INVESTOR DAY
Safe Harbor

This presentation contains certain statements that are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are not guarantees of future performance and involve certain risks, uncertainties, and assumptions that are difficult to predict. Actual outcomes and results may differ materially from those expressed in, or implied by, our forward-looking statements. Words such as "expects," "intends," "targets," "anticipates," "believes," "estimates," "guidance," "provides outlook," "projects," "designated to," 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. Readers of this press release of The Western Union Company should not rely solely on the forward-looking statements and should consider all uncertainties and risks discussed in the Risk Factors section and throughout the Annual Report on Form 10-K for the year ended December 31, 2021. The statements are only as of the date they are made, and the Company undertakes no obligation to update any forward-looking statement.

Possible events or factors that could cause results or performance to differ materially from those expressed in our forward-looking statements include the following: (i) events related to our business and industry, such as: changes in general economic conditions and economic conditions in the regions and industries in which we operate, including global economic downturns and trade disruptions, or significantly slower growth or declines in the money transfer, payment service, and other markets in which we operate, including downturns or declines related to interruptions in migration patterns or other events, such as public health emergencies, epidemics, or pandemics, such as COVID-19, civil unrest, war, terrorism, natural disasters, or non-performance by our banks, lenders, insurers, or other financial services providers; failure to compete effectively in the money transfer and payment service industry, including among other things, with respect to price, with global and niche or corridor money transfer providers, banks and other money transfer and payment service providers, including digital, mobile and internet-based services, card associations, and card-based payment providers, and with digital currencies and related exchanges and protocols, and other innovations in technology and business models; geopolitical tensions, political conditions and related actions, including trade restrictions and government sanctions, which may adversely affect our business and economic conditions as a whole, including interruptions of United States or other government relations with countries in which we have or are implementing significant business relationships with agents, clients, or other partners; deterioration in customer confidence in our business, or in money transfer and payment service providers generally; failure to maintain our agent network and business relationships under terms consistent with or more advantageous to us than those currently in place; our ability to adopt new technology and develop and gain market acceptance of new and enhanced services in response to changing industry and consumer needs or trends; mergers, acquisitions, and the integration of acquired businesses and technologies into our Company, divestitures, and the failure to realize anticipated financial benefits from these transactions, and events requiring us to write down our goodwill; decisions to change our business mix; changes in, and failure to manage effectively, exposure to foreign exchange rates, including the impact of the regulation of foreign exchange spreads on money transfers and payment transactions; changes in tax laws, or their interpretation, any subsequent regulation, and potential related state income tax impacts, and unfavorable resolution of tax contingencies; any material breach of security, including cybersecurity, or safeguards of or interruptions in any of our systems or those of our vendors or other third parties; cessation of or defects in services provided to us by third-party vendors; our ability to realize the anticipated benefits from restructuring-related initiatives, which may include decisions to downsize or to transition operating activities from one location to another, and to minimize any disruptions in our workforce that may result from those initiatives; failure to manage credit and fraud risks presented by our agents, clients, and consumers; adverse rating actions by credit rating agencies; our ability to protect our trademarks, patents, copyrights, and other intellectual property rights, and to defend ourselves against potential intellectual property infringement claims; our ability to attract and retain qualified key employees and to manage our workforce successfully; material changes in the market value or liquidity of securities that we hold; restrictions imposed by our debt obligations; (ii) events related to our regulatory and litigation environment, such as: liabilities or loss of business resulting from a failure by us, our agents, or their subagents to comply with laws and regulations or regulatory or judicial interpretations thereof, including laws and regulations designed to protect consumers, or detect and prevent money laundering, terrorist financing, fraud, and other illicit activity; increased costs or loss of business due to regulatory initiatives and changes in laws, regulations and industry practices and standards, including changes in interpretations, in the United States and abroad, affecting us, our agents or their agents, and the banks with which we or our agents maintain bank accounts needed to provide our services, including related to anti-money laundering regulations, anti-fraud measures, our licensing arrangements, customer due diligence, agent and subagent due diligence, registration and monitoring requirements, consumer protection requirements, remittances, and immigration; liabilities, increased costs or loss of business and unanticipated developments resulting from governmental investigations and consent agreements with or enforcement actions by regulators; liabilities resulting from litigation, including class-action lawsuits and similar matters, and regulatory enforcement actions, including costs, expenses, settlements, and judgments; failure to comply with regulations and evolving industry standards regarding consumer privacy, data use, the transfer of personal data between jurisdictions, and information security, including with respect to the General Data Protection Regulation in the European Union and the California Consumer Privacy Act; failure to comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act, as well as regulations issued pursuant to it and the actions of the Consumer Financial Protection Bureau and similar legislation and regulations enacted by other governmental authorities in the United States and abroad related to consumer protection and derivative transactions; effects of unsecured property laws or their interpretation or the enforcement thereof; failure to maintain sufficient amounts or types of regulatory capital or other restrictions on the use of our working capital to meet the changing requirements of our regulators worldwide: changes in accounting standards, rules and interpretations, or industry standards affecting our business; (iii) other events, such as catastrophic events; and management's ability to identify and manage these and other risks.
Our leadership team

Devin McGranahan
President and Chief
Executive Officer

Andrew Walker
Chief Operations
Officer

Matt Cagwin
Chief Financial
Officer (Interim)

Bob Rupczynski
Chief Marketing
Officer

Sheryl McKenzie
Chief Product
Officer

Gabriella Fitzgerald
President, North
America

Giovanni Angelini
President, Europe &
Africa

Jean Claude Farah
President, Middle
East/APAC

Rodrigo Garcia
Estebarena
President, Latin America & the Caribbean

Joaquin Alemany
Global Head of
Digital Banking

Ben Adams
Chief Legal Officer

Cherie Axelrod
Chief Enterprise Risk Officer

Ramya Narayanan
Chief Strategy and Development Officer

Richard Williams
Chief People Officer

E25
I visited our locations around the world
We bring families together

Rahul
We support economic improvement

Zaia
We are there when it matters

Paula
Our recent journey...

