



Western
Union \\WU

2020

Environmental, Social,
and Governance Report
Executive Summary



**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.**

Welcome to the Executive Summary for Western Union's 2020 Environmental, Social, and Governance (ESG) Report. The full ESG report, including the GRI and SASB Performance Index is available at corporate.westernunion.com/esg.



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 and Executive Summary.

Our 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. The pandemic reinforced our longstanding determination to be a global force for good.

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 summary, 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.

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.

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.

Governing and managing for success: Our governance and management practices are founded on principles of accountability, integrity, fairness, reliability, and security.

Safeguarding our shared environment: 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.

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.

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
Western Union Customer



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.



“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. 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





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

Our World of Connections

Western Union connects 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 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.



Connecting People and Businesses to the Global Economy

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.

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.



"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





Our Customers



~150 million

customers and thousands of business clients globally



1,000+

non-governmental organizations (NGOs) globally



500+

financial institutions



700+

universities around the world



17%

of Western Union customers have sent money for education, supporting a better life for their loved ones

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.

Our inclusive global financial network enables consumers 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.

Remittances: a critical building block for COVID-19 relief and recovery

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.



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



"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



Veena Dandapani
Head of Product Strategy and Management



Our Global Workforce



~11,000

global employees



51%

of our global employees
are women



38%

of our senior management
and above are women



19%

of U.S. employees are
multicultural women¹



22%

of U.S. employees are
Black/African American
or Hispanic/Latinx



10

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



76

nationalities



49+

languages spoken



120+

countries of birth

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.

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 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

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



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.



"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





Showing Results



\$1.4 billion

of fraudulent transactions prevented in 2020



~2,300

human trafficking investigations conducted since 2013

Protecting Against Fraud

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

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.

Combating Illicit Activity

We take a multi-faceted approach to preventing our services from being used to facilitate illicit money movement. 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.

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.

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

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.





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.

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.



"At Western Union, we promote a 'speak-up' culture and encourage employees to raise questions and concerns. Speaking up is essential

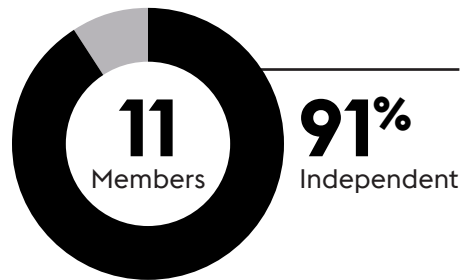
to the integrity of our organization and our commitment to a strong culture of ethics and compliance."

Nancy Reynolds
Chief Ethics Officer





2020 Board of Directors at a Glance



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.

45%
Board diversity



Women (3), Men (8)



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

Ethics and Culture

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

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

Human Rights

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. 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.



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.

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.



“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





Highlights

**25%**

total headquarters building materials, by value, made of recycled materials

**30%**

of our total workforce worked in LEED-certified buildings

Costa Rica Office Receives Ecological Award



recognize Costa Rica's natural resources, address climate change and more.

Our San José, Costa Rica, office has been awarded the Bandera Azul Ecológica (Blue Ecological Flag) annually 2016–2019.² This annual award recognizes efforts to conserve and

2. The 2020 Bandera Azul Ecológica awards will take place mid-2021

Sustainable Facilities

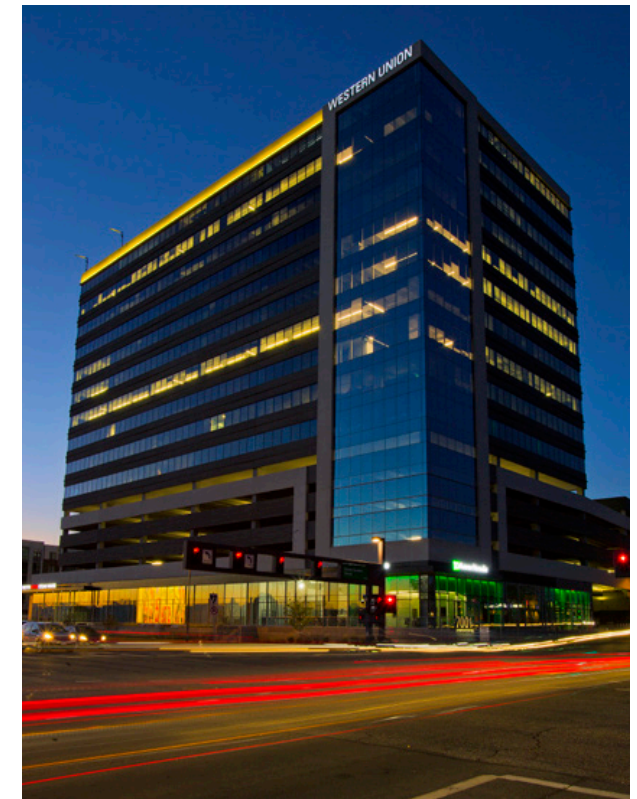
While the environmental footprint of offices has decreased during the pandemic, it will increase as people return. Offices are an important part of the employee experience and we want to ensure our people in offices are working in healthy and responsible environments.

Our global headquarters in Denver, U.S., 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.

At our largest regional operating center in Vilnius, Lithuania, which hosts approximately 2,000 Western Union employees, initiatives 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.





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.



“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



Nguyen Nguyen
WU Scholars Recipient



Western Union Foundation Highlights

\$131 million+
since inception in 2001

2,000+
nonprofits funded since inception, across
communities where Western Union
employees live and work

~200,000
people reached through coaching, job
skills, and disaster relief in 2020

~\$6 million
invested in workforce skilling and crisis
response 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

Championing Opportunity Beyond Borders

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.

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.

WU Scholars 2020

In 2020, the Foundation adapted its 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. The Foundation responded by establishing a fund for international students in partnership with the Institute of International Education.

25 Scholarships

15 Countries of citizenship

22 Universities attended

About This Summary

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 would like to hear what you think about our ESG Report and related efforts. Please send any queries or comments to esg@westernunion.com.

We support the United Nations Sustainable Development Goals. We focus especially on Goal 1: No Poverty, Goal 5: Gender Equality, Goal 8: Decent Work and Economic Growth, Goal 10: Reduced Inequalities, Goal 16: Peace Justice and Strong Institutions and Goal 17: Partnerships for the Goals. More detail is in the full report, available at corporate.westernunion.com/esg.

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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