



WesternUnion WU

2019

Environmental, Social,
and Governance Report

We believe we can be more successful as a company when we operate according to high ethical standards, address unmet social needs in our communities, and promote the well-being of our employees, customers, partners, and the environment.

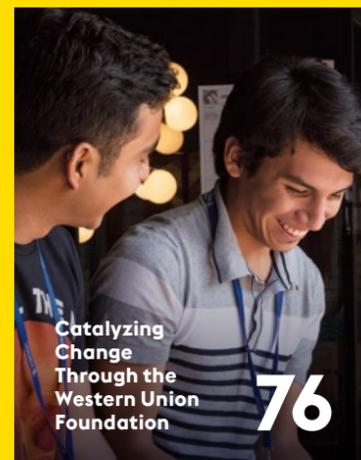
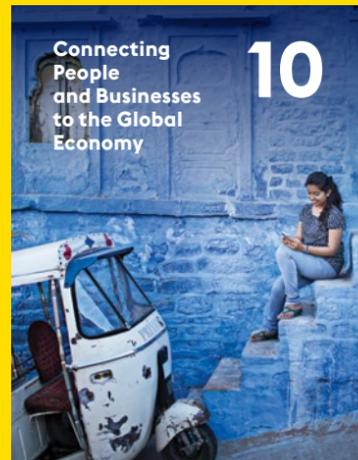


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About This Report

This is Western Union's second annual Environmental, Social, and Governance (ESG) Report. Our inaugural (2018) ESG Report was released in June 2019. This report has been prepared in accordance with the GRI Standards (Core option) and includes responses to select relevant metrics from the SASB Standards, which is a new addition to the report for 2019. The scope of performance data in this report is company-wide for the fiscal year ending December 31, 2019, and all financial information is presented in U.S. dollars unless otherwise noted.

The content of this report was developed based on the findings of a materiality assessment conducted in 2018 (further details on our assessment can be found on [page 8](#)).

We have conducted a rigorous internal review process 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.

A Message from the CEO

Dear fellow stakeholders,

We are releasing our second environmental, social, and governance (ESG) report into a changed world. Over the last few months, the COVID-19 crisis has upended lives across the globe like no other event in recent memory, leaving communities globally to reckon with loss, disruption, and fear.

History-changing events like this one demand the best of us as individuals, leaders, businesses, and communities. At Western Union, we have a nearly 170-year history of connecting people when the world feels distant and divided – from building a telegraph system that connected people across continents and oceans, to making it possible for people and businesses to move money to nearly every corner of the earth. Through the years, we have relied on the power of our people, our innovation, and our technology to meet challenges faced by our business and society. I am proud to say that this recent global crisis has been no exception.

In meeting this and other challenges, we strive to get one step closer to a world that works together. Last year, I was honored to be one of 181 signatories to the *Statement on the Purpose of a Corporation*, which was put out by the Business Roundtable (BRT), an association of CEOs of leading U.S. companies. The statement emphasized that serving the interests of all stakeholders is essential to driving long-term economic value and creating opportunity for all. This aligns with the World Economic Forum’s statement on the universal purpose of a company, released in 2019. Both statements support the idea that for corporations to be successful over the long term and to return value to shareholders, they need to serve the interests of customers, employees, and the communities in which they operate.



Hikmet Ersek
President, Chief Executive Officer (CEO), and Director

Today, against the backdrop of COVID-19 and global protests against social injustice, business’s role in building a more united future has never seemed more relevant – or more urgent. Serving our stakeholders in today’s world takes determination and innovation. It demands that we build unity through ingenuity to create new, lasting solutions for people, businesses, and societies.

This report provides an update on Western Union’s ESG efforts, and how we are addressing some of the most pressing issues facing society, our shared environment, and our Company. We highlight six key areas of focus for Western Union:

- Connecting people and businesses to the global economy:** Through innovation and collaboration, we strive to empower people and businesses pursuing opportunities near and far – individuals looking to improve the lives of their families, and businesses looking for new customers and markets. Our collaborations support opportunity by connecting communities across the economic landscape to the networks that power the global economy, including commerce and payments.
- Fostering an engaging and inclusive culture:** Our employees are fundamental to both our legacy and our future of connecting people across the globe. Diversity is a core strength at Western Union, providing the foundation for our corporate values: globally minded, purpose-driven, trustworthy and respectful. It starts

A MESSAGE FROM THE CEO

with our leadership and manifests itself throughout our Board of Directors and our global workforce. We work to build and develop a workforce that reflects the diversity of the 150 million customers we serve.

As we release this report, we are also engaging in open and honest dialogue with our employees – particularly those in our Black community across the organization – about systemic racism. We are committed to playing an active role in the fight for change and will share more about our efforts as we continue to listen, learn, and take action to combat racial injustice.

- Moving money with integrity:** As criminals become increasingly savvy in using technology to move money in pursuit of illicit ends, we have put sophisticated safeguards in place and work hand in hand with law enforcement and others to help thwart and prosecute fraud, human trafficking, money laundering, drug trafficking, illegal wildlife trade, and other criminal activity. Our cross-border platform integrates a vast array of intricate compliance measures to help protect our customers, partners, vulnerable groups, and the global financial system.
- Governing and managing for success:** Western Union is committed to operating ethically with honesty and integrity and doing business the right way. Our governance structures and practices provide oversight and guidance around critical issues for our business, including ethics, board diversity, executive compensation, fair competition, supply chain integrity, data privacy, and cybersecurity.
- Safeguarding our shared environment:** We are committed to acting responsibly to respect the environment and minimize our footprint, and to improving our environmental performance. Several of our offices, including our headquarters, feature Leadership in Energy and Environmental Design (LEED) certification by the U.S. Green Building Council. This year, in connection with the ongoing development of our ESG strategy, we are taking a deeper look at potential climate-related mitigation and adaptation activities.

- Supporting workforce skills development and humanitarian relief:** Since 2001, the Western Union Foundation has given more than \$125 million to help hundreds of thousands of people across the globe through training, education, and humanitarian relief. In 2019, the Foundation launched Opportunity Beyond Borders, a three-year, \$15-million commitment to provide vulnerable youth with the skills and training needed to succeed in today’s global digital economy.

While this is a 2019 report, we have also highlighted some of our 2020 actions to respond to the COVID-19 pandemic: protecting our employees with the rollout of a work-from-home policy, additional sick leave, and other benefits; philanthropy to support the global fight against the virus; meeting changing customer needs through digital options and innovative new services like home delivery; and – most critically – continuing to serve our highest purpose as an irreplaceable global mover of money to people when and where they need it the most.

This year’s report also contains additional disclosures, demonstrating process improvements we have made in how we review, assess, and report on our ESG performance. We value your interest in Western Union’s ESG initiatives and welcome any feedback and insights you may have.

This remains a challenging time, with the long-term impacts on society and business continuing to unfold. Still, our efforts to face this crisis have left me both energized and hopeful. The importance of our work is clearer than ever, and we remain committed to fulfilling it with the highest standards of responsibility, integrity, and sustainability.

Hikmet Ersek
President, Chief Executive Officer (CEO), and Director

About Western Union



The Western Union Company¹ is a publicly traded (NYSE: WU) company based in Denver, Colorado. We are a global leader in cross-border, cross-currency money movement and payments. Our omni-channel platform connects the digital and physical worlds and makes it possible for individuals, businesses, non-governmental organizations (NGOs), financial institutions, and other organizations to send and receive money and make payments with speed, ease, and reliability.

Western Union moves money for better across the globe, connecting family, friends, and businesses. Throughout our history, we have been inspired by a desire to help people enjoy more

prosperous, rewarding lives by helping them live, connect, and do business around the world – while honoring our commitment to help the communities and individuals who need it most.

Western Union's innovation has profoundly impacted business and culture throughout the Company's nearly 170-year history. We built the first telegraph line across the United States, connecting people and communities across the continent for the first time.

We developed one of the first consumer charge cards in 1914. We launched the first domestic commercial satellite into orbit in 1974 and sold the first prepaid phone card in 1993. In 2011, we embarked on a digital transformation, strategically connecting westernunion.com with our vast retail network of more than 550,000 agent locations.

Today, the Western Union brand is recognized around the world for delivering what matters most to the people who depend on us every day for: speed, reliability, trust, and convenience. We are uniquely positioned to connect people and money on a global scale, and are increasingly using our cross-border services to help partners such as Amazon, Safaricom, and Bharti Airtel unlock new opportunities for international businesses and consumers.

¹ "Western Union," "Company," "we," "us," or "our"

ABOUT WESTERN UNION

Western Union's Platform

Western Union's platform transcends borders, making it possible for individuals and businesses to move money easily and quickly across borders and currencies – in person or with a few clicks or swipes. We take the complexity out of moving money around the world by making the global feel local.

Our global platform combines our robust digital footprint, settlement infrastructure, treasury and compliance capabilities, a 550,000-location retail network, and the ability to send money and payments to more than four billion bank accounts and wallets.

Our technology portfolio, range of application programming interfaces (APIs), foreign exchange and settlement engine, agent network, and anti-money laundering and fraud-detection capabilities combine to make Western Union one of the largest money movers for consumers and businesses.

As our business strategy evolves, we have recently opened our platform to power other companies – including financial institutions and payment providers – to move money and make payments. It is a decisive step towards a new incremental growth opportunity.



ABOUT WESTERN UNION

A Digital Leader, A Retail Icon

Western Union operates one of the largest digital remittance businesses in the world, but it's the combination of our digital and retail capabilities that sets us apart. We offer digital transactions through westernunion.com in more than 75 countries, plus additional territories. Our digital business intersects with our global cash retail network of more than 550,000 agent locations across more than 200 countries and territories, enabling us to connect customers and businesses in remote parts of the world to the digital economy.

In many countries, we offer the ability to transact in cash or digitally on both the send and receive sides. This flexible model offers a range of options for sending and receiving money, including cash, bank accounts, credit cards, debit cards, and mobile wallets. Our customers have the ability to choose the option that best suits them.



Western Union's customers can access our services at retail locations and digitally.

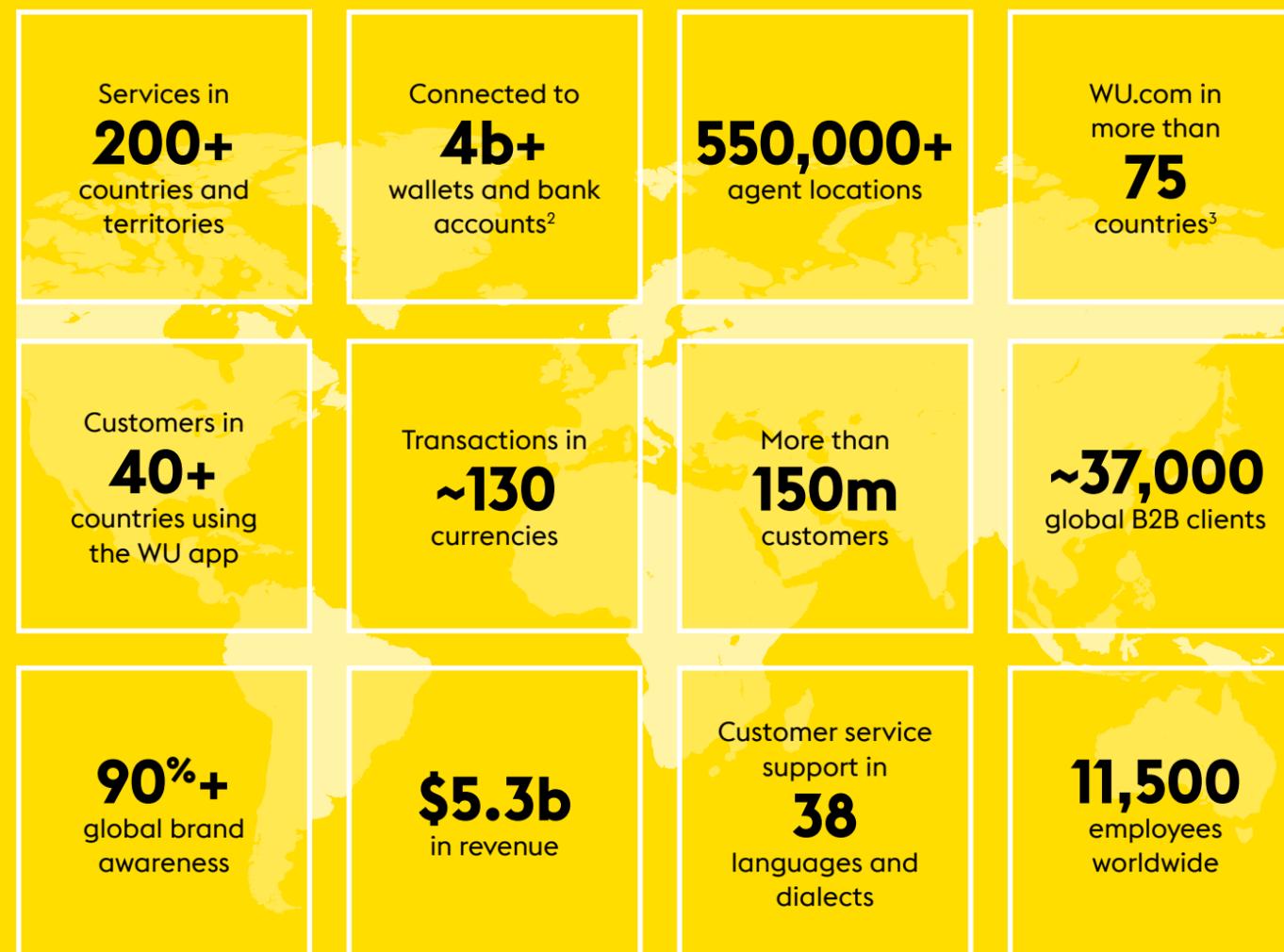
A customer in the U.S. can send money with a click on a mobile app to be picked up in cash in a small village in the Philippines; another customer can receive a digital payment directly into their bank account in India, minutes after someone drops off local notes at an agent in the U.K. An NGO can send funds from a bank account in London to

be picked up in cash by one of their field workers or beneficiaries in a conflict zone. A student from China can pay tuition, room, and board expenses to their university in Canada with confidence that the funds will arrive on time and in full.

Western Union's network spans urban centers, as well as rural villages. Transactions on our network are often lifelines connecting families and communities and helping our customers to live, work, study, and thrive across borders.

ABOUT WESTERN UNION

2019 Company Highlights



² As of March 31, 2020

³ As of March 31, 2020

ESG at Western Union

Environmental, Social, and Governance

We believe we can be more successful as a company when we operate according to high ethical standards, address unmet social needs in our communities, and promote the well-being of our employees, customers, partners, and the environment.

Our Approach

In 2018, Western Union conducted a materiality assessment to identify

the ESG issues that are of greatest importance to our Company and stakeholders. In 2019, we published our first ESG Report, informed by the findings of that assessment. As part of our ongoing ESG journey, we also began enhancing our ESG strategy to align with our evolved business strategy and to articulate clear policies and goals relating to our priority ESG issues. We intend to release more information about this strategy later in 2020.

ESG Leadership and Governance

Western Union takes an integrated approach to addressing ESG topics, starting with our Board of Directors (the Board). While oversight of our Company's ESG strategy sits with our Board, three key bodies are responsible for assisting the Board with its oversight duties, strategic planning, and functional implementation. More details can be found on [page 56](#).

Materiality

The results of our 2018 materiality assessment inform the structure and focus of our ESG Report and provide the foundation for the ongoing enhancement of our ESG strategy.

Western Union's business strategy has evolved since 2018 and will continue to evolve. In 2020, we anticipate updating and validating our most material topics to reflect this evolution as part of our ongoing ESG strategy enhancement.

The accompanying matrix displays the topics with the greatest level of importance to our stakeholders and to Western Union in 2018.



ESG AT WESTERN UNION

Material Topics

As part of the 2018 materiality assessment, 37 topics were identified by a cross section of peers and external stakeholders, including institutional investors, NGOs, business partners, and ESG reporting frameworks such as the Global Reporting Initiative (GRI) Standards and the Sustainability Accounting Board (SASB) Standards.

From this initial list of topics, 10 internal stakeholders, including senior executives, were interviewed to determine how these ESG topics should be prioritized. We also considered the views of key external stakeholders across 10 markets, who were surveyed to understand stakeholder expectations and perceptions on a range of ESG-relevant issues. Based on that exercise, 21 topics emerged as having the greatest importance to our business and stakeholders.

For a definition of each of the topics, and information on how we manage each, please view individual sections of our report or the Management Approach sections for each topic within our GRI Index on [page 87](#). We plan to refine and evolve this list in connection with our ongoing ESG strategy development.

Governance

- Board diversity
- Corporate ethics and culture
- Corporate governance
- Cybersecurity
- Executive compensation
- Human rights
- Legal and regulatory compliance
- Preventing anti-competitive practices
- Supply chain management

Customers

- Consumer protection
- Data privacy and protection
- Ethical use of services
- Financial inclusion
- Service affordability
- Service reliability

Employees

- Attracting and retaining talent
- Diversity and inclusion

Innovation

- Service innovation
- Technology innovation

Strategy

- Demographic change and development
- Geopolitical conditions

Connecting People and Businesses to the Global Economy

Western Union has reinvented itself multiple times since the Company was founded nearly 170 years ago. Throughout our transformation, one aspect has remained constant: Western Union connects people.

Through money movement, we connect individuals, communities, businesses, NGOs, and universities, leveraging our digital platform combined with our expansive and trusted global retail network.

Our services connect people pursuing global opportunities – for example, individuals looking to better the lives of their families, and businesses looking for new partners, customers, and markets – and enable them to realize their ambitions. The transactions we process build bridges across economies, geographies, and cultures.

In This Section

- Innovation
- Affordability and Service Reliability
- Advocacy and Support for Migrants and Refugees

150,000,000
customers globally

~37,000
global B2B clients



Innovation

As a company with both a fast-growing digital business and a vast retail network, Western Union has unique insight into customer needs around the world. We believe any conversation about innovation must consider the needs of customers on both sides of the digital divide.

We recognize that while society is becoming more connected, a significant portion of the world's population remains offline, and many people do not have access to financial services. Pairing our digital network and account and mobile wallet offerings with our retail cash network allows us to serve these customers with an inclusive and innovative global platform.

Inclusive Innovation

OUR APPROACH

We aim to provide a full range of money transfer and payment options to serve a broad spectrum of consumers. Finding innovative ways to marry our expanding digital capabilities with our truly global scale to serve our customers at retail is what defines us.

Our services connect the digital with the physical, integrating:

- our online presence in more than 75 countries;⁴
- transactional mobile apps in more than 40 countries;
- our retail network and its 550,000+ agent locations across more than 200 countries and territories; and
- our ability to pay out into more than four billion bank accounts and wallets in more than 100 countries globally.⁵

We continue to drive our digital expansion geographically and add more capabilities to serve our customers. Digital inclusion is a key part of our strategy and a growth driver of our business. Where many of our peers, especially newer market entrants, are focused primarily on digital transactions, we pair innovation in our fast-growing digital network with our retail, account, and mobile wallet

⁴ As of March 31, 2020

⁵ As of March 31, 2020

Connected to **4b+** wallets and bank accounts in 100+ countries

550,000+ agent locations in 200+ countries and territories

WU.com in more than **75** countries



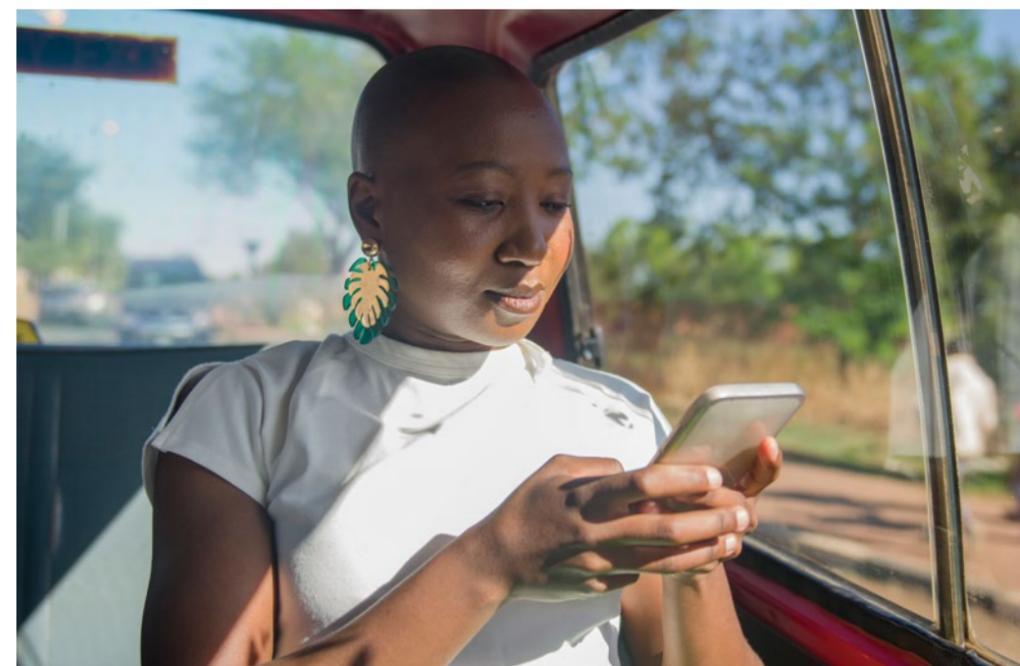
INNOVATION

payout presence to serve customers digitally or in cash around the globe.