1. Expanding our retail business
   - 2006

2. Launching and growing our digital business
   - 2010

3. Strengthening our operating model
   - 2015
Network

- ~600K agent locations worldwide
- 200+ countries and territories served

Customer

- >120M annual customers (>50M senders and >70M receivers)
- $100B+ principal or volume sent per year
- 750K+ transactions per day

Brand

- >90% brand awareness in large markets\(^1\) and a high degree of customer trust

Compliance

- ~41% reduction in fraud rate since 2017

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Note: Network data as of end of September 30, 2022; Customer data corresponds to unique customers served in the LTM ended September 30, 2022; Average daily transaction data calculated over the LTM ended September 30, 2022

\(^1\) Study conducted in Q1 2021

...brought us to where we are today
Our strategy

To be the world leader of branded payments and accessible consumer financial services serving the aspiring populations of the world
Our strategy
To be the world leader of branded payments and accessible consumer financial services serving the aspiring populations of the world

- Limited credit history
- Language barriers
- Minimum account balance requirements
- Cross-border identities
Our strategy

To be the world leader of branded payments and accessible consumer financial services serving the aspiring populations of the world
Evolve 2025

- Corridor and community customer acquisition
- Improved customer and agent omni-channel experiences
- Network optimization
- Digital first customer experiences
- Remittance-led offering
- Expanded set of accessible products and services

- Drive customer experience and operational excellence
- Deliver accessible financial services
- Retail as gateway to Western Union
- Accelerate digital

- Digital first customer experiences
- Scalable marketing driven customer acquisition
- Retail to digital escalator
- Best-in-class platforms
- Increased self-service for customers and agents
- Automated operational processes
Purpose-driven company delivering on ESG

- Moving money with integrity
- Enabling financial inclusion
- Championing diversity and inclusion
- Supporting aspiring populations globally
Evolve 2025 strategy expected outcomes

- Stabilize retail business
- Return to strong digital growth
- Expand products, services, customers
- Fund growth through operational excellence
Retail: Gateway to Western Union
Retail strengths

 Visibility and power of brand

 Breadth of global footprint

 Agent commitment

 Customer desire to engage with Western Union
20M+
new retail send customers each year

NA: ~25%
EU: ~30%
APAC: ~5%
MIDDLE EAST: ~15%
AFRICA: ~5%
LACA: ~20%

Note: Based on 2021 data.
New customers have not transacted with Western Union in the past 12 months.
The opportunity in retail

Provide cost-effective customer acquisition

Cultivate an omni-channel customer

Create the retail to digital escalator to fuel the ecosystem
Scope and scale of retail business

~70% of total revenues¹

~600K agent locations²

$70B+ principal³

~200M transactions³

~40M send customers

~50M receive customers

75%+ of digital transactions to retail locations

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¹ Retail revenues as percentage of total company for FY2021, including other revenues
² Agent locations as of September 30, 2022
³ For FY2021; Principal defined as the total amount transferred by customers
Challenges to retail growth

Declining send customer base (M)

- 2019: 57
- 2020: 49
- 2021: 45

Declining revenue ($M)

- 2019: 3,786
- 2020: 3,363
- 2021: 3,349
Gateway to Western Union

Accelerating customer acquisition

Driving retention

Optimizing agent network
Gateway to Western Union

Accelerating customer acquisition

Driving retention

Optimizing agent network
Our organization model has evolved over time

- **2019-2020**
  - Focus on driving digital and partnerships via the network
  - Consumer, Network

- **2021**
  - Return to geographic focus across retail and digital
  - Americas, EMEA APAC

- **2022**
  - Retail as the gateway for Western Union
  - North America, LACA, ME & APAC, Europe & Africa
  - North East, South East, Central, West
  - Corridors, Network, GTM
Pricing for a competitive market

- Corridor & geography specific
- Customer segment specific
- Time-of-day based pricing
- Transaction value-based pricing
- Agent location
Communities are the nexus of our consumer demand

Salinas, CA sales blocks

<table>
<thead>
<tr>
<th>Ethnicity composition</th>
<th>Trade area</th>
</tr>
</thead>
<tbody>
<tr>
<td>African American</td>
<td></td>
</tr>
<tr>
<td>Asian</td>
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<tr>
<td>Hispanic</td>
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</tr>
<tr>
<td>White</td>
<td></td>
</tr>
</tbody>
</table>

Managing to a sales block level to better understand customers

Day 1 (June 1st) 6 months trend
Engaging with customers through community managers

North African community managers in Paris
In Philadelphia

Engaging through hyperlocal marketing

Campaigns leveraging Jamaican influencers and media agencies
Gateway to Western Union

Accelerating customer acquisition

Driving retention

Optimizing agent network
The power of customer retention

1% increase in retention

= ~$30M in revenues

~45% customer retention

1. For FY2021. Retained customers are defined as customers who conducted at least one retail money transfer transaction in FY2020 and at least one retail money transfer transaction in FY2021.

Note: Assuming current Average Revenue Per User.
Our customer attrition

~60% are one-time customers

~40% do not return due to pricing, transaction time, or poor customer interaction

Note: Based on Western Union analysis of customer behavior in FY2021 and FY2022
We are improving the look and feel of select stores
Better customer experience

Let’s get started!
Please scan the below QR code with your phone

Place your ID infront of the camera

What language would you like to proceed in?

