We also provide education to our business clients through webinars, newsletter updates, and access to research white papers.

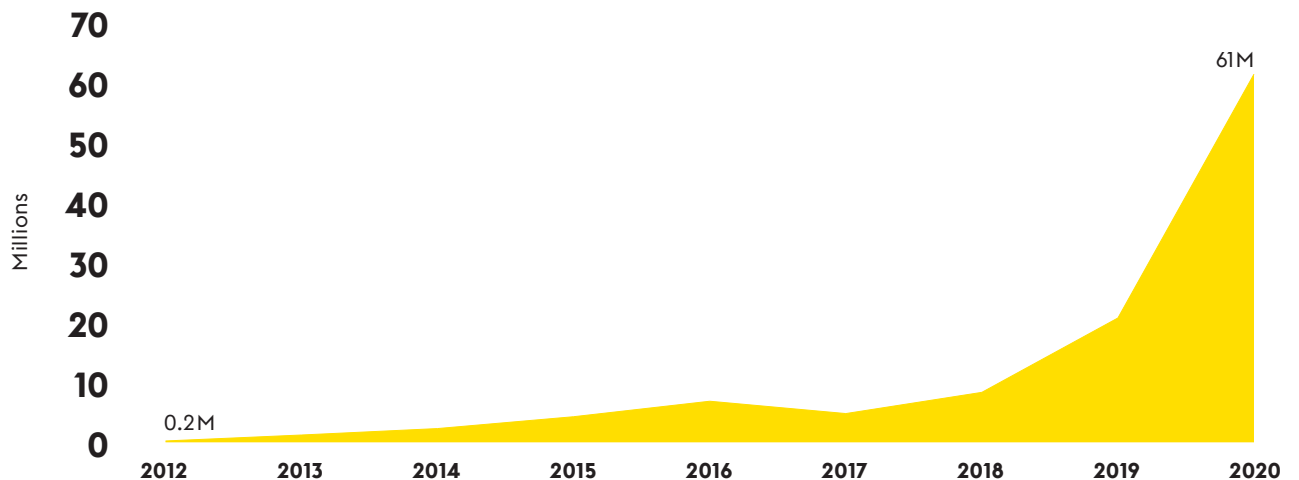
### Educating Customers about Fraud

We work to educate the public about the various types of consumer fraud and how consumers can protect themselves. We warn consumers about modern fraud schemes through online, social media, and point-of-sale educational materials. For example, during the COVID-19 pandemic, we posted educational information and notifications on pandemic-related fraud on social media channels such as Facebook and Twitter. In 2020, our anti-fraud messages reached more than 60 million consumers,

almost triple that of 2019. By 2025, we aim to reach 300 million consumers and clients to promote fraud awareness and education.

We also maintain an online and telephone fraud hotline for customers to report fraud claims. We investigate every claim we receive. When the money has not been picked up by the receiver, we stop the fraud and refund customers in full — principal and transfer fee.

## CONSUMER FRAUD AWARENESS TOUCHES\*



\*Consumer Fraud Awareness Touches include: Internet Banner Ads, Social Media Reach (Facebook, Twitter, YouTube, Community Management), Outreach Attendees, and wu.com/fraudawareness Visits, etc. A "Consumer Touch" = a consumer clicking into our online content or receiving physical fraud awareness materials at an industry event



# Protecting Customers

## Showing Results

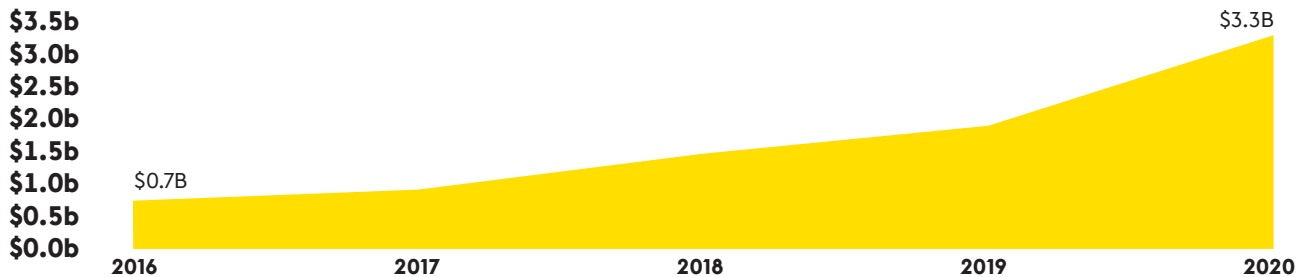
Data suggest a growing rate of fraudulent activity across the financial industry, with the emergence of COVID-19-related scams in particular. In contrast, our fraud levels are trending downward. We believe this success is a direct result of our focus on enhancing our compliance capabilities and the corresponding investments we have made in personnel and new technology.

Our efforts have been successful: In 2010, the amount of fraud in our system was approximately equal to \$90 million, with an additional \$90 million prevented. In 2019, less than \$25 million in fraudulent transactions flowed through our system, and we prevented more than \$1.1 billion of fraudulent transactions. In 2020, we prevented \$1.4 billion and the amount of fraud in our system was \$19.7 million, which was the lowest annual dollar-value payout reported as fraud since we began tracking consumer fraud claims in 2005.

**We have received awards and letters of appreciation recognizing our fraud prevention program, including the Best Fraud Prevention Platform award at the 2020 FinTech Breakthrough Awards.**

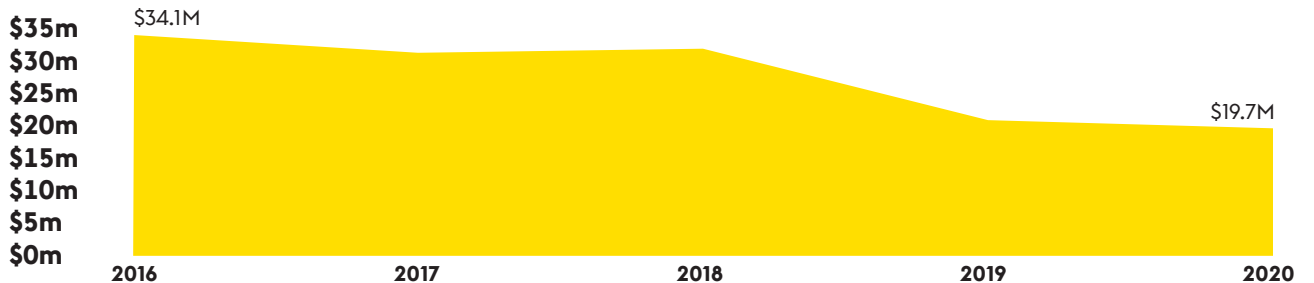


## INDUSTRY CONSUMER FRAUD LOSSES



Consumer Sentinel Network Data Book 2019-2020

## WESTERN UNION GLOBAL CONSUMER FRAUD LOSS



## Supporting Fair Competition

We believe strong and fair competition benefits customers. To this end, we strive to compete in a way that does not harm competition or compromise our values and policies, or violate either our **Code of Conduct** or the law. Our Legal, Compliance & Enterprise Risk Group provides guidance when we encounter potential or perceived antitrust or competition issues.

Because antitrust and fair competition laws and regulations can be complex and vary by country, we leverage our antitrust policy, proactive trainings, and engagement with the business and other stakeholders to ensure we comply with relevant laws and regulations.



# Combating Illicit Activity

Our business is based on trust. We prioritize and support compliance with the law because we believe it is the right thing to do, and because we want to strengthen the world’s financial system to create a trusted environment in which individuals and businesses can transact with confidence.

It is in our interest to keep our services out of the hands of those who would use them to do harm, and we are committed to that effort.

Each partner engagement — such as engagement with our agents on compliance topics — is an opportunity to build capacity within the financial system to detect and prevent illicit activities. As part of our work in this area, we have set a goal to conduct more than 300,000 partner engagements — such as compliance program reviews or trainings — with Western Union partners globally.

## PARTNERING FOR INTEGRITY

We are committed to stopping illicit activity through the use of our own systems and information. Moreover, we know our efforts are amplified when combined with those of other organizations that share the same goals. Collaboration and cooperation with external partners, including the sharing of techniques, strategies, and intelligence, helps us combat threats posed by international criminal organizations and extremist networks. Our Financial Intelligence Unit (FIU) works with external partners, such as law enforcement, other government agencies, and non-governmental and private organizations across the world, to address these risks.

In 2020, our FIU engaged with the Europol Financial Intelligence Public Private Partnership (EFIPPP) in the first transnational intelligence-sharing mechanism for anti-money laundering and counter-terrorist financing. The EFIPPP brings together 27 international financial institutions and representatives from law enforcement and financial intelligence units from 17 countries. The aim is to drive the exchange of information between law enforcement authorities, financial intelligence units, and regulated financial services entities.

Our FIU participated in the exchange of strategic intelligence and case studies to fight against cross-border organized crime and terrorism by building a common intelligence picture and shared understanding of threats and risks.

Our FIU also collaborated with the U.S. Department of Justice — Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT) — on numerous outreach events and investigations to support FIU’s law enforcement capacity-building efforts. OPDAT was created to respond to the growing threat of transnational criminal organizations and works with partners to strengthen and implement capabilities to investigate and prosecute complex crimes.

For example, our FIU participated in OPDAT’s Pan American seminar series to combat money laundering and terrorist financing in the Western Hemisphere. Through the seminar, we provided insights to prosecutors and judges from 13 Latin American countries on our work with partners to identify, disrupt, and dismantle transnational criminal organizations and individuals conducting illicit activities involving businesses and financial institutions throughout Latin America.



# Combating Illicit Activity

## Countering Terrorist Financing

We take seriously our role in the fight against terrorist financing. We screen our transactions against government lists of terrorists and monitor our systems for indicators that transactions may involve support for terrorists, terrorist organizations, or their activities. We collaborate directly with governments and law enforcement to address terrorist financing activities. We also educate our employees and business partners to help them recognize and report behavior that may be indicative of terrorism financing. In 2020, our FIU continued to focus on traditional terrorist financing threats while expanding law enforcement engagement, intelligence collection, and internal training on racially motivated violent extremism.

## Disrupting Drug Trafficking

We work with the U.S. Drug Enforcement Administration, U.S. Homeland Security Investigations (HSI), and similar law enforcement agencies in other countries to target and disrupt drug trafficking and narco-terrorist organizations. We deploy both tactical and strategic efforts to identify and report potential drug trafficking and money laundering activity and prevent individuals involved in this activity from using our products and services.

## Combating Counterfeit Goods

We work to disrupt financial flows related to counterfeit goods by working closely with private industry and law enforcement partners. We are developing measures to identify and stop transactions involving counterfeit pharmaceuticals and other goods. In 2020, our FIU leveraged direct partnerships with a global sportswear company's brand protection team and HSI, along with our own analytical work, to assist HSI in intercepting illicit goods from China and to support their efforts against China-based manufacturers of counterfeit goods.

## Battling Illegal Wildlife Trade

We are committed to doing our part to combat illegal wildlife trade (IWT). This is a global issue involving the movement of animals and plants, their parts, and products. Recent estimates place the annual value of this black market as high as \$23 billion.

We are a founding member of the United for Wildlife Financial Taskforce, an international coalition of financial institutions created in 2018 to fight against IWT and other wildlife crime. The Taskforce collaborates with the global financial sector to better understand the challenges associated with disrupting IWT financial flows. In 2020, our FIU partnered with the Taskforce to evaluate potentially illicit financial flows associated with over 700 IWT "Bad Actors" and identify intersections between IWT and other criminal typologies.



## Tackling Green Crime

Another way we strive to prevent illicit financial flows while building capacity to safeguard our environment is through our efforts around green crime.

Green crime includes illegal logging, fishing and mining, pollution crimes, and wildlife crimes. It is a global industry estimated to be worth anywhere from \$91 billion to more than \$250 billion annually.<sup>15</sup> Green crime affects supply chains and threatens global security. INTERPOL and Europol recognize the links between green crime and organized crime, and the European Union (EU) has included environmental crime as a predicate offense in the latest EU anti-money laundering directive.

Building greater awareness of the dangers green crime poses and the power of public-private partnerships to fight it is critical. To advance this work,

15. U.N. Environment Program 2016



# Combating Illicit Activity

in January 2020, Western Union's Chief Legal Officer, Caroline Tsai, presented on green crime as part of the World Economic Forum's Annual Meeting in Davos. We believe further collaboration with other stakeholders is key to tackling green crime globally.

## Preventing Modern Slavery and Human Trafficking

We take a multi-faceted approach to preventing our services from being used to facilitate illicit money movement associated with modern slavery and human trafficking. This includes utilizing a highly developed set of controls to monitor transactions; educating our agents, employees, and partners about human trafficking and other forms of modern slavery; and partnering with external organizations.

### Joining Forces to Prevent Human Trafficking

**Organizations and associations:** In 2020, our Anti-Human Trafficking Initiative continued its work to bring awareness to human trafficking issues through collaborations with many partners. These partners include the Association of Certified Anti-Money Laundering Specialists; nonprofits such as Stop the Traffik and Child Rescue Coalition; the National Centers for Missing and Exploited Children (NCMEC); and International Centre for Missing & Exploited Children (ICMEC).



Denver colleagues show their support for #WearBlueDay, an initiative of the Blue Campaign on National Human Trafficking Day in the U.S.

Our work with NCMEC and ICMEC includes serving on the steering committee of the Financial Coalition Against Child Sexual Exploitation. This initiative works to disrupt the economics of entities that seek to profit from the sexual exploitation of children.

In 2020, we announced a new, industry-first collaboration with the Child Rescue Coalition (CRC). This nonprofit's mission is to rescue children from sexual abuse by building technology for law enforcement to track, arrest, and prosecute child predators. We became the first financial institution in the world leveraging CRC input to enhance our efforts and assist us as we work with law enforcement and other partners to help thwart and prosecute those who perpetrate this horrific crime.

We are also one of the original partners of the U.S. Department of Homeland Security's Blue Campaign, a national public awareness movement aimed at combating human trafficking.

**Law enforcement:** Our FIU continues to partner with law enforcement and non-profits to better target and disrupt human trafficking financial flows. Our FIU has conducted approximately 2,300 human trafficking investigations since 2013, resulting in hundreds of arrests and the rescue of hundreds of victims. For instance, the team has worked on the Joint Money Laundering Intelligence Taskforce (JMLIT), on investigations tackling child sexual abuse and exploitation. Led by the U.K.'s National Crime Agency, the JMLIT is a forum through which law enforcement and financial institutions share tactical information.

**Agents:** In addition to general human trafficking awareness training, Western Union also provides targeted training for certain agent locations. In Colombia, for example, we deployed targeted training for agent locations as part of a partnership with a local anti-human trafficking NGO and cumulative analysis that examined geographies that may be higher risk for human trafficking.



# Preventing Corruption

We know our customers, shareholders, and business partners expect us to do business the right way, avoiding corrupt business practices that undermine public trust, hamper growth, and ultimately raise the cost of doing business.

## Prohibited Conduct

Our policies strictly prohibit any activity that would violate applicable anti-corruption laws, including government bribery, commercial bribery, and facilitation payments. We strive to comply with both the letter and the spirit of anti-corruption laws and avoid activities that could create the appearance of impropriety. We also require our agents and other business partners to practice the same zero tolerance toward corruption in any form, whether on our behalf or in connection with our shared business activity.