Our inclusive approach allows us to reach rural communities with limited broadband and mobile connectivity, people who encounter difficulties using digital services, and cross-border shoppers who do not have internationally enabled credit cards. Western Union's ability to transact in cash means we can provide critical services for the approximately 1.7 billion adults⁶

worldwide who, by choice or circumstance, are unbanked – that is, individuals who are without an account at a financial institution or through a mobile money provider.

Physical cash is still the predominant form of payment in many parts of the world. The COVID-19 pandemic has accelerated the shift to digital payments. We are committed to meeting our customers' needs for digital payment



Western Union customers can choose to send or receive money digitally or in cash.

solutions and cash transactions, today and in the future.

In Jamaica, for example, we are simultaneously expanding our retail money transfer network alongside our ability to make payments electronically to and from Jamaican bank accounts based on customer demand. Similarly, in sub-Saharan Africa, although millions remain unbanked

and underbanked, the use of mobile money accounts is accelerating. This is why we offer both cash transactions at our retail locations across Africa and also real-time payments into mobile wallets.

Our education solutions enable digital and offline options for tuition payments. In India, for example, families of students studying abroad

can pay tuition online or in person at select agent locations, while in China, families can pay tuition from a mobile phone.

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.

⁶ World Bank Global Findex Report 2017

INNOVATION

Inclusive innovation during COVID-19

In early 2020, as some Western Union agent locations closed temporarily and customers faced movement restrictions as a result of COVID-19, Western Union began piloting several innovative initiatives 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 “digital location” concierge services in certain countries, which offer personalized phone or video support to help customers make digital money transfers from the comfort and safety of their homes. In addition, we rolled out our westernunion.com service in five additional countries.

“Home delivery is an example of how Western Union is rising to the challenge of COVID-19 to serve our customers when they need us most,” said Jean Claude Farah, President, Global Network. “As a purpose-driven global company, our mandate is to serve communities worldwide. This means not only serving the digitally enabled but also offline communities. The launch of this new home delivery service provides essential financial services to a broad range of customers, including those who do not hold bank accounts.”

Collaboration with agents has been integral to serving customers in creative ways during the pandemic. In Nepal, for example, which experienced a nationwide lockdown, one of our agents was able to facilitate home delivery of money transfers, receiving many grateful customer messages.



A Western Union agent delivering a money transfer to a security guard outside the office of the President of Nepal in May 2020.

“Thank you very much for your home delivery service; you made my life easy and safe. I am a 65-year-old woman and I cannot leave my house right now [during the pandemic]. Without this service, I do not know what I would have done.”

Customer in Jordan

INNOVATION

Remittances contributed more than 29% of Nepal’s GDP in 2018,⁷ and Western Union also offers real-time digital payments to the country. Yet just 45% of adults in Nepal have a bank account,⁸ making cash critical for continued economic activity during the pandemic and beyond.

“In multiple countries, Western Union is engaging with agents that have digital capability and the capacity to operate door to door. These agents have developed a different way to collect information, validate data, and safely deliver the money to a customer’s doorstep,” noted Hatem Sleiman, Regional Vice President, Middle East, Pakistan, and Afghanistan.



Kathmandu, Nepal

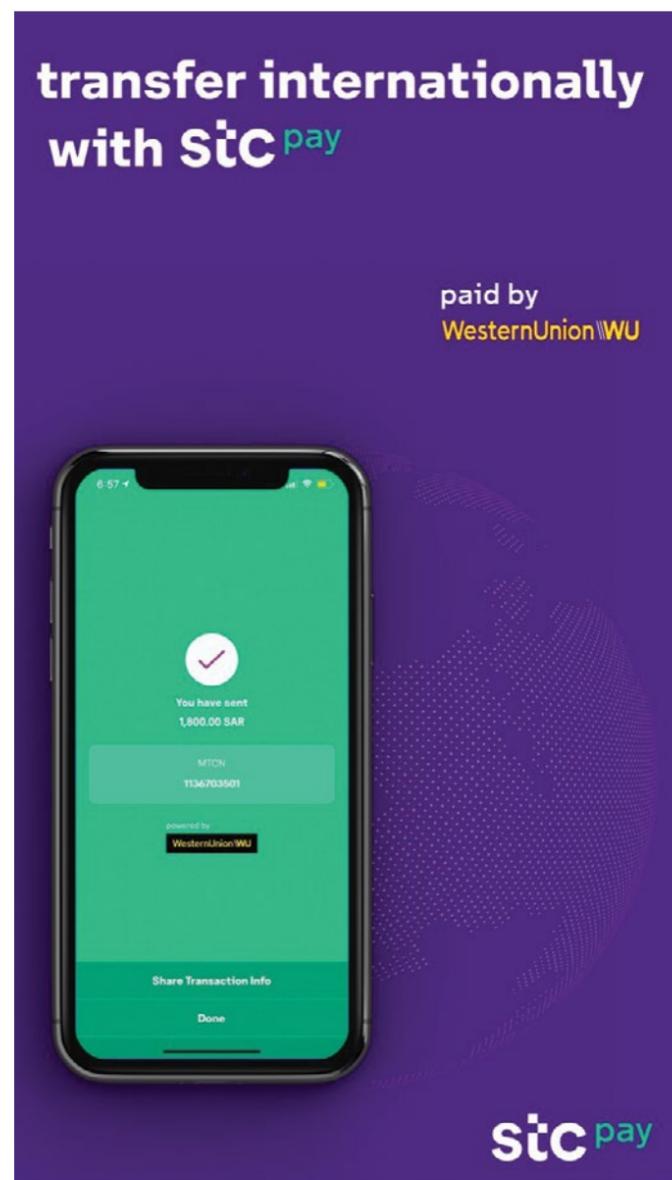
⁷ World Bank data

⁸ World Bank, 2017 Global Findex Database

“I am alone in the country and I do not have a car to go to an ATM machine; I was short on cash during the lockdown and you helped me receive my much needed monthly allowance when you delivered it to my dorm. Your service is really wonderful on all fronts.”

Student in Jordan

INNOVATION



Customers can use Saudi Telecom's STC Pay app to send money globally via Western Union, an example of our white-label services.

CURRENT INITIATIVES

Opening our platform: The year 2019 was a pivotal year for Western Union. During our investor day in September, we announced our ambition to open our platform to forge new partnerships beyond our core branded consumer money transfer business. Our open platform establishes us as a unique partner for money movement, enabling organizations in telecom, e-commerce, financial services, and other sectors to expand into new markets and better serve consumers.

Our PayCode service partnership with Amazon is an example of this partnership model. Using PayCode, customers make a purchase online at Amazon and then pay locally, in person, at Western Union agent locations – without the requirement of an internationally enabled credit or debit card. The PayCode service is live in 21 countries, including the U.S., where it was launched in September 2019.

We have formed additional new digital partnerships with three of Europe's largest postal banking

“Our relationship with Western Union enables STC Pay users to shop, receive money, or send money to friends and family nearly anywhere in the world. Once, such transactions were the privilege of customers with bank accounts but now they are available at the touch of a button to anyone with an STC Pay mobile wallet.”

Ahmed Alenazi, CEO, STC Pay

INNOVATION

institutions: U.K.'s Post, France's La Banque Postale, and Italy's Postepay. Our partnership with Coins.ph enables more than 10 million customers to receive international and domestic money transfers directly into their wallets in the Philippines. Bharti Airtel is enabling their customers to move money in real time into millions of bank accounts in India and mobile wallets across 14 countries in Africa. We have also

launched new white-label offerings for financial institutions, including Sberbank in Russia, STC Pay in Saudi Arabia, and Kyodai in Japan.

These relationships offer another model for innovation, using strategic collaboration to find new ways to digitize transactions and serve global consumers.

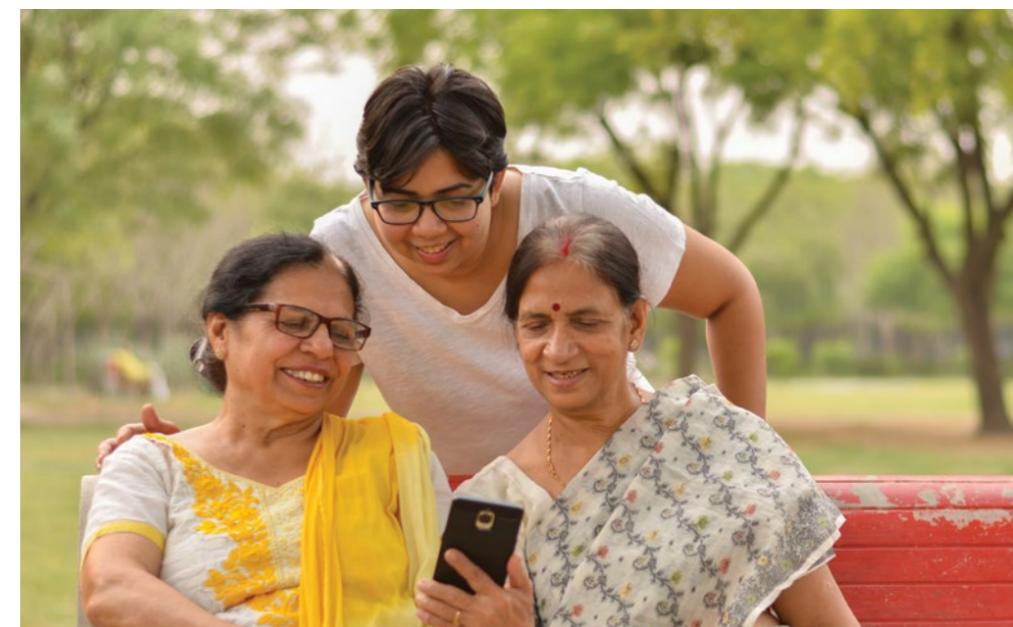
Serving customers in real time: Real-time payments can enhance financial inclusion and

improve the efficiency of financial systems.⁹ We have been increasing the reach of our real-time cross-border payments services, which can be used to send money to banks or digital wallet providers in 50 countries across North America, Europe, Asia Pacific, the Middle East, Africa, and Latin America.¹⁰

Western Union also offers real-time payments into India via the Unified Payments

Interface (UPI), a system developed by the National Payments Corporation of India. It allows Western Union 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.

Digitizing the retail experience: We also continue to focus on the agent experience, making it easier for agents to become part of our network and expanding digital initiatives to drive quality experiences for all. In more than 90 countries, customers can start a transaction on our non-transactional app and complete it in person at an agent location. This is a win for our agents in terms of efficiency, as well as a win for those customers who are looking for greater self-service.



⁹ Economic Impact of Real-time Payments, Deloitte, July 2019

¹⁰ As of April 23, 2020

INNOVATION

IMPACT OF REMITTANCES

Our retail network of more than 550,000 agent locations and our ability to send money into more than four billion bank accounts and wallets¹² gives us a global reach to many remote locations and developing economies. This is particularly important for many of our customers who are global migrants because they settle into host countries, contribute to those economies, and send money back home in the form of remittances.

Remittances are one of the most powerful forces in global economic development today, and in many countries, represent a large portion of GDP. Global remittances were estimated by the World Bank to reach more than \$700 billion in 2019.¹³ Remittances have exceeded official development assistance by a factor of three since the mid-1990s.¹⁴ In 2019, remittance flows to low- and medium-income countries overtook the total amount of foreign direct investment. This amount corresponds to about 15% of migrant workers' earnings, with 85% contributing to the economies of their host countries.¹⁵

The International Fund for Agricultural Development estimates that 800 million people worldwide are directly supported by remittances. Approximately 85% of the money transferred is used for basic needs like healthcare, food, rent, and education.¹⁶ For example, our own customer surveys tell us that more than 25% of Western Union's customers have transferred money for education.¹⁷ Apart from providing for basic needs, remittances serve as an engine for development by generating income and jobs, and transforming economies and ultimately whole societies.

Serving small businesses: Western Union is a trusted partner in helping small and medium enterprises (SMEs) unlock opportunities by connecting to the global economy and taking part in global trade. According to the World Bank, seven out of 10 jobs in emerging markets are created by SMEs with fewer than 250 employees.¹¹

Our online platform WU EDGE (Enterprise Digital Global Exchange) offers SMEs the tools they need to do business with customers and suppliers in other countries. In 2019, the WU EDGE platform was live in 20 markets: Australia, Austria, Belgium, Canada, Czech Republic, France, Germany, Hong Kong, Ireland, Italy, Malta, the Netherlands, New Zealand, Norway, Poland, Singapore, Sweden, Switzerland, U.S., and U.K. Connecting SMEs across these markets to global trade can support business expansion, job creation, and economic prosperity.

¹¹ World Bank, Small and Medium Enterprises Finance

¹² As of March 31, 2020

¹³ The World Bank, Remittance Inflows, available at www.knomad.org/data/remittances, April 2020

¹⁴ World Bank Data Release 2019

¹⁵ International Fund for Agricultural Development: *Sending Money Home: Contributing to the SDGs, one family at a time*, 2017

¹⁶ Ibid.

¹⁷ Western Union Consumer Tracking Surveys

INNOVATION

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

Western Union's NGO GlobalPay provides NGOs better ways to manage and deliver funds where they are needed, making it easy to send payments globally in more than 130 currencies by wire, draft, retail cash, or mobile wallet deposit. Since NGO GlobalPay was launched in 2012, more than 2,000 NGOs have sent nearly \$8 billion around the world to more than 200 countries and in more than 130 currencies – moving money to refugees fleeing the Syrian civil

war, to medical personnel during recent Ebola outbreaks in Africa, and to relief workers during natural disasters.

Serving international students: With millions of international students in the world today, education payments are a fast-growing segment of our payments business. We enable universities to offer these students a fast and easy way to pay their tuition and fees, facilitating education opportunities.

Since its inception, more than 800,000 students around the world have used WU GlobalPay for Students to pay their fees. Around the world, 730 education institutions, including eight of the top 10 globally ranked universities, trust us to manage their international payments. In the last two years, Western Union has moved more than \$4.5 billion for accredited schools and universities.



25%
of Western Union's customers have sent money for education.

INNOVATION

TECHSTARS & WESTERN UNION ACCELERATOR

In 2019, Western Union kicked off a three-year program with Techstars, a U.S.-based mentorship-driven accelerator program that invests in and works with international innovative seed-stage companies in the payment tech space.

The Techstars & Western Union Accelerator supports entrepreneurs developing innovative solutions to some of the industry’s biggest challenges, such as machine learning, artificial intelligence, crypto and blockchain technologies, analytics, and omni-channel platforms, while leveraging the creative and agile thinking of some of fintech’s brightest minds.

Each year, Western Union and Techstars evaluate hundreds of companies and invite a select group of 10 to join a three-month mentorship-driven accelerator class. The selected companies receive a capital investment, hands-on mentorship, and access to our executives and the Techstars worldwide network of founders, investors, mentors, and industry leaders.

For 13 weeks, the start-ups work closely with our mentors to accelerate their businesses. They emerge from the program stronger and better prepared to drive innovation in the global economy.

In 2019, the inaugural class was chosen from a pool of more than 160 applicants, and included companies focused on facial recognition, artificial intelligence, automated credit building, and digital financial services for refugees.

The program strives to create a diverse class. Forty percent of the companies in the 2019 class came from outside the U.S., and half of the CEOs came from underrepresented backgrounds.

Technology Innovation

Western Union’s consumer services, our global compliance capabilities, and our new open platform strategy are all linked by technological innovation and trust. We believe that any innovation should be built on the bedrock of trust, compliance, and convenience. Without these components, no innovation in our industry will sustain itself.

OUR APPROACH

Our industry is subject to rapid and significant technological changes, with the constant introduction of new and enhanced products and services, and evolving industry and regulatory standards, coupled with changing consumer needs and preferences. We actively respond to evolving customer needs and preferences, technology advances, and new and enhanced products and services.

50%
of CEOs in the 2019 Techstars class come from underrepresented backgrounds.

40%
of companies in the 2019 Techstars class come from outside the U.S.

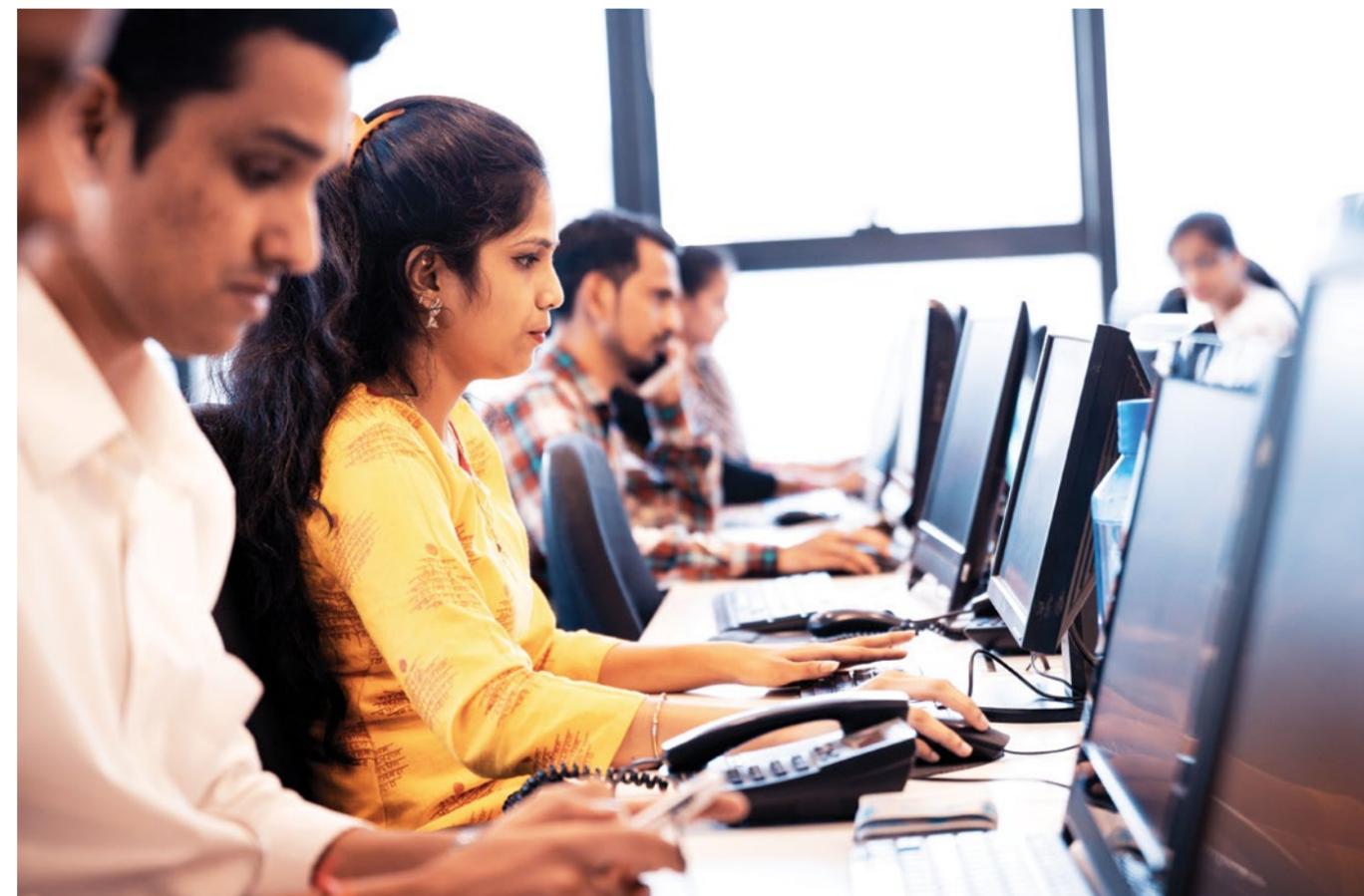
INNOVATION

Our cross-border, cross-currency platform serves hundreds of millions of customers and clients, including the approximately 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 evolving business strategy, Western Union has made key investments in technology across the business, including digital and compliance. For example, we established technology and innovation centers at

our regional offices (most recently Pune, India, in 2018) to create hubs for leading talent and expertise. In 2019, we announced that we would move a significant portion of our computing infrastructure to the cloud. The move

will enable us to handle more transactions, speed up payment processing, automate additional processes, scale new applications more easily, and enhance machine learning and data analytics.