Streamlined customer recognition
Simplified customer registration
Agents are core to our distribution
Gateway to Western Union

- Accelerating customer acquisition
- Driving retention
- Optimizing agent network
Our global footprint
Distribution through network optimization

Lower

Distribution control

Higher

Non-exclusive (independents)

Strategic partners

Exclusive

Owned
Partnership with local Haitian grocer yielded 900% increase in transactions in the zip code
Hub & spoke model: Brazil
We are partnering with agents who have a proven track record of offering the highest quality service to customers.
Retail: deliver stable revenue profile

Ignite customer acquisition opportunity

Improve customer and agent experience

Increase agent network productivity
Accelerating digital growth
Our starting point in digital

#1 digital money transfer operator\(^1\)

9M digital send customers\(^2\)

10-20% growth in digital money transfer market\(^3\)

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1. Western Union Digital revenue FY GAAP 2021 of $1.05B compared to competitors in the same period
2. Western Union WU.com senders for the last twelve months ended September 30, 2022
3. Annual expected growth through 2025 based on Western Union internal proprietary remittance market model, August 2022
Accelerating digital growth

- Increase customer acquisition by becoming omnichannel
- Improve retention through experience and ecosystem
Accelerating digital growth

- Increase customer acquisition by becoming omnichannel
- Improve retention through experience and ecosystem
~$200 million in marketing spend

Note: For FY2021
Tailor marketing to drive interactions across channels

Actively direct our messaging to our retail customers
Extend marketing to receivers

40% of receivers decide which money transfer provider to use\(^1\)

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1. Internal survey completed on a sample of Western Union customers during September 2022.
Our program to improve acquisition

Acquisition offers
Optimized media spend
Rapid issue resolution
Diaspora level marketing
Program results in the U.S.

Weekly new US outbound customers\(^1\) 2021 vs. 2022

26% YoY increase in new digital customers\(^5\)

40% increase in transactions in 2\(^{nd}\) and 3\(^{rd}\) weeks\(^2\)

24% increase in transactions from lapsed\(^3\) customers\(^4\)

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1. Weekly new US Outbound customers starting first week of January in 2021 & 2022 and ending final week September in 2021 & 2022 (Excluding US to Russia data)
2. Average increase in transactions from new US Outbound customers acquired in September in their second and third weeks compared to June/July average run rate (excluding US to Russia data)
3. Customer that had not transacted in any Western Union channel in more than 12 months consecutively
4. Average increase in transactions from previously lapsed customers in September 2022 compared to June/July average run rate (excluding US to Russia data)
5. US Outbound new customers for end of September 2022 compared to US Outbound new customers in end of September 2021 (excluding US to Russia data)
“Retail to digital escalator”: Providing retail customers with an omnichannel experience

Retail only user → Omnichannel user
Mutually reinforcing relationships with our agents
Value of providing an omnichannel experience

Omnichannel customers expected to drive...

\~2.5X more transactions\(^1\)

\~2X more revenue\(^2\)

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1. Omnichannel users (users who actively switch between channels over the course of a year) had 2.5x more transactions over a period of year than retail only customers (exclusively transacted via retail channels over last 3 years). Data from internal Western Union segmentation taking into consideration all active Western Union customers between April 2021 and March 2022.

2. Omnichannel users (users who actively switch between channels over the course of a year) produced 2x more revenue over a period of year than retail only customers (exclusively transacted via retail channels over last 3 years). Data from internal Western Union segmentation taking into consideration all active Western Union customers between April 2021 and March 2022.
Value of providing an omnichannel experience
Our opportunity

~1.5M
Omnichannel customers today
Accelerating digital growth

Increase customer acquisition by becoming omnichannel

Improve retention through experience and ecosystem
Accelerating new product feature and functionality
Enhancing our communication capabilities,

- Call
- SMS
- Email
- Chat & social platforms
Accelerating digital growth

Effective marketing

Retail to digital escalator

Product experience
Delivering accessible financial services
Our customer needs

Cross-border, interconnected

Access to financial services

Lower fees
We connect senders and receivers with a compelling set of accessible financial services.

Senders

Receivers

Save · Spend · Transfer
Delivering accessible financial services

- Ecosystem vision
- Early evidence
- How we scale
Delivering accessible financial services

- Ecosystem vision
- Early evidence
- How we scale
Saving methods and functionalities
Wallet
Multicurrency
Saving goals
Available in 180 countries
Used in 75 countries
Transfer

International money transfer service with added P2P functionality
Building on a strong foundation

Accessible and tailored to our customers

Brand strength and trust

Global retail presence

Starting from strong economics

World class risk and compliance
Delivering accessible financial services

- Ecosystem vision
- Early evidence
- How we scale
Initial ecosystem rollout in Europe

~100K onboarded customers
50% new to Western Union
Customer onboarding accelerated trajectory

- 0K in April
- 20K in 2Q
- ~100K today
- 150K by year end

Note: Calendar year 2022
Developing ecosystem economic model
Illustrative impact of ecosystem on lifetime value

- More transactions
- More products and services
- Higher retention

Current customer lifetime value vs. Customer lifetime value with ecosystem: 2x increase.
Delivering accessible financial services

- Ecosystem vision
- Early evidence
- How we scale
Initial global rollout strategy

45M Western Union customers where ecosystem will be available
Leading technology partners

- Core banking system: MAMBU
- Payment network: VISA
- Card processing: MARQETA
- Modular front-end capabilities: Outsystems
- Cloud infrastructure: AWS
Open architecture approach

- Bank account
- Multi currency account
- Debit card
- Virtual card
- P2P wallet transfers
- International money transfer

Products and services through partners:

- Early wage access
- Cash-in/cash-out
- Check deposit option
- Other financial services
Delivering accessible financial services

Drive growth, increase retention, improve profitability

Rapidly scale

Grow impact
Driving excellence
I completed my first digital transaction on July 5, 2009!
Experiences that make our customers return and tell others about it
I visited our locations around the world.