## Training and Communication

All employees receive anti-corruption training as part of their annual compliance training. We also deliver targeted instructor-led training to employees who serve in management positions, perform key gatekeeper roles, or are involved in functions that may encounter identified corruption risk areas. Our training reinforces the requirements of our anti-corruption compliance program and empowers employees to identify and prevent corruption. In addition, we deliver anti-corruption training annually to our Board of Directors.

## Reporting Violations

All employees, agents, and business partners are required to report activity that may violate our policies on bribery and corruption. Multiple reporting channels are available, including the Anti-Corruption Office, the Ethics Office, and the Ethics Helpline.





# Going Beyond Compliance: Sustaining a Culture of Integrity

At Western Union, compliance is more than a department or a team; it is a way of doing business. We believe it is an important part of being a responsible company and upholding and promoting a culture of integrity that transcends our business requirements. These actions protect Western Union, our customers, business partners, and communities.

## Constant Commitment

We are committed to complying with the law and using the right combination of people and technology to protect our customers and partners, keep illicit activity out of our network, and conduct our business with integrity. To achieve this commitment, we design and maintain programs to ensure we adhere to a wide range of laws and regulatory requirements, and continue to make significant compliance-related investments in people, processes, and technology, including state-of-the-art systems, predictive analytics, machine learning, and artificial intelligence. We demonstrate our ongoing commitment through the transactions we process and the partnerships we form.

## Innovation to Identify and Prevent Illicit Activity

As a result of these investments, we have developed sophisticated technology to identify and combat illicit activity. In addition to controls similar to those that banks use, we have more than 40 compliance-related patents or pending patent applications. For example, our patented Real Time Risk Assessment engine makes decisions and takes action in milliseconds, such as identifying prohibited parties and stopping potential fraud for review before a customer becomes a victim.







# Going Beyond Compliance: Sustaining a Culture of Integrity

## Implementing a Risk-based Approach

Our comprehensive global policies and procedures establish a framework for our compliance program, based on international standards created by organizations such as the Financial Action Task Force (FATF). In line with legal and regulatory requirements, our approach is risk-based. We conduct an annual Compliance Enterprise Risk Assessment to assess current or emerging risks and the effectiveness of our controls across our business lines, geographies, products, customers, partners, and agents.

This customized program allows us to serve unbanked and underbanked customers in countries with a higher risk profile, for example, and to move money for NGOs operating in conflict zones, while maintaining high compliance standards.

## Training and Education

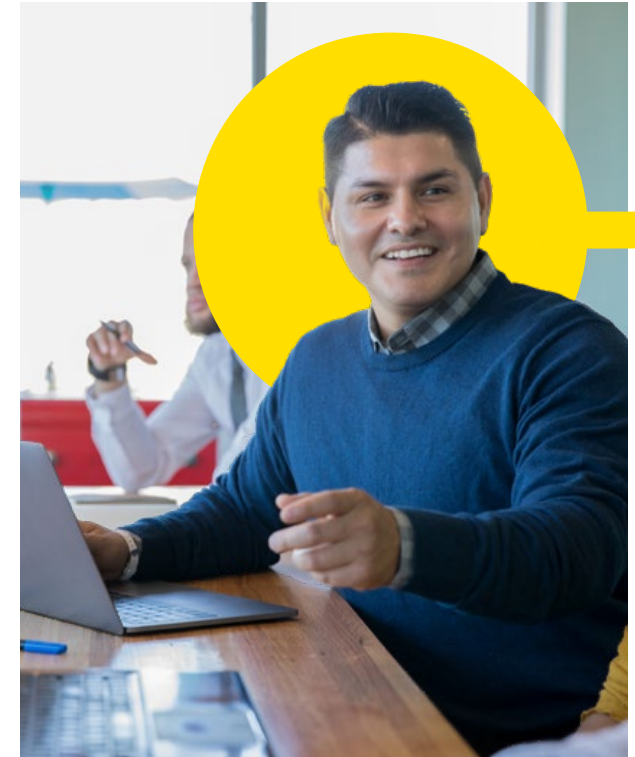
Training our employees and agents is a key component of our compliance program. We provide training on global and local compliance issues to employees and agents in person and online.

We require our employees to complete training at least annually, covering anti-money laundering, fraud prevention, anti-corruption, sanctions, and other areas. Ongoing, targeted training also provides topic-specific education based on factors such as geography or employee job function.

All new agents identify a compliance officer who must complete compliance program training, including AML, Combating the Financing of Terrorism (CFT), sanctions, and fraud trainings, before providing our services to consumers. Annually, agents must train employees across their network on our compliance program.

## Industry Best Practices

In addition to requiring compliance training for our employees and agents, we provide in-person annual compliance training to our Board of Directors. We also link compliance goals to executive and employee compensation. This includes authorization to claw back executive annual incentive payments due to compliance failures under our enhanced 2020 clawback policy. Additional details about our clawback policy can be found on page 70, and details on the criteria used to set executive compensation can be found in Western Union's Annual Proxy Statement.





# Going Beyond Compliance: Sustaining a Culture of Integrity

## Rigorous Due Diligence and Verification

We know it is important to do business with the right people for the right reasons. We are committed to complying with applicable economic and trade sanctions designed to support national and international security, policy, and human rights interests. We implement rigorous due diligence procedures to vet our agents and other business partners, and take seriously our obligations to implement Know Your Customer (KYC) requirements. Under these processes, we collect and verify identifying information to make sure we know with whom we are conducting business. This information helps us identify sanctioned parties and others with whom we are prohibited from doing business, and also allows us to identify risk indicators and prevent transactions when necessary. Our due diligence and KYC programs, moreover, are informed by ongoing information-gathering efforts, through which new information may come to light.

## Screening and Monitoring Transactions

Our systems are designed to detect potentially suspicious activity, block prohibited users and illicit activity, and suspend transactions for customer follow-up. We monitor transactions handled through our platform, including screening transactions and data associated with our customers, clients, partners, and agents, against a range of government sanctions and other internal and external watch lists. We do

this to identify prohibited parties and potentially illicit activity, and may freeze or reject funds and transactions where required. Our transaction

screening takes place while the money is moving and allows for the real-time collection of data to efficiently separate false positives from true matches.

### Managing Complexity

Our compliance program is designed to manage complexity:

#### Geographies

We operate across more than 200 countries and territories, and transactions between specific countries and cities pose varying risks. We manage each nuanced transaction risk across thousands of geographic connections.

For example, we might treat a transaction from Madrid to Marrakesh differently than one from Barcelona to Casablanca. While they are both Spain to Morocco, the risks of transactions between these locales may differ depending on a variety of factors, including the specific cities involved, the amount of the transfer, and the type of product.

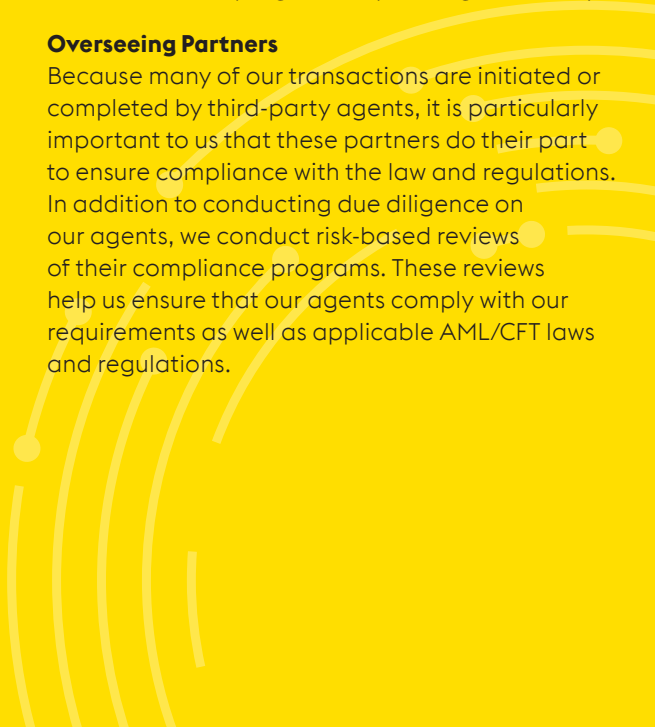
#### Regulation and Reviews

Over the past five years, we have had more than 700 exams, audits, and third-party reviews across 200 countries and territories. We regularly meet with regulators and banks from around the world, thoroughly reviewing our programs. Additionally,

our internal audit department conducts over 60 reviews a year to evaluate various aspects of our compliance program. These evaluations help us confirm that our program is operating effectively.

#### Overseeing Partners

Because many of our transactions are initiated or completed by third-party agents, it is particularly important to us that these partners do their part to ensure compliance with the law and regulations. In addition to conducting due diligence on our agents, we conduct risk-based reviews of their compliance programs. These reviews help us ensure that our agents comply with our requirements as well as applicable AML/CFT laws and regulations.





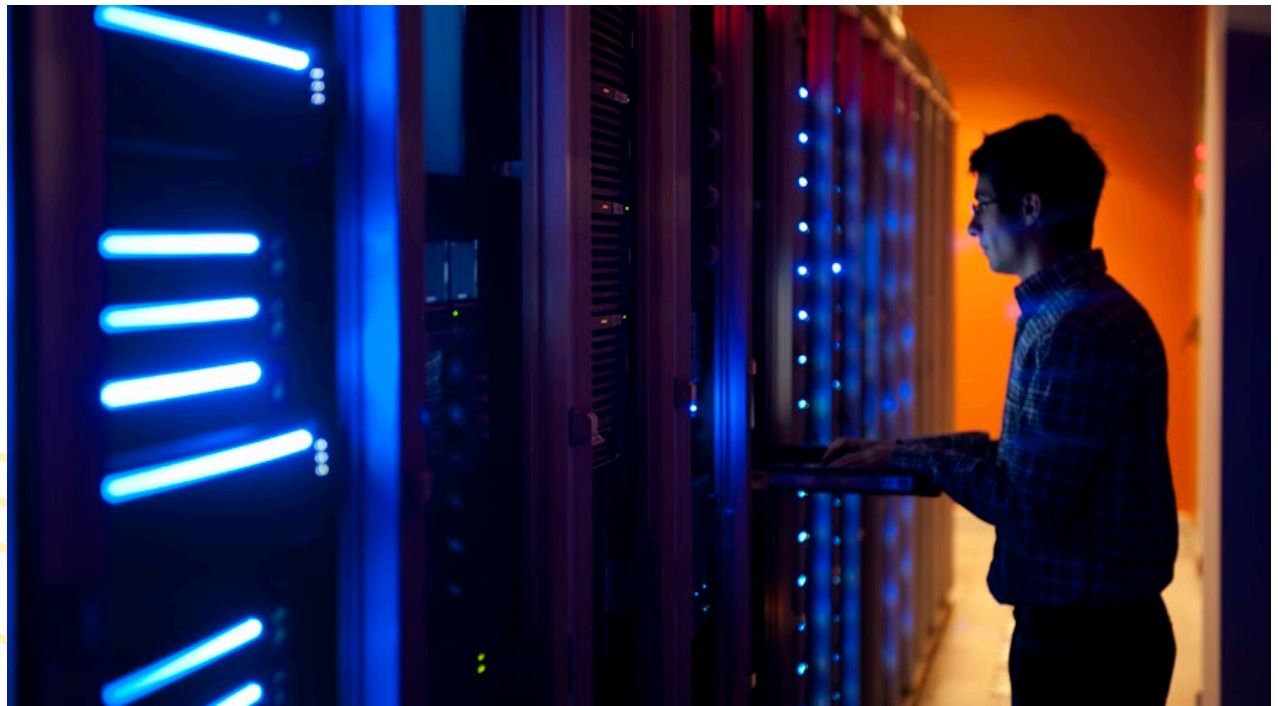
# Focusing on Cybersecurity, Data Privacy, and Protection

Our consumers, agents, employees, and partners trust us to take care of their personal data. We are committed to maintaining this trust, and we provide annual training to our employees on cybersecurity and privacy issues to educate them and ensure their continued commitment. We also take seriously our ethical, legal, and regulatory obligations regarding cybersecurity and data privacy, and continuously review and improve our programs in these areas.

## Our Approach

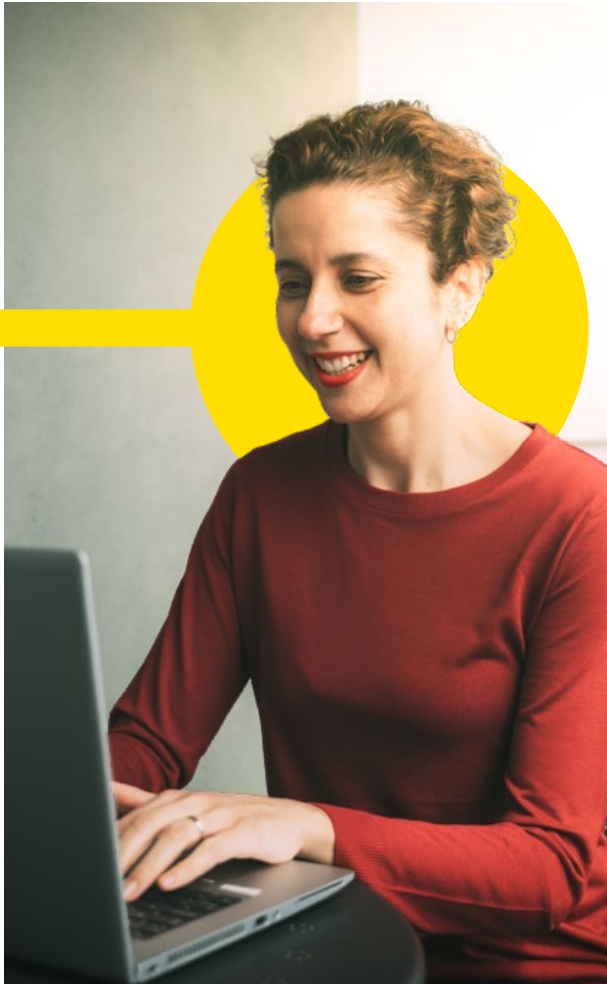
The Board, primarily through the Audit Committee and with assistance from its other committees, oversees our risk management practices, including those related to data privacy and cybersecurity. Risk escalation is performed via two committees: the Executive Risk Committee, made up of executive leaders from all business functions, and a subcommittee, the Information Security and Privacy Governance Committee.

The Information Security and Privacy Governance Committee is charged with oversight, advisory, and decision-making responsibilities regarding information security and privacy risk. By combining security and data privacy within one subcommittee, we reflect their interconnected relationship and enable our security and data privacy teams to work more closely together on protecting consumer and client data.





# Focusing on Cybersecurity, Data Privacy, and Protection



## Mitigating Cybersecurity Risks

### Anticipating and Responding

We aim to anticipate and respond to existing and emerging threats and new laws, regulations, and technological advances to protect our customers' personal data and comply with our legal and regulatory obligations. We mitigate potential cybersecurity risk through access control, training and awareness, policies and procedures, and protective technology. Our cybersecurity program leverages a defense-in-depth strategy to proactively identify and remediate threats.

### Regular Reporting

Our Chief Information Security Officer oversees our Global Information Security program and provides quarterly updates to the Audit Committee. In the event that we experience a cyber incident, we are prepared with a formalized incident response program designed to quickly detect, respond to, and recover from the incident.

## Annual Training

Our employees play an important role in identifying and raising cybersecurity issues. We provide them with mandatory annual cybersecurity training, and conduct periodic attack simulations and other tests of our defenses. These simulation exercises involve our executive leadership team to prepare our leaders and teams for various scenarios.