Affordability and Service Reliability

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

Our Approach

We aim to price our flexible services dynamically, considering a variety of factors. In many countries, we offer the ability to transact in cash or digitally on both the send and receive sides when moving money. This flexible and varied model includes cash, bank

accounts, credit and debit cards, and mobile wallets – our customers choose the option that best suits them. Associated pricing for our services is complex, so we provide customers with pricing estimation and other tools to promote transparency. Where possible, we also advocate against regressive government remittance

taxes that impose an added financial burden on our customers.

Our pricing varies among the 20,000 corridors in which we operate and according to the complexity of the marketplace. This can be influenced by consumer protection costs, market distribution, regulatory structure, volume and currency volatility, infrastructure, and other factors. The channels and speeds through which funds are transmitted also impact our pricing. Costs associated with transactions in cash are significantly different than costs related to transactions associated with accounts. A cash service, for example, carries greater overhead for agent oversight and settlement processes.

Globally, the average cost of transferring money through Western Union (including fee and FX) is approximately 5% of the

amount being sent. The average person-to-person principal send value via Western Union in 2019 was approximately \$300.

CURRENT INITIATIVES

In 2019, we began investing in more robust technology-driven pricing capabilities and have already begun to implement them. We expect to be able to be more data driven in our pricing decisions, with the ability to customize for many different consumer needs.

We assist customers' decision-making by offering a price estimation tool on our digital channels, including westernunion.com and our mobile app, and through our in-country call centers and retail locations. In some cases, our scale and efficiency mean we are not just the best option, but also the most affordable.



Advocacy and Support for Migrants and Refugees

Our efforts to connect customers to the global economy go beyond money transfers and payments. We aim to do our part to support migrants and refugees through our purpose-driven values, leadership, and sponsorships. Western Union and the Western Union Foundation 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.

Executive voice:

Hikmet Ersek, our President and CEO, is himself a migrant and has used his voice to raise awareness of critical issues related to migration in the media, and at global summits, including the World Economic Forum. Mr. Ersek is a member of the Business Roundtable's Immigration Committee in the U.S., and with his support, Western Union has signed on to several alliances supporting migrants and refugees, including the Coalition for the American Dream.

Global engagement: 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
- The American Immigration Council
- The Congressional Hispanic Caucus Institute
- The Congressional Hispanic Leadership Institute
- The Council of Mexican Federations in North America
- The Federación de Guerrerenses en Illinois
- The Global Forum on Migration and Development
- The Mexican American Legal Defense and Educational Fund
- The National Immigration Forum
- The Scalabrini International Migration Network
- The UN Global Compact on Migration
- Welcoming America
- World Economic Forum
- Whitaker Peace & Development Initiative

“Business leaders today have a responsibility to raise their voices and take action in support of solutions to global challenges. I am proud to say I stand for globalism and the dignity and value of migrants everywhere.”



Hikmet Ersek, Western Union's President and CEO, accepting the Global Economy Prize awarded by the Kiel Institute for the World Economy, June 2019. Fellow honorees include Prof. Daron Acemoglu, Ph.D., Professor of Economics, Massachusetts Institute of Technology, and Dr. Wolfgang Schäuble, MdB, President of the German Bundestag.

ADVOCACY AND SUPPORT FOR MIGRANTS AND REFUGEES



Western Union employees in Denver stand in recognition of the contributions of immigrants during Immigrant Heritage Month in the U.S., June 2019.

Shaping the narrative:

We believe that companies like Western Union can help reframe the public narrative on migrants and refugees as one of inclusion and opportunity by sharing stories of the vital contributions migrants and refugees make to their communities, tackling negative stereotypes, and reinforcing the dignity of all people. To do this, Western Union engages our global audience – our employees, our customers, and our approximately 12.1 million social media followers.

In 2019, we enabled U.S. customers to donate to the Western Union Foundation when transferring money using the Western Union app. In honor of International Migrants Day in December 2019, all customer donations were given to the American Red Cross’ Restoring Family Links program, which helps to reconnect family members separated by crisis, conflict, and migration.

Sponsorships: Western Union sponsors the Small Business on the Road Series, an innovative series of quarterly events

fostering small business growth in Chicago’s immigrant communities. The City of Chicago’s Department of Business Affairs and Consumer Protection organizes these free quarterly community expos to drive small business growth and expansion. Each expo is open to the public and provides current and potential business owners with information and advice on topics such as starting a small business, navigating licensing processes, complying with tax laws, interacting with chambers of commerce, and more. The series began in 2012 and ran through 2019.

To help support refugees in Vienna, the Western Union Foundation and Western Union’s Vienna office sponsor SEED, an initiative launched in 2017 in cooperation with the Austrian Ministry of Education and the Teach for Austria Alumni organization. SEED supports young refugees with education

and employment opportunities. In 2019, SEED reached 1,500 children and youth in Vienna.

Grants: The Western Union Foundation supports numerous organizations focused on migrants and refugees. These include Upwardly Global, which helps immigrant and refugee professionals integrate into the U.S. workforce; and the International Rescue Committee, which helps refugees integrate into their new countries and earn income.

Western Union’s Foundation in Argentina collaborated with the Mirares Foundation, which provides support to refugee and migrant populations in Argentina. In addition to financial support, our employees provided support to migrants looking for jobs, helping more than 20 migrants with guidance on resumes and interviews.

ADVOCACY AND SUPPORT FOR MIGRANTS AND REFUGEES

Pro bono support for asylum seekers

Western Union’s commitment to and support of migrant populations takes many forms. In 2019, Western Union participated in the Preparing Asylum Seekers for Success (PASS) program, a first-of-its-kind program spearheaded by the Rocky Mountain Immigrant Advocacy Network. As victims fleeing persecution in their home countries, many asylum seekers go through a screening interview that can determine whether they are allowed to stay in the U.S.

In partnership with a local nonprofit and area law firms, lawyers at our Denver headquarters donated their time to meet with asylum seekers in the Aurora, Colorado, immigrant detention facility to help them prepare for those interviews. In 2019, nine members of the legal department donated more than 200 hours of time to PASS and other organizations through the department’s pro bono program.

“The PASS program has enabled me to help suffering families in a search for a better tomorrow,” says Joshua Rosario, a Western Union attorney participant. “I’m so grateful for Western Union’s support of it.”

“Many asylum seekers have been persecuted in their home country simply because of who they are or what they believe – for instance, because of their race, religion, nationality, sexual orientation, political opinion, or membership in another social group. The conditions of being detained can take a huge toll on this population. Studies show that significant percentages of asylum seekers suffer from depression and anxiety, and many also experience PTSD and suicidal thoughts,” notes Charlene Yaneza.

“Just as important as the advice we provide on the legal landscape is the empathy and support we give in the form of a simple human connection. It is a true embodiment of the saying, ‘One of the most important things you can do on this earth is to let people know they are not alone.’

“As a first-generation Filipino American whose family immigrated from the Philippines, this work is personally meaningful for me. Without our help, many of these men, women, and children are left by themselves to navigate a system that can be very confusing and intimidating.”



“We truly care, and we act on our beliefs. I am proud and honored to be part of such a purpose-driven company.”

Charlene Yaneza, Deputy General Counsel for Litigation, Public Policy, and Regulatory Affairs, and 2019 PASS program participant

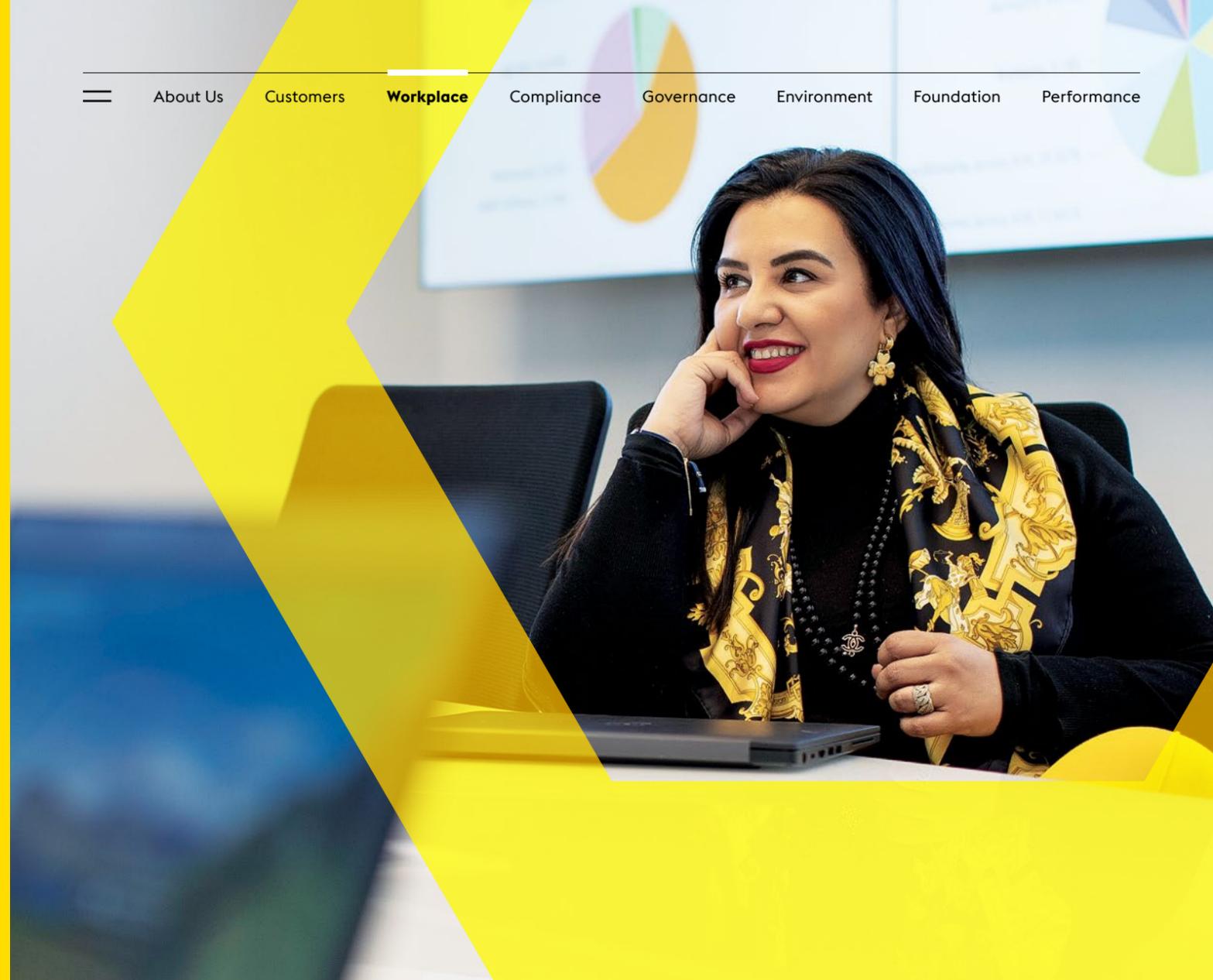
Fostering an Engaging and Inclusive Workplace

Throughout our nearly 170-year history, Western Union has embraced a rich and inclusive culture, steeped in our shared values.

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

In This Section

- Attracting, Engaging, and Retaining Employees
- Diversity and Inclusion



19%

of U.S. employees are multicultural women¹⁸

40%

of our executive team are women

¹⁸ Women who self-identify as Black/African American, Hispanic, Asian/Pacific Islander, American Indian/Alaskan Native, or as two or more races

Attracting, Engaging, and Retaining Employees

At Western Union, our employees are our most valuable asset. We recognize the strategic importance of talent and diversity in our workforce. We invest in innovative programs and tools to identify qualified and diverse job candidates. We also provide professional development opportunities and reward employees with competitive compensation and benefits to drive engagement and retention.

Our Approach

All leaders globally are expected to uphold the Western Union talent philosophy and use it to guide their management approach:

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

To help our leaders implement the Western Union talent philosophy in everyday practice, we developed the WU Way Leader Model. The model is anchored in our purpose and values, and includes five leadership attributes that support our work to deliver a better customer experience and drive growth for Western Union.

OUR VALUES

Purpose-driven:
 “Moving money for better” is the purpose that guides every decision we make, because when money moves, better things happen.

Globally minded:
 We embrace different cultures – our own and those of our customers. We encourage diversity of thinking, challenge the status quo to improve and grow our business, and promote a culture of equality and inclusion.

Trustworthy and respectful:
 We trust in each other and know that the trust of our customers is vital. We earn this trust by treating everyone with respect and dignity.

ATTRACTING, ENGAGING, AND RETAINING EMPLOYEES

In 2019, we introduced important changes across the spectrum of our human capital management program spanning recruitment, training, benefits, and compensation. We moved our talent systems to one platform (recruiting, learning, analytics, succession, and talent review), designed to streamline processes, integrate all talent data, enable a consistent view of internal and external talent capabilities, and allow us to move from reporting to predictive analytics in the future.

Recruitment

In today’s competitive talent market, it is essential to attract the talent we need to deliver on our goals. Our Board and senior management actively assess our new talent needs and evaluate the extent to which current staff have those critical skills. We also work with our current employees to identify

skill sets and develop capabilities to support our technology business strategy.

Our recruiting team uses multiple recruiting channels to find, assess, and hire employees. These channels include social media, job boards, professional associations, online marketing campaigns, job fairs, recruiting agency partnerships, employee referrals, university relationships, and region-specific web content. Our talent screening recruitment practices focus on attaining critical skills to drive our organization forward, and on promoting diverse slates of candidates, which are essential to an inclusive workforce.

We use social channels like Facebook, LinkedIn, and Glassdoor to drive awareness of our talent needs. In 2019, we saw organic follower growth of 123% on WUCareers Facebook, 26% on WU LinkedIn, and



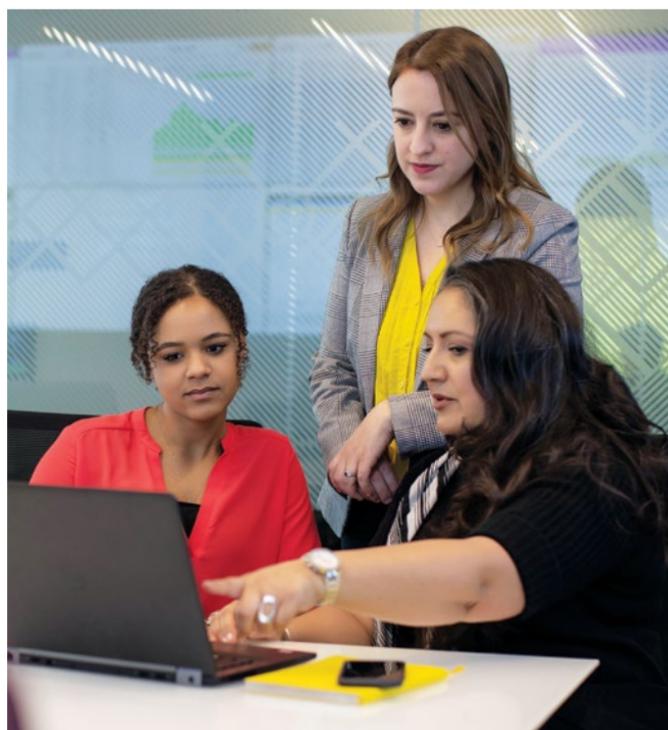
19% on Glassdoor, which suggests that our efforts are succeeding.

In order to make us more agile in addressing recruiting needs globally, we optimized our recruiting team’s schedule in 2019 so recruiters are available to cover all time zones. We also started work on a new recruiting system integrated with our HR management platform that we expect to implement later in 2020.

Training and Professional Development

We invest in our people and their growth. Our talent processes are designed to strike the right balance between global scale and local responsiveness. Our development and training organization is led by our Global Design and Development Leader, and has members in many countries, representing all regions of our global workforce.

ATTRACTING, ENGAGING, AND RETAINING EMPLOYEES



Western Union’s employee development philosophy centers around learning and empowerment. In line with the 70:20:10 model for learning and development pioneered by the Center for Creative Leadership, we believe employees learn new skills through three primary methods shown below.

INVESTING IN OUR PEOPLE

To position our people for success, employees complete an onboarding program and have access to a variety of career assessments,

online resources, libraries, and software. In 2019, we enhanced the depth and accessibility of those resources by launching two new learning platforms. First, we partnered with LinkedIn Learning to expand our library and develop curated content. Second, we deployed a learning management system through Workday, which allows us to deliver content to employees on almost any device.

We believe both the LinkedIn Learning and Workday resources represent the latest in “micro-learning”

EMPLOYEE LEARNING AND DEVELOPMENT*

EXPERIENCE
70%

of development occurs through on-the-job experiences, projects, and special assignments.



EDUCATION
10%

of learning comes from formal education, including self-study, certifications, webinars, seminars, and conferences.

EXPOSURE
20%

of learning comes from feedback, coaching, working, and interacting with others.

* In line with the work of the Center for Creative Leadership

ATTRACTING, ENGAGING, AND RETAINING EMPLOYEES

techniques, and promote employee participation and information retention. Our micro-learning program includes short interactive videos and other learning tools that can be accessed in small doses and at the employee’s convenience.

In 2019, Western Union employees participated in an average of 18 hours of training per employee, up from 15 hours in 2018, including instructor-led and self-directed learning. Reflecting our commitment to a culture of ethics and compliance,

new employees receive an average of five hours of mandatory education related to compliance, ethics, and privacy. Existing employees receive an average of three hours of continuing education on these topics.

18
Average hours of training per employee in 2019.¹⁹

¹⁹ Gartner’s benchmark for financial services companies shows that 71% report 10–25 hours of employee training



ATTRACTING, ENGAGING, AND RETAINING EMPLOYEES

Employee Compensation

At Western Union, we seek to provide compensation that motivates, retains, and rewards our employees and attracts future talent. 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 and ensure financially sustainable decision-making.

We offer packages designed to inspire the delivery of exceptional performance and results to help Western Union

deliver on its business strategy, stockholder commitments, and company values. To guide our annual compensation health assessment, we examine and benchmark market data for countries where we operate, as available data allows. In 2019, benchmark data was available for approximately 80% of our jobs globally. Our 2019 assessment indicated that compensation was aligned to the external market median, implying strong alignment to local market pay practices.

Western Union will continue to evolve total compensation to remain competitive in the marketplace and meet the changing needs of the Company and our employees. We strive to deliver progressive, meaningful compensation, benefits that support career growth and development, and work-life balance.

PAY EQUITY

Western Union believes in equal pay for equal work. We consistently review and update salary ranges, and perform internal pay equity reviews globally. This helps us develop impartial and competitive pay practices and align salaries to local market conditions and cost-of-labor changes. In 2019, we conducted an overall pay equity assessment in partnership with outside counsel in the U.S., U.K., Lithuania, and Costa Rica. These four countries represent approximately 50% of Western Union's global workforce. We use this data to support our commitment to equal pay for equal work. We also offer employees multiple channels to raise pay equity concerns, such as our human resources team, our Ethics Helpline, and the legal department.