- Mexico City
- Costa Rica
- Philippines
- New York
Retail is the gateway to Western Union

Retail to digital escalator

Ecosystem: Save, Spend, Transfer
Delivering consistently positive experiences

- Personalizing customer interactions
- Creating seamless end-to-end journeys
- Maintaining world-class compliance with customer at the center
Delivering consistently positive experiences

- Personalizing customer interactions
- Creating seamless end-to-end journeys
- Maintaining world-class compliance with customer at the center
Transaction based

Relationship based
Disconnected multichannel

Omnichannel experience
Not fully integrated

Call
SMS
Email
Chat & social platforms

Personalized
Find and **fix friction**
From reactive to proactive
Delivering consistently positive experiences

- Personalizing customer interactions
- Creating seamless end-to-end journeys
- Maintaining world-class compliance with customer at the center
How we’re building a seamless customer journey...

- Build new platforms
- Increase self-service
- Deliver efficiency
...and the impact we’re seeing

$40M in platform savings\(^1\)

31M interactive voice assistant experiences\(^2\)

$7M in call center cost savings\(^3\)

200% increase in automation\(^4\)

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\(^1\) Since 2021, includes technology, product and operations costs
\(^2\) Since 2021, includes customers resolving their issues independently through voice assistants
\(^3\) Since 2021, includes call center agent labor costs
\(^4\) Since 2019, includes automating manual processes through robotic process automation
We cannot have great customer experience without great agent experience
How we’re building a seamless agent experience…

- Build new platforms
- Increase self-service
- Deliver efficiency

...and the estimated impact we’re seeing

- ~50% reduction in transaction time\(^1\)
- ~65% reduction in agent errors\(^1\)
- ~30% decrease in agent calls\(^1\)

\(^1\) Based on 2022 pilots; pilot ongoing
Delivering consistently positive experiences

- Personalizing customer interactions
- Creating seamless end-to-end journeys
- Maintaining world-class compliance with customer at the center
Customers trust us – and that trust is well-placed and well-earned
Thank you for the support that has been provided to us during our law enforcement training”

Thank you for the good work done by members of your Company’s Anti-Human Trafficking Initiative”

...gratitude to Western Union for its collaborative efforts in working with our anti-crime network”

...outstanding performance of the Western Union Financial Intelligence Unit…”
Deliver world class compliance by reducing fraud losses by 41% 

Consumer fraud losses
Index, 2017 = 100%

Source: 2017 – 2021 FTC Sentinel reports; Western Union database
Note: Fraud losses from reported incidents
120M+ customers and 600K agent locations
Driving excellence

Run operations efficiently

Deliver consistently positive experiences

Support YoY revenue growth and cost management
5% YoY efficiency

$800M platform spend
Creating shareholder value
Creating shareholder value

- Financial implications of Evolve 25
- Medium-term financial outlook
- Capital allocation strategy
Creating shareholder value

Financial implications of Evolve 25

Medium-term financial outlook

Capital allocation strategy
Evolve 2025

- Retail as gateway to Western Union
- Accelerate digital
- Deliver accessible financial services
- Drive customer experience and operational excellence
Strategy evolves our targeted financial profile

Illustrative revenue breakdown by type
Growth profile evolves over time
Illustrative sources of growth
Metric-driven companies improve on the following metrics:

- Execution
- Accountability
- Financial performance
Our healthy balance sheet

Our strong free cash flows

Our consistent return of capital
Confirming 2022 guidance
Creating shareholder value

- Financial implications of Evolve 25
- Medium-term financial outlook
- Capital allocation strategy
Disciplined cost management funds investment

Revenue breakdown by type

2022 savings to date has already led to...

...incremental investments in the business
We expect to further optimize our expense base to continue to fund our strategic initiatives.

Our current expense base... ➤ ...can be optimized... ➤ ...in order to drive material capacity

- Vendor management
- Real estate footprint
- Marketing
- Talent reallocation

Target: $150M
in operating expense redeployment over the next 5 years
Our target key levers of growth

1. **Increase retention in retail**
   200 bps per year

2. **Drive omnichannel experience**
   Over 20% growth in omnichannel customers

3. **Grow new digital customers**
   Double-digital growth annually

4. **Expand ecosystem**
   100K customer per month
# 3-year preliminary financial outlook

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2023</th>
<th>2024-2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted revenue growth</td>
<td>(6%) – (4%)</td>
<td>(4%) - (2%)</td>
<td>Trending to +2%</td>
</tr>
<tr>
<td>Adjusted operating margin</td>
<td>20% - 21%</td>
<td>19% - 21%</td>
<td>19% - 21%</td>
</tr>
<tr>
<td>Adjusted EPS</td>
<td>$1.75 - $1.85</td>
<td>$1.55 - $1.65</td>
<td>Mid-single digit growth</td>
</tr>
</tbody>
</table>

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No known differences in 2024-2025 GAAP and Non-GAAP outlook
Note: See appendix for reconciliation of Non-GAAP to GAAP financial measures
Tax rate assumed to be consistent with 2022
2023 financial outlook

Adjusted revenue outlook

Current 2022 outlook: (6%) – (4%)