Our cybersecurity team continually assesses its program against the National Institute of Standards and Technology framework. Based on those results, the team reports regularly to the Audit Committee and the Board on its progress.



# Focusing on Cybersecurity, Data Privacy, and Protection

## Managing Data Privacy and Protection

### Building on Our Global Privacy Program

We have an established Global Privacy Program, modeled largely on the requirements of Europe’s General Data Protection Regulation. The Program’s policies and an internal controls framework are intended to appropriately address and meet regulated requirements, while also handling information in a responsible and secure manner.

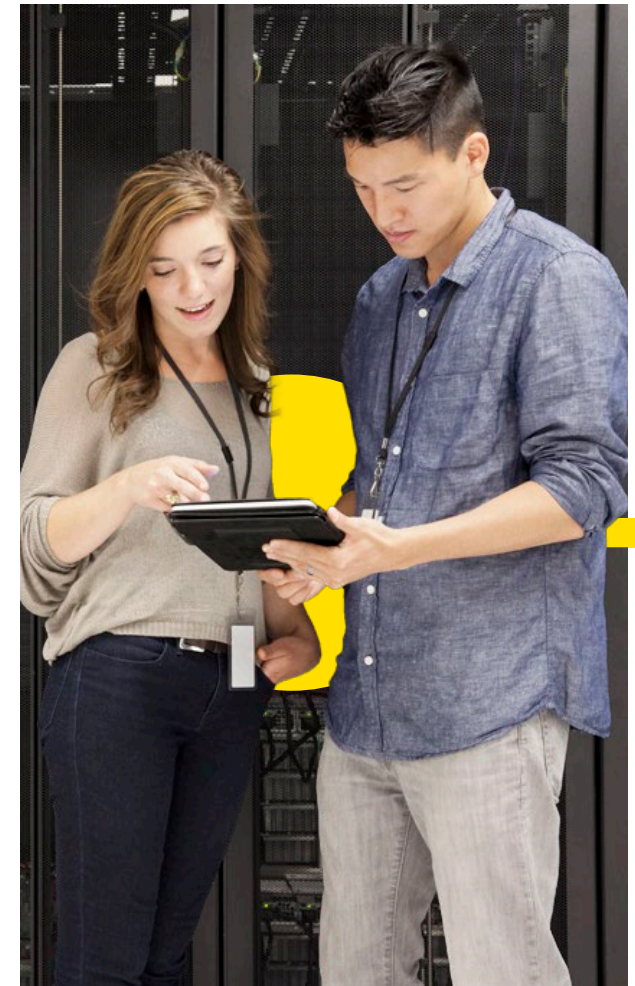
We manage our responsibilities through a global privacy and information governance department. This team focuses on:

- Doing the right thing with our customers’ and employees’ personal data
- Building trust with stakeholders
- Helping the Company incorporate “privacy by design” by implementing tools and processes to anticipate and mitigate privacy risks during the development of new initiatives and programs
- Enabling the business to comply with both internal and external privacy mandates

### Going Above and Beyond for Our Customers

We strive to go above and beyond our own immediate data privacy and protection obligations to keep the financial system and our customers safe. Privacy is increasingly about customer choice; customers not only expect companies to protect their data and use that data appropriately, but also to adequately safeguard it.

Our Global Privacy Statement provides our customers with user-friendly explanations of how we collect, share, use, and protect their information. For example, under the Statement, our customers have the ability to access, delete, and correct their personal information—regardless of whether these rights are legally required. Individuals may exercise their rights through a secure portal available via our public-facing websites or by contacting us. We are proud to be able to communicate with many individuals in their native languages about their privacy rights and individual rights requests. To further support our commitment to our customers, we provide data privacy training on an annual basis for all employees and upon hire for new employees.





# Governing and Managing for Success

At Western Union, we are deeply committed to strong governance because we see it as critical to our success. Our governance and management practices are founded on principles of accountability, integrity, fairness, reliability, and security.



## IN THIS SECTION

- Corporate Governance and ESG Oversight
- Risk Management
- Ethics and Culture
- Executive Compensation
- Supply Chain
- Stakeholder Engagement



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**45%**

Board diversity<sup>16</sup>

---

**~100%**

employee completion of annual Code of Conduct training



*“For a company doing business across 200 countries and territories, it is critical to manage and accept risk while striving to adhere to our core values. Doing so demands ongoing efforts to understand and balance the perspectives of our various stakeholders across the globe, including customers, partners, investors, regulators, and employees.”*

Jody Myers  
Chief Risk Officer

<sup>16</sup>. 3 female, 1 Latinx, 1 Asian female, 1 LGBTQ+



# Corporate Governance and ESG Oversight

Our corporate governance is led from the top by the Board of Directors and cascaded throughout Western Union.

Our Board of Directors is committed to high standards of corporate governance. The Board’s primary function is to provide oversight and define and enforce accountability standards to enable management to execute its responsibilities fully.

Our Board is committed to maintaining high standards of ethics and integrity at Western Union. This commitment is at the core of Western Union’s culture of ethics and compliance, and the Board expects management to ensure that these values inform all aspects of our operations and activities. This expectation is reinforced through our governance structure, which includes communication from the Board to executives, our Code of Conduct, and other global policies and guidelines.

We believe that the diversity of experiences, viewpoints, and perspectives of our directors result in a Board with the commitment and energy to advance our Company. In 2020, we added two new directors

to our Board, Joyce A. Phillips and Timothy P. Murphy, who strengthen the financial services, innovation, cybersecurity, and regulatory expertise on our Board. For more information about our directors’ skills, qualifications, and characteristics, including Board diversity information, please see pages 12–13 of our **2021 Proxy Statement**.

During 2020, the Board met nine times (not including committee meetings). Each of the directors attended at least 75% of the aggregate number of meetings of the Board and Board committees on which they served in 2020.



*“Through active oversight and engagement with management by our Board, our governance structure*

*reinforces our objectives around effective management of key ESG risks and opportunities.”*

Heather French  
Deputy General Counsel for Corporate Affairs

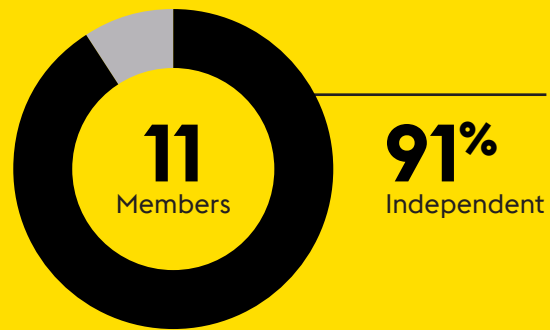






# Corporate Governance and ESG Oversight

## 2020 Board of Directors



At the end of 2020, 10 out of 11 of our directors, including an independent chairperson, were independent. Our CEO is our only non-independent Board member.

All committees of the Board are composed of independent directors

### 2020 BOARD OF DIRECTORS AT A GLANCE



Women (3), Men (8)



Members who identify as Latinx, Asian, or LGBTQ+ (3)

### BOARD COMMITTEES

Audit

Corporate Governance, ESG, and Public Policy

Compensation and Benefits

Compliance

Actively review practices focused on leadership and women

All committees are composed entirely of independent directors

### OUR COMMITMENT TO COMPLIANCE

**In 2013, our Board created a Compliance Committee to support our commitment to compliance. This Committee assists our Audit Committee and full Board of Directors in fulfilling the Board’s oversight responsibility for compliance. In 2020, the Compliance Committee met four times and the Audit Committee met eight times. For more information about our compliance programs, please see the Moving Money with Integrity chapter on page 46.**

### CONTACTING THE BOARD

Any stockholder or other interested party who desires to contact the non-management directors, either as a group or individually, may do so by writing to the address below:

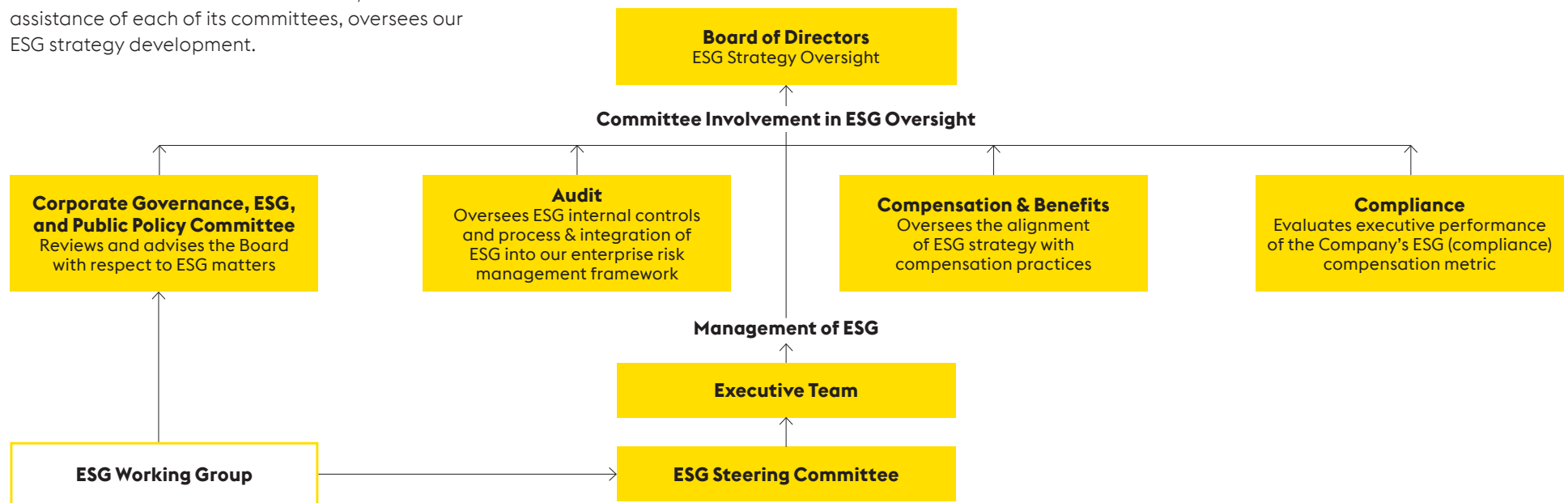
Board of Directors  
The Western Union Company  
Attn: Chairperson of the Corporate Governance, ESG, and Public Policy Committee  
7001 E. Belleview Avenue  
WU-HQ-14  
Denver, CO 80237



# Corporate Governance and ESG Oversight

## Our Approach to ESG

We take an integrated approach to addressing ESG topics, starting at the highest level of our Company, with the Board of Directors. Our Board, with the assistance of each of its committees, oversees our ESG strategy development.



### ESG Working Group

Charged with leading and implementing our long-term ESG strategy development and implementation as well as ESG reporting and related initiatives, our ESG Working Group includes subject matter experts from:

- Corporate affairs
- Enterprise risk management
- Ethics
- Investor relations
- Legal
- Western Union International Bank

### ESG Steering Committee

Western Union’s ESG team, led by our Chief Corporate Affairs and Communications Officer, reports quarterly to the ESG Steering Committee, the central governance body for our ESG strategy and reporting. This team includes Western Union’s:

- President and CEO
- Chief Legal Officer
- President of Global Network

*This chart reflects the structure that was in place during 2020 with enhancements made in early 2021.*



# Risk Management

## We continuously strive to improve our risk management and oversight.

We see this as critical to supporting our strategic focus and organizational resilience, enabling us to respond to evolving trends and market demands, a complex regulatory environment, and external events. This includes oversight of risks arising from ESG issues that impact our Company.

Under the leadership of the Chief Risk Officer (CRO), the Enterprise Risk Group is responsible for driving our enterprise risk program and governance, vendor risk oversight, and crisis preparedness and response.

Our global Enterprise Risk Management (ERM) Framework is the foundation of our enterprise risk program, outlining our approach and providing the structure for managing risk across our Company.

The ERM Framework and process has the following key aspects:

### Risk Environment

Our risk environment includes our overall approach to risk and risk culture.

### Risk Appetite

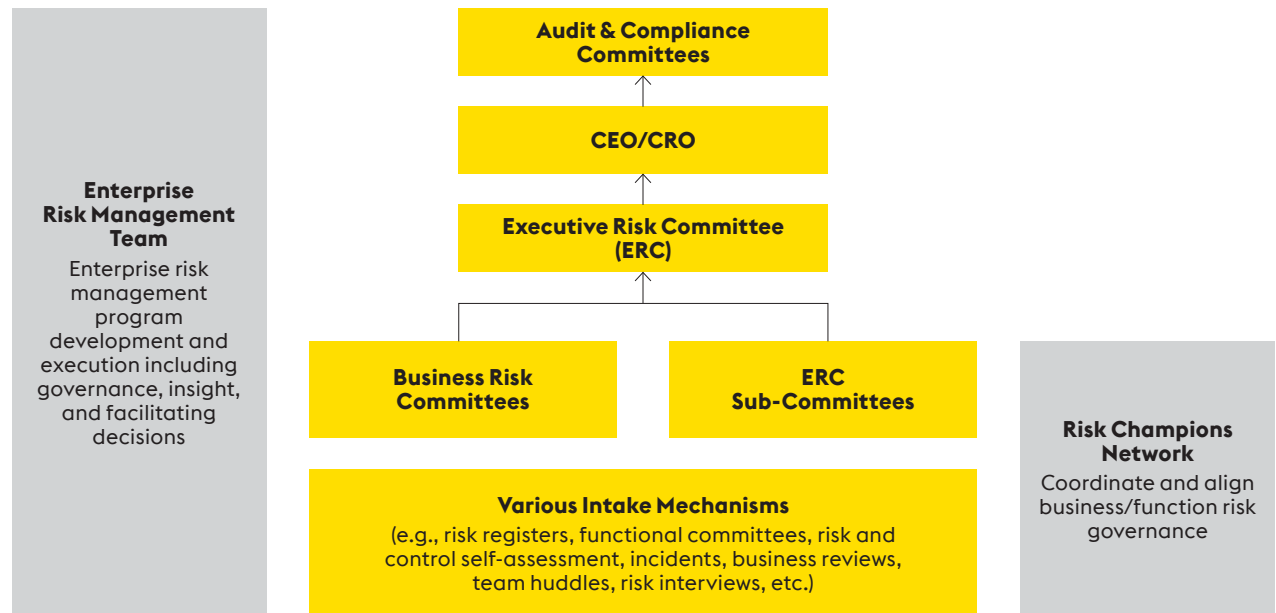
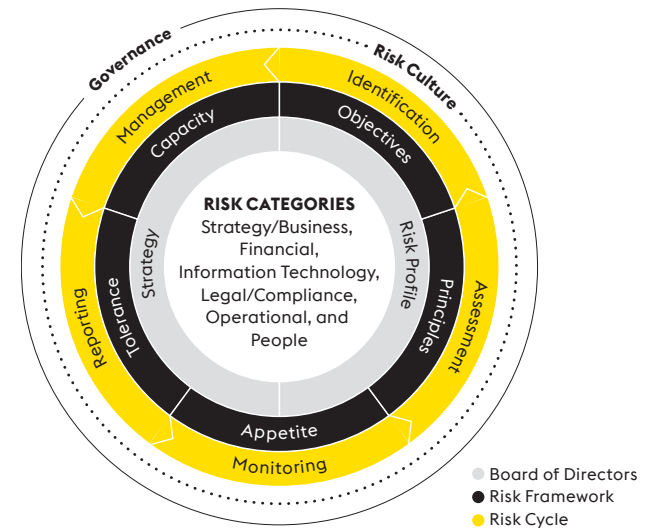
Our risk appetite outlines our overall risk profile, the acceptance of this risk profile, and the tools for monitoring and reporting of risk.