ATTRACTING, ENGAGING, AND RETAINING EMPLOYEES

Employee Benefits

Western Union's benefit packages aim to support the health and well-being of our employees and their families, including domestic partners in the majority of countries. We receive benchmarking information annually to help inform any changes or additions to our benefit programs. We provide employees a self-service benefits portal that gives them direct access to benefit information and services. Our 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 & dismemberment) are 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 (counseling, legal, and other professional services)** – Available to Western Union employees in most countries in 2019; the program was expanded to all countries in spring 2020
- **Leave** – Various forms of leave that are country-specific and may include sick, maternity, paternity, caregiver, or military leave
- **WU Scholarship Program** – Available to Western Union employees with college-age children
- **Global recognition and reward program, called "Bravo"**
- **Business travel assistance and insurance**

²⁰ As of April 30, 2020

During the COVID-19 pandemic in 2020, Western Union introduced multiple new benefits, working arrangements, communications, and trainings to support the mental and physical health and financial security of our employees, including those employees who work for hourly wages.²⁰ These include:

- Work from home for the majority of employees along with work-from-home tools and resources
- Paid sick and family leave, with an additional two weeks of sick leave for employees affected by the virus
- Employee Assistance Program, which provides no-cost emotional and psychological support for all employees globally
- Telehealth doctor visits in the U.S. and India
- Enhanced health insurance services in Italy, including recovery allowance and post-hospitalization assistance

An up-to-date list of programs to support our employees during COVID-19 can be found on the COVID-19 [resource center](#) on our website.

ATTRACTING, ENGAGING, AND RETAINING EMPLOYEES



While not intended to be a comprehensive list, other benefits and discounts that are available to eligible employees in some offices, in line with market practices and laws, include:

- Subsidized back-up childcare and eldercare*
- Legal assistance plans*
- Vision insurance
- Dental insurance
- Mothers' rooms for nursing mothers, wellness rooms for personal health needs, quiet rooms
- Tuition reimbursement**
- Transportation subsidies
- Cafeterias and on-site cafes
- Retirement savings plans
- Student loan contribution plan*
- Resources for parents caring for children with learning or behavioral challenges*
- Fitness centers on-site or special rates at off-site fitness centers

On January 1, 2020, we launched two new leave programs in the U.S.

We created a flexible time off (FTO) program for manager-level staff and above. This allows unlimited paid time off, and empowers managers and employees to plan paid time off, while also meeting business needs. Our belief is that this program promotes flexibility and autonomy, meeting the diverse needs of our employees while also promoting high performance, accountability, and trust.

We implemented enhanced parental leave for all full-time staff in the U.S., regardless of gender. This leave provides 10 weeks of paid time off to eligible employees following the birth of an employee's child or placement of a child with an employee through adoption or foster care.

In 2019, Western Union was 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.



*U.S. only
**U.S., Costa Rica, India

ATTRACTING, ENGAGING, AND RETAINING EMPLOYEES

Engaging with Our Employees

It is important to Western Union that our employees have the information they need and feel that their concerns are heard. One of our ongoing goals is to foster greater communication and

ensure that everyone feels informed and empowered.

In early 2020, the Company continued to make progress on this goal and saw significant increases in overall employee engagement and leadership

communication scores around our response to the COVID-19 pandemic.

These scores were tabulated on a new employee engagement tool and methodology that was implemented in spring of 2019. The new system replaced

a lengthy yearly engagement survey with shorter monthly "pulse" surveys and quarterly surveys to help leaders and managers better understand what our employees are thinking, what they value, and what they need.

2019 WORKFORCE DATA

~11,500

Total workforce

71

Average employee engagement score in 2019 (April*-December)

High: 74
Low: 68
At 2019 year-end: 71

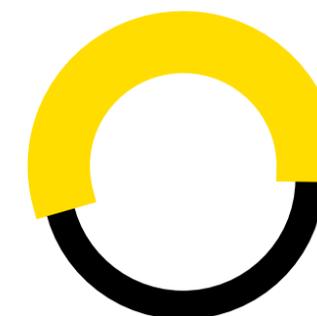
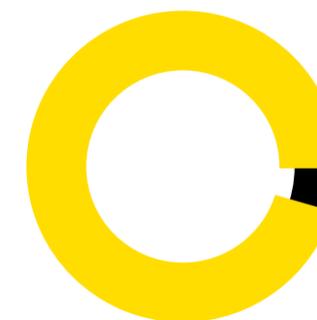
17%

Employee voluntary turnover (up from 14% in 2018)**

* First month new engagement survey platform was implemented.

Engagement scores had nearly recovered to benchmark average by year-end.

** Turnover change is in line with financial services benchmark, which went up from 2018 to 2019.



ATTRACTING, ENGAGING, AND RETAINING EMPLOYEES

The new tool uses AI and machine-learning driven 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. The input from the new system is helping managers lead through our transformation.

PROMOTING EMPLOYEE HEALTH AND SAFETY

Western Union is 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.

More information about employee health and safety as it relates to the COVID-19 crisis in 2020 can be found on the COVID-19 [resource center](#) on our website.

HUMAN CAPITAL RISK AND CONTROLS SELF-ASSESSMENTS

Western Union has developed risk and controls self-assessments to identify and assess risks to achieving our goals. This process includes identification of 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.



Diversity and Inclusion

At Western Union, we are committed to fostering a diverse and inclusive work environment. Our approximately 11,500 employees span 55 countries. Approximately 50% of our customers and 50% of our global workforce are women.

Our Approach

As an organization, we value diversity at all levels. Our global workforce provides a strong foundation for diversity. We promote diversity through: our policies and practices in hiring, promotion, and compensation; encouraging ethical decision-making via our [Code of Conduct](#) and ethics training program; offering diversity training programs, sponsorship, and mentoring initiatives; unconscious bias training; goal setting; and

providing support for grassroots affinity groups and belonging initiatives.

Leading from the Top

The Board considers diversity in gender, ethnicity, geography, background, and cultural viewpoints when selecting nominees to the Board of Directors. Our executive team is comprised of 40% women and includes leaders born in 10 different countries who have wide-ranging global leadership experience.



In January 2020, Western Union was listed as one of 325 companies included in the 2020 Bloomberg Gender-Equality Index (GEI), which recognizes transparency and high performance on issues related to gender equality.



“Equity is an important focus for our business given the diversity of our employees and customers, and Western Union’s

inclusion in the Bloomberg Gender-Equality Index serves as an important milestone as we work toward building a culture of inclusive innovation each and every day.”

Caroline Tsai, Chief Legal Officer and Corporate Secretary

DIVERSITY AND INCLUSION

EMPLOYEE ENGAGEMENT AND CULTURE TEAMS



In 2019, Western Union launched employee engagement and culture teams in offices across North America. While each site varies somewhat in its approach, these “Empower” teams are supported by on-site business leaders to focus on diversity and inclusion, “culture of the customer,” community, and the environment.

Other offices, including our operating centers in San Jose, Costa Rica, and Vilnius, Lithuania, also have employee-driven teams that focus on diversity and inclusion (including LGBTQ issues and gender diversity), the environment, and other issues that are meaningful to employees in those locations. For example, in 2019 employees organized workshops and trainings on issues of inclusion, and took part in external events like the Pride Parade in Manila (Philippines) and other key locations.

BOARD DIVERSITY

Nominations for Western Union’s Board of Directors are the responsibility of the Corporate Governance, ESG, and Public Policy Committee. The make-up of the Board is guided by principles in our Corporate Governance Guidelines.

Our Board composition reflects our Company values. As of 2019, three of the 11 Board members were women, which is a higher ratio than the average for NYSE-listed companies.²¹ In addition, three of our Board members were ethnically diverse. Women chaired two of the Board’s four committees in 2019.

MANAGEMENT DIVERSITY

Our goal is to have 40% of director-level and above positions held by women by the end of 2020. In 2019, 35% of director-level and above positions were held by women, which is a 1% increase from 2018, and a 4% increase from 2015, when the goal was set.

The Board is actively engaged in the review of women in leadership practices. Specifically, the Compensation and Benefits Committee reviews the results of Western Union’s organizational health, talent reviews, and engagement surveys to address the advancement of women.

EMPLOYEE DIVERSITY

In 2018, to ensure fairness in hiring, the Company adopted guidelines promoting diverse representation on all candidate slates and interview panels. We believe this change contributed to increased hiring of women at the vice president level in 2019, which went from 33% women in 2018 to 47% in 2019.

2019 HIGHLIGHTS

35%
Percentage of leadership roles (director-level and above) held by women in 2019 (up from 31% in 2015 and 34% in 2018)

40%
Percentage of women on our executive team

10
Number of countries of birth represented on our 10-member executive team

19%
Percentage of our total employee base in the United States that is multicultural women²²

²¹ 2020 Women on Boards Gender Diversity Index

²² Women who self-identify as Black/African American, Hispanic, Asian/Pacific Islander, American Indian/Alaskan Native, or as two or more races

DIVERSITY AND INCLUSION

As we respond to recent calls to do more to address racial injustice, our CEO and members of our leadership team are actively listening and engaging in dialogue with an advisory group of employees within Western Union’s Black community. Systemic racism is multifaceted and complex, and irrefutably unjust. Western Union is committed to playing an active role in the fight for change. Moving forward, we anticipate sharing details about actions we take as a result of this dialogue.

Future Diversity and Inclusion Goals

Our view is that diversity is an important factor in driving innovation and performance. Building a diverse workforce and breaking down barriers to advancement are, therefore, priorities for Western Union.

We are building on our diversity and inclusion initiatives through the following programs:

EQUAL OPPORTUNITIES

We believe diverse perspectives make us a stronger organization, and we aim to increase diversity of all types in our workforce, including age, religion, gender, race, ethnicity, culture, abilities, gender identity, sexual orientation, and military experience.

Western Union is proud to be an Equal Opportunity Affirmative Action Employer. We have adopted formal affirmative action programs aimed at ensuring that our employment policies and practices are non-discriminatory. Western Union strives to comply with the rules, regulations, and relevant orders of the Secretary of Labor and the Office of Federal Contract Compliance Programs, issued pursuant to the Executive Order 11246, the Vietnam Era Veterans’ Readjustment Assistance Act, and Section 503 of the Rehabilitation Act of 1973, and has an audit and reporting system to facilitate compliance. Since 2015, we’ve also continued to enhance our veteran outreach program.

Similarly, outside the U.S., we strive to comply with all applicable laws and regulations with respect to equality and discrimination.

Women@WU: This program was launched in 2015 as an employee-led team to advise executive management on steps the Company could take to promote women’s advancement. It set the goal of director-level and above positions being at least 40% women by the end of 2020. The Women@WU team also helped to drive additional programs, including:

- **Unconscious Bias Training:** In 2017 and 2018, we ran an unconscious bias training session at our executive leadership summit. This program is being redesigned so it can be offered across the Company. Unconscious bias training is also integrated into leadership development programs.
- **Mentoring Circles:** In 2019, we created a pilot program to provide women with a forum to connect, talk, and learn from peers. The program includes monthly sessions featuring women leaders within Western Union and addresses key business and leadership topics. Based on the positive reception of the pilot, we plan to expand this program in 2020.

Moving Money with Integrity

At Western Union, compliance is more than a department or team; it's a way of doing business, and we believe it is the essence of being a responsible company.

In This Section

- Going Beyond Compliance
- Global Compliance Program
- Protecting Against Fraud
- Preventing Corruption
- Combating Illicit Activity

\$1.1b

of fraudulent transactions prevented in 2019

~1,800

human trafficking investigations conducted since 2013, resulting in the rescue of hundreds of victims

Going Beyond Compliance



At Western Union, compliance is more than a department or team; it's a way of doing business, and we believe it is an important part of being a responsible company. The goals of our compliance program are simple: detect, deter, prevent, and report illicit activity and misuse of our systems. These actions protect Western Union, our customers, our business partners, and communities.

Our Approach

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 ensure we conduct our business with integrity. We demonstrate this commitment through each transaction we process and each partnership we form.

Our compliance program focuses on detecting and disrupting illicit activity such as money laundering, drug trafficking, terrorist financing, fraud, modern slavery and human

trafficking, and illegal wildlife trade. Our programs are designed to ensure we adhere to a wide range of laws and regulatory requirements, including those related to economic sanctions, anti-corruption, consumer protection, and market compliance.

In recent years, we have made significant compliance-related investments in people, processes, and technology, including state-of-the-art systems, predictive analytics, machine learning, and artificial intelligence. As a result of these investments, we have developed sophisticated technology to identify

GOING BEYOND COMPLIANCE

and combat illicit activity. 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.

We have developed comprehensive global policies and procedures that establish a framework for our compliance program, which is based on international standards created by organizations such as the Financial Action Task Force. Consistent with most countries' 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.

As we face changes in our business, the risk environment, and regulatory expectations, we continue to adapt and evolve our program. We are proud of what we have built, and we also know our program needs to continually evolve. New products, new partnerships, new regulations, and emerging threats mean we must always work to stay one step ahead to maintain the trust of our customers, partners, employees, and investors.

Western Union's global compliance program is designed to manage complexity:

Geographies: Western Union operates across more than 200 countries and territories. Transactions between specific countries and cities pose various 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 countries may differ depending on a variety of factors, including the specific cities involved, the amount of the transfer, and the type of product.

Scale: As our strategy expands to foster third-party partnerships, our compliance program remains front and center. In addition to our own branded transactions, our compliance program is equipped to meet the needs of our partners. This means operating with the same quality at peak volumes as we do at lower volumes, and compliantly processing large or small transactions with speed, almost anywhere in the world.

Regulation: Over the past five years, Western Union has had more than 650 exams, audits, and third-party reviews across the 200 countries and territories where we operate. We regularly meet with regulators and banks from around the world, thoroughly reviewing our programs. Additionally, internal audits examine our programs more than 60 times per year. These evaluations help us to confirm that our program is operating effectively.

Global Compliance Program

The expansive scale and scope of our global operations means we are experts at navigating the complex regulatory and risk landscape with the goal of creating a seamless experience for our customers and business partners that meets all legal and regulatory requirements.



Our compliance program reflects the fact that we move cash cross-border. In addition to controls similar to those that banks use, we also have bespoke patented enhancements, such as real-time, upfront monitoring rules and algorithms to stop in-flight potentially illicit transactions. 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.

Due Diligence and Verification

At Western Union, we know it is important to do business with the right people for the right reasons. That's why we implement rigorous due diligence procedures to vet our agents and other business partners, and why we take seriously our obligations to implement Know Your Customer (KYC)

GLOBAL COMPLIANCE PROGRAM

requirements. Under these processes, we collect and verify identifying information to make sure we know with whom we are dealing. 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.

List Screening

We screen our transactions, as well as the data associated with our customers, clients, partners, and agents, against a range of government sanctions and other internal and external watch lists to identify prohibited parties and potentially illicit activity. Our transaction screening takes place while the money is in flight and allows for the real-

time collection of data to efficiently separate false positives from true matches.

Transaction Monitoring

We monitor transactions that are handled through our platform. Our systems are designed to detect suspicious activity, block prohibited users and illicit activity, and suspend transactions for customer follow-up.

Agent Oversight

Because many of our transactions are initiated or completed by third-party agents, it is particularly important to us that these partners play their part in ensuring 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 program reviews help us ensure that our agents comply with our requirements and required anti-money laundering (AML) and combating the financing of terrorism (CFT) laws and regulations.



External Partnerships

As committed as we are to stopping illicit activity through the use of our own systems and information, we know our efforts are amplified when they are combined with those of other organizations that share the same goals. Collaboration and cooperation with external partners, including sharing techniques, strategies,

and information, helps us combat threats posed by international criminal organizations and extremist networks. Our internal Financial Intelligence Unit (FIU) works with external partners such as law enforcement and other government agencies, and non-governmental and private organizations across the world to address these risks.

GLOBAL COMPLIANCE PROGRAM

In 2019, the FIU worked with the United Nations to participate in more than 30 outreach events in 19 countries in support of its police capacity-building and development program. The program supports training initiatives, monitoring, and advising of best practices aimed at strengthening the capabilities, accountability, and oversight of law enforcement. Specifically, the FIU highlighted issues related to various financial crimes and offered insights into how police forces can leverage

financial institutions to enhance their investigative capacity.

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 Western Union employees to complete global and local compliance 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 must complete compliance program training, including AML, CFT, sanctions, and fraud trainings, before providing our services to consumers. Annually, agents must train employees across their network on our compliance program.

We also actively reach out to our business clients and individual customers to educate them about ways to protect themselves from fraud, including through instructor-led courses, social media campaigns, and a dedicated fraud awareness section on our [website](#).

TAKING A LEADERSHIP ROLE FOR THE INDUSTRY

Western Union aims to lead the way when it comes to industry compliance 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. Western Union also links compliance goals to executive compensation. Our executives and employees must meet our compliance standards to be eligible for an annual bonus. In addition, we are authorized 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 62](#), and details on the criteria used to set executive compensation can be found in Western Union's [Annual Proxy Statement](#).

In 2019, the FIU worked with the United Nations to participate in more than

30

outreach events in 19 countries in support of its police capacity-building and development program.

Protecting Against Fraud

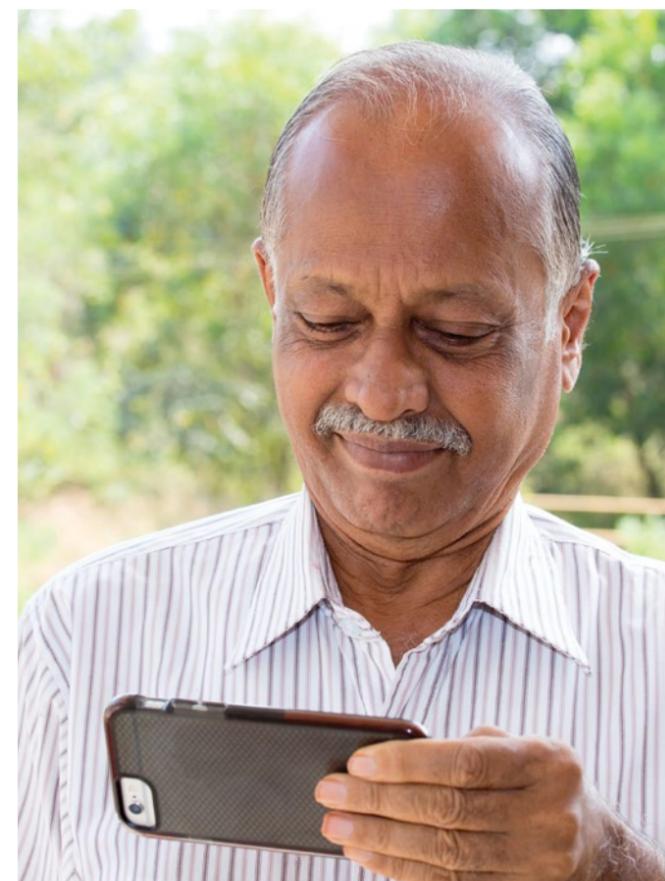
As part of our commitment to our customers, Western Union's Global Consumer Anti-fraud Program aims to protect customers and clients from becoming victims of fraud, and to prevent criminals from using our systems for their fraudulent schemes. Examples of these types of fraud are tax scams, romance scams, or lottery scams.

Western Union's fraud prevention program protects our customers, agents, and partners through a number of sophisticated fraud controls, including: 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 preventive responses across both retail and digital platforms. We maintain a Global Agent Compliance Program manual that outlines our agents' anti-fraud responsibilities. In addition, we 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.



PROTECTING AGAINST FRAUD

Customer Fraud Prevention Measures

We educate the public about various types of consumer fraud and how consumers can protect themselves. We warn consumers about modern fraud schemes through our online, social media, and point-of-sale educational materials. For example, during the COVID-19 crisis in 2020, we posted educational information and notifications regarding types of frauds related to COVID-19 on social

media channels such as Facebook and Twitter. In 2019, our messages reached more than 20 million consumers, more than double that of 2018.