Lost agents: (2%)

Russia/Belarus: 2%

Net YoY improvement: 2%

2023 outlook: (4%) – (2%)

1. Net impact of Russia/Belarus, and the loss of two key agents
   Tax rate assumed to be consistent with 2022
   Note: See appendix for reconciliation of Non-GAAP to GAAP financial measures
2023 financial outlook

Adjusted EPS outlook

Current 2022 outlook: $1.75 – $1.85
Sale of WUBS: $(0.05)
Business impacts\(^1\): $(0.12)
Current impacts\(^2\): $(0.05)
Net YoY improvement: $0.02
2023 outlook: $1.55 – $1.65

1 Net impact of Russia/Belarus, and the loss of two key agents
2 Currency impact (based on current exchange rates)

Note: See appendix for reconciliation of Non-GAAP to GAAP financial measures
Creating shareholder value

- Financial implications of Evolve 25
- Medium-term financial outlook
- Capital allocation strategy
Components of our capital allocation strategy:

- Maintain strong balance sheet
- Cash flow generation
- Support our dividend
- Strategic & opportunistic M&A
- Share repurchases
We have a strong financial position and a favorable debt maturity profile.

2.5-3.0X target debt to EBITDA

67% of term debt matures after 2025
We are focused on free cash flow generation.

Adjusted free cash flow generated $4.8B over past 5 years.

Cash flow conversion has been over 85% over the past 5 years.

Note: Non-GAAP metric calculated as cash flow from operations minus payments for capitalized contract costs, payments for internal use of software and purchases of property plant and equipment. Free Cash Flows includes WUBS. Cashflow conversion is computed as adjusted free cash flow divided by adjusted net income. See appendix for reconciliation of Non-GAAP to GAAP financial measures.
Maintaining our dividend
Dividends¹ paid per share

In the last five years...

$1.8B in paid dividends

2017  2021  2022E

0.70  0.94  0.94

¹ All dividend payments subject to Board approval
Targeted M&A strategy
M&A evaluation criteria

1. Add new products, services, capabilities, technology, and talent
2. Increase our speed to market
3. Enable business growth

Recent acquisition will accelerate our ecosystem strategy
Western Union presents a number of non-GAAP financial measures because management believes that these metrics provide meaningful supplemental information in addition to the GAAP metrics and provide comparability and consistency to prior periods. Constant currency results assume foreign revenues are translated from foreign currencies to the U.S. dollar, net of the effect of foreign currency hedges, at rates consistent with those in the prior year. We have also included non-GAAP measures below that remove certain impacts of Business Solutions, in order to provide a more meaningful comparison of results from continuing operations.

A non-GAAP financial measure should not be considered in isolation or as a substitute for the most comparable GAAP financial measure. A non-GAAP financial measure reflects an additional way of viewing aspects of our operations that, when viewed with our GAAP results and the reconciliation to the corresponding GAAP financial measure, provide a more complete understanding of our business. Users of the financial statements are encouraged to review our financial statements and publicly-filed reports in their entirety and not to rely on any single financial measure. A reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures is included below.

Amounts included below are in millions, unless indicated otherwise.
# Reconciliation of Non-GAAP Measures

## 2022 Consolidated Outlook Metrics

### Revenues (GAAP) - YoY % Change
<table>
<thead>
<tr>
<th>Notes</th>
<th>Range</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>(13)%</td>
<td>(11)%</td>
<td>(13)%</td>
<td>(11)%</td>
</tr>
</tbody>
</table>

### Foreign currency translation impact
- (a) 3%
- (b) 4%

### Impact from the sale of Business Solutions
- (b) 4%
- (d) 0.5%

### Revenues, constant currency, excluding Business Solutions (non-GAAP) - YoY % Change
<table>
<thead>
<tr>
<th>Notes</th>
<th>Range</th>
<th>2022</th>
<th>2023</th>
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<tr>
<td>(6)%</td>
<td>(4)%</td>
<td>(6)%</td>
<td>(4)%</td>
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</table>

### Operating margin (GAAP)
<table>
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<th>Notes</th>
<th>Range</th>
<th>2022</th>
<th>2023</th>
</tr>
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<tbody>
<tr>
<td>(c)</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>(b), (d)</td>
<td>(0.5)%</td>
<td>(0.5)%</td>
<td></td>
</tr>
<tr>
<td>(d)</td>
<td>0.5%</td>
<td>0.5%</td>
<td>0.5%</td>
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### Operating margin, adjusted, excluding acquisition and divestiture costs, the sale of Business Solutions, including exit costs, and Russia/Belarus exit costs (non-GAAP)
<table>
<thead>
<tr>
<th>Notes</th>
<th>Range</th>
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<td>(0.45)</td>
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<tr>
<td>(d)</td>
<td>0.02</td>
<td>0.02</td>
<td>0.02</td>
</tr>
<tr>
<td>(d)</td>
<td>0.02</td>
<td>0.02</td>
<td>0.02</td>
</tr>
</tbody>
</table>

### Earnings per share (GAAP) ($- dollars)
<table>
<thead>
<tr>
<th>Notes</th>
<th>Range</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>2.18</td>
<td>2.18</td>
<td>2.28</td>
</tr>
</tbody>
</table>

### Impact from acquisition and divestiture costs, net of related taxes
<table>
<thead>
<tr>
<th>Notes</th>
<th>Range</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>(c)</td>
<td>0.01</td>
<td>0.01</td>
<td>0.01</td>
</tr>
<tr>
<td>(b)</td>
<td>(0.45)</td>
<td>(0.45)</td>
<td>(0.45)</td>
</tr>
</tbody>
</table>