### Risk Identification

We use a range of well-defined processes to identify risk.

### Risk Governance

We have a risk governance structure to facilitate risk identification, escalation, and decision-making at the appropriate level. Our Board provides oversight of our program with the CRO reporting regularly to our Compliance and Audit Committees.





# Through 2020, we continued to develop our Enterprise Risk Management capabilities aligned with our business model, industry practice, and the current regulatory environment. Key highlights from the year include:



### COVID-19 Response

The Enterprise Risk Group led our global, cross-functional COVID-19 response, including developing and implementing measures to ensure organizational resilience, timely and effective management reporting, and our return to office protocols.



### ERM Framework and Risk Appetite

Management approved a risk appetite statement and Key Risk Indicators supporting our ERM Framework. Regular reporting and oversight continued to mature through our risk governance structure.



### Risk Governance and Culture

We enhanced our risk governance processes through risk identification, escalation, and decision-making. We also produced Risk and Control Self Assessments across the enterprise and developed a Risk Champions network to advance risk governance and culture across the Company.



### Vendor Risk Oversight and Outsourcing

We have continued to enhance our vendor risk oversight program and facilitated a cross-functional assessment of our outsourcing program and oversight to support our license management and our businesses' partnership strategy.



### Global ERM Requirements

We improved oversight and analysis of ERM requirements globally to support regulatory compliance and corporate governance.



# Ethics and Culture

We are committed to operating ethically, with honesty and integrity, and doing business the right way.

Our shared values are to be purpose-driven, globally minded, and trustworthy and respectful. We believe in the strength of diversity and inclusion across cultures, locations, and functions.

We believe our commitment to a strong culture of ethics and compliance sets us apart from our peers, defines our brand, and contributes to our success. This commitment is supported by our Ethics Program, which is led by the Ethics Office, part of our Legal, Compliance & Enterprise Risk Group.

## Our Approach

Our Ethics Program includes:

- a Code of Conduct
- a confidential Ethics Helpline, which allows for anonymous whistleblowing and reporting, subject to local law
- a Conflicts of Interest Policy and conflicts of interest disclosure process
- an annual modern slavery and human trafficking statement
- in-person, online, and virtual ethics training on preventing sexual harassment, recognizing and addressing unconscious bias, driving ethical behavior, avoiding conflicts of interest, and other topics

## Code of Conduct

Our ethical values are embedded in our global Code of Conduct and guide our treatment of customers, employees, agents, business partners, and the communities we serve. This includes our commitment to promoting human rights and condemning modern slavery. The Code of Conduct applies to all employees and is available in nine languages in addition to English. Senior financial officers are subject to an additional Code of Ethics, and the Board of Directors is subject to a Directors' Code of Conduct.

## Ethics Helpline

The strategic objectives of the Ethics Office include promoting a culture that reflects Western Union's shared values, educating and training employees on their responsibilities under the Code of Conduct, and responding to concerns about potential violations of the Code, Company policy, or the law.

We promote a "speak-up" culture and encourage employees to raise questions and concerns. We provide several channels for reporting issues, including the Ethics Helpline. This is a secure and

confidential mechanism for receiving and processing whistleblower reports and other ethics concerns. It allows employees and other reporters to raise concerns anonymously, subject to applicable law. Reports can be made online at [wuethicshelpline.com](http://wuethicshelpline.com) or by phone. Both avenues for reporting concerns are available 24 hours a day, seven days a week, 365 days a year. The web-based reporting tool is available in six languages while the toll-free phone line supports calls in over 150 languages. The Ethics Helpline is administered by an external, independent, third-party vendor, and concerns reported through the Ethics Helpline are forwarded to the Ethics Office for review.

We take every report seriously and review all reports to determine whether an investigation is appropriate. Based on the outcome of an investigation, we may take remedial action, including disciplinary action up to employment termination. We do not tolerate retaliation against employees who ask questions or report concerns in good faith.

*"At Western Union, we promote a 'speak-up' culture and encourage employees to raise questions and concerns. Speaking up is essential to the integrity of our organization and our commitment to a strong culture of ethics and compliance."*

Nancy Reynolds  
Chief Ethics Officer





# Ethics and Culture

Our employee engagement surveys show that employees have confidence they can speak their mind without fear of negative consequences and feel comfortable using the Ethics Helpline to ask questions or report concerns. The Ethics Office will continue to promote the Ethics Helpline as a resource and remind employees of our prohibition against retaliation through ethics training and communication.

## Conflicts of Interest Policy

The Ethics Office maintains a Conflicts of Interest Policy that applies to all employees. The Policy defines what constitutes a conflict of interest, provides examples of situations where conflicts of interest may arise, and outlines the requirements for the disclosure, review, and approval of conflicts of interest. The Ethics Office also provides a process for disclosing conflicts related to various topics such as giving and receiving gifts, secondary employment, Board service, significant personal relationships, and financial investments. In addition, we provided online conflicts of interest training in 2020. Disclosure and review of potential or actual conflicts of interest help our employees act in the interest of the Company.

## Ethics Training

We provide employees with annual training on the Code of Conduct. In 2020, the Code of Conduct training included topics such as workplace harassment, conflicts of interest, ethical conduct, reporting and non-retaliation, and intellectual property. It achieved an approximately 100% completion rate. Employees also received focused online training on sexual harassment prevention, with a 99% completion rate, as well as online training on unconscious bias and insider trading. The Ethics Office continued an additional in-person or virtual sexual harassment prevention training program for people managers globally in 2020 that achieved a 96% completion rate. This training featured anonymized sexual harassment cases that the Ethics Office had investigated.

To reinforce our strong commitment to ethics and compliance, we also require employees to complete certain ethics and compliance courses at least annually as part of our Global Employee Ethics and Compliance Training program. In 2020, the Culture of Ethics and Compliance Training courses included the previously mentioned training on the Code of Conduct and sexual harassment prevention and insider trading, as well as trainings on privacy, anti-money laundering compliance, cybersecurity, and fraud awareness issues.

Failure to complete the required ethics and compliance training courses within the prescribed time periods is considered when assessing applicable bonus payments and base-pay adjustments. It may

also lead to a finding that an employee is not “fit and proper,” if the employee holds a role that requires a fit and proper assessment per local law. Failure to complete the required trainings may lead to other disciplinary action up to and including termination of employment.

## Ethics Committee

Our Ethics Committee supports the ethics program and provides feedback and input to the Ethics Office. It is made up of key internal stakeholders, including the Chief Legal Officer, Chief Financial Officer, Chief People Officer, Chief Compliance Officer, and senior business leaders. The Committee is chaired by the Chief Ethics Officer and met four times in 2020. In addition, the Chief Ethics Officer presents quarterly to the Audit Committee.





# Ethics and Culture

## Promoting Human Rights and Combating Modern Slavery

As set out in our Code of Conduct, we are committed to promoting human rights through the Company's shared values of trust and respect. This commitment benefits both our employees and the global communities we serve.

We condemn human rights abuses such as human trafficking, human smuggling, or any form of modern slavery. We do not use forced or involuntary labor and prohibit this in any part of our business or supply chains. We expect our suppliers and those involved in procurement processes for the Company to comply with these values.

In 2020, with the support of an external expert, we conducted an assessment that helped us to identify and prioritize the human rights impacts that most relate to our business and our business partners, and to develop mitigation and remediation strategies to address these impacts. We examined impacts on our key stakeholders — our employees, our customers, our communities, and our business partners. Informed by this assessment, in 2021, we released a **Human Rights Statement** guided by internationally recognized standards, such as the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights.

We also publish an annual **Modern Slavery and Human Trafficking Statement**, which describes the steps we have taken to identify, prevent, and address modern slavery risks in our own operations and through our business partners. The document details our future plans and explains how we raise awareness of human trafficking more widely in collaboration with other actors. For more information on our global anti-human trafficking initiative, please also see page 52 of this report.



## Executive Compensation

### The Board's Compensation and Benefits Committee oversees our executive compensation program.

The Committee believes that executive compensation should balance rewarding actions and behaviors that build a foundation for long-term strength and performance with rewarding the achievement of short-term performance goals. Full details on the criteria used to set executive compensation can be found in Western Union's [Annual Proxy Statement](#).

We consider ESG topics in both setting executive compensation and our clawback policy. A portion of our executives' compensation is linked to the Company meeting ESG-related goals. These include compliance and employee engagement metrics. In addition, we enhanced our clawback policy in early 2020 to allow us to recover incentive compensation paid to certain officers if the officer engaged in detrimental conduct, as defined in the clawback policy. This includes material breaches of:

- our Code of Ethics for Senior Financial Officers
- the provisions of our Code of Conduct regarding privacy and data security, securities trading, discrimination, harassment, retaliation, or bribery

In our view, this was a market-leading enhancement that reinforces our commitment to ethics and compliance; diversity, equity, and inclusion; and protecting Company value. Our clawback policy also allows us to recover incentive compensation in the event of an accounting restatement or for conduct that is determined to have contributed to material compliance failures, subject to applicable laws.

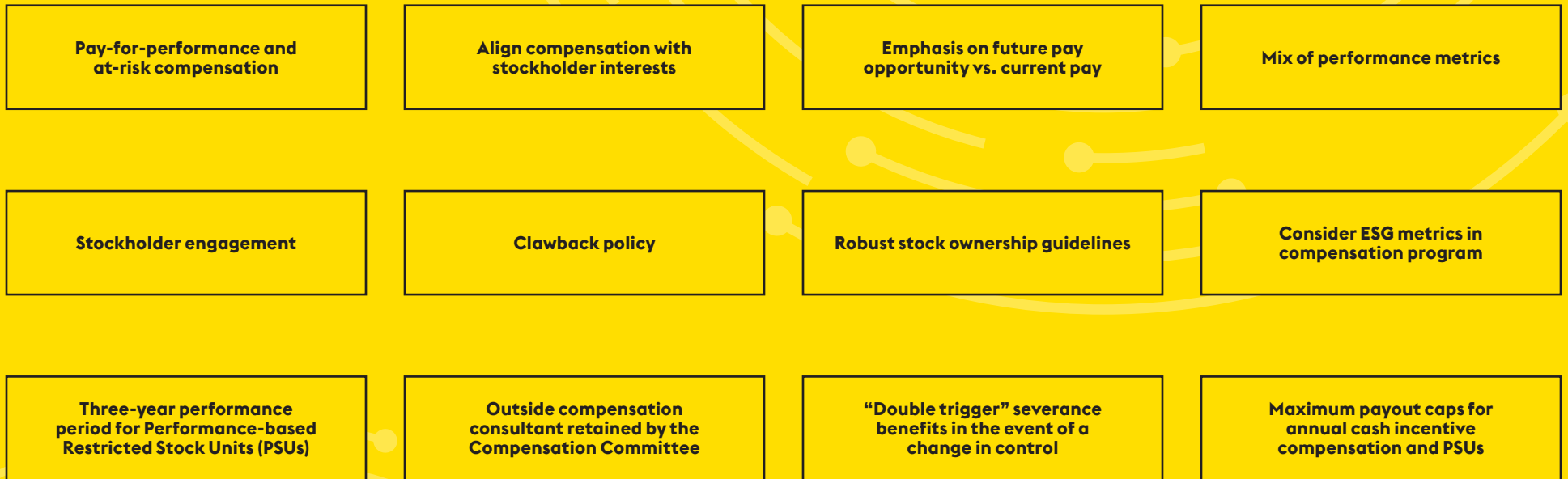






# Executive Compensation

## KEY FEATURES OF OUR 2020 EXECUTIVE COMPENSATION PROGRAM





# Supply Chain

We are committed to acting ethically, demonstrating high professional standards, and complying with applicable laws and regulations, and we expect the same from our agents, suppliers, and partners.

## Working with a Broad Range of Suppliers

To meet our commitments to our customers and other stakeholders, we purchase goods and services from thousands of suppliers around the world. Many of these suppliers are critical to delivering our core services, including providers of data centers, technology services, and call centers.

## Managing Supplier Risks

Our Global Sourcing and Procurement Policy outlines competitive bidding guidelines and includes a section on ethical purchasing guidelines. In 2020, we also continued to enhance our Vendor Risk Oversight program, which guides how we review potential new vendors for risk as well as the processes and allocation of responsibilities for ongoing monitoring of vendor performance. Depending on the nature of a given vendor's work, the program assesses vendors for multiple risk categories, including information security, privacy, sanctions and anti-corruption, consumer protection, and financial risks.



For details about how we assess, onboard, and monitor vendors for potential human trafficking or modern slavery within their business, please see our **[Modern Slavery and Human Trafficking Statement](#)**.

The Vendor Risk Committee is responsible for developing and monitoring our Vendor Risk Oversight program. The program aligns with our strategic priorities and vendor risk management objectives and is continually enhanced. The Committee is made up of senior leaders from across the organization and met throughout 2020.



# Stakeholder Engagement

We engage with a wide variety of internal and external stakeholders, by various means, on issues of shared concern. Our 2020 stakeholder engagement included:

STAKEHOLDER GROUP	ENGAGEMENT ACTIVITIES	SELECT ESG TOPICS RAISED
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Service centers</li> <li>• Complaint management</li> <li>• 24/7 fraud hotline</li> <li>• Direct dialogue/engagement</li> <li>• Workshops, webinars, training</li> <li>• Social media care</li> </ul>	<ul style="list-style-type: none"> <li>• Business conduct</li> <li>• Fees, FX rates</li> <li>• Fraud, fraud prevention</li> <li>• Level of service</li> <li>• Policies, procedures</li> <li>• Compliance, regulations</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Monthly engagement surveys</li> <li>• Mentorship, training, development</li> <li>• Quarterly all-hands and town hall meetings</li> <li>• Social intranet platform</li> <li>• Ethics Helpline, internal grievance resources</li> <li>• Community engagement, volunteering, and philanthropy</li> <li>• Engagement committees</li> <li>• DEI and employee resource groups</li> <li>• Podcasts and WU Dialogues</li> <li>• Rewards and Recognition programs</li> <li>• Open office hour sessions</li> </ul>	<ul style="list-style-type: none"> <li>• Career development</li> <li>• Diversity, equity, and inclusion</li> <li>• Customer experience</li> <li>• Employee wellness</li> <li>• Culture and values</li> <li>• Employee engagement</li> </ul>
<b>Agents</b>	<ul style="list-style-type: none"> <li>• Agent training program</li> <li>• Dedicated agent oversight team</li> <li>• Direct dialogue with Western Union</li> </ul>	<ul style="list-style-type: none"> <li>• Customer experience</li> <li>• Level of service</li> <li>• Fraud, fraud prevention</li> <li>• Business conduct</li> </ul>
<b>Stockholders/ Investor Community</b>	<ul style="list-style-type: none"> <li>• Investor relations website</li> <li>• Annual meeting of stockholders</li> <li>• Quarterly financial results</li> <li>• Conferences, webcasts, and other investor events, including non-deal roadshows</li> <li>• Direct stockholder outreach</li> <li>• Responses to questionnaires, information requests</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate governance and ESG reporting</li> <li>• Executive compensation</li> <li>• Business conduct</li> <li>• Political contributions</li> <li>• Board refreshment, composition, and diversity</li> <li>• Succession planning</li> <li>• Risk management</li> <li>• Human capital management</li> <li>• Human rights</li> </ul>
<b>Government/ Regulators</b>	<ul style="list-style-type: none"> <li>• Virtual and in-person meetings, phone calls, email correspondence</li> <li>• Regulatory interactions, submissions</li> <li>• Participation in panels and other group meetings</li> <li>• Oral, written testimony</li> <li>• Advisory board or private sector consultation participation</li> </ul>	<ul style="list-style-type: none"> <li>• Business conduct</li> <li>• Transparency of fees, charges</li> <li>• Migration</li> <li>• Financial inclusion</li> <li>• Transformation to a digital market in financial services</li> </ul>
<b>Civil Society (including NGOs and diaspora organizations)</b>	<ul style="list-style-type: none"> <li>• Meetings, phone calls, correspondence</li> <li>• Conferences</li> <li>• Employee volunteering</li> <li>• Participation in community events, conferences, advocacy, and philanthropy</li> </ul>	<ul style="list-style-type: none"> <li>• Access to financial services/financial inclusion</li> <li>• Business conduct</li> <li>• Transparency, consumer protection</li> <li>• Migration, diaspora communities</li> <li>• Human rights</li> </ul>

## Political Contributions Report

At our 2020 Annual Meeting of Stockholders, a majority of our stockholders approved a resolution requesting we provide a semi-annual report disclosing information about our political contributions. While our historical political contributions have been minimal, in response to the stockholder vote, we began publishing a semi-annual [political contributions report](#) in 2020.