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

Results and Recognition

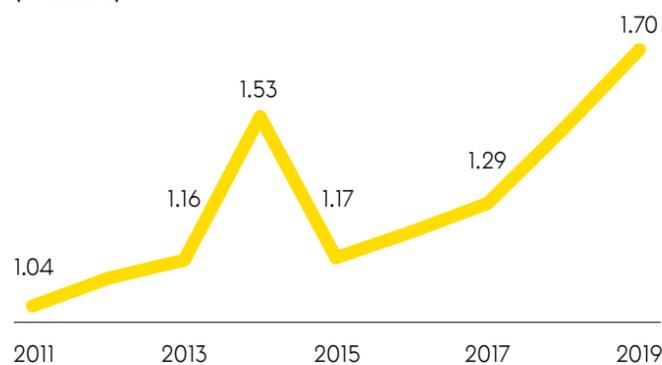
Overall industry data suggests a growing rate of fraudulent activity. Western Union’s fraud levels, however, are trending downward.

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 the fourth quarter of 2019, we saw the lowest dollar-value payout reported as fraud since we began tracking consumer fraud claims.

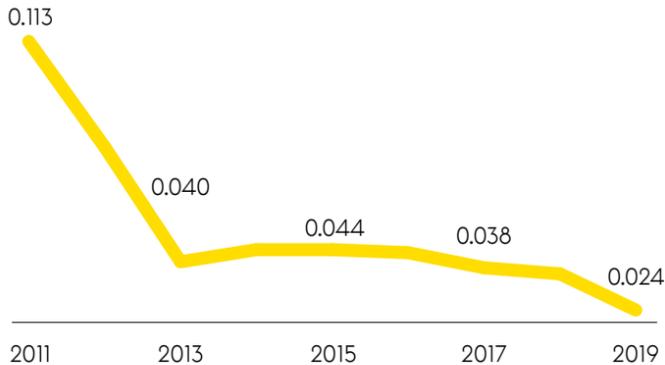
We have received awards and letters of appreciation recognizing our fraud prevention program, including the Best Fraud Prevention Platform award at the 2020 FinTech Breakthrough Awards.

OVERALL INDUSTRY NUMBER OF FRAUD REPORTS – U.S.¹ (IN MILLIONS)



¹ Consumer Sentinel Network – Data Book 2019

WESTERN UNION PLATFORM % OF PRINCIPAL REPORTED AS FRAUD



Preventing Corruption

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

At Western Union, we strive to comply with both the letter and the spirit of anti-bribery and anti-corruption laws. We prohibit any activity that would violate applicable anti-corruption laws, as well as activities that could create the appearance of impropriety. Regardless of whether it is prohibited by applicable law, our policies prohibit private commercial bribery as well as “facilitation” payments. Western Union employees receive anti-corruption training as part of their annual compliance training, and we deliver frequent

instructor-led, targeted training to our personnel most at risk for bribery and corruption-related issues. We also require our agents and other business partners to avoid engaging in bribery on our behalf in connection with our shared business activity. If someone suspects a violation of our Global Anti-corruption Policy, multiple reporting channels are available, including the Anti-corruption Office, the Ethics Office, and the Ethics Helpline.



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.

PREVENTING ILLICIT ONLINE SALES OF CONTROLLED SUBSTANCES

Members of our FIU team work to investigate information from websites to understand how sellers and buyers may be attempting to utilize Western Union for illicit purposes. As part of an investigation in 2019, this team was successful in obtaining payment information from several websites giving buyers the option to use Western Union to obtain illicit narcotics such as fentanyl and ecstasy.

Twenty-seven websites selling illicit narcotics from across the globe were identified as part of this investigation. Sellers associated with the websites were located in China, Israel, Mexico, and Ukraine, while a majority of the confirmed buyers were located in the U.S. In total, 260 sellers and buyers were interdicted through this investigation. Regulatory reports were filed on all activity identified. To prevent further instances of these activities, we have identified new rules for certain corridors that pose a higher risk.

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.

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 or their activities. We collaborate 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. Based on recent trends, our FIU intends to enhance our program in 2020 to address both traditional terrorist threats and racially motivated extremism.

Disrupting Drug Trafficking

Western Union works with the U.S. Drug Enforcement Administration, U.S. Department of Homeland Security Investigations, and similar enforcement agencies in other countries to target and disrupt drug trafficking organizations. We deploy both tactical and strategic efforts to identify and report potential drug trafficking activity and prevent individuals involved in this activity from using our products and services.

Preventing Modern Slavery and Human Trafficking

Our global Anti-human Trafficking initiative is designed to help detect, deter, and report human trafficking issues. This includes educating our agents, employees, and partners about human trafficking and other forms of modern slavery, in addition to partnering with external organizations.

COMBATING ILLICIT ACTIVITY

In 2019, Western Union established human trafficking awareness training for certain agent locations. We identified these locations based on cumulative analysis that examined transactions potentially related to human trafficking.

Our FIU continues to partner with law enforcement and nonprofit entities to better target and disrupt human trafficking financial flows. This team conducted approximately 1,800 human trafficking investigations since 2013, resulting in hundreds of arrests and the rescue of hundreds of victims.

The FIU team, for instance, has worked on the operational Joint Money Laundering Intelligence Taskforce (JMLIT) – led by the U.K.'s National Crime Agency – on an investigation tackling child sexual abuse and exploitation. The operational JMLIT is a forum through which law enforcement and financial institutions share tactical information.

As a result of turning limited information into actionable intelligence, our team was successful in enabling authorities to rapidly locate an individual suspected of committing several offences involving a

JOINING FORCES TO PREVENT HUMAN TRAFFICKING

In 2019, we collaborated with the Canadian Centre to End Human Trafficking and NGOs in Colombia as part of our work to prevent human trafficking. We also continued our work through Traffik Analysis Hub, an ongoing collaboration with IBM, Stop the Traffik, Barclay's, Lloyd's Banking Group, Liberty Shared, Europol, and University College London to facilitate the exchange of information about human trafficking across organizations.

Western Union is a founding member of the U.S. Department of Homeland Security's Blue Campaign, a national public awareness movement aimed at combating human trafficking. We also work regularly with the National Center for Exploited and Missing Children, and we serve on the steering committee for the Financial Coalition Against Child Pornography.

Our FIU has conducted approximately **1,800** human trafficking investigations since 2013, resulting in hundreds of arrests and the rescue of hundreds of victims.



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

COMBATING ILLICIT ACTIVITY

child. The suspect was subsequently arrested, and a child was taken into care. Our team was commended for its actions taken to ensure the safety of a vulnerable child, ending a harmful situation and the possibility of further abuse.

Human smuggling is a multilayered activity often related to other illicit cross-border activities that we monitor and investigate. We focus on disrupting the smugglers, their organizations, and sources of financial support, and engage with international policy initiatives aimed at tackling illegal activities facilitating migration.

Combating Counterfeit Goods

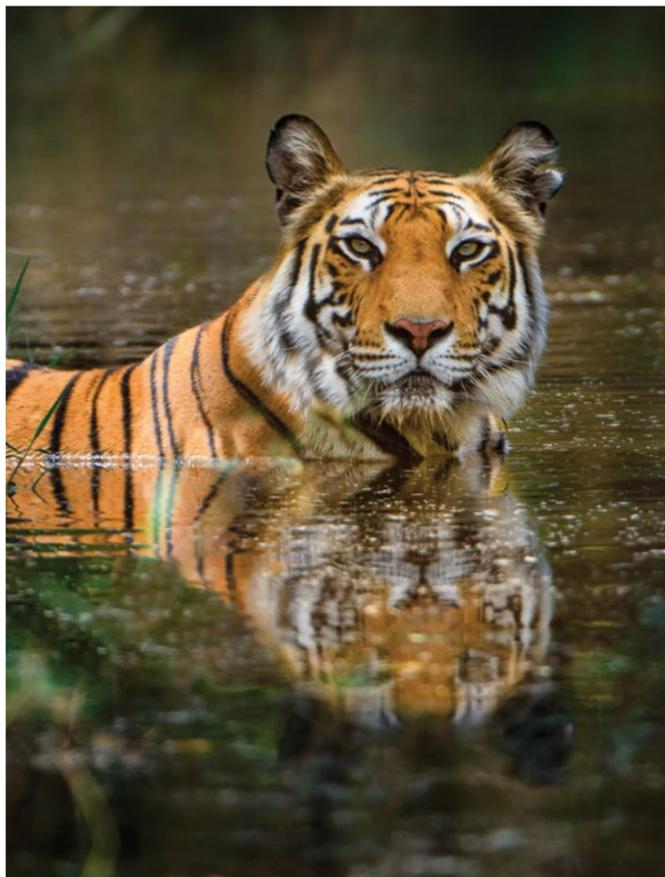
Western Union works to disrupt financial flows relating to counterfeit goods through efforts such as our partnership with the International AntiCounterfeiting Coalition. We are developing measures to identify and stop transactions involving counterfeit pharmaceuticals and other goods. In 2019, we initiated several partnerships with international brand owners to help mitigate risks associated with counterfeit goods.

Battling Illegal Wildlife Trade

Illegal wildlife trade (IWT) is a global issue, and we are committed to doing our part to combat this trade. IWT includes 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.

The Taskforce collaborates with the global financial sector to better understand the challenges associated with disrupting the illicit financial flows associated with IWT.



Tiger trafficking is one element of the illegal wildlife trade.

COMBATING ILLICIT ACTIVITY

Green crime

We are recognized internationally for our ability to fight fraud, terrorism financing, and human trafficking by tracking and analyzing money flows. Now we're bringing that expertise to bear on another area of financial crime: the illegal wildlife trade and related "green crime."

Environmental, or 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.²³ 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 has included environmental crime as a predicate offense in the latest EU Anti-money Laundering Directive.

As a founding member of the United for Wildlife Financial Taskforce, a global campaign against wildlife crime, Western Union stands with a coalition of financial institutions, regulators, and enforcement agencies targeting environmental crime. Building greater awareness of the dangers posed by green crime and the power of public-private partnerships to fight it is now critical. To advance this work, 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.

²³ UNEP, 2016



Illegal logging and ivory trafficking are examples of environmental, or green, crime.

Governing and Managing for Success

Western Union's governance and management practices are founded on principles of accountability, honesty, integrity, fairness, reliability, and security.

In This Section

- Corporate Governance and ESG Oversight
- Ethics and Culture
- Executive Compensation
- Fair Competition and Supply Chain
- Cybersecurity, Data Privacy, and Protection
- Stakeholder Engagement



91%

Board independence

In 2019

3 of 11

Board members were women

Corporate Governance and ESG Oversight

Western Union’s Board of Directors is committed to high standards of corporate governance. Its primary function is providing oversight and defining and enforcing accountability standards to enable management to execute its responsibilities fully and in the interests of stockholders.

The Board is committed to maintaining the highest standards of ethics and integrity as a culture at Western Union, and expects management to ensure that this tone and culture informs all aspects of our operations and activities. This expectation is reinforced with a clear line of communication from the Board to executives.

Our Approach

Western Union takes an integrated approach to addressing Environmental, Social, and Governance (ESG) topics, starting at the highest level of our Company, with the Board of Directors. The Board has oversight of our Company’s ESG strategy. In addition,

three key bodies are responsible for assisting the Board with its oversight duties, strategic planning, and functional implementation. These are, respectively: the Corporate Governance, ESG, and Public Policy Committee of the Board, the Corporate Affairs Team, and an ESG Working Group.

Risk Management

We strive to continuously improve our risk management and oversight functions to respond to evolving market demands, a complex regulatory environment, our strategic focus, and external events. In 2019, Western Union initiated and implemented changes to our risk management and oversight to enhance our culture of risk awareness. This included creating a more formalized risk management function.

Specifically, we created the role of Chief Risk Officer in a newly formed Legal and Enterprise Risk Group. The enterprise risk team oversees enterprise risk management, vendor risk oversight, and crisis preparedness and response through our Enterprise Risk Management Framework.

Our global Enterprise Risk Management Framework, finalized in 2019, is the foundation of our program and provides the structure for mitigating, reporting, and monitoring risk. In 2019, we also continued to advance our Risk and Control Self-Assessment process, which facilitates the development of a set of key risk indicators to monitor and track risk.



Member of Western Union’s Board of Directors.

CORPORATE GOVERNANCE AND ESG OVERSIGHT

GOVERNANCE BODY	DESCRIPTION
Corporate Governance, ESG, and Public Policy Committee	<p>This committee of our Board is responsible for annually reviewing and recommending corporate governance guidelines to the Board. In 2019, the Board amended this committee’s charter to require the committee to review and advise the Board on certain matters of public policy and ESG matters relevant to Western Union and the industries in which Western Union operates.</p> <p>This includes matters such as trends, policies, and regulatory developments related to ESG strategy and reporting, immigration, and charitable giving activities. In conjunction with these changes, the committee’s name was changed from Corporate Governance and Public Policy Committee to Corporate Governance, ESG, and Public Policy Committee to underscore the importance of its ESG oversight responsibilities. In 2019, this committee met four times.</p>
Corporate Affairs Team	<p>The Corporate Affairs Team is the central governance body for our ESG strategy and reporting. This team is led by a cross-functional steering committee that includes our President and CEO, Chief Legal Officer, President of Global Network, and Chief Corporate Affairs and Communications Officer.</p> <p>The Corporate Affairs Team includes senior leaders from the Company’s public policy, investor relations, legal, enterprise risk, corporate affairs, brand, marketing, money transfer, payments, communications and social media, and human resources teams, and the Western Union Foundation.</p>
ESG Working Group	<p>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 investor relations, enterprise risk, ethics, legal, and corporate affairs.</p> <p>This group reports to the Corporate Governance, ESG, and Public Policy Committee, and to the Corporate Affairs Steering Committee, each described above. The ESG Working Group is facilitating the enhancement of our ESG strategy to further integrate that strategy with our business and to develop goals in priority areas.</p>

CORPORATE GOVERNANCE AND ESG OVERSIGHT

2019 Board of Directors at a Glance

Our Board members provide strategic guidance and support with their breadth of knowledge, expertise, and diverse perspectives. During 2019, the Board met seven 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 2019.

BOARD INDEPENDENCE

At the end of 2019, 10 out of 11 of our directors, including an independent chairperson, were independent. Our CEO is our only non-independent Board member.

BOARD COMMITTEES

- Audit Committee
- Corporate Governance, ESG, and Public Policy Committee
- Compensation and Benefits Committee
- Compliance Committee

In addition to required committees, our Board created a Compliance Committee to support Western Union's commitment to compliance. This committee assists our Audit Committee and full Board of Directors in fulfilling the Board's oversight responsibility for compliance with legal and regulatory requirements. In 2019, this committee met eight times.

All committees of the Board are composed of independent directors except for the Compliance Committee, where the Company's CEO is a non-voting member.



50% of Board committees were chaired by women in 2019.

CORPORATE GOVERNANCE AND ESG OVERSIGHT

2019 BOARD OF DIRECTORS AT A GLANCE



Board chairperson is independent

BOARD COMMITTEES



- 50%** of Board committees chaired by women
- Actively review practices focused on leadership and women
- All committees are composed entirely of independent directors except for the Compliance Committee, where the Company's CEO is a non-voting member
- Considered a Winning Company per the criteria of the 2020 Women on Boards Gender Diversity Index

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 at right:

**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

Ethics and Culture

Western Union is 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.

In our view, Western Union's commitment to a strong culture of ethics and compliance separates us from our peers, defines our brand, and drives our success.

Our Approach

Western Union's ethical values are embedded in our **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. 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 Program

Our ethics program supports the Company's commitment to a culture of high ethics and integrity. It is designed, maintained, and managed by the Ethics Office, which is a part of the Legal and Enterprise Risk Group.

The Ethics Office's strategic objectives 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 or Company policy. The office also maintains the Ethics Helpline, the primary mechanism for receiving and

processing whistleblower reports and other ethics concerns, and serves as a primary resource for conducting internal ethics investigations. The helpline allows employees and other reporters to raise concerns anonymously, subject to applicable law.

The Company has an Ethics Committee made up of key internal stakeholders, including senior executives such as the Chief Legal Officer, Chief Financial Officer, Chief People Officer, Chief Compliance Officer, and senior business leaders, which supports the ethics program and



ETHICS AND CULTURE

provides feedback and input to the Ethics Office. The Ethics Committee is chaired by the Chief Ethics Officer and met four times in 2019. In addition, the Chief Ethics Officer presents quarterly to the Audit Committee of the Board of Directors.

The Company provides employees with annual training on the **Code of Conduct**. In 2019, the Code of Conduct training included topics such as workplace discrimination, conflict of interest, modern slavery and human trafficking, and diversity and inclusion. Employees also received focused online training on sexual harassment prevention in 2019. The Ethics Office initiated an additional sexual harassment prevention training program in 2019 for people managers, which continues into 2020.

In 2019, the Ethics Office experienced an increase of reports submitted for investigation compared

to the previous year. We attribute this increase to two primary factors: an updated Code of Conduct in 2018 and enhanced employee training. We continue to monitor our reporting to support an effective ethics program.

Disclosure and review of potential or actual conflicts of interest help us protect our corporate value. We maintain a Conflicts of Interest Policy that applies to all employees and we provide conflicts of interest training. This policy was enhanced in 2019 to provide additional guidance to our employees in disclosing potential conflicts appropriately. The Ethics Office received an increase in requests for guidance from employees on complying with the Conflict of Interest Policy in 2019 and is currently enhancing its processes for reporting and tracking potential conflicts.

HUMAN RIGHTS

As set out in our [Code of Conduct](#), Western Union is 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 in which we operate.

We condemn human rights abuses and prohibit 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. Western Union expects our suppliers and those involved in procurement processes for the Company to comply with these values.

For more on our work to address modern slavery and human trafficking, please see our [Modern Slavery and Human Trafficking Statement](#) and also [page 50](#) of this report.

Executive Compensation

The Board’s Compensation and Benefits Committee oversees the Company’s 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 issues 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 initiatives, employee engagement, and leadership.

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; or
- the provisions of Western Union’s **Code of Conduct** regarding privacy and data security, securities trading, discrimination, harassment, retaliation, or bribery.

In our view, this is a market-leading enhancement that reinforces our commitment to ethics and compliance, diversity and inclusion, and protecting shareholder 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.

KEY FEATURES OF OUR EXECUTIVE COMPENSATION PROGRAM

Pay-for-performance and at-risk compensation	Align compensation with stockholder interests	Emphasis on future pay opportunity vs. current pay	Mix of performance metrics
Stockholder engagement	“Clawback” policy	Robust stock ownership guidelines	Consider compliance in compensation program
Three-year performance period for Performance-based Restricted Stock Units (PSUs)	Outside compensation consultant retained by the Compensation Committee	“Double trigger” severance benefits in the event of a change-in-control	Maximum payout caps for annual cash incentive compensation and PSUs

Fair Competition and Supply Chain

Western Union is committed to acting ethically, demonstrating the highest professional standards, and complying with applicable laws and regulations. We expect the same from our agents, suppliers, and partners, and we anchor on policies and programs that help us meet our commitments.

Fair Competition

Our view is that strong and fair competition benefits customers. While Western Union competes, we strive to do so in a way that does not harm competition or compromise our values, policies, **Code of Conduct**, or the law. Because antitrust and fair competition laws and regulations can be complex and vary by country, we work closely with our Legal and Enterprise Risk Group when we encounter potential or perceived antitrust or competition issues.

Managing Our Supply Chain

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.

Our competitive bidding guidelines are outlined in our Global Sourcing and Procurement Policy. In 2019, we added ethical purchasing guidelines to the policy.