### Gain on the sale of Business Solutions, net of related taxes
<table>
<thead>
<tr>
<th>Notes</th>
<th>Range</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>(d)</td>
<td>0.02</td>
<td>0.02</td>
<td>0.02</td>
</tr>
<tr>
<td>(d)</td>
<td>0.02</td>
<td>0.02</td>
<td>0.02</td>
</tr>
</tbody>
</table>

### Impact from Business Solutions exit costs, net of related taxes
<table>
<thead>
<tr>
<th>Notes</th>
<th>Range</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>(d)</td>
<td>0.02</td>
<td>0.02</td>
<td>0.02</td>
</tr>
</tbody>
</table>

### Impact from Russia/Belarus exit costs, net of related taxes
<table>
<thead>
<tr>
<th>Notes</th>
<th>Range</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>(d)</td>
<td>0.02</td>
<td>0.02</td>
<td>0.02</td>
</tr>
</tbody>
</table>

### Reversal of uncertain tax positions
<table>
<thead>
<tr>
<th>Notes</th>
<th>Range</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>(e)</td>
<td>(0.03)</td>
<td>(0.03)</td>
<td>(0.03)</td>
</tr>
</tbody>
</table>

### Earnings per share, adjusted, excluding the acquisition and divestiture costs, gain on the sale of Business Solutions, and exit costs from Business Solutions and Russia/Belarus, net of related taxes, and reversal of uncertain tax positions (non-GAAP) ($- dollars)
<table>
<thead>
<tr>
<th>Notes</th>
<th>Range</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>1.75</td>
<td>1.75</td>
<td>1.85</td>
</tr>
</tbody>
</table>
# Reconciliation of Non-GAAP Measures

## 2023 Consolidated Outlook Metrics

<table>
<thead>
<tr>
<th>Notes</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues (GAAP) - YoY % Change</td>
<td>(10)%</td>
</tr>
<tr>
<td>Foreign currency translation impact</td>
<td>2%</td>
</tr>
<tr>
<td>Impact from the sale of Business Solutions</td>
<td>4%</td>
</tr>
<tr>
<td>Revenues, constant currency, excluding Business Solutions (non-GAAP) - YoY % Change</td>
<td>(4)%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Notes</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating margin (GAAP)</td>
<td>19.0%</td>
</tr>
<tr>
<td>Impact from acquisition and divestiture costs</td>
<td>—</td>
</tr>
<tr>
<td>Impact from the sale of Business Solutions</td>
<td>—</td>
</tr>
<tr>
<td>Operating margin, adjusted, excluding acquisition and divestiture costs and the sale of Business Solutions (non-GAAP)</td>
<td>19.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Notes</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings per share (GAAP) ($- dollars)</td>
<td>$ 1.55</td>
</tr>
<tr>
<td>Impact from acquisition and divestiture costs</td>
<td>—</td>
</tr>
<tr>
<td>Earnings per share, adjusted, excluding the acquisition and divestiture costs (non-GAAP) ($- dollars)</td>
<td>$ 1.55</td>
</tr>
</tbody>
</table>
## Reconciliation of Non-GAAP Measures

### Adjusted Free Cash Flow

<table>
<thead>
<tr>
<th>Notes</th>
<th>FY2021</th>
<th>FY2020</th>
<th>FY2019</th>
<th>FY2018</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating cash flow (GAAP)</td>
<td>$1,045</td>
<td>$878</td>
<td>$915</td>
<td>$821</td>
<td>$742</td>
</tr>
<tr>
<td>Transition tax payments</td>
<td>$64</td>
<td>$64</td>
<td>$64</td>
<td>$64</td>
<td>$—</td>
</tr>
<tr>
<td>NYDFS payment/joint settlement</td>
<td>$—</td>
<td>$—</td>
<td>$—</td>
<td>$60</td>
<td>$594</td>
</tr>
<tr>
<td>IRS tax settlement</td>
<td>$—</td>
<td>$—</td>
<td>$93</td>
<td>$121</td>
<td>$—</td>
</tr>
<tr>
<td>Speedpay gain and related taxes</td>
<td>$22</td>
<td>$83</td>
<td>$38</td>
<td>$28</td>
<td>$77</td>
</tr>
<tr>
<td>Less: capital expenditures</td>
<td>$(215)</td>
<td>$(157)</td>
<td>$(128)</td>
<td>$(339)</td>
<td>$(177)</td>
</tr>
<tr>
<td>Adjusted free cash flow (non-GAAP)</td>
<td>$916</td>
<td>$868</td>
<td>$982</td>
<td>$755</td>
<td>$1,236</td>
</tr>
</tbody>
</table>