# Safeguarding Our Shared Environment

As a responsible global business connecting people and moving money around the world, we are committed to playing our part in safeguarding our shared environment.



## IN THIS SECTION

- Energy Efficiency and Waste Management
- Climate Resilience



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Our initiatives in mitigating climate change benefit our communities and our business — helping us to be resilient in the face of crises, continuously serve our customers, reduce our environmental footprint, and protect long-term Company value.

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**25%**  
total headquarters building materials, by value, made of recycled materials

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**30%**  
of our total workforce worked in LEED-certified buildings

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*“As a member of the real estate team managing two of our largest global offices in Vilnius, Lithuania and Pune, India it is amazing to see our employees’ passion around minimizing our environmental footprint — volunteering, conserving energy and water, and reducing paper use.”*

Paulius Navickas  
Real Estate Portfolio Leader



# Energy Efficiency and Waste Management

## Our Approach

Climate change is one of the most significant challenges faced by the world today, given its impacts on the global economy, environment, habitats, and human populations. In connection with our ESG strategy, we are taking a deeper look at potential climate-related mitigation and adaptation activities.

We have a large global reach but a limited physical footprint. We focus our environmental strategy on the issues and areas where we can have the maximum positive effect, for example, impacts from our office space and data centers.

To support this strategy, we have taken a fresh look at the things we do to understand how we can do them in a more sustainable manner, from use of materials and equipment, to site-level waste reduction, water conservation, and employee volunteering practices.

Our climate-related work is led by our Corporate Real Estate team, Enterprise Risk Management Group, and ESG Working Group, with support from local teams around the world. In addition, our **Code of Conduct** includes a commitment to responsible and respectful action to protect the environment.

Over time, we anticipate assessing our environmental impact, as well as the risks and opportunities presented by climate change, in line with the framework set forth by the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD).

## Reducing Our Greenhouse Gas Emissions

To drive corporate value and be a responsible corporate citizen, we continue to manage and reduce our environmental footprint. We have several mitigation initiatives in place to reduce greenhouse gas (GHG) emissions from our operations and business travel. These include reducing our office space footprint and consolidating our data centers while transitioning a portion of our infrastructure to the cloud.

As part of our ongoing ESG strategy development, we seek to better understand our carbon footprint and continue to evaluate areas for further optimization.

## Streamlining Office Space

We continue to reduce our office space footprint. We have consolidated into fewer, larger sites with better environmental performance to reduce environmental impacts, increase cost efficiency, and enhance service to our customers.

In 2020, we sold three of our four owned properties, decreasing owned office space by 99%. In addition, we decreased the number of leased offices. In 2019, our office footprint covered 88 cities, and we anticipate it will be 59 by the end of 2021. As of December 31, 2020, we occupied facilities in approximately 40 countries, all of which were leased.

This focus on fewer, larger locations enables us to manage our environmental impact more closely.

At our talent centers, our largest footprint, we work with our landlords to increase energy efficiency and reduce waste.

## Remote Working Capabilities

In 2020, our ongoing reduction in office space was accompanied by a transformation in our work practices driven by the global pandemic. Many of our employees worked remotely for most of 2020, enabled by our increasing use of video conferencing. Over the last three years our major offices have been equipped with state-of-the-art video conferencing technology. We intend to continue adding advanced video conferencing technology at more offices around the globe.

Prior to the pandemic, Western Union had a flexible working model which combined office and home working for most of its office-based teams. We will continue to evolve this flexible working model to improve productivity and employee well-being. This model enables us to closely manage our footprint, while reducing our direct and indirect environmental impact.

## Data Center Consolidation

Our move to reduce our footprint extends to our data centers. In 2019, we announced a plan to consolidate and move a significant portion of our infrastructure to the cloud, migrating from our own physical data centers, reducing our carbon emissions. In 2020, due in part to data-center consolidation and cloud data migration, we closed more than 10% of our data centers globally.



# Energy Efficiency and Waste Management

## Sustainable Working Spaces

Leadership in Energy and Environmental Design (LEED) is the most widely used green building rating system in the world. Available for virtually all building types, LEED provides a framework for healthy, highly efficient, and cost-saving green buildings. LEED certification is a globally recognized symbol of sustainability achievement and leadership.

In 2020, approximately 30% of our total workforce worked in LEED-certified buildings. These include our headquarters in Denver, U.S., as well as two operating centers (Vilnius, Lithuania and Quezon City, Philippines).

Our office in Vienna, Austria, applied for certification to achieve a LEED Platinum rating – the highest level of LEED certification – and is awaiting the final result.



Western Union’s regional operating center in San José, Costa Rica.

Though commuting was naturally lower in 2020 as most of our employees worked from home, we seek to provide lower carbon commuting options where possible. In our Denver headquarters, a light rail station is easily accessible from the building. For employees who drive, the building has electric vehicle-charging stations and designated parking for hybrid and low-emitting vehicles. Our office in Vienna is directly linked to a railway system on its lower levels, enabling accessible low-carbon travel to and from the office.

Energy conservation measures have also been introduced at our regional operating centers in San José, Costa Rica; Pune, India; and Vilnius, Lithuania.

## Waste Reduction

We are doing our part to implement waste reduction practices across our global offices over time. At our global headquarters in Denver, Colorado, which accounts for approximately 7% of our workforce, we have eliminated disposable dishes and silverware in our dining areas and outfitted each kitchen and pantry space with a dishwasher. Individual trash and recycling bins were eliminated in lieu of receptacles in communal centralized areas, which has been shown to reduce waste and increase recycling rates.

Similar steps are being taken elsewhere. Our office in San José, Costa Rica, which comprises approximately 12% of our workforce, recycles a range of materials used in the workplace. These include cardboard, paper, plastic, aluminum, glass, and more. The purchase of biodegradable products such as lunch boxes, straws, and cleaning products has also helped to reduce waste.

## E-waste

Electronic waste, or e-waste, is an increasing problem due to the rare and sometimes hazardous materials that it contains. To ensure our outdated or broken electronic equipment is properly disposed of, we work with a global electronics recycling and e-waste specialist. This provider is certified according to the e-Stewards standard for responsible e-waste management. Our equipment is collected, wiped clean of any data, and safely reused, remanufactured, or recycled.

## Water Conservation

We operate in numerous countries and regions that experience serious water stress or scarcity. We seek to prioritize water efficiency initiatives in high-risk locations to ensure we are contributing to water conservation locally.

India, for example, faces acute water shortages, and the state of Maharashtra is one of the severely affected regions. In 2018, we launched our Western Union Technology Engineering Center (WUTEC) there, in Pune. The 125,000-square-foot (nearly 12,000 square meters) facility serves as the Company’s regional innovation and engineering hub. Staff identified a water-saving measure to reduce water consumption – installing aerators and flow restrictors on taps in washrooms and pantry areas. This improvement alone is already helping to save around 2.5 million liters of water per year and we continue to implement these measures in other locations where possible.



# Energy Efficiency and Waste Management

## SUSTAINABLE FACILITIES

While the environmental footprint of offices has decreased during the pandemic, it will increase as people return. Offices are an important part of the employee experience and we want to ensure our people in offices are working in healthy and responsible environments.

Our global headquarters in Denver, U.S., where we consolidated our operations in late 2018 and occupy 250,000 square feet (approximately 23,000 square meters), is a case in point: the building has been awarded LEED Gold (Core and Shell) certification by the U.S. Green Building Council.

Features contributing to meeting the LEED standard include:

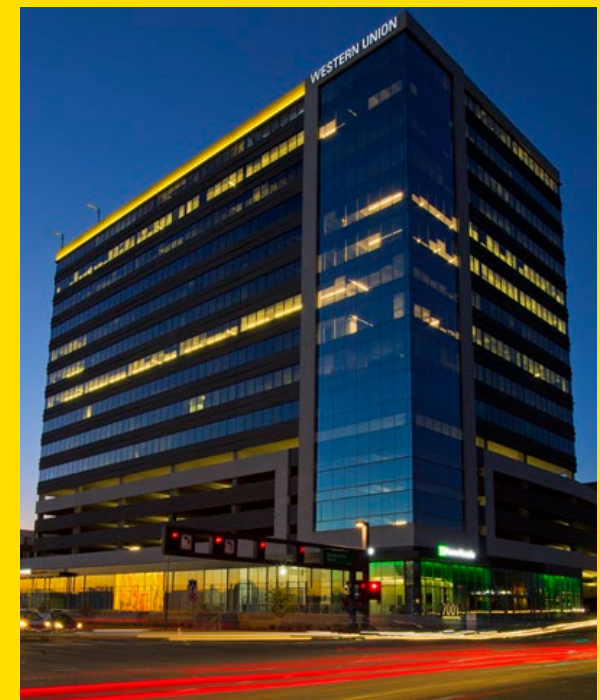
- 70% of the electricity supply is generated from renewable sources.
- More than 25% of the total building materials, by value, were made using recycled materials.

- Approximately 25% of the total building materials, by value, were manufactured and extracted within 500 miles (805 km) of the project site.
- The building design achieved an energy cost savings of more than 20% versus a same-sized conventional project.

While such requirements rest with the building owner, as a tenant we also have obligations to ensure clean air, water conservation, and efficient energy use. To address energy use, we installed lighting that exceeds minimum efficiency standards and sensors to ensure lights are not left on when the building is unoccupied. Within the building, we eliminated the use of personal printers, appliances, heaters, and fans to reduce the collective energy our employees use. We also place a strong emphasis on on-site food services to give employees an alternative to traveling off the premises for lunch or breaks.

At our largest regional operating center in Vilnius, Lithuania, which hosts approximately 2,000 Western Union employees, we have enhanced our

sustainability efforts. Initiatives at the site include solar panels, waste management, car charging stations, and stations for e-scooter charging and rentals. We have reduced the number of printers, use LED lighting in new premises, and minimized water consumption. In addition, many teams have moved to electronic documents – thereby eliminating paper printing.



*“Our real estate strategy has a baseline guiding principle which incorporates objectives to minimize Western Union’s environmental footprint.”*

David Hurtado  
Chief Procurement Officer





# Climate Resilience

We have millions of customers worldwide, including some who may be vulnerable to the impacts of humanitarian crises worsened by natural disasters, extreme weather events, water scarcity, and rising sea levels. One of our top priorities is making sure we can continue to move money for our customers at all times and under any circumstances.

To ensure our services to customers are resilient, we maintain active Business Continuity Planning and Crisis Preparedness and Response programs. These programs are designed to ensure a robust response to crises, whatever their source—from climate to cybersecurity, physical risks, or health. The COVID-19 pandemic provided an unexpected test for our programs and processes and we have continued

to respond and strengthen them throughout. We are also embarking on a broader effort to identify potential areas of climate risk exposure, and to design potential mitigation and adaptation measures in line with the framework set out by TCFD.

More widely, we are aware of our role as global corporate citizens, and support disaster relief in a world increasingly vulnerable to climate-related emergencies. Over the past 20 years, the Foundation has donated more than \$18 million in relief, providing aid to more than 200 disaster areas in more than 70 countries. Read more about our work in [supporting communities](#) impacted by disaster beginning on page 87.



## Costa Rica Office Receives Ecological Award



Our San José, Costa Rica, office has been awarded the Bandera Azul Ecológica (Blue Ecological Flag) annually 2016–2019.<sup>17</sup> This prestigious annual award recognizes initiatives and volunteer work to conserve and protect Costa Rica’s natural resources, address climate change, and other related efforts.

<sup>17</sup> The 2020 Bandera Azul Ecológica awards will take place mid-2021



# Western Union Foundation: Providing Opportunity Beyond Borders

The Western Union Foundation (“the Foundation”) believes that enabling young people to access and compete in the global economy leads to more cohesive societies and higher economic growth, and for over 20 years has invested in changing lives and the global economy for the better.

Nguyen Nguyen  
WU Scholars Recipient



## IN THIS SECTION

- [Overview](#)
- [Letter from the Executive Director](#)
- [Championing Opportunity Beyond Borders](#)
- [Responding to Global Crises](#)
- [Engaging with Stakeholders](#)
- [Advocating for Change](#)
- [Foundation Governance](#)



The Foundation continues to deliver on its mission with its Opportunity Beyond Borders commitment — focused on empowering forcibly displaced and marginalized youth with the training and education needed to succeed in today’s technology-driven global economy.

Working with partners across the globe, the Foundation provides tools and resources for job opportunities, scholarships for higher education, and direct aid in times of crisis to help communities rebuild.

Western Union employees help the Foundation impact lives in communities around the world through volunteering, direct giving, and a gift-match program.

Drove impact in

**33**

countries and territories in 2020

Provided relief to

**80,000**

individuals after disasters and crises in 2020

**64%**

of Western Union employees engaged through giving and volunteering in 2020



*“2020 was a year marked not only by the pandemic, but also record migration figures, frequent disasters, and humanitarian crises — reiterating the need and deepening our commitment to help forcibly and economically displaced individuals who are in turn helping to build economies by establishing businesses, creating jobs, and giving back to their communities.”*

Lauren Bell  
Western Union Foundation Leader



# Overview

The Western Union Foundation believes enabling young people to access and compete within the global economy will lead to higher economic growth. Through Opportunity Beyond Borders, the Foundation collaborates with nonprofits around the world to provide migrants and refugees with the skills needed for better jobs and a chance at a better life.

The Foundation delivers on its mission by investing in multi-year commitments to workforce training programs, providing scholarships, and responding in times of disaster or humanitarian crisis to aid in the rebuilding of communities.

## Recognition

In 2020, the Foundation's work was recognized through a number of awards:

- American Logistics Aid Network's 2020 Humanitarian Logistics Award for disaster relief response efforts to flooding in Kerala, India
- The Association of Fundraising Professionals (AFP) Colorado Chapter's Award on National Philanthropy Day, recognizing the Foundation as a change-maker uniquely contributing to communities across Colorado
- Recognition by B:CIVIC for best practices in disaster relief and preparedness programs



### WESTERN UNION FOUNDATION HIGHLIGHTS

Since inception in 2001:

**\$131 million+**

invested

**2,000+**

nonprofits funded across communities where Western Union employees live and work

In 2020:

**~200,000**

people reached through coaching, job skills, and disaster relief

**55**

nonprofits funded

Impact in

**33**

countries and territories

**~\$6 million**

invested in workforce skilling and crisis response

Photo credit: Whitaker Peace & Development Initiative



# Letter from the Executive Director

At the Western Union Foundation, we mark an exciting milestone in 2021 — **20 years of making an impact.** Over the years, we have responded to the changing needs of vulnerable populations, delivering on our promise to ensure that they have a chance at better lives through workforce training, education, scholarships, and disaster relief.