In 2019, we also enhanced our Vendor Risk Oversight program, which guides

how we review potential new vendors for risk and establishes an ongoing monitoring process. Depending on the nature of the 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

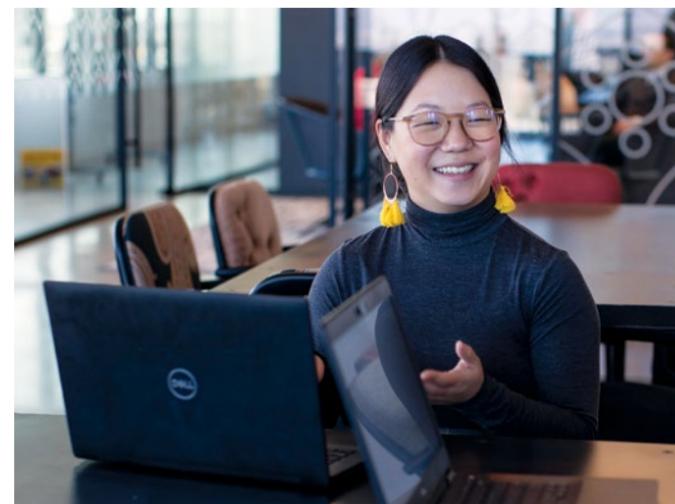
business, please see our **Modern Slavery and Human Trafficking Statement**.

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 undergoes continual enhancement. The committee is made up of senior leaders from across the organization and met throughout 2019.



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. We also take seriously our ethical, legal, and regulatory obligations regarding cybersecurity and data privacy, and we continuously review and improve our programs in these areas.



Our Approach

The Board of Directors, through the Audit Committee, oversees the Company’s risk management practices, including those related to data privacy and cybersecurity. Risk escalation is performed via two committees formed in 2019: the Executive Risk Committee, made up of senior leaders from all business functions, and a subcommittee called 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. Combining security and data privacy within one committee reflects their interconnected relationship, and our respective security and data privacy teams’ shared aim of protecting consumer and client data.

Cybersecurity

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 measures include electronic and procedural safeguards to proactively identify threats and remediate issues.

Our Chief Information Security Officer oversees our Corporate Information Security program and provides quarterly updates to the Audit Committee of the Board of Directors.

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

CYBERSECURITY, DATA PRIVACY, AND PROTECTION

incident. Our employees play an important role in identifying and raising cybersecurity issues. To that end, we provide them with mandatory annual cybersecurity training, and we 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.

In 2019, our cybersecurity team assessed its program against the National Institute of Standards and Technology framework. Based on those results, the team developed a work plan to mature in key areas over the next several years. The team reports regularly to the Audit Committee and the Board on its progress.

DATA PRIVACY AND PROTECTION

In 2018, we established a Global Privacy Program – modeled largely on Europe’s General Data Protection Regulation – and developed internal policies and an internal controls framework 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 with team members from different groups. This team focuses on:

- Building trust with stakeholders;
- Helping the Company incorporate “privacy by design” by implementing tools and processes to anticipate privacy risks during the development of new initiatives and programs; and
- Enabling the business to comply with both internal and external privacy mandates.

We strive to go above and beyond our obligations to keep the financial system and our customers safe. Privacy is increasingly about customer choice. Customers not only expect companies to protect customer data and use data appropriately, but also expect companies to control it.

In 2019, we issued a [Global Privacy Statement](#) to make our disclosure simpler, clearer, and more uniform across business lines and global operations. This 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 right 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 mandatory data privacy training on an annual basis for all employees and upon hire for new employees.

Stakeholder Engagement

At Western Union, we have a track record of engaging with a wide variety of internal and external stakeholders, by various means, on issues of shared concern:

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

STAKEHOLDER ENGAGEMENT

Engaging with stakeholders around human rights issues in Myanmar

In Myanmar (formerly Burma) and other countries experiencing conflict, Western Union plays a critical role in connecting people, whether it's families sending money to loved ones to meet basic needs like healthcare and food, or humanitarian aid organizations in need of funds for their work on the ground.

Providing these services requires the use of local agents. All agents selected to offer our services undergo rigorous due diligence; they are an important conduit to making remittances globally accessible and receive commissions to compensate them for the important service they provide.

As part of our due diligence and agent oversight processes, Western Union conducts regular reviews to audit agents' compliance with regulatory requirements and Western Union policies. We take seriously any information received from outside parties regarding any problematic use of our system.

In late 2019, Western Union received communications from NGO stakeholders and a stockholder highlighting a report that had recently been released following a United Nations' fact-finding mission to Myanmar. The report tied one of Western Union's agents, Myawaddy Bank, to the military of Myanmar and accused the military of committing crimes against humanity. The stakeholders asked us to terminate our relationship with Myawaddy Bank.



We incorporated these stakeholder concerns into our ongoing internal review process, which includes credible information from the United Nations and other multilateral and national bodies.

As a result of our internal review, and following conversations with these stakeholders, Western Union terminated its contract with Myawaddy Bank at the end of December 2019.

Western Union appreciates the productive engagement we had with these stakeholders, and we're pleased to have found alignment in our values.

Safeguarding Our Shared Environment

We are committed to acting responsibly to respect the environment and minimize our footprint.

We also recognize the importance of being resilient in the face of crises, including our changing climate, to serve our customers and protect long-term company value.

In This Section

- Acting Today, Preparing for Tomorrow
- Climate Resilience
- Reducing Our Greenhouse Gas Emissions
- Environmental Stewardship

25%

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



Acting Today, Preparing for Tomorrow

In connection with the development of our ESG strategy, we are taking a deeper look at potential climate-related mitigation and adaptation activities. In the meantime, we already have several mitigation initiatives in place to reduce greenhouse gas (GHG) emissions from our operations and business travel.

We are also committed to improving our practices and processes for managing, measuring, and reducing our environmental impact in areas such as waste diversion, water conservation, and electronics recycling.

Our Approach

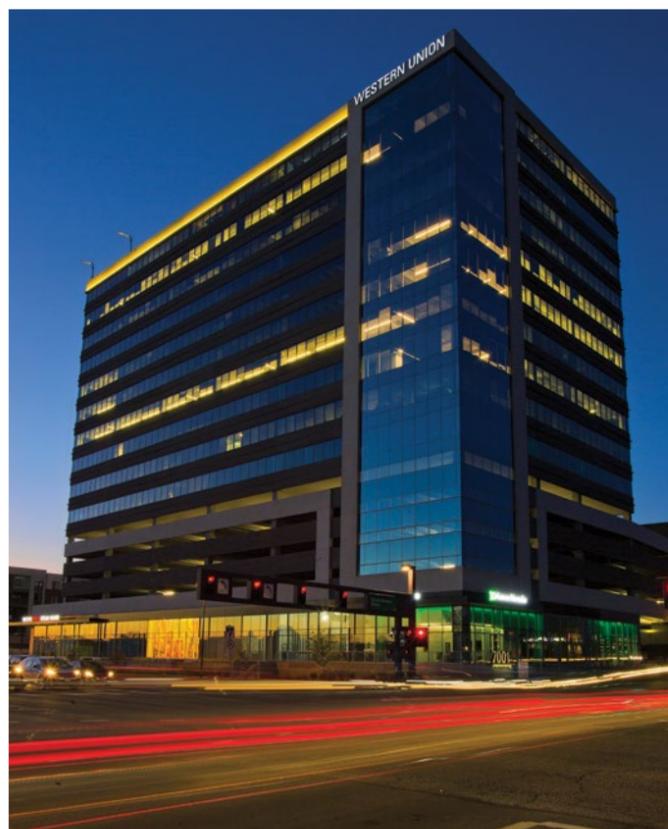
Our initiatives are led by our Corporate Real Estate team with support from local teams around the world. In addition, our **Code of Conduct** includes a commitment to responsible and respectful action to protect the environment. We continue to look for opportunities to positively impact the environment through our employees, products, services, and business innovation.

Climate Resilience

We have millions of customers worldwide, including some who may be vulnerable to the impacts of humanitarian crises worsened by natural disasters, water scarcity, and rising sea levels. Making sure we can move money for our customers in communities that face environmental and other crises is one of our top priorities.

As a result, part of our ongoing ESG strategy includes:

- Supporting policies that strengthen our collective response to crises, including climate change
- Western Union's role in disaster relief in a world with increasing weather-related emergencies
- Identifying potential areas of climate risk exposure



Western Union's headquarters in Denver, Colorado (U.S.), has been awarded LEED Gold status, a globally recognized symbol of sustainability achievement.

ACTING TODAY, PREPARING FOR TOMORROW

Reducing Our Greenhouse Gas Emissions

Our view is that we must continue to manage and reduce our environmental footprint to drive corporate value and be a responsible corporate citizen. Reducing greenhouse gas emissions is therefore a part of our overall environmental focus.

Our business is not directly carbon intensive in its Scope 1 (owned) emissions. For that and other reasons, environmental issues did not rank among our most material issues in our 2018 materiality assessment. In addition, we lease substantially all of our facilities and have a large global network of more than 550,000 agents, which has made data collection around our Scope 2 and 3 emissions challenging. Nonetheless, as part of our ongoing ESG strategy development, we will consider setting GHG



emission reduction goals. We continually seek to better understand our carbon footprint and have begun evaluating areas where we can focus our efforts.

OFFICE SPACE

We are reducing our physical and carbon footprint globally, consolidating operations where feasible, and selling our owned real estate in favor of leased space, often in more energy-efficient

buildings. During this process, we will collect information from our offices to better understand opportunities for improvements and investments.

Western Union occupies facilities in approximately 50 countries, nearly all of which are leased. In 2018, we initiated dialogue regarding our carbon footprint with landlords at 16 of our largest leased facilities, which house the majority

of our employees across the globe. Going forward, we intend to assess opportunities for increased energy and water efficiency, and renewable energy sourcing for our facilities.

ACTING TODAY, PREPARING FOR TOMORROW

DATA CENTERS

Western Union's move to reduce our footprint also includes our data centers. In 2019, we announced a plan to move a significant portion of our infrastructure to the cloud, migrating from our own physical data centers. We believe our transition to the cloud will enable us to expand our digital footprint and increase efficiency; it will also enable us to reduce our carbon output within

our own operations. Since this migration will shift our associated carbon footprint from Scope 2 emissions to Scope 3, we intend to work with our cloud service provider to further reduce our data storage-related emissions.

VIDEO CONFERENCING

In 2018 and 2019, we equipped our major offices with state-of-the-art video conferencing technology. Going

forward, we intend to continue adding advanced video conferencing technology at more offices around the globe.

This shift to promoting virtual meetings has greatly reduced the need for GHG-intensive air travel between locations and strengthened our business continuity and crisis management programs. Between 2018 and 2019, the addition of video

conferencing contributed to cost reductions of approximately 30% in airfare and hotel stays, which is a proxy for reductions in carbon emissions. More recently, video conferencing enabled the majority of our employees to work remotely during our COVID-19 response efforts.



Western Union's major offices are equipped with state-of-the-art video conferencing technology.

ACTING TODAY, PREPARING FOR TOMORROW

Energy-efficient facilities



At Western Union, we are consolidating our worldwide operations into fewer, more energy-efficient buildings. But what does it actually mean from an environmental standpoint to operate in a state-of-the-art, LEED-certified building?

"With all of our real estate initiatives, we're focused on how best to minimize our environmental footprint," says David Hurtado, Vice President of Global Strategic Sourcing and Corporate Real Estate.

Our global headquarters in Denver, 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. LEED is the most widely used green building rating system in the world, and LEED certification is a globally recognized symbol of sustainability achievement. Features that contribute to meeting this standard include:

- Purchase agreements in place when the building opened ensured 70% of the electricity supply is generated from renewable sources
- More than 25% of the total building materials, by value, was made using recycled materials
- Approximately 25% of the total building materials, by value, was 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 the latter, we installed lighting that exceeds minimum efficiency standards and sensors to ensure lights are not left on when the building is unoccupied.

With a light rail station easily accessible from the building, employees have convenient opportunities to reduce the carbon footprint of their work-related transportation. In 2019, more than 10% of employees at our Denver headquarters participated in the pilot RTD light rail EcoPass program, which included local and regional light rail access throughout the year at a significant discount.

For employees who drive, the Denver headquarters building provides electric vehicle charging stations and designated parking for hybrid and low-emitting vehicles. 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.

Undergoing a similar transformation, our operations in Vienna, Austria, moved to a new location that is currently awaiting final certification to achieve a LEED Platinum rating – the highest level of LEED certification – along with BREEAM Excellent, another method for assessing and certifying the sustainability of buildings, used in the U.K. and Europe. Directly linking to a railway system on its lower levels, the building will enable employees accessible low-carbon travel to and from the office.

Our office in Washington, DC, is in a LEED Gold-rated building. Energy conservation measures have also been introduced at our Regional Operating Centers in San Jose, Costa Rica; Vilnius, Lithuania; and Pune, India.

ACTING TODAY, PREPARING FOR TOMORROW

200,000+
cardboard coffee cups
eliminated per year.

Environmental Stewardship

Making progress in reducing our environmental impact means taking a fresh look at the things we do and asking how we can do them in a more sustainable manner. Our actions range from replacing paper and plastic kitchenware with ceramic plates and cups, and reusable flatware, to upgrading equipment. We seek bigger gains in our larger operations, but throughout the organization we

encourage best practices in waste reduction, water conservation, and environmental awareness through volunteering.

Waste Reduction

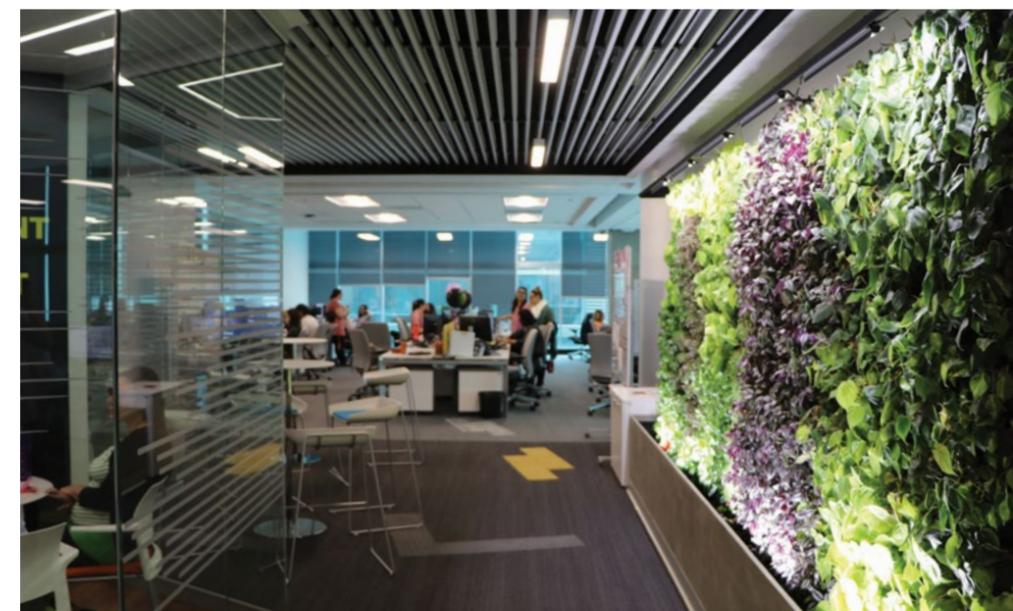
We are doing our part to reduce waste. Our objective is to implement practices across our global offices over time to reach broad adoption. At our global headquarters in Denver, Colorado, which makes up approximately 10% of our workforce, we have eliminated disposable dishes and silverware

in our dining areas and outfitted each kitchen and pantry space with a dishwasher. Individual trash and recycle bins were eliminated in exchange for placing receptacles in communal centralized areas, which has been shown to reduce waste and increase recycling rates at other companies.

Similar steps are being taken elsewhere. Our Costa Rica office, which makes up approximately 11% of our workforce, recycles a range of materials used in the workplace, including cardboard, paper, plastic, aluminum, glass, and more. The purchase of biodegradable products like lunch boxes, straws, and cleaning products has also helped to reduce waste. We estimate the simple act of providing every employee with a ceramic coffee mug with a coffee spoon has eliminated the use of more than 200,000 cardboard coffee cups and 90,000 stirrers a year.



ACTING TODAY, PREPARING FOR TOMORROW



Western Union's regional operating center in San Jose, Costa Rica.

Water Conservation

Western Union operates in numerous countries around the world and in 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.

For example, India faces acute water shortages, and the state of Maharashtra is one of the severely affected regions. In 2018, Western Union 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 innovation and engineering hub in the region, employing more than 700 skilled individuals. In 2019, 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 has helped save more than 210,000 liters of water per month.

COSTA RICA OFFICE RECEIVES ECOLOGICAL AWARD

Our Costa Rica office has been awarded the Bandera Azul Ecológica (Blue Ecological Flag) annually since 2016. 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.

Catalyzing Change Through the Western Union Foundation

The Western Union Foundation believes education and access to decent work are the surest pathways to economic opportunity.

The Foundation collaborates with nonprofits around the world to empower forcibly displaced and marginalized youth with the training and education needed to succeed in today's technology-driven global economy. The Foundation also provides funding to communities in crisis through disaster relief and other humanitarian efforts.

In This Section

- Letter from the Executive Director
- Overview
- Our Work
- Education for Better
- Opportunity Beyond Borders
- Employee Engagement

Since inception in 2001:

\$125m

in funding

175

countries

2,000+

NGOs funded

Photo credit: Watson Institute

Letter from the Executive Director

Today, more of us are on the move than ever before. An estimated 270 million people across the globe are living outside their countries of birth, due to civil unrest, economic hardship, natural disaster, or other reasons.²⁴ Migrants and refugees often lack support systems, making them particularly vulnerable. They not only face economic insecurity, they also confront social isolation, the loss of family support, language barriers, and even violence. At the same time, they are resourceful, resilient, hopeful, and driven to create a brighter future than the one they have left behind.

The Western Union Foundation (the Foundation) is uniquely positioned to reach across borders and assist. We do this by helping migrants, including youth who have been displaced themselves or come from displaced families, to gain access to the education and skills they need to succeed in the global economy.

By offering these tools to the people, families, and communities who need them, the Foundation connects Western Union to the people we serve to support their dreams.



Elizabeth Roscoe
Executive Director
Western Union Foundation



The Western Union Foundation's Elizabeth Roscoe, together with head of digital engineering and Western Union Foundation Board member Ernesto Boada and social activist Forest Whitaker, during a visit to the Whitaker Peace & Development Initiative in Uganda.

HIGHLIGHTS FROM EDUCATION FOR BETTER INITIATIVE (2015–2019)

75,000

women, youth, migrants, and refugees were provided with workforce training and education through a program launched in 2015 to provide individuals with the skills they need to access the global economy.

92,000

people supported through recovery efforts involving more than 60 natural and humanitarian disasters.

²⁴ The International Migrant Stock 2019, UN Department of Economic and Social Affairs (DESA)

Overview

The Western Union Foundation connects underserved people to the global economy through workforce skills development and humanitarian relief. Western Union, its employees, agents, business partners, and its customers, provided financial support and volunteer hours to advance the work of the Foundation.

Since the Foundation's inception in 2001, more than \$125 million has been given to fund projects and positively impact lives in 175 countries, including disaster relief

for communities afflicted by natural disasters or humanitarian crises.

The Foundation believes education and access to decent work are the surest pathways to economic opportunity.

The Foundation collaborates with nonprofits around the world to provide demand-driven skills training and workforce enablement programs. The Foundation's global scholarship program also helps disadvantaged students studying in science, technology, engineering, and mathematics (STEM) and business fields gain access to post-secondary education.



The Foundation's collaboration with Re:Coded in Turkey provides a six-month coding boot camp, preparing conflict-affected youth for jobs in the digital economy.

Our Work

The Foundation delivers on its mission through multi-year commitments, customer engagement, advocacy and communications, disaster relief, and by engaging Western Union employees.

Our Approach

MULTI-YEAR COMMITMENTS

The Foundation centers its efforts around major, multi-year commitments, supported by other programs and projects, including the following:

Education for Better

In 2019, we announced the successful early completion of Education for Better, a five-year commitment to provide 50,000 women, youth, migrants, and refugees with workforce training

and education, which connected these groups to the global economy. Through Education for Better, the Foundation invested more than \$13 million in workforce skill-building and education.

The Foundation exceeded the program's original target by providing potentially life-changing education to more than 75,000 people, while reaching more than 200,000 with new skills and knowledge.