### Net Income (GAAP)

<table>
<thead>
<tr>
<th>Notes</th>
<th>FY2021</th>
<th>FY2020</th>
<th>FY2019</th>
<th>FY2018</th>
<th>FY2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income (GAAP)</td>
<td>$806</td>
<td>$744</td>
<td>$1,058</td>
<td>$852</td>
<td>$(557)</td>
</tr>
<tr>
<td>Pension settlement</td>
<td>$86</td>
<td>$—</td>
<td>$—</td>
<td>$—</td>
<td>$—</td>
</tr>
<tr>
<td>Make-whole premium</td>
<td>$12</td>
<td>$—</td>
<td>$—</td>
<td>$—</td>
<td>$—</td>
</tr>
<tr>
<td>Gain on investment sale</td>
<td>$18</td>
<td>$(37)</td>
<td>$—</td>
<td>$—</td>
<td>$—</td>
</tr>
<tr>
<td>WUBS tax impact</td>
<td>$31</td>
<td>$31</td>
<td>$90</td>
<td>$12</td>
<td>$63</td>
</tr>
<tr>
<td>WU Way payments</td>
<td>$13</td>
<td>$2</td>
<td>$12</td>
<td>$12</td>
<td>$1</td>
</tr>
<tr>
<td>M&amp;A</td>
<td>$—</td>
<td>$—</td>
<td>$—</td>
<td>$—</td>
<td>$5</td>
</tr>
<tr>
<td>Speedpay gain and related taxes</td>
<td>$—</td>
<td>$—</td>
<td>$(415)</td>
<td>$—</td>
<td>$—</td>
</tr>
<tr>
<td>Joint settlement agreement</td>
<td>$—</td>
<td>$—</td>
<td>$—</td>
<td>$—</td>
<td>$447</td>
</tr>
<tr>
<td>Goodwill impairment (WUBS)</td>
<td>$—</td>
<td>$—</td>
<td>$—</td>
<td>$—</td>
<td>$60</td>
</tr>
<tr>
<td>NYDFS payment</td>
<td>$—</td>
<td>$—</td>
<td>$—</td>
<td>$—</td>
<td>$—</td>
</tr>
<tr>
<td>Transition tax</td>
<td>$—</td>
<td>$—</td>
<td>$—</td>
<td>$—</td>
<td>$—</td>
</tr>
<tr>
<td>Adjusted net income (non-GAAP)</td>
<td>$898</td>
<td>$777</td>
<td>$745</td>
<td>$887</td>
<td>$847</td>
</tr>
</tbody>
</table>

### Adjusted Free Cash Flow Conversion (non-GAAP)

<table>
<thead>
<tr>
<th>Notes</th>
<th>FY2021</th>
<th>FY2020</th>
<th>FY2019</th>
<th>FY2018</th>
<th>FY2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted free cash flow (non-GAAP)</td>
<td>$916</td>
<td>$868</td>
<td>$982</td>
<td>$755</td>
<td>$1,236</td>
</tr>
<tr>
<td>Adjusted free cash flow conversion (non-GAAP)</td>
<td>102%</td>
<td>112%</td>
<td>132%</td>
<td>85%</td>
<td>146%</td>
</tr>
</tbody>
</table>
Reconciliation of Non-GAAP Measures

Non-GAAP related notes:

(a) Represents the impact from the fluctuation in exchange rates between all foreign currency denominated amounts and the United States dollar. Constant currency results exclude any benefit or loss caused by foreign exchange fluctuations between foreign currencies and the United States dollar, net of foreign currency hedges, which would not have occurred if there had been a constant exchange rate. The Company believes that this measure provides management and investors with information about revenue results and trends that eliminates currency volatility while increasing the comparability of the Company's underlying results and trends.

(b) During 2021, the Company entered into an agreement to sell its Business Solutions business to Goldfinch Partners LLC and The Baupost Group LLC (collectively, the "Buyer") for cash consideration of $910.0 million, subject to regulatory and working capital adjustments. The sale will be completed in three closings, the first of which occurred on March 1, 2022 with the entirety of the cash consideration collected at that time and allocated to the closings on a relative fair value basis. The first closing excluded the operations in the European Union and the United Kingdom and resulted in a gain of $151.4 million. The second closing is currently expected to occur on December 1, 2022, and includes the United Kingdom operations. The third closing, which includes the European Union operations, is currently expected in the first quarter of 2023, pending regulatory approvals. Revenues have been adjusted to exclude the carved out financial information for the Business Solutions business to compare the year-over-year changes and trends in the Company's continuing businesses, excluding the effects of this divestiture. While the sale of the Company's Business Solutions business does not qualify for or represent discontinued operations, the Company has also adjusted operating income, beginning in the first quarter of 2022 and concurrent with the sale, to exclude the carved out direct profit of the Business Solutions business. During the period between the first and third closings, the Company will continue to record revenues and operating income for the European Union and United Kingdom operations, but it will pay the Buyer a measure of the profits from these operations, adjusted for other charges, as contractually agreed, and this expense is recognized in Other income/(expense), net. Therefore, the Company believes that providing this information enhances investors' understanding of the profitability of the Company's remaining businesses. The Company has also excluded the gain on the sale, net of related taxes from its first quarter 2022 results and the 2022 adjusted outlook, as management believes that excluding the impact from the gain on sale of the Business Solutions business will provide investors with a clearer and more meaningful comparison of results in 2022 and future periods. These financial measures are non-GAAP measures and should not be considered a substitute for the GAAP measures.

(c) Represents the impact from expenses incurred in connection with the Company's acquisition and divestiture activity, including for the review and closing of these transactions. The Company believes that, by excluding the effects of these charges that can impact operating trends, management and investors are provided with a measure that increases the comparability of the Company's underlying operating results.

(d) Represents the exit costs incurred in connection with the divestiture of the Business Solutions business and the suspension of operations in Russia and Belarus, primarily related to severance and non-cash impairments of property and equipment, an operating lease right-of-use asset, and other intangible assets. While certain of the expenses are identifiable to the Company's segments, the expenses are not included in the measurement of segment operating income provided to the Chief Operating Decision Maker for purposes of performance assessment and resource allocation. These expenses are therefore excluded from the Company's segment operating income results. These expenses have been excluded from operating income, the effective tax rate, and diluted earnings per share, net of related taxes. Additionally, the outlook metrics have been adjusted to exclude these costs, net of related taxes where applicable. The Company believes that, by excluding the effects of these charges that can impact operating trends, management and investors are provided with a measure that increases the comparability of the Company's underlying operating results.