I'm immensely proud of the passion and agility our team brought to bear in facing the challenges of this unprecedented year. We continued to help connect migrants and refugees to the global economy, while also responding to protests for racial and social justice and providing relief in the aftermath of natural disasters.

As COVID-19 impacted communities in different ways, we saw the unique challenges the pandemic posed to migrants and refugees. Through our Opportunity Beyond Borders mission, WU Scholars program, and global crisis response work, we deepened our commitment to these populations, helping ensure they are not left behind.

Our partners stepped up to respond to the year's challenges, helping us raise more dollars in 2020 than in 2019. We are especially thankful for the incredible support from Western Union and its employees, partners, suppliers, and customers, who as always gave us the strength to span oceans and borders to touch the lives of countless people and families.



Elizabeth Roscoe  
Executive Director  
Western Union Foundation



With operations in Turkey, Iraq, and Yemen, the Foundation nonprofit partner Re:Coded trains refugees through coding boot camps.

Photo credit: Re:Coded



# Championing Opportunity Beyond Borders

In 2019, the Foundation launched its three-year Opportunity Beyond Borders commitment to provide vulnerable youth with the skills needed to succeed in today's global economy. This program commits \$15 million to nonprofits across five continents.

## APPROACH

As the Foundation celebrates its 20th year of impact in 2021, it continues to respond to the changing needs of vulnerable populations through the Opportunity Beyond Borders commitment. The Foundation's approach includes:

**Evidence-based programming:** The Foundation has collaborated on research, for example, with the Center for Global Development to examine the barriers migrants face in accessing formal labor markets. The findings helped inform policy recommendations to facilitate economic inclusion. Insights from that and other research have been used to make informed decisions about subsequent investments.

**Targeted geographies:** The Foundation focuses on geographies where it sees the most need and where it can make the most impact. The selected countries host a large number of migrants (refugees, immigrants, asylees, etc.); have feasible near-term opportunities for integration; have a high population of youth not in education, employment, or training; and are where Western Union employees and customers can be actively engaged.

## HIGHLIGHTS FROM OPPORTUNITY BEYOND BORDERS COMMITMENT (September 1, 2019–December 31, 2020)



### ADVOCACY

Advocating for migrants and refugees to create more inclusive and enabling environments for them to contribute to the global economy in a meaningful and sustainable way.

**1,000+**

displaced youth could obtain formal employment as a result of four strategic pilot programs

**1.7 million**

Venezuelan migrants given temporary legal status enabling them to work in Colombia, a policy change supported by research findings funded by the Foundation



### JOB READINESS

Providing intercultural, technical, vocational, entrepreneurial, and foundational 'soft' skills development training to prepare individuals to thrive in the global workforce.

**2,000+**

people participated in reskilling programs globally, boosting their earning potential by 42%, on average

**200+**

entrepreneurs cultivated through programs globally, leading to the creation of 96 new businesses and more than 1,000 new jobs



### CAREER ADVANCEMENT

Supporting programs to provide market linkages, network building, and continued professional development resulting in increased income generation.

**1,500**

youth landed new jobs, nearly doubling their annual income

**225+**

refugee and minority-lead businesses supported to enable recover and resilience throughout and post pandemic



# Championing Opportunity Beyond Borders

**Consideration of context:** The Foundation takes a holistic approach in the communities where it works, recognizing that economic opportunity looks different across migrant groups and countries. By focusing on custom interventions across various sectors (private, public, and peer) and working with multiple partners in key geographies, the Foundation seeks to drive an outsized and sustainable long-term impact.

**Flexibility and agility:** The Foundation focuses on supporting partners in ways that help them overcome new challenges. This includes, for example, pivoting to digital rather than in-person programming during the COVID-19 pandemic. The Foundation relies heavily on feedback from field partners who work directly with beneficiaries in order to address new challenges and needs as they arise.

## Working Closely with Signature Partners

Opportunity Beyond Borders focuses on three areas: economic opportunity, opportunity youth (vulnerable youth not in training, education, or employment), and migrants (forcibly displaced individuals or those on the move). The Foundation focuses investments on providing support for one or more of these areas, and signature partners work across all three.

Signature partners help to bring Opportunity Beyond Borders to life, through their strong mission alignment, reputable programming, and opportunities for the Foundation to help shape that programming. They are also selected based on opportunities to engage Western Union employees through volunteerism and communications.

In 2020, the Foundation committed to two new signature partners who build leadership and digital skills for migrant youth to thrive in the global economy:

**Aspen Institute’s Global Opportunity Youth Network (GOYN):** A new initiative in Colombia to create digital skilling pathways for migrant and Colombian female youth to thrive in tech careers, leveraging the current growth in Colombia’s digital sector. This program was shaped by the Foundation’s research in collaboration with the [Center for Global Development](#).

**National Partnership for New Americans:** A program to launch the New American Youth Leadership Council, dedicated to providing young adult immigrants and refugees of color with leadership training to create career path opportunities. The goal is for at least 25% of participants to join the program as fellows or interns.



Photo credit: Sistabiz



# Championing Opportunity Beyond Borders



Sofia, a 2020 WU Scholars recipient, is from Colombia and is studying Civil Engineering in the U.S. with an expected college graduation date in 2021.

## Boosting Education Through WU Scholars

The Foundation’s global scholarship program, also referred to as WU Scholars, was created to give young people a boost forward to a better life. The Foundation believes education is the surest pathway to economic opportunity, yet it is out of reach for too many young people. Through WU Scholars, the Foundation supports students across the globe in their efforts to pursue post-secondary education.

In 2020, the Foundation adapted the WU Scholars program to help international students continue their education amid the COVID-19 pandemic, which severely disrupted access to higher education, especially for international students. Global unemployment, travel restrictions, and fewer job opportunities left many without a way to fund their education and meet basic needs. The Foundation responded by establishing **a \$250,000 fund** for international students in partnership with the **Institute of International Education**. Twenty-five students each received \$10,000 to pay for immediate needs so they could continue their education.

**WU SCHOLARS 2020**

**25** Scholarships

**15** Countries of citizenship

**22** Universities attended





# Responding to Global Crises

More than 80 million people were displaced globally as of mid-2020, the highest number on record, with 25 million new internal displacements due to disasters in 2019.

Over the past 20 years the Foundation has donated more than \$18 million in relief, providing aid to more than 200 disaster areas in more than 70 countries.<sup>18</sup>

## THROUGHOUT 2020 THE FOUNDATION:

**11**

Responded to **11** disasters and crises

**80,000**

Provided relief to **80,000 individuals**<sup>19</sup>

**\$2 million**

Invested **\$2 million** in crisis response

## TIMELINE OF EVENTS IN 2020



### January

Southern Border Humanitarian Crisis in the U.S.

Bushfires in Australia

Earthquakes in Puerto Rico



### February

Tornados and flooding in the U.S.

COVID-19 pandemic globally



### June

Racial unrest and protests in the U.S.



### August

Explosion in Lebanon

Wildfires in California and Colorado in the U.S.

Hurricane Laura in the U.S.



### September

Moria refugee camp fires in Greece



### November

Typhoons Goni and Vamco in the Philippines

## PROVIDING DISASTER RELIEF IN THE PHILIPPINES

In early 2020, following the Taal Volcano eruption and Typhoon Phanfone (known locally as Ursula), Western Union and the Foundation funded International Medical Corps' efforts to support relief and disaster-preparedness training in the Philippines.

Later in 2020, two more typhoons hit the Philippines within a matter of weeks. First was Typhoon Goni (known locally as Rolly), one of the most powerful tropical cyclones to make landfall, followed by Typhoon Vamco (known locally as Ulysses). Together with support from Western Union employees in the Philippines, the Foundation funded International Medical Corps' relief efforts, providing hygiene supplies and COVID-19 infection prevention kits to more than 3,000 people.



Photo credit: International Medical Corps

18. Through December 31, 2020

19. Assumption based on American Red Cross impact estimates



# Responding to Global Crises

## Responding Quickly and at Scale to the COVID-19 Pandemic

In December 2019, when the coronavirus appeared in China, the Foundation began planning its response. In February 2020, Western Union and the Foundation committed to support COVID-19 relief efforts across the globe. The Foundation raised funds from Western Union and its partners, including agents, consumers, and employees, through a matching challenge. Thanks to the generosity of the global Western Union community, the Foundation has given more than \$1.25 million to global nonprofit organizations providing COVID-19 relief.

The Foundation is proud to support domestic and global nonprofits providing COVID-19 relief to places in need, as well as vulnerable populations, including refugees and migrants. Relief includes access to food, personal protective equipment, and medical equipment for communities, along with essential training for healthcare workers.

### COVID-19 RELIEF PROGRAMS



Photo credit: Shining Hope for Communities, Artisan Alliance

### **Artisan Alliance** Rwanda, Kenya

The Foundation supported the Artisan Alliance — an Aspen Institute program focused on growing small businesses globally — as they launched the *Personal Protective Equipment (PPE) Grant Fund and Producer's Coalition* to expand PPE production. This involved reconfiguring artisan organizations across Africa into workshop facilities that produce PPE and employ local producers in response to the COVID-19 crisis in Africa.

### **Give2Asia** China, Japan, South Korea

The Foundation directly funded three COVID-19 projects to reach vulnerable groups in China, Japan, and South Korea. These projects provided healthy meals, medical equipment, and emergency food supplies.

### **Mile High United Way** U.S.

The Foundation funded Mile High United Way's response to COVID-19, which connected Coloradans to critical resources. They also transitioned essential programming to be virtual to ensure continuity of services.

### **United Way** India

The Foundation granted funds to United Way India to provide critical care, medical equipment and COVID-19 testing resources to government hospitals in Pune India, an area with a high surge of cases.

### **Supporting NGOs**

In addition to the nonprofits highlighted here, the Foundation supported **International Medical Corps**, the **International Rescue Committee (IRC)**, the **International Federation of the Red Cross**, the **Italian Red Cross**, the UN Foundation's work with the **World Health Organization**, **Family Tree**, **Chicago Community COVID-19 Response Fund**, and the **Hawaii Community Foundation**.



# Engaging with Stakeholders

While Western Union contributes the majority of the Foundation’s funding, the Foundation also raises funds from and engages with partners including employees, agents, consumers, and other business partners.

## Engaging with Employees

Western Union employees inspire and help the Foundation impact lives in communities around the world. In 2020, 64% of Western Union employees contributed money or volunteered time to the Foundation or other community nonprofits, totaling nearly \$2 million in charitable donations and nearly 12,000 hours in volunteer time.

In 2020, employees took part in multiple volunteer outreach programs, including:

- **WU Votes:** Employees in Brazil, Costa Rica, India, and the U.S. participated in WU Votes, which empowers employees to nominate and select a community nonprofit organization to receive a Foundation grant.

- **Gift Match:** For U.S. employees, the Foundation matches donations to eligible nonprofits in the U.S., up to \$25,000 per person, per year.<sup>1</sup>
- **Donations for Doers:** The Donations for Doers program recognizes the efforts of employees who dedicate their time and energy to volunteering for nonprofit organizations. If an employee logs more than 50 volunteer hours in a calendar year with an eligible organization, the Foundation donates \$500 to that organization.<sup>20</sup>
- **Paid time off for volunteering:** In addition to the programs described above, all full and part-time Western Union employees with at least six months of continuous service with the Company are eligible for a paid day to volunteer with a nonprofit organization or educational facility.

The Foundation also works with Western Union to meet the needs of shared communities and deliver increased impact. In 2020, the Foundation piloted initiatives aligned with Diversity, Equity, and Inclusion (DEI), focused on supporting entrepreneurs and small businesses. For example, in partnership with Western Union’s Black Advisory Council, the Foundation provided funding to Sistabiz, an organization that supports Black women-led organizations by providing them with training and resources to grow their businesses.



*“I realize now is my time to give back, and I want to help people achieve their dreams and have a better life.”*

Patricia Parian  
Customer Care

20. All full and part-time employees based in the U.S. are eligible, as are members of the Western Union Corporate Board of Directors

*“I believe we must always give more than we take; volunteering gives me that chance. I’ve been inspired by the people I’ve met through different opportunities over the years and the resilience of the human spirit to thrive despite hardship.”*



Caroline Mata  
Human Resources Leader



Employee volunteers from Western Union’s regional operating center in San José, Costa Rica.



# Engaging with Stakeholders

## Engaging with Western Union Customers

In the U.S., Western Union customers can donate to the Foundation when sending a money transfer through the Western Union app. This easy-to-use feature, developed as a result of a Company-wide hackathon, allows Western Union customers to engage in the Foundation’s mission. Through these generous customer donations, the Foundation has raised more than \$225,000<sup>21</sup> that goes directly to nonprofit partners.

## Engaging with Agents

The Foundation invites Western Union agents to join the Foundation’s charitable initiatives — doubling the impact of charitable investments on underserved communities. The Foundation has been proud to partner with dozens of Western Union agents over the years, to move the needle on the world’s most pressing social issues. For example:

**Workforce training:** Since 2018 the Foundation has collaborated with Western Union agent PLS Financial Services in support of Global Alliance for Africa’s (GAA) Digital Learning Program. PLS’s donation is matched by the Western Union Foundation to invest in GAA’s Digital Literacy programs in Tanzania and

Morocco. The Digital Literacy programs provide low-income and vulnerable public secondary students skills training and education in computer literacy, digital security, security ethics, and more, with an emphasis on career preparedness.

**COVID-19 relief:** In 2020, the Foundation was also proud to partner with Tony’s Charitable Foundation, the philanthropic arm of Western Union agent Tony’s Fresh Market, in a donation to the Chicago Community COVID-19 Response Fund. The fund, led by The Chicago Community Trust and United Way of Metro Chicago, supported nonprofit organizations that provided access to essential goods and services such as emergency food and healthcare supplies.



Western Union employees in Denver, U.S. nominated and voted for a local nonprofit, Family Tree, to be awarded funding from the Foundation. Family Tree helps victims of abuse and homelessness to achieve safety and self-reliance.

Photo Credit: Family Tree

21. As of February 2021



# Advocating for Change

The Foundation advocates for migrant and refugee rights and helps change the narrative through campaigns, speaking engagements, and storytelling. Members of the Foundation, for example, speak on the global stage around issues related to displacement.

The Foundation communicates success stories and outcomes to inspire and engage supporters with its work. In 2020, it focused on uplifting the voices of migrants and refugees.

# Foundation Governance

The Western Union Foundation is a separate charitable corporation that is tax-exempt under §501(c)(3) of the United States Internal Revenue Code, contributions to which are tax-deductible for U.S. income tax purposes. The Foundation is governed by a Board of Directors made up of Western Union senior leaders. A list of Board members and Foundation staff members can be found in the Foundation's [2020 Impact Report](#).

The Foundation has a robust set of policies which govern how grantees are selected and vetted.

In 2020, the Foundation's 2019 financials were audited by an independent accounting firm, with no concerns raised.

## ADVOCACY TO STRENGTHEN RELIEF EFFORTS

In September 2020, after fires erupted, more than 12,000 migrants, refugees, and asylees had to evacuate from the Moria Refugee Camp in Lesbos, Greece — leaving many without shelter or resources. The Foundation invested not only in the IRC's relief efforts, but also in its advocacy efforts to help refugees create and sustain meaningful livelihoods in Greece.