This success was achieved by connecting the communities that Western Union serves with:

- Job skills needed to connect to the digital economy
- Education, language, and cultural training for refugees and migrants integrating into new societies
- Scholarships that enable students from disadvantaged backgrounds access to higher-education opportunities



We introduced Education for Better's successor program, Opportunity Beyond Borders, last September at the United Nations General Assembly Week in New York.

Opportunity Beyond Borders

Opportunity Beyond Borders is a three-year, \$15-million commitment to provide vulnerable youth with the skills and training needed to succeed in today's global digital economy. Supported programs will equip people on the move with the technology and entrepreneurship skills needed to thrive in the jobs of the future as well as provide counseling, career guidance, and scholarships.

FLAGSHIP PARTNERSHIPS

In conjunction with the launch of Opportunity Beyond Borders, we announced two flagship partnerships – one program-based, the other in research – which we believe will enable us to start delivering Opportunity Beyond Borders' objectives.

OUR WORK

We partnered with the Techstars Foundation to provide grants to the MIT D-Lab and the Watson Institute:

- MIT D-Lab supports refugee women in Greece with the technical and soft skills needed to establish their own businesses.
- Watson Institute funds the staging of two Basecamps – the name for their social entrepreneurship bootcamps – for underrepresented youth, one in Boulder, Colorado, and the other in Mexico City. Upon completion, participants gain ongoing access to the Watson Institute's

online resources, networks, and mentorship sessions.

- We also partnered with the Center for Global Development and Refugees International to support a 30-month project to study barriers to formal labor market access for refugees and develop policy recommendations to address the issue.

Direct involvement in policy-relevant research is an exciting first for the Foundation. It expands our impact beyond funding grassroots projects to addressing the root cause of a problem and helps to drive change.

Customer Engagement

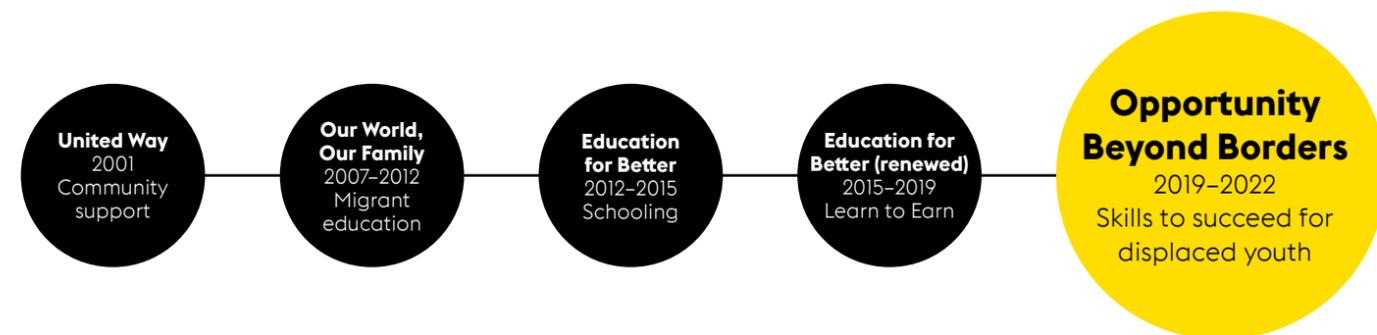
While Western Union contributes the majority of the funding for the Western Union Foundation, we also raise funds through partnerships and employee donations.

Beginning in September 2019, the Company made it possible for U.S. customers to donate to the Western Union Foundation when completing a money transfer through the Western Union app. This new, easy-to-use feature was developed as a result of a company-wide hackathon and allows us to engage customers in the Foundation's mission. We are grateful for the

immense generosity we have seen from Western Union customers thus far. Through these customer donations, the Foundation has raised more than \$50,000 that goes directly to nonprofit partners.

The Foundation ran its first customer campaign calling for donations during International Migrants Day in December 2019. One hundred percent of donations made through the app were dedicated to the American Red Cross' Restoring Family Links program, which has been helping reconnect family members separated by crisis, conflict, and migration for nearly 150 years.

TIMELINE OF MAJOR INITIATIVES



OUR WORK

ADVOCACY AND COMMUNICATIONS

The Foundation uses its voice to advocate for and help change the narrative on refugees and migrants. In addition, the Foundation communicates success stories and outcomes that aim to inspire and engage supporters and enhance its work.

In 2019, Elizabeth Roscoe, Executive Director of the Western Union Foundation, spoke on various panels to share the work of the Foundation and those we support, including:

- Concordia Summit, where she took part in a roundtable on supporting children in crisis together with Save the Children, and announced the Opportunity Beyond Borders commitment: to connect displaced youth to the job skills needed in our increasingly digital future.
- MIT Solve, where she presented on a panel discussing the topic of unlocking new opportunities for refugees, as part of the “Investing in Refugees and Immigrant Entrepreneurs” plenary.



Over the past five years, the Western Union Foundation’s partnership with Upwardly Global has helped nearly 5,000 immigrant and refugee professionals integrate into the U.S. workforce.

DISASTER RELIEF

The Western Union Foundation, together with Western Union, has long been at the forefront of providing early, essential support for relief agencies and individuals afflicted by natural disasters and humanitarian crises.

In 2019, the Foundation contributed to nine major relief efforts globally, including crises in:

- Colombia, where the exodus of migrants from Venezuela prompted an emergency need for shelter, health services, and water (February 2019)
- The U.S. (Midwest and Alabama), which experienced damage and loss due to tornadoes and floods (March 2019)
- The Bahamas, where Hurricane Dorian created significant demand for shelter, medical care, and basic needs (September 2019)
- The Philippines, which experienced mass flooding and property damage as a result of Typhoon Phanfone (December 2019).

In these and other cases, the Foundation provides grants to agencies including the American Red Cross, the International Medical Corps, and Save the Children. In tandem, Western Union helps make cash available where it is needed by offering fee-free transfers for customers who want to donate to the American Red Cross during disasters or at any time.

OUR WORK

Hurricane Dorian

On September 1, 2019, Hurricane Dorian made landfall in the Bahamas as a Category 5 hurricane. The massive storm devastated the northwestern portion of the island nation, leaving hundreds dead or missing, hospitals and other buildings leveled, and water, food, and other essentials in critically short supply.

Within days, Western Union and the Western Union Foundation launched a multifaceted disaster relief response.

The Foundation and Western Union, with the support of agent and employee donations, contributed more than \$110,000 to the American Red Cross Dorian relief fund. Western Union also waived transaction fees for a seven-day period on transfers.

Our fast action in support of the people of the Bahamas was one of nine responses by the Foundation to natural disasters and humanitarian crises worldwide in 2019. The Foundation aligns its efforts with those of Western Union, which is well-positioned to support aid efforts due to its global presence and ability to make cash accessible for those in need.

Since 2001, the Western Union Foundation has donated more than \$17 million for relief, providing aid to more than 200 disaster areas in more than 70 countries that are important to our customers and often where our employees live and work.



Western Union Foundation and Western Union’s support contributed to the American Red Cross’ immediate relief efforts and on-the-ground workforce to help families in the aftermath of Hurricane Dorian.

OUR WORK

In early 2020, as the impact of COVID-19 was felt across the globe, Western Union and the Western Union Foundation announced a \$1,000,000 global matching challenge, with a commitment to match up to \$500,000 in customer, corporate, employee, and agent donations towards the global fight against the virus.

In April 2020, the Western Union Foundation pledged an additional \$300,000 to support local and global nonprofit organizations providing access to essential services during the COVID-19 pandemic, including hunger relief, medical training, education, supplies, and equipment for frontline healthcare workers.



The WU Foundation's support of International Medical Corps' COVID-19 response will help provide life-saving supplies and training to vulnerable and high-need communities.

EMPLOYEE ENGAGEMENT

The Foundation believes in engaging Western Union employees in its work and encourages them to share its passion for making a difference. The success of those efforts is visible in the percentage of employees who donate to the Foundation – 74% in 2019 – and time donated through volunteering, which totaled nearly 17,000 volunteer and pro bono hours last year in support of the Foundation or external community organizations.

At Western Union, we are proud of our employees' passion for giving. We are committed to promoting the well-being of our customers and their communities – and engaging our people in this effort through volunteer outreach plays a key role. Some of the ways we do this include:

- Social Ventures:** The employee-led Social Ventures program at our Latin American Regional Operating Center (LAROC) in San Jose, Costa Rica, engages employees through volunteer work. In 2019, the program saw more than 300 employee volunteers donate more than 2,500 hours of their time to help individuals, families, and their communities.

Selected projects included providing financial training for female coffee producers, improving educational infrastructure in local schools, organizing area beach clean-ups, and fundraising on behalf of children with terminal or critical illnesses.

OUR WORK

- WU Votes:** In 2019, employees at LAROC, along with employees in Pune, India, and Paris, France, also participated in WU Votes, which offers an opportunity for local offices to have a say regarding which eligible local nonprofit the Western Union Foundation funds. Employees identify several local nonprofits eligible for funding, and the organization that receives the most employee votes receives a grant from the Foundation.

The 2019 WU Votes recipient in Costa Rica was Fundación Genesis, a nonprofit that provides people who are socially vulnerable and in extreme poverty with in-school nutrition programs, therapeutic counselling, education, and employment training.

- Donations for Doers:** The “Donations for Doers” program is designed to recognize the efforts of employees who dedicate their time and energy 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. All full- and part-time employees are eligible, as are members of the Western Union Corporate Board of Directors.
- 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.



Employee volunteers from Western Union's regional operating center in San Jose, Costa Rica.

ESG Performance

Western Union's 2019 Environmental, Social, and Governance (ESG) Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option.

It also includes responses to select relevant metrics from the Sustainability Accounting Standards Board (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 ending December 31, 2019, and all financial information is presented in U.S. dollars.

GRI and SASB Standards Index

DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
Organizational Profile				
102-1	Name of organization	The Western Union Company		
102-2	Activities, brands, products and services	About Western Union (pg. 4) Innovation: Inclusive Innovation (pgs. 12-19) 2019 Form 10-K: Item 1. Business		
102-3	Location of headquarters	Denver, Colorado, United States		
102-4	Location of operations	About Western Union (pgs. 4-7) 2019 Form 10-K: Item 2. Properties and Facilities		
102-5	Ownership and legal form	The Western Union Company is a publicly traded (NYSE: WU) company. About Western Union (pg. 4)		
102-6	Markets served	About Western Union (pgs. 4-7) Innovation: Inclusive Innovation (pgs. 12-19) 2019 Form 10-K: Item 1. Business		
102-7	Scale of organization	About Western Union (pgs. 4-7) Attracting, Engaging, and Retaining Employees: Workforce Data (pg. 35) 2019 Form 10-K: Page 6 (Item 1); Page 78 (Consolidated Statements of Cash Flows); Page 119 (16. Borrowings); Page 54 (Capital Resources and Liquidity)		
102-8	Information on employees and other workers	About Western Union (pgs. 4-7) Attracting, Engaging, and Retaining Employees: Workforce Data (pg. 35) Total workforce: approximately 11,500 employees 51% Female 49% Male 97% Full time 3% Part time 2019 Form 10-K: Item 1. Business: Overview; Employees and Labor	TC-SI-330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore

GRI AND SASB STANDARDS INDEX

DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
102-9	Supply chain	About Western Union (pgs. 4-7) Governing and Managing for Success: Fair Competition and Supply Chain – Managing Our Supply Chain (pg. 63) 2019 Form 10-K: Item 1. Business		
102-10	Significant changes to the organization and its supply chain	2019 Form 10-K: Notes to Consolidated Financial Statements: 1. Business and Basis of Presentation (pg. 80), Business Combinations (pg. 82)		
102-11	Precautionary Principle or approach	Moving Money with Integrity: Going Beyond Compliance – Our Approach (pgs. 42-43) Governing and Managing for Success: Corporate Governance and ESG Oversight – Risk Management (pg. 56) Cybersecurity, Data Privacy, and Protection – Our Approach (pg. 64) 2019 Form 10-K: Item 7A. Quantitative and Qualitative Disclosures About Market Risk (pg. 65) 2020 Proxy Statement, Board Leadership Structure and Role in Risk Oversight (Governing and Managing for Success) (pg. 17)		

GRI AND SASB STANDARDS INDEX

DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
102-12	External initiatives	About This Report (pg. 1) Connecting People and Businesses to the Global Economy: Advocacy and Support for Migrants and Refugees (pgs. 23-24) Case Study – Pro bono support for asylum seekers (pg. 25) Fostering an Engaging and Inclusive Workplace: Diversity and Inclusion (pgs. 37-39) Catalyzing Change Through the Western Union Foundation: Our Work – Opportunity Beyond Borders (pgs. 80-81) Moving Money with Integrity: Global Compliance Program (pgs. 44-46) Combating Illicit Activity – Disrupting Drug Trafficking (pg. 50) Combating Illicit Activity – Preventing Modern Slavery and Human Trafficking (pgs. 50-52) Combating Illicit Activity – Combating Counterfeit Goods (pg. 52) Combating Illicit Activity – Battling Illegal Wildlife Trade (pg. 52) Case Study – Green crime (pg. 53) Safeguarding Our Shared Environment: Acting Today, Preparing for Tomorrow – Case Study – Energy-efficient facilities (pg. 73)		
102-13	Membership of associations	Connecting People and Businesses to the Global Economy: Advocacy and Support for Migrants and Refugees (pgs. 23-24) Advocacy and Support for Migrants and Refugees – Case Study – Pro bono support for asylum seekers (pg. 25) Catalyzing Change Through the Western Union Foundation: Our Work – Opportunity Beyond Borders (pgs. 80-81) Moving Money with Integrity: Combating Illicit Activity – Preventing Modern Slavery and Human Trafficking (pgs. 50-52) Combating Illicit Activity – Combating Counterfeit Goods (pg. 52) Combating Illicit Activity – Battling Illegal Wildlife Trade (pg. 52) Case Study – Green crime (pg. 53)		

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DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
Strategy				
102-14	Statement from senior decision-maker	CEO Letter (pgs. 2-3)		
102-15	Key impacts, risks, and opportunities	CEO Letter (pgs. 2-3) About Western Union (pgs. 4-7) ESG at Western Union – Materiality (pgs. 8-9) Stakeholder Engagement (pgs. 66-67) Connecting People and Businesses to the Global Economy: Innovation – Inclusive Innovation (pgs. 12-20) Affordability and Service Reliability – Our Approach (pg. 22) Moving Money with Integrity: Global Compliance Program (pgs. 44-46) Governing and Managing for Success: Cybersecurity, Data Privacy, and Protection – Our Approach (pg. 64) 2019 Form 10-K: Item 1. Business and 1A. Risk Factors (pgs. 6 & 21)	TC-SI-550a.2	Description of business continuity risks related to disruptions of operations
Ethics and Integrity				
102-16	Values, principles, standards and norms of behaviors	Governing and Managing for Success: Ethics and Culture (pgs. 60-61) Attracting, Engaging, and Retaining Employees: Our Values (pg. 28) How we work <ul style="list-style-type: none"> We value respectful treatment: We show respect to others and expect respect in return. We don't discriminate: Discrimination is a violation of our policies and the Code. We don't harass: We prohibit all harassment, whether it is spoken, written, physical, or visual. We respect each other's privacy: We take our duty seriously to keep personal data confidential. We work safely: We perform work for which we are trained, fit, and competent. We avoid conflicts of interest: Our decisions are made in the best interest of Western Union and comply with our policies. Western Union Code of Conduct		

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DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
102-17	Mechanisms for advice and concerns about ethics	Governing and Managing for Success: Fair Competition and Supply Chain – Fair Competition (pg. 63) Ethics and Culture (pgs. 60-61) 2020 Proxy Statement: Communications with the Board of Directors (pg. 23) Code of Conduct: the Ethics Helpline (pg. 6), Resources for Asking Questions and Reporting Concerns (pgs. 37-42)		
Governance				
102-18	Governance structure	Governing and Managing for Success: Corporate Governance and ESG Oversight – Our Approach (pg. 56) 2020 Proxy Statement: Corporate Governance – Committees of the Board of Directors (pgs. 15-24)		
102-19	Delegating authority	Governing and Managing for Success: Corporate Governance and ESG Oversight – Our Approach (pg. 56) Corporate Governance, ESG, and Public Policy Committee Charter		
102-20	Executive-level responsibility for economic, environmental, and social topics	Governing and Managing for Success: Corporate Governance and ESG Oversight – Our Approach (pgs. 56-57)		
102-21	Consulting stakeholders on economic, environmental, and social topics	Stakeholder Engagement (pgs. 66-67) Governing and Managing for Success: Ethics and Culture – Ethics Program (pgs. 60-61) 2020 Proxy Statement: Communications with the Board of Directors (pg. 23) 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 Attn: Chairperson of the Corporate Governance, ESG, and Public Policy Committee The Western Union Company 7001 E. Belleview Avenue WU-HQ-14 Denver, Colorado 80237		

GRI AND SASB STANDARDS INDEX

DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
102-22	Composition of the highest governance body and its committees	Governing and Managing for Success: Corporate Governance and ESG Oversight – Our Approach (pgs. 56–57) Corporate Governance and ESG Oversight – 2019 Board of Directors at a Glance (pgs. 58–59) 2020 Proxy Statement: Proxy Summary (pg. ii), Board of Directors Information (pgs. 6–13)		
102-23	Chair of the highest governance body	Governing and Managing for Success: Corporate Governance and ESG Oversight – 2019 Board of Directors at a Glance (pgs. 58–59) 2020 Proxy Statement: Board of Directors Information (pgs. 6–13) Board of Directors		
102-24	Nominating and selecting the highest governance body	2020 Proxy Statement: Election of Directors (pg. 14), Corporate Governance (pgs. 15–24)		
102-25	Conflicts of interest	Code of Conduct: We Avoid Conflicts of Interest (pgs. 13–14) and Receiving and Giving Gifts (pgs. 31–32)		
102-26	Role of highest governance body in setting purpose, values, and strategy	Governing and Managing for Success: Corporate Governance and ESG Oversight – Our Approach (pgs. 56–57) Corporate Governance and ESG Oversight – 2019 Board of Directors at a Glance (pgs. 58–59) Corporate Governance		
102-27	Collective knowledge of highest governance body	In 2019, 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.		
102-28	Evaluating the highest governance body's performance	2020 Proxy Statement: Corporate Governance – Corporate Governance, ESG, and Public Policy Committee (pg. 22), Nomination of Directors (pgs. 23–24), Corporate Governance – Codes of Ethics (pg. 24)		

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DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
102-29	Identifying and managing economic, environmental, and social impacts	Governing and Managing for Success: Corporate Governance and ESG Oversight – Our Approach (pgs. 56–57) 2020 Proxy Statement: Corporate Governance, ESG, and Public Policy Committee (pg. 22)		
102-30	Effectiveness of risk management processes	Governing and Managing for Success: Corporate Governance and ESG Oversight – Risk Management (pgs. 56–57) 2020 Proxy Statement: Corporate Governance – Board Leadership Structure and Role in Risk Oversight (pg. 17), Corporate Governance, ESG, and Public Policy Committee (pg. 22) Corporate Governance, ESG, and Public Policy Committee Charter		
102-31	Review of economic, environmental, and social topics	Governing and Managing for Success: Corporate Governance and ESG Oversight – Our Approach (pgs. 56–57) 2020 Proxy Statement: Corporate Governance, ESG, and Public Policy Committee (pg. 22)		
102-32	Highest governance body's role in sustainability reporting	President, Chief Executive Officer, and Director		
102-33	Communicating critical concerns	Code of Conduct: the Ethics Helpline (pg. 6), Resources for Asking Questions and Reporting Concerns (pgs. 37–42)		
102-34	Nature and total number of critical concerns	Western Union is not disclosing due to confidentiality concerns.		
102-35	Remuneration policies	2020 Proxy Statement: Compensation of Directors (pgs. 25–27), Compensation Discussion and Analysis (pgs. 31–52), Executive Compensation (pgs. 53–67)		
102-36	Process for determining remuneration	2020 Proxy Statement: Compensation Discussion and Analysis (pgs. 31–52)		
102-37	Stakeholders' involvement in remuneration	2020 Proxy Statement: Compensation Discussion and Analysis (pgs. 31–52)		

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DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
102-38	Annual total compensation ratio	2020 Proxy Statement : CEO Pay Ratio (pg. 68)		
102-39	Percentage increase in annual total compensation ratio	Compensation ratio in 2018 was 306:1 Compensation ratio in 2019 was 316:1 Percentage increase in annual total compensation ratio: 3.27% Given the leverage of our executive compensation program towards performance-based elements, we expect that our pay ratio disclosure will fluctuate year-to-year based on the Company's performance against the pre-established goals.		
Stakeholder Engagement				
102-40	List of stakeholder groups	Stakeholder Engagement (pg. 66)		
102-41	Collective bargaining agreements	Western Union has employees in 55 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.		
102-42	Identifying and selecting stakeholders	ESG at Western Union – Materiality (pgs. 8–9) Stakeholder Engagement (pg. 66) 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.		