(e) Represents non-cash reversals of significant uncertain tax positions. The Company believes excluding these reversals provides a more meaningful comparison of results to the historical periods presented.
Reconciliation of Non-GAAP Measures

Non-GAAP related notes (cont.):

(f) The United States tax reform legislation enacted in 2017 imposed a tax on certain of the Company’s previously undistributed foreign earnings. This tax charge, combined with the Company’s other 2017 United States taxable income and tax attributes, resulted in a 2017 United States federal tax liability of approximately $800 million. For the year ended December 31, 2017, the Company’s provision for income taxes included an estimated $828 million related to the enactment of the Tax Act into United States law, primarily due to a tax on certain previously undistributed earnings of foreign subsidiaries, partially offset by the remeasurement of deferred tax assets and liabilities and other tax balances to reflect the lower federal income tax rate, among other effects. During the year ended December 31, 2018, the Company completed the accounting for the Tax Act’s impacts that were provisionally estimated as of December 31, 2017 and recorded an additional $22.5 million of income tax expense. The Company has elected to pay this liability in periodic installments through 2025. Under the terms of the law, the Company is required to pay the remaining installment payments as summarized in the Capital Resources and Liquidity discussion located in Part II, Item 7, Management’s Discussion and Analysis of Financial Condition and Results of Operations in the Company’s Annual Report on Form 10 K for the year ended December 31, 2021.

(g) NYDFS represents the impact from an accrual for a consent order with the New York State Department of Financial Services (“NYDFS”) related to matters identified as part of the Joint Settlement Agreements, as described in the Company’s Form 8-K filed with the Securities and Exchange Commission on January 4, 2018. Amounts related to the NYDFS Consent Order were recognized in the second and fourth quarters of 2017, and the expenses had no related income tax benefit. Joint Settlement represents the impact from the settlement agreements related to (1) a Deferred Prosecution Agreement with the United States Department of Justice, and the United States Attorney’s Offices for the Eastern and Middle Districts of Pennsylvania, the Central District of California, and the Southern District of Florida, (2) a Stipulated Order for Permanent Injunction and Final Judgment with the United States Federal Trade Commission (“FTC”), and (3) a Consent to the Assessment of Civil Money Penalty with the Financial Crimes Enforcement Network of the United States Department of Treasury (referred to above, collectively, as the “Joint Settlement Agreements”), to resolve the respective investigations of those agencies, as described in the Company’s Form 8-K filed with the Securities and Exchange Commission on January 20, 2017, and related matters. The company believes that, by excluding the effects of significant charges and payments associated with the settlement of litigation that can impact operating trends, management and investors are provided with a measure that increases the comparability of the Company’s underlying operating results.

(h) During the year ended December 31, 2018, the Company made approximately $120 million of payments related to an agreement with the IRS resolving substantially all of the issues related to the Company’s restructuring of their international operations in 2003.

(i) On May 9, 2019, the completed the sale of the Company’s United States electronic bill payments business known as “Speedpay” to ACI Worldwide Corp. and ACW Worldwide, Inc. (“ACI”) for approximately $750 million in cash. The gain on the sale and the income taxes on the gain, including the elimination of previously forecasted annual base-erosion anti-abuse taxes, has been removed from adjusted net income. These related tax payments were made on the pre-tax gain and were reflected in operating activities, whereas the pre-tax proceeds from this divestiture were reflected as cash provided by investing activities.

(j) Represents the expenses incurred and payments made to transform the Company’s operating model, focusing on technology transformation, network productivity, customer and agent process optimization, and organizational redesign to better drive efficiencies and growth initiatives. The Company believes that, by excluding the effects of significant charges and payments associated with the transformation of the Company’s operating model that can impact operating trends, management and investors are provided with a measure that increases the comparability of the Company’s other underlying operating results.
Reconciliation of Non-GAAP Measures

Non-GAAP related notes (cont.):

(k) Represents the settlement charges for the Company’s defined benefit pension plan incurred in the fourth quarter of 2021. On July 22, 2021, the Company’s Board of Directors approved a plan to terminate and settle this frozen defined benefit plan, and during the fourth quarter of 2021, the Company settled its obligations under the plan and transferred the corresponding amount of plan assets to the insurer. The Company believes excluding the impact of this non-cash charge will provide investors with a more meaningful comparison of results with the historical periods presented.

(l) On April 1, 2021, the Company repaid $500 million of aggregate principal amount of 3.6% unsecured notes due in 2022 and incurred approximately $14.8 million of costs, excluding accrued interest, in connection with the repayment. The costs associated with the payment and related tax benefit have been removed from adjusted results. The Company believes excluding the impact of this charge will provide investors with a more meaningful comparison of results with the historical periods presented.

(m) On April 12, 2021, the Company sold a substantial majority of the noncontrolling interest it held in a private company for cash proceeds of $50.9 million. As a result, the Company recorded a pre-tax gain in the second quarter of 2021. The gain on the sale and the income taxes on the gain have been removed from adjusted results. The Company believes excluding the impact of this gain will provide investors with a more meaningful comparison of results with the historical periods presented.

(n) Represents the tax impact from changes to certain of the Company’s permanent reinvestment assertions related to its decision to classify its Business Solutions business as held for sale in the third quarter of 2021. The Company believes excluding the impact of this charge will provide investors with a more meaningful comparison of results with the historical periods presented.

(o) Represents a non-cash goodwill impairment charge related to the Company’s Business Solutions reporting unit. The Company believes that, by excluding the effects of significant charges associated with non-cash impairment charges that can impact operating trends, management and investors are provided with a measure that increases the comparability of the Company’s underlying operating results.