Photo credit: Milos Bicanski/International Rescue Committee

*“By investing directly in advocacy, the Western Union Foundation is enabling the International Rescue Committee to create systemic change and improve public perception of the nearly 20,000 refugees and asylum seekers who remain stranded in the Greek Islands.”*

Katie Wicks, Global Corporate Partnerships, International Rescue Committee



# ESG Performance

We reference our reporting against key reporting frameworks including the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB). This Performance Index shows where to find relevant disclosures in this report and our other corporate reports, including our 10-K and Proxy.



## IN THIS SECTION

- [GRI and SASB Standards Index](#)



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Western Union’s 2020 Environmental, Social, and Governance (ESG) Report has been prepared in accordance with the GRI Standards: Core option. It also includes responses to select relevant metrics from the SASB Standards – i.e., Software & IT Services and Consumer Finance standards. Unless otherwise noted, the scope of performance data in this Index is Company-wide for the fiscal year ended December 31, 2020, and all financial information is presented in U.S. dollars.



*“Open and transparent disclosure about our ESG performance is a key tool in our drive to constantly assess and improve our ESG impact and to achieve our ambition to help build more connected, fair, and prosperous global communities.”*

Joy Miller  
Head of Corporate Affairs



# GRI and SASB Standards Index

## GRI 102: General Disclosures 2016

### Organizational profile

DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>102-1</b> Name of organization	The Western Union Company	
<b>102-2</b> Activities, brands, products, and services	About Western Union <i>2020 Form 10-K: Item 1. Business</i>	<u>6-8</u> <u>6-11</u> (2020 10-K)
<b>102-3</b> Location of headquarters	Denver, Colorado, United States	
<b>102-4</b> Location of operations	About Western Union <i>2020 Form 10-K: Item 1. Business; Item 2. Properties and Facilities</i>	<u>6-8</u> <u>6, 46</u> (2020 10-K)
<b>102-5</b> Ownership and legal form	The Western Union Company is a publicly traded (NYSE: WU) company.	
<b>102-6</b> Markets served	About Western Union Financial Inclusion <i>2020 Form 10-K: Item 1. Business</i>	<u>6-8</u> <u>18-22</u> <u>6-11</u> (2020 10-K)
<b>102-7</b> Scale of organization	About Western Union Workplace <i>2020 Form 10-K: Item 1. Business; Capital Resources and Liquidity; Consolidated Statements of Cash Flows; 16. Borrowings</i>	<u>6-8</u> <u>32</u> <u>6-8, 58-59, 82, 121</u> (2020 10-K)
<b>102-8</b> Information on employees and other workers	Workplace (Attracting Employees and Diversity, Equity, and Inclusion) <i>2020 Form 10-K: Item 1. Business: Human Capital Management</i>	<u>32, 41</u> <u>18-20</u> (2020 10-K)
<b>TC-S1- 330a.1</b> Percentage of employees that are (1) foreign nationals and (2) located offshore	Approximately 84% of our employees are located outside of the U.S. with our employees located in a total of 52 countries.	

### Organizational profile (continued)

DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>102-9</b> Supply chain	About Western Union Supply Chain <i>2020 Form 10-K: Item 1. Business</i>	<u>6-8</u> <u>72</u> <u>6-8</u> (2020 10-K)
<b>102-10</b> Significant changes to the organization and its supply chain	<i>2020 Form 10-K: Notes to Consolidated Financial Statements: 1. Business and Basis of Presentation, Business Combinations</i>	<u>84, 86-87</u> (2020 10-K)
<b>102-11</b> Precautionary Principle or approach	Going Beyond Compliance Risk Management <i>2020 Form 10-K: Item 7A. Quantitative and Qualitative Disclosures About Market Risk</i> <i>2021 Proxy Statement, Board Leadership Structure and Role in Risk Oversight</i>	<u>54-56</u> <u>65-66</u> <u>70-72</u> (2020 10-K) <u>18</u> (2021 Proxy)
<b>102-12</b> External initiatives	About This Report Aligning with the U.N. SDGs Support for Migrants and Refugees Diversity, Equity, and Inclusion Combating Illicit Activity Western Union Foundation: Opportunity Beyond Borders	<u>105</u> <u>14-15</u> <u>28-29</u> <u>40-45</u> <u>50-52</u> <u>84-86</u>
<b>102-13</b> Membership of associations	Support for Migrants and Refugees Combating Illicit Activity Western Union Foundation: Opportunity Beyond Borders	<u>28-29</u> <u>50-52</u> <u>84-86</u>





# GRI and SASB Standards Index

## GRI 102: General Disclosures 2016

### Strategy

DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>102-14</b> Statement from senior decision-maker	Message from the CEO	<a href="#">2-3</a>
<b>102-15</b> Key impacts, risks, and opportunities	Message from the CEO About Western Union	<a href="#">2-3</a> <a href="#">6-8</a>
<b>TC-SI- 550a.2</b> Description of business continuity risks related to disruptions of operations	Materiality Risk Management Stakeholder Engagement <i>2020 Form 10-K: Item 1. Business and 1A. Risk Factors</i>	<a href="#">10-11</a> <a href="#">65-66</a> <a href="#">73</a> <a href="#">6, 23-46</a> (2020 10-K)

### Ethics and Integrity

DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>102-16</b> Values, principles, standards, and norms of behaviors	Values Workplace (Ethics and compliance training) Going Beyond Compliance Ethics and Culture <i>Western Union Code of Conduct</i>	<a href="#">9</a> <a href="#">32, 35</a> <a href="#">54-56</a> <a href="#">67-69</a>
<b>102-17</b> Mechanisms for advice and concerns about ethics	Ethics and Culture (incl. Whistleblowing) <i>2021 Proxy Statement: Communications with the Board of Directors</i> <i>Western Union Code of Conduct</i>	<a href="#">67-69</a> <a href="#">24</a> (2021 Proxy)

### Governance

DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>102-18</b> Governance structure	Corporate Governance and ESG Oversight <i>2021 Proxy Statement: Corporate Governance – Committees of the Board of Directors</i>	<a href="#">62-64</a> <a href="#">19-23</a> (2021 Proxy)
<b>102-19</b> Delegating authority	Corporate Governance and ESG Oversight <i>Corporate Governance, ESG, and Public Policy Committee Charter</i>	<a href="#">62-64</a>
<b>102-20</b> Executive-level responsibility for economic, environmental, and social topics	Corporate Governance and ESG Oversight	<a href="#">62-64</a>
<b>102-21</b> Consulting stakeholders on economic, environmental, and social topics	Stakeholder Engagement Ethics and Culture Contacting the Board <i>2021 Proxy Statement: Communications with the Board of Directors</i>	<a href="#">73</a> <a href="#">67-69</a> <a href="#">63</a> <a href="#">24</a> (2021 Proxy)
<b>102-22</b> Composition of the highest governance body and its committees	Corporate Governance and ESG Oversight <i>2021 Proxy Statement: Proxy Summary, Board of Directors Information</i>	<a href="#">62-64</a> <a href="#">ii, 6-13</a> (2021 Proxy)
<b>102-23</b> Chair of the highest governance body	<i>2021 Proxy Statement: Board of Directors Information</i>	<a href="#">8</a> (2021 Proxy)
<b>102-24</b> Nominating and selecting the highest governance body	<i>2021 Proxy Statement: Election of Directors, Corporate Governance</i>	<a href="#">15, 16-25</a> (2021 Proxy)
<b>102-25</b> Conflicts of interest	Conflicts of Interest Policy	<a href="#">68</a>



# GRI and SASB Standards Index

## GRI 102: General Disclosures 2016

### Governance (continued)

DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>102-26</b> Role of highest governance body in setting purpose, values, and strategy governance body and its committees	Corporate Governance and ESG Oversight <i>2021 Proxy Statement: Proxy Summary, Board of Directors Information, Corporate Governance</i>	<u>62-64</u>  <i>i-vi, 6-13, 16-25</i> (2021 Proxy)
<b>102-27</b> Collective knowledge of highest governance body	In 2020, the Board was briefed on cybersecurity training, anti-money laundering and anti-bribery/corruption training, as well as regular briefings on regulatory matters, privacy and data security, and others, solely as it relates to the Company, in the normal course of presentations from management.	
<b>102-28</b> Evaluating the highest governance body's performance	<i>2021 Proxy Statement: Corporate Governance—Corporate Governance, ESG, and Public Policy Committee, Nomination of Directors, Corporate Governance—Code of Ethics</i>	<u>23, 24-25, 25</u> (2021 Proxy)
<b>102-29</b> Identifying and managing economic, environmental, and social impacts	Materiality	<u>10-11</u>
	Corporate Governance and ESG Oversight Risk Management <i>2021 Proxy Statement: Corporate Governance, ESG, and Public Policy Committee</i>	<u>62-64</u>  <u>65-66</u> <u>23</u> (2021 Proxy)
<b>102-30</b> Effectiveness of risk management processes	Risk Management <i>2021 Proxy Statement: Corporate Governance—Board Leadership Structure and Role in Risk Oversight, Corporate Governance, ESG, and Public Policy Committee</i>	<u>65-66</u>  <u>18, 23</u> (2021 Proxy)

### Governance (continued)

DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>102-31</b> Review of economic, environmental, and social topics	Corporate Governance and ESG Oversight <i>2021 Proxy Statement: Corporate Governance, ESG, and Public Policy Committee</i>	<u>62-64</u>  <u>23</u> (2021 Proxy)
<b>102-32</b> Highest governance body's role in sustainability reporting	The President and CEO and the members of the Corporate Governance, ESG, and Public Policy Committee of the Board review the Company's annual ESG report.	
<b>102-33</b> Communicating critical concerns	Ethics Helpline	<u>67</u>
	Contacting the Board	<u>63</u>
<b>102-34</b> Nature and total number of critical concerns	Western Union is not disclosing due to confidentiality concerns.	
<b>102-35</b> Remuneration policies	<i>2021 Proxy Statement: Compensation of Directors, Compensation Discussion and Analysis, Executive Compensation</i>	<u>26-28, 32-51, 52-65</u> (2021 Proxy)
<b>102-36</b> Process for determining remuneration	<i>2021 Proxy Statement: Compensation Discussion and Analysis</i>	<u>32-51</u> (2021 Proxy)
<b>102-37</b> Stakeholders' involvement in remuneration	<i>2021 Proxy Statement: Compensation Discussion and Analysis</i>	<u>32-51</u> (2021 Proxy)
<b>102-38</b> Annual total compensation ratio	<i>2021 Proxy Statement: CEO Pay Ratio</i>	<u>66</u> (2021 Proxy)
<b>102-39</b> Percentage increase in annual total compensation ratio	Compensation ratio in 2019 was 316:1. Compensation ratio in 2020 was 339:1. Percentage increase in annual total compensation ratio: 7.28%	



# GRI and SASB Standards Index

## GRI 102: General Disclosures 2016

### Stakeholder Engagement

DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>102-40</b> List of stakeholder groups	Stakeholder Engagement	<a href="#">73</a>
<b>102-41</b> Collective bargaining agreements	Approximately 84% of our employees are located outside of the U.S., with our employees located in a total of 52 countries. In some regions we have relationships with trade unions and work councils, and our workforce is covered through collective bargaining agreements (CBAs), but it differs from country to country. As a result, we cannot provide a precise response to this question, but can confirm that most Western Union employees are not covered by CBAs and none who are U.S.-based are covered by CBAs. Western Union complies with applicable local laws worldwide regarding employee and third-party involvement, respects the rights of employees to organize, and does not discriminate based on an employee's decision to join or not join a labor organization.	
<b>102-42</b> Identifying and selecting stakeholders	Materiality Stakeholder Engagement The stakeholder groups were identified based on those in which Western Union has its greatest interactions in its operations and activities, and where it can have or influence the greatest impact in addressing environmental, social, and governance-related matters.	<a href="#">10-11</a> <a href="#">73</a>

### Stakeholder Engagement (continued)

DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>102-43</b> Approach to stakeholder engagement	Stakeholder Engagement Engaging with Our Employees Western Union Foundation: Engaging with Stakeholders	<a href="#">73</a> <a href="#">34</a> <a href="#">89-90</a>
<b>102-44</b> Key topics and concerns raised	Materiality Stakeholder Engagement Engaging with Our Employees Western Union Foundation: Engaging with Stakeholders	<a href="#">10-11</a> <a href="#">73</a> <a href="#">34</a> <a href="#">89-90</a>

### Reporting Practice

DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>102-45</b> Entities included in the consolidated financial statements	About This Report <i>2020 Form 10-K: Notes to Consolidated Financial Statements: 1. Business and Basis of Presentation, 2. Summary of Significant Accounting Policies</i>	<a href="#">105</a> <a href="#">84, 85</a> (2020 10-K)
<b>102-46</b> Defining report content and topic boundaries	Materiality About This Report Message from the CEO	<a href="#">10-11</a> <a href="#">105</a> <a href="#">2-3</a>
<b>102-47</b> List of material topics	Materiality	<a href="#">10-11</a>
<b>102-48</b> Restatements of information	There were no restatements of information in this report.	
<b>102-49</b> Changes in reporting	There were no significant changes from the previous reporting period.	



# GRI and SASB Standards Index

## GRI 102: General Disclosures 2016

Reporting Practice (continued)		
DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>102-50</b> Reporting period	Calendar year 2020 unless otherwise noted <a href="#">About This Report</a>	<a href="#">105</a>
<b>102-51</b> Date of most recent report	The most recent report was released in June 2020.	
<b>102-52</b> Reporting cycle	Western Union reports on an annual basis, but may adjust our reporting cycle as appropriate.	
<b>102-53</b> Contact point for questions regarding the report	<a href="mailto:ESG@westernunion.com">ESG@westernunion.com</a>	
<b>102-54</b> Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards (Core option).	
<b>102-55</b> GRI content index	GRI and SASB Index	<a href="#">94–104</a>
<b>102-56</b> External assurance	Western Union does not have a policy relating to external assurance for its annual ESG Report, and does not currently seek external assurance.	

## GRI 200: Topic-Specific Standards — Economic

201 Economic Performance		
DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>103-1</b> Explanation of the material topic and its boundary	Materiality Western Union Foundation	<a href="#">10–11</a> <a href="#">80–91</a>
<b>103-2</b> The management approach and its components	<a href="#">2020 Annual Report: Message from the CEO</a>	<a href="#">1–3</a> (Annual Report)
<b>103-3</b> Evaluation of the management approach	<a href="#">2021 Proxy Statement: Corporate Governance</a> <a href="#">2020 Form 10-K: Item 1. Our Business, Item 7. Management Discussion and Analysis of Financial Condition and Results of Operations</a>	<a href="#">16–25</a> (2021 Proxy) <a href="#">6–20, 49–69</a> (2020 10-K)
<b>201-1</b> Direct economic value generated and distributed (EVG&D)	<a href="#">2020 Form 10-K: Selected Financial Data, Financial Statements and Supplementary Data – Consolidated Statements of Cash Flows</a>	<a href="#">48, 82</a> (2020 10-K)
<b>201-3</b> Defined benefit plan obligations and other retirement plans	<a href="#">2020 Form 10-K: Notes to Consolidated Financial Statements – 12. Employee Benefit Plans</a>	<a href="#">110–111</a> (2020 10-K)



# GRI and SASB Standards Index

## GRI 200: Topic-Specific Standards — Economic

### 203 Indirect Economic Impacts

DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>103-1</b> Explanation of the material topic and its boundary	Materiality	<a href="#">10–11</a>
	Western Union Foundation	<a href="#">80–91</a>
	Going Beyond Compliance	<a href="#">54–56</a>
<b>103-2</b> The management approach and its components	Protecting Customers	<a href="#">48–49</a>
	Combating Illicit Activity	<a href="#">50–52</a>
<b>103-3</b> Evaluation of the management approach	Supply Chain	<a href="#">72</a>
	<b>203-2</b> Significant indirect economic impacts	Financial Inclusion <a href="#">18–22</a> Innovation <a href="#">23–25</a> Support for Migrants & Refugees <a href="#">28–29</a> Western Union Foundation <a href="#">80–91</a> Protecting Customers <a href="#">48–49</a> Combating Illicit Activity & Corruption <a href="#">50–53</a>

### 204 Procurement Practices

DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>103-1</b> Explanation of the material topic and its boundary	Supply Chain	<a href="#">72</a>
	Ethics and Culture	<a href="#">67–69</a>
<b>103-2</b> The management approach and its components		
<b>103-3</b> Evaluation of the management approach		
<b>204-1</b> Proportion of spending on local suppliers	Western Union has a global supplier base aligned with the operations of the Company and its product and service offerings. While Western Union does not set a target for local supplier sourcing, many of our needs are fulfilled on a local or regional level based on Company and customer needs.	