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DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
102-43	Approach to stakeholder engagement	ESG at Western Union – Materiality (pgs. 8–9) Stakeholder Engagement (pg. 66) Stakeholder Engagement – Case Study – Engaging with stakeholders around human rights issues in Myanmar (pg. 67) Fostering an Engaging and Inclusive Workplace: Diversity and Inclusion – Employee Engagement and Culture Teams (pg. 38) Catalyzing Change Through the Western Union Foundation: Our Work – Employee Engagement (pgs. 84–85) Governing and Managing for Success: Ethics and Culture – Ethics Program (pgs. 60–61)		
102-44	Key topics and concerns raised	ESG at Western Union – Materiality (pgs. 8–9) Stakeholder Engagement (pg. 66) Stakeholder Engagement – Case Study – Engaging with stakeholders around human rights issues in Myanmar (pg. 67) Fostering an Engaging and Inclusive Workplace: Diversity and Inclusion – Employee Engagement and Culture Teams (pg. 38) Catalyzing Change Through the Western Union Foundation: Our Work – Employee Engagement (pgs. 84–85)		
Reporting Practice				
102-45	Entities included in the consolidated financial statements	About This Report (pg. 1) 2019 Form 10-K : Notes to Consolidated Financial Statements: 1. Business and Basis of Presentation (pg. 80), 2. Summary of Significant Accounting Policies (pgs. 81–82)		
102-46	Defining report content and topic boundaries	About This Report (pg. 1): ESG at Western Union – Our Approach (pg. 8) ESG at Western Union – Materiality (pgs. 8–9)		
102-47	List of material topics	ESG at Western Union – Materiality (pgs. 8–9)		
102-48	Restatements of information	There were no restatements of information in this report.		
102-49	Changes in reporting	There were no significant changes from the previous reporting period.		
102-50	Reporting period	Calendar year 2019 unless otherwise noted.		

GRI AND SASB STANDARDS INDEX

DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
102-51	Date of most recent report	The most recent report was released in June 2019.		
102-52	Reporting cycle	Western Union reports on an annual basis, but may adjust our reporting cycle as appropriate.		
102-53	Contact point for questions regarding the report	ESG@westernunion.com		
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards (Core option).		
102-55	GRI content index	GRI and SASB Index (pgs. 87–110)		
102-56	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				
103-1	Explanation of the material topic and its boundary	Catalyzing Change Through the Western Union Foundation: Our Work – Our Approach (pg. 80) 2020 Proxy Statement: Message from the CEO (pg. 1), Corporate Governance (pgs. 17–22)		
103-2	The management approach and its components	2019 Form 10-K: Item 1. Our Business, Item 7. Management Discussion and Analysis of Financial Condition and Results of Operations (pg. 46)		
103-3	Evaluation of the management approach			
201-1	Direct economic value generated and distributed (EVG&D)	2019 Form 10-K: Selected Financial Data (pgs. 44–45), Financial Statements and Supplementary Data – Consolidated Statements of Cash Flows (pg. 78)		
201-3	Defined benefit plan obligations and other retirement plans	2019 Form 10-K: Notes to Consolidated Financial Statements, 12. Employee Benefit Plans (pgs. 108–109)		

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DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
203 Indirect Economic Impacts				
103-1	Explanation of the material topic and its boundary	Connecting People and Businesses to the Global Economy: Innovation – Inclusive Innovation – Our Approach (pgs. 12–13) Catalyzing Change Through the Western Union Foundation: Our Work – Education for Better (pg. 80)		
103-2	The management approach and its components	Our Work – Opportunity Beyond Borders (pgs. 80–81) Moving Money with Integrity: Going Beyond Compliance – Our Approach (pgs. 42–43)		
103-3	Evaluation of the management approach	Protecting Against Fraud (pgs. 47–48) Combating Illicit Activity (pgs. 50–53) Governing and Managing for Success: Fair Competition and Supply Chain – Managing Our Supply Chain (pg. 63)		
203-2	Significant indirect economic impacts	Stakeholder Engagement – Case Study – Engaging with stakeholders around human rights issues in Myanmar (pg. 67) Connecting People and Businesses to the Global Economy: Innovation – Inclusive Innovation – Current Initiatives (pgs. 16–19) Advocacy and Support for Migrants and Refugees (pgs. 23–24) Case Study – Pro bono support for asylum seekers (pg. 25) Catalyzing Change Through the Western Union Foundation: Our Work – Education for Better (pg. 80) Our Work – Opportunity Beyond Borders (pgs. 80–81) Case Study – Hurricane Dorian (pg. 83) Moving Money with Integrity: Protecting Against Fraud (pgs. 47–48) Combating Illicit Activity (pgs. 50–52) Case Study – Green crime (pg. 53)		

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DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
204 Procurement Practices				
103-1	Explanation of the material topic and its boundary	Governing and Managing for Success: Fair Competition and Supply Chain – Managing Our Supply Chain (pg. 63) <u>Code of Conduct</u> (pgs. 28–29)		
103-2	The management approach and its components			
103-3	Evaluation of the management approach			
204-1	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				
103-1	Explanation of the material topic and its boundary	Governing and Managing for Success: Fair Competition and Supply Chain – Fair Competition (pg. 63) Fair Competition and Supply Chain – Managing Our Supply Chain (pg. 63) <u>Code of Conduct</u> (pgs. 30–31)		
103-2	The management approach and its components			
103-3	Evaluation of the management approach			

GRI AND SASB STANDARDS INDEX

DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
205-2	Communication and training about anti-corruption policies and procedures	<u>Code of Conduct</u> (pgs. 30–31) Online training on our anti-corruption policy and program is delivered to all new hires and annually to all employees as part of our global compliance training. In addition, targeted instructor-led anti-corruption training is delivered annually to our Board of Directors and to employees who serve in management positions, perform key gatekeeper roles, or are involved in functions that may involve identified corruption risk areas. We also include anti-corruption provisions in our vendor and representation agreements, and have begun providing instructor-led third-party anti-corruption training and/or anti-corruption training materials to certain third parties determined on a risk-based approach.		
206 Anti-Competitive Behavior				
103-1	Explanation of the material topic and its boundary	Governing and Managing for Success: Fair Competition and Supply Chain – Fair Competition (pg. 63) <u>Code of Conduct</u> (pg. 35)		
103-2	The management approach and its components			
103-3	Evaluation of the management approach			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<u>2019 Form 10-K</u> : Notes to Consolidated Financial Statements – 6. Commitments and Contingencies (pgs. 95–99)	TC-SI-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations

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DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
GRI 300: TOPIC-SPECIFIC STANDARDS – ENVIRONMENTAL				
302 Energy				
103-1	Explanation of the material topic and its boundary	Safeguarding Our Shared Environment: Acting Today, Preparing for Tomorrow – Our Approach (pg. 70) Acting Today, Preparing for Tomorrow – Reducing Our Greenhouse Gas Emissions (pgs. 71–72) Case Study – Energy-efficient facilities (pg. 73) Western Union does not currently report this information, as the vast majority of our facilities are leased, and we have determined through an ESG assessment that we currently do not have the mechanisms in place to accurately capture this data.		
103-2	The management approach and its components			
103-3	Evaluation of the management approach			
302-1	Energy consumption within the organization	Safeguarding Our Shared Environment: Acting Today, Preparing for Tomorrow – Reducing Our Greenhouse Gas Emissions (pgs. 71–72) Case Study – Energy-efficient facilities (pg. 73) Western Union does not currently report this information, as the vast majority of our facilities are leased, and we have determined through an ESG assessment that we currently do not have the mechanisms in place to accurately capture this data.	TC-SI-130a.1	Total energy consumed, percentage grid electricity, percentage renewable energy
302-4	Reduction of energy consumption	See 302-1 response.		

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DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
305 Emissions				
103-1	Explanation of the material topic and its boundary	See 302-1 response.		
103-2	The management approach and its components			
103-3	Evaluation of the management approach			
305-1	Direct (Scope 1) GHG emissions	See 302-1 response.		
305-5	Reduction of GHG emissions	See 302-1 response.		
307 Environmental Compliance				
103-1	Explanation of the material topic and its boundary	Governing and Managing for Success: Corporate Governance and ESG Oversight – Our Approach (pgs. 56–57) Corporate Governance and ESG Oversight – Risk Management (pg. 56) Ethics and Culture – Our Approach (pg. 60) 2020 Proxy Statement: Corporate Governance, ESG, and Public Policy Committee (pg. 22)		
103-2	The management approach and its components			
103-3	Evaluation of the management approach			
307-1	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.		
		Safeguarding Our Shared Environment: Acting Today, Preparing for Tomorrow – Reducing Our Greenhouse Gas Emissions (pgs. 71–72) Case Study – Energy-efficient facilities (pg. 73)	TC-SI-130a.3	Description of the integration of environmental considerations to strategic planning for data center needs

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DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
GRI 400: TOPIC-SPECIFIC STANDARDS – SOCIAL				
401 Employment				
103-1	Explanation of the material topic and its boundary	Fostering an Engaging and Inclusive Workplace: Attracting, Engaging, and Retaining Employees – Our Approach (pgs. 28–29) Attracting, Engaging, and Retaining Employees – Employee Benefits (pgs. 33–34) 2019 Form 10-K: Notes to Consolidated Financial Statements, 12. Employee Benefit Plans (pgs. 108–109)		
103-2	The management approach and its components			
103-3	Evaluation of the management approach			
401-1	New employee hires and employee turnover	Fostering an Engaging and Inclusive Workplace: Workforce Data (pg. 35) Total new hires: 3,702 New female employee hires: 52% (1,912) New male employee hires: 46% (1,701) Employee voluntary turnover: 17% Female voluntary turnover: 50% Male voluntary turnover: 50% Note: Western Union does not break out new employee hires and turnover performance based on region and age group.		
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Fostering an Engaging and Inclusive Workplace: Attracting, Engaging, and Retaining Employees – Employee Benefits (pgs. 33–34) 2019 Form 10-K: Notes to Consolidated Financial Statements, 12. Employee Benefit Plans (pgs. 108–109)		
401-3	Parental leave	Fostering an Engaging and Inclusive Workplace: Attracting, Engaging, and Retaining Employees – Employee Benefits (pgs. 33–34) All of Western Union’s approximately 1,900 U.S. employees are eligible for parental leave, including full- and part-time employees. Outside the U.S., parental leave policies vary by country. Western Union is currently unable to provide additional details relating to this disclosure.		

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DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
		Fostering an Engaging and Inclusive Workplace: Attracting, Engaging, and Retaining Employees – Engaging with Our Employees (pgs. 35–36)	TC-SI-330a.2	Employee engagement as a percentage
404 Training and Education				
103-1	Explanation of the material topic and its boundary	Fostering an Engaging and Inclusive Workplace: Attracting, Engaging, and Retaining Employees – Our Approach (pgs. 28–29) Attracting, Engaging, and Retaining Employees – Training and Professional Development (pgs. 29–30)		
103-2	The management approach and its components			
103-3	Evaluation of the management approach			
404-1	Average hours of training per year per employee	Fostering an Engaging and Inclusive Workplace: Attracting, Engaging, and Retaining Employees – Training and Professional Development (pgs. 29–30) Overall training per employee: Average of 18 hours of overall training per employee Note: Western Union does not break out training by employee category or gender.		
404-2	Programs for upgrading employee skills and transition assistance programs	Fostering an Engaging and Inclusive Workplace: Attracting, Engaging, and Retaining Employees – Training and Professional Development (pgs. 29–30) See 404-1 for training performance data.		
404-3	Percentage of employees receiving regular performance and career development reviews	Fostering an Engaging and Inclusive Workplace: Attracting, Engaging, and Retaining Employees – Training and Professional Development (pgs. 29–30) All employees received a regular performance and career development review in 2019.		

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DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
405 Diversity and Equal Opportunity				
103-1	Explanation of the material topic and its boundary	Fostering an Engaging and Inclusive Workplace: Diversity and Inclusion – Our Approach (pg. 37) Diversity and Inclusion – Leading from the Top (pgs. 37–38)		
103-2	The management approach and its components	Governing and Managing for Success: Corporate Governance and ESG Oversight – Our Approach (pgs. 56–57) Code of Conduct (pgs. 9–10)		
103-3	Evaluation of the management approach			
405-1	Diversity of governance bodies and employees	Fostering an Engaging and Inclusive Workplace: Diversity and Inclusion – Leading from the Top (pgs. 37–38) Governing and Managing for Success: Corporate Governance and ESG Oversight – 2019 Board of Directors at a Glance (pgs. 58–59) 2020 Proxy Statement: Board of Directors Information (pgs. 6–13) Total workforce: approximately 11,500 employees 51% Female 49% Male 40% Female executive team 27% Female Board of Directors 27% Ethnically diverse Board of Directors	TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees
405-2	Ratio of basic salary and remuneration of women to men	Fostering an Engaging and Inclusive Workplace: Attracting, Engaging, and Retaining Employees – Employee Compensation – Pay Equity (pg. 32) Western Union is currently unable to disclose the ratio of the basic salary and remuneration of women to men for each employee category.		

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DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
412 Human Rights Assessment				
103-1	Explanation of the material topic and its boundary	Stakeholder Engagement – Case Study – Engaging with stakeholders around human rights issues in Myanmar (pg. 67) Moving Money with Integrity:		
103-2	The management approach and its components	Global Compliance Program (pgs. 44–46) Combating Illicit Activity (pgs. 50–52) Governing and Managing for Success:		
103-3	Evaluation of the management approach	Corporate Governance and ESG Oversight – Our Approach (pgs. 56–57) Ethics and Culture – Ethics Program (pgs. 60–61) Code of Conduct (pg. 36) Modern Slavery and Human Trafficking Statement		
412-2	Employee training on human rights policies or procedures	Moving Money with Integrity: Global Compliance Program (pgs. 44–46) Combating Illicit Activity (pgs. 50–52) Governing and Managing for Success: Ethics and Culture – Ethics Program (pgs. 60–61)		
414 Supplier Social Assessment				
103-1	Explanation of the material topic and its boundary	Governing and Managing for Success: Fair Competition and Supply Chain: Managing Our Supply Chain (pg. 63) Code of Conduct (pgs. 28–29) Modern Slavery and Human Trafficking Statement		
103-2	The management approach and its components			
103-3	Evaluation of the management approach			
414-1	New suppliers that were screened using social criteria	Stakeholder Engagement – Case Study – Engaging with stakeholders around human rights issues in Myanmar (pg. 67) Governing and Managing for Success: Fair Competition and Supply Chain: Managing Our Supply Chain (pg. 63) Modern Slavery and Human Trafficking Statement Note: Western Union does not currently screen suppliers using social criteria.		

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DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
415 Public Policy				
103-1	Explanation of the material topic and its boundary	Governing and Managing for Success: Corporate Governance and ESG Oversight – Our Approach (pgs. 56–57) 2020 Proxy Statement: Corporate Governance – Committees of the Board of Directors (pg. 22), Proposal 4. Stockholder Proposal Regarding Political Contributions Disclosure (pgs. 73–75)		
103-2	The management approach and its components	Code of Conduct (pg. 34)		
103-3	Evaluation of the management approach			
415-1	Political contributions	2020 Proxy Statement: Proposal 4. Stockholder Proposal Regarding Political Contributions Disclosure (pgs. 73–74) From time to time, Western Union may expend funds related to political activities in places where it is legal to do so. Political sponsorships may include corporate donations to a candidate's campaign committee, political parties, political action committees, caucuses, political organizations, and ballot measures, depending on applicable law. The Company has historically made an extremely limited number of political contributions, in amounts which are not financially material to the Company. In 2019, the Company made political contributions totaling \$7,600. In 2018, Western Union did not make any such contributions, and for each of 2017 and 2016 these contributions totaled approximately \$2,500. Western Union also belongs to various trade and business associations and pays regular membership fees to such groups; we do not normally make additional, non-dues contributions to support a group's targeted political campaign. Western Union has established a political action committee (PAC) that is funded solely by voluntary employee contributions. Information about the Western Union PAC, including its disbursements to candidates for public office, is available on the U.S. Federal Election Commission's website at www.fec.gov . On May 14, 2020, the advisory Stockholder Proposal Regarding Political Contributions Disclosure referenced above was approved by approximately 53% of the shares of our stock present in person or represented by proxy at our annual meeting of stockholders and entitled to vote thereon. As a result, our Board of Directors is currently considering how to address the proposal.		

GRI AND SASB STANDARDS INDEX

DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
418 Customer Privacy				
103-1	Explanation of the material topic and its boundary	Governing and Managing for Success: Cybersecurity, Data Privacy, and Protection – Our Approach (pg. 64)		
103-2	The management approach and its components	Cybersecurity, Data Privacy, and Protection – Data Privacy and Protection (pg. 65) Moving Money with Integrity: Protecting Against Fraud (pgs. 47–48)	TC-SI-220a.1	Description of policies and practices relating to behavioral advertising and user privacy
			TC-SI-230a.2 FN-CF-230a.3	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards
103-3	Evaluation of the management approach			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Governing and Managing for Success: Cybersecurity, Data Privacy, and Protection – Data Privacy and Protection (pg. 65) Western Union is currently unable to provide additional details relating to this disclosure.	TC-SI-230a.1 FN-CF-230a.1	Number of data breaches, percentage involving personally identifiable information (PII) and number of users affected
		2019 Form 10-K: Notes to Consolidated Financial Statements – 6. Commitments and Contingencies (pgs. 95–99)	FN-CF-220a.2	Total amount of monetary losses as a result of legal proceedings associated with customer privacy

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DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
		2019 Form 10-K : Notes to Consolidated Financial Statements – 6. Commitments and Contingencies (pgs. 95–99)	TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy
419 Socioeconomic Compliance				
103-1	Explanation of the material topic and its boundary	Moving Money with Integrity: Going Beyond Compliance – Our Approach (pgs. 42–43) Global Compliance Program (pgs. 44–46)		
103-2	The management approach and its components			
103-3	Evaluation of the management approach			
419-1	Non-compliance with laws and regulations in the social and economic area	2019 Form 10-K : Commitments and Contingencies (pgs. 95–99)	TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy
			TC-SI-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations
			FN-CF-220a.2	Total amount of monetary losses as a result of legal proceedings associated with customer privacy

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DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
			FN-CF-270a.5	Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products
WU1 Cybersecurity				
103-1	Explanation of the material topic and its boundary	Governing and Managing for Success: Cybersecurity, Data Privacy, and Protection – Our Approach (pg. 64) Cybersecurity, Data Privacy, and Protection – Cybersecurity (pgs. 64–65) Moving Money with Integrity: Protecting Against Fraud (pgs. 47–48)		
103-2	The management approach and its components		TC-SI-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards
			FN-CF-230a.3 TC-SI-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards
103-3	Evaluation of the management approach			

GRI AND SASB STANDARDS INDEX

DISCLOSURE NUMBER	DISCLOSURE TITLE	DISCLOSURE RESPONSE	SASB CODE	SASB METRIC
WU2 Service and Technology Innovation				
103-1	Explanation of the material topic and its boundary	Connecting People and Businesses to the Global Economy: Innovation – Inclusive Innovation – Our Approach (pgs. 12–15) Innovation – Inclusive Innovation – Current Initiatives (pgs. 16–19) Innovation – Technology Innovation – Our Approach (pgs. 20–21)		
103-2	The management approach and its components			
103-3	Evaluation of the management approach			

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, 2019 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 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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