### 205 Anti-Corruption

DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>103-1</b> Explanation of the material topic and its boundary	Fair Competition	<a href="#">49</a>
	Preventing Corruption	<a href="#">53</a>
<b>103-2</b> The management approach and its components	Supply Chain	<a href="#">72</a>
	Ethics and Culture	<a href="#">67–69</a>
<b>103-3</b> Evaluation of the management approach		
<b>205-2</b> Communication and training about anti-corruption policies and procedures	Preventing Corruption: Training and Communication	<a href="#">53</a>

### 206 Anti-Competitive Behavior

DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>103-1</b> Explanation of the material topic and its boundary	Fair Competition	<a href="#">49</a>
	Ethics and Culture	<a href="#">67–69</a>
<b>103-2</b> The management approach and its components		
<b>103-3</b> Evaluation of the management approach		
<b>206-1</b> Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<i>2020 Form 10-K: Notes to Consolidated Financial Statements — 6. Commitments and Contingencies</i>	<a href="#">135</a> (2020 10-K)
<b>TC-SI- 520a.1</b> Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations		



# GRI and SASB Standards Index

## GRI 300: Topic-Specific Standards — Environmental

302 Energy		
DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>103-1</b> Explanation of the material topic and its boundary	Environment—Our Approach	<a href="#">76</a>
<b>103-2</b> The management approach and its components		
<b>103-3</b> Evaluation of the management approach		
<b>302-1</b> Energy consumption within the organization	Energy and Emissions	<a href="#">76–78</a>
<b>TC-SI- 130a.1</b> Total energy consumed, percentage grid electricity, percentage renewable energy	Western Union does not currently report energy consumption.	
<b>302-4</b> Reduction of energy consumption	Energy and Emissions As above, Western Union does not currently report energy consumption.	<a href="#">76–78</a>

305 Emissions		
DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>103-1</b> Explanation of the material topic and its boundary	Energy and Emissions	<a href="#">76–78</a>
<b>103-2</b> The management approach and its components	Western Union does not currently report emissions.	
<b>103-3</b> Evaluation of the management approach		
<b>305-1</b> Direct (Scope 1) GHG emissions	As above, Western Union does not currently report emissions.	
<b>305-5</b> Reduction of GHG emissions	Energy and Emissions As above, Western Union does not currently report emissions.	<a href="#">76–78</a>

307 Environmental Compliance		
DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>103-1</b> Explanation of the material topic and its boundary	Corporate Governance and ESG Oversight	<a href="#">62–64</a>
<b>103-2</b> The management approach and its components	Risk Management	<a href="#">65–66</a>
<b>103-3</b> Evaluation of the management approach	Ethics and Culture—Our Approach <i>2021 Proxy Statement: Corporate Governance, ESG, and Public Policy Committee</i>	<a href="#">67</a> <a href="#">23</a> (2021 Proxy)
<b>307-1</b> Non-compliance with environmental laws and regulations	Western Union has not paid any significant fines and was not otherwise sanctioned for non-compliance with environmental laws or regulations in the reporting period.	
<b>TC-SI- 130a.3</b> Description of the integration of environmental considerations to strategic planning for data center needs	Energy Efficiency and Waste Management	<a href="#">76–78</a>



# GRI and SASB Standards Index

## GRI 400: Topic-Specific Standards — Social

### 401 Employment

DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>103-1</b> Explanation of the material topic and its boundary	Attracting, Engaging, and Retaining Employees — Our Approach	<a href="#">32</a>
<b>103-2</b> The management approach and its components	Employee Benefits	<a href="#">36–38</a>
<b>103-3</b> Evaluation of the management approach	<i>2020 Form 10-K: Notes to Consolidated Financial Statements, 12. Employee Benefit Plans</i>	<a href="#">110–111</a> (2020 10-K)
<b>401-1</b> New employee hires and employee turnover	Workforce and DEI data Western Union does not currently break out new employee hires and turnover performance based on region and age group. <b>New employee hires (external)</b> Total new hires: 1,801 Female: 879 (49%) Male: 904 (50%) Chose not to identify: 18 (<1%)	<a href="#">32</a> ; <a href="#">41–42</a>
<b>401-2</b> Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Benefits <i>2020 Form 10-K: Notes to Consolidated Financial Statements, 12. Employee Benefit Plans</i>	<a href="#">38</a> <a href="#">110–111</a> (2020 10-K)
<b>401-3</b> Parental leave	Employee Benefits All of Western Union's approximately 1,700 U.S. employees are eligible for parental leave, including full- and part-time employees. Outside the U.S., parental leave policies vary by country.	<a href="#">38</a>
<b>TC-SI- 330a.2</b> Employee engagement as a percentage	Engaging with Our Employees	<a href="#">34</a>

### 404 Training and Education

DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>103-1</b> Explanation of the material topic and its boundary	Investing in Our People	<a href="#">35</a>
<b>103-2</b> The management approach and its components		
<b>103-3</b> Evaluation of the management approach		
<b>404-1</b> Average hours of training per year per employee	Investing in our People — Learning Tools and Platforms Western Union does not currently break out training by employee category or gender.	<a href="#">35</a>
<b>404-2</b> Programs for upgrading employee skills and transition assistance programs	Investing in Our People	<a href="#">35</a>
<b>404-3</b> Percentage of employees receiving regular performance and career development reviews	Investing in Our People All employees received a regular performance and career development review in 2020.	<a href="#">35</a>

### 405 Diversity and Equal Opportunity

DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>103-1</b> Explanation of the material topic and its boundary	Our ESG Strategy — Diversity, Equity, and Inclusion	<a href="#">12</a>
<b>103-2</b> The management approach and its components	Diversity, Equity, and Inclusion	<a href="#">40–45</a>
<b>103-3</b> Evaluation of the management approach	Corporate Governance and ESG Oversight	<a href="#">62–64</a>



# GRI and SASB Standards Index

## GRI 400: Topic-Specific Standards — Social

### 405 Diversity and Equal Opportunity (continued)

DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>405-1</b> Diversity of governance bodies and employees	Workplace	<a href="#">32</a>
<b>TC-SI- 330a.3</b> Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Diversity, Equity, and Inclusion 2020 Board of Directors <i><a href="#">2021 Proxy Statement: Board of Directors Information</a></i>	<a href="#">41-42</a> <a href="#">63</a> <a href="#">6-14</a> (2021 Proxy)
<b>405-2</b> Ratio of basic salary and remuneration of women to men	Pay Equity	<a href="#">37</a>

### 412 Human Rights Assessment

DISCLOSURE & GRI/SASB CODE	REPORT SECTIONS AND LINKS	PAGE
<b>103-1</b> Explanation of the material topic and its boundary	Promoting Human Rights and Combating Modern Slavery	<a href="#">69</a>
<b>103-2</b> The management approach and its components	Going Beyond Compliance Combating Illicit Activity	<a href="#">54-56</a> <a href="#">50-52</a>
<b>103-3</b> Evaluation of the management approach	Corporate Governance and ESG Oversight <i><a href="#">Modern Slavery and Human Trafficking Statement</a></i>	<a href="#">64</a>
<b>GRI 412</b> Human Rights Assessment # and % of operations that have been subject to human rights reviews or impact assessments	Promoting Human Rights and Combating Modern Slavery	<a href="#">69</a>
<b>412-2</b> Employee training on human rights policies or procedures	Promoting Human Rights and Combating Modern Slavery Preventing Corruption—Training and Communication Going Beyond Compliance—Training and Education Ethics Training	<a href="#">69</a> <a href="#">53</a> <a href="#">55</a> <a href="#">68</a>

### 414 Supplier Social Assessment

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<b>103-2</b> The management approach and its components	Promoting Human Rights and Combating Modern Slavery <i><a href="#">Modern Slavery and Human Trafficking Statement</a></i>	<a href="#">69</a>
<b>103-3</b> Evaluation of the management approach		
<b>414-1</b> New suppliers that were screened using social criteria	Supply Chain <i><a href="#">Modern Slavery and Human Trafficking Statement</a></i>	<a href="#">72</a>

### 415 Public Policy

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<b>103-1</b> Explanation of the material topic and its boundary	Stakeholder Engagement	<a href="#">73</a>
<b>103-2</b> The management approach and its components	Corporate Governance and ESG Oversight <i><a href="#">2021 Proxy Statement: Corporate Governance—Committees of the Board of Directors</a></i>	<a href="#">62-64</a> <a href="#">19</a> (2021 Proxy)
<b>103-3</b> Evaluation of the management approach		
<b>415-1</b> Political contributions	Political Contributions Report <i><a href="#">Corporate Political Contributions Report</a></i>	<a href="#">73</a>

### 418 Consumer Privacy

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<b>103-1</b> Explanation of the material topic and its boundary	Focusing on Cybersecurity, Data Privacy, and Protection	<a href="#">57-59</a>
<b>103-2</b> The management approach and its components	Protecting Customers	<a href="#">48-49</a>
<b>103-3</b> Evaluation of the management approach		





# GRI and SASB Standards Index

## GRI 400: Topic-Specific Standards — Social

### 418 Consumer Privacy (continued)

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<b>TC-SI- 220a.1</b> Description of policies and practices relating to behavioral advertising and user privacy	Focusing on Cybersecurity, Data Privacy, and Protection Protecting Customers	<a href="#">57–59</a>  <a href="#">48–49</a>
<b>TC-SI- 230a.2; FN-CF- 230a.3</b> Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards		
<b>418-1</b> Substantiated complaints concerning breaches of customer privacy and losses of customer data <b>TC-SI- 230a.1; FN-CF- 230a.1</b> Number of data breaches, percentage involving personally identifiable information (PII), and number of users affected	Data Privacy and Protection Western Union is currently unable to provide additional details relating to this disclosure.	<a href="#">59</a>
<b>FN-CF- 220a.2</b> Total amount of monetary losses as a result of legal proceedings associated with customer privacy	Information about material legal matters involving the Company can be found in our <a href="#">2020 Form 10-K: Commitments and Contingencies</a>	<a href="#">98–100</a> (2020 10-K)
<b>TC-SI- 220a.3</b> Total amount of monetary losses as a result of legal proceedings associated with user privacy	Information about material legal matters involving the Company can be found in our <a href="#">2020 Form 10-K: Commitments and Contingencies</a>	<a href="#">98–100</a> (2020 10-K)

### 419 Socioeconomic Compliance

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<b>103-1</b> Explanation of the material topic and its boundary	Going Beyond Compliance	<a href="#">54–56</a>
<b>103-2</b> The management approach and its components		
<b>103-3</b> Evaluation of the management approach		
<b>419-1</b> Non-compliance with laws and regulations in the social and economic area <b>TC-SI- 220a.3</b> Total amount of monetary losses as a result of legal proceedings associated with user privacy	Information about material legal matters involving the Company can be found in our <a href="#">2020 Form 10-K: Commitments and Contingencies</a>	<a href="#">98–100</a> (2020 10-K)
<b>TC-SI-520a.1</b> Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Information about material legal matters involving the Company can be found in our <a href="#">2020 Form 10-K: Commitments and Contingencies</a>	<a href="#">98–100</a> (2020 10-K)
<b>FN-CF-220a.2</b> Total amount of monetary losses as a result of legal proceedings associated with customer privacy	Information about material legal matters involving the Company can be found in our <a href="#">2020 Form 10-K: Commitments and Contingencies</a>	<a href="#">98–100</a> (2020 10-K)
<b>FN-CF-270a.5</b> Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products	Information about material legal matters involving the Company can be found in our <a href="#">2020 Form 10-K: Commitments and Contingencies</a>	<a href="#">98–100</a> (2020 10-K)



# GRI and SASB Standards Index

## GRI 400: Topic-Specific Standards — Social

### WU1 Cybersecurity

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<b>103-1</b> Explanation of the material topic and its boundary	Focusing on Cybersecurity, Data Privacy, and Protection	<a href="#">57-58</a>
<b>103-2</b> The management approach and its components	Protecting Customers	<a href="#">48-49</a>
<b>103-3</b> Evaluation of the management approach		
<b>TC-SI- 230a.2</b> Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards		
<b>FN-CF- 230a.3; TC-SI- 230a.2</b> Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards		

### WU2 Service and Technology Innovation

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<b>103-1</b> Explanation of the material topic and its boundary	Innovation that Connects and Empowers	<a href="#">23-24</a>
<b>103-2</b> The management approach and its components		
<b>103-3</b> Evaluation of the management approach		

# About This Report

This ESG report has been prepared in accordance with the GRI Standards (Core option) and includes responses to select relevant metrics from the SASB Standards. We also highlight how Western Union's ESG efforts support the United Nations Sustainable Development Goals (SDGs).

The scope of performance data in this report is company-wide for the fiscal year ending December 31, 2020, and all financial information is presented in U.S. dollars unless otherwise noted.

We have conducted a rigorous internal review of the report content, including subject matter reviews and validation. This report has not been externally assured.

We would like to hear what you think about our ESG Report and related efforts. Please send any queries or comments to [esg@westernunion.com](mailto:esg@westernunion.com).

## FORWARD-LOOKING STATEMENTS

This report contains certain statements that are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties. These statements are not historical facts or guarantees of future outcomes, but rather are based on current expectations, estimates, assumptions, and projections, and include statements regarding our goals, commitments, programs, and other plans and objectives. Words such as "expects," "intends," "targets," "goals," "anticipates," "believes," "estimates," "aims," "plans," "strives," and other similar expressions or future or conditional verbs such as "may," "will," "should," "would," "could," and "might" are intended to identify such forward-looking statements. Our actual outcomes and results may differ materially from those expressed in, or implied by, our forward-looking statements based on changes in circumstances, assumptions not being realized, or other risks, uncertainties, and factors. Such risks, uncertainties, and factors include, but are not limited to, those discussed in the Risk Factors section throughout our Annual Report on Form 10-K for the year ended December 31, 2020 and subsequent Quarterly Reports on Form 10-Q and Current Reports filed on Form 8-K with the U.S. Securities and Exchange Commission. In addition, we cannot assure you that outcomes or results, including the achievement of any stated goals or targets, will have the forecasted, desired, or expected consequences and effects. Our forward-looking statements are only as of the date they are made, and we undertake no obligation to update any forward-looking statement.

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