Western Union’s Modern Slavery and Human Trafficking Statement for 2022
This Modern Slavery and Human Trafficking Statement (“Statement”) is made by The Western Union Company (the “Company”) pursuant to the Australian Commonwealth Modern Slavery Act 2018 and section 54(1) of the UK Modern Slavery Act 2015 on behalf of the Company’s affiliates conducting business in Australia and the UK. This Statement is for the financial year ended December 31, 2022 and applies to and has been approved by the boards of the Company entities below.

Our current Statement and those for previous financial years can be found at the link below. [https://ir.westernunion.com/investor-relations/corporate-governance/governance-documents/default.aspx](https://ir.westernunion.com/investor-relations/corporate-governance/governance-documents/default.aspx)
Our Business, Structure, and Supply Chains
Western Union is a leader in global money movement and payment services, providing people and businesses with fast, reliable, and convenient ways to send money and make payments around the world. Today, we have a market leading retail and digital footprint, offering services in more than 200 countries and territories and employing approximately 8,900 employees born in more than 100 countries.

Our business consists of two primary segments.

Consumer-to-Consumer Segment
Money transfers from one consumer to another are the core of our business, representing approximately 89% of total consolidated revenues for 2022. A substantial majority of these transfers were cross-border transactions. Our money transfer service is mainly conducted through our retail agent locations worldwide but also includes our money transfer transactions conducted and funded through websites and mobile applications marketed under our brands. This segment includes five geographic regions whose functions are primarily related to generating, managing, and maintaining agent relationships and localized marketing activities. By means of common processes and systems, these regions create one interconnected global network for consumer transactions.

Business Solutions
Our Business Solutions segment facilitates payment and foreign exchange solutions, primarily cross-border, cross-currency transactions for small and medium size enterprises and other organizations and individuals. The majority of the segment’s business relates to exchanges of currency at spot rates, which enable customers to make cross-currency payments. In addition, in certain countries, we write foreign currency forward and option contracts for customers to facilitate future payments. On August 4, 2021, we entered into an agreement to sell our Business Solutions business to a third-party purchaser. The sale will be completed in three closings, with the first and second closings occurring on March 1, 2022 and December 31, 2022, respectively. The third closing is expected in the third quarter of 2023.

Our vision is to be the world leader of branded payments and accessible consumer financial services, serving the aspiring populations of the world. In October 2022, Western Union unveiled its Evolve 2025 strategy, which focuses on creating a customer-centric business and providing essential financial services beyond money transfer. Evolve 2025 has four strategic pillars.

• Position our retail business as the gateway to Western Union
• Accelerate the growth of our digital business
• Drive customer experience and operational excellence
• Deliver accessible financial services
To conduct our services and to meet our commitments to our customers and stakeholders, Western Union sources from suppliers around the world. As of December 2022, our active vendor base consisted of thousands of companies. They provide a diverse range of goods and services, including cloud-based software services, software application support, the development, hosting and maintenance of our operating systems, merchant acquiring services, call center services, and other operating activities.

¹As of Q1 2021
Consumer trust depends on cross-border money movement that is safe, secure, and built on a foundation of integrity. We work with customers, regulators, and partners to uphold the integrity of our financial infrastructure. Our partnerships with law enforcement agencies, multilateral and private organizations, and nonprofits help combat illicit activity and prevent fraud. Through our core values of trust and respect, we aim to:

- Avoid causing or contributing to negative human rights impacts.
- Prevent or mitigate abuses that occur in our operations and through those of our business partners.
- Promote human rights by contributing to the global communities we serve.

Aligned with the requirements under the Commonwealth Modern Slavery Act 2018 and the UK Modern Slavery Act 2015, we condemn modern slavery and human trafficking. We do not use forced or involuntary labor and prohibit this in any part of our business or supply chains. We expect our suppliers and those involved in procurement processes for the Company to comply with these values. We are committed to acting ethically, demonstrating high professional standards, and complying with applicable laws and regulations. We expect the same high standards from those with whom we do business.

We recognize that the risks posed by modern slavery and human trafficking are constantly evolving, and so, too, must our efforts to combat it. Through our Anti-Human Trafficking Initiative, the Company detects, deters, and reports human trafficking issues. This includes educating Western Union's global network of agents, its employees, and its partners about human trafficking and other forms of modern slavery. It also includes participating in external working groups, listed in more detail below, and working with law enforcement agencies and nonprofit entities. This collaboration plays an important part in helping us to remain actively engaged in evaluating the changing nature of modern slavery and human trafficking and adapting our approach to respond to prevailing threats.

This year, for the second consecutive year, Ethisphere, a global leader in defining and advancing the standards of ethical business practices, recognized Western Union as a 2023 World's Most Ethical Companies Honoree®. Western Union was one of only 135 organizations recognized, and one of seven honorees in the financial services industry.

Related Policies
Western Union's commitment to enforcing ethical business practices, including the detection and prevention of slavery and human trafficking, is embedded in our policies and procedures. Our Code of Conduct serves as a guidepost for how we treat our employees, customers, business partners, and other stakeholders. Our employees confirm they have read and will comply with our Code of Conduct, which not only condemns human rights abuses and prohibits the use of forced or involuntary labor, but also defines our employees’ responsibility to speak up when they believe there to be possible violations of policies or law.

Our Vendor Code of Conduct sets out our expectations for vendors, suppliers, and others acting on Western Union’s behalf, including guidelines regarding child labor, slavery, human trafficking, and other labor standards.
Our anti-money laundering program includes our **global Anti-Money Laundering and Combating the Financing of Terrorism policies** that set forth the principles for preventing Western Union’s services from being used for illicit purposes. We also have policies that establish due diligence requirements for clients, agents, and partners, designed to detect and mitigate concerns of modern slavery and/or human trafficking. We conduct enhanced due diligence periodically to identify illicit activity over the lifespan of the business relationship with Western Union.

Our **Code of Ethics for Senior Financial Officers** provides principles of ethical conduct to which each senior financial officer of the company is expected to adhere. This includes a commitment to promoting ethical behavior as a responsible partner among peers in the work environment and community.

Our **vendor risk policies** establish requirements to ensure we conduct appropriate risk assessments of potential vendors prior to engagement to ensure we engage quality and trustworthy vendors.

Our **global sourcing and procurement policies** govern the acquisition of products and services worldwide and addresses ethical purchasing and risk mitigation, including risk related to human trafficking and modern slavery.

Our **Human Rights Statement** explains our approach to respecting and promoting human rights. It is guided by internationally recognized standards, such as the Universal Declaration of Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights.

**Ethics Helpline**

Our primary channel for reporting issues related to modern slavery and human trafficking is the Company’s Ethics Helpline. It is a secure and confidential mechanism for receiving and processing whistleblower reports and other concerns. The Ethics Helpline allows employees and other reporters to raise concerns anonymously, subject to applicable law. Reports involving suspected human trafficking incidents can be made by visiting the Helpline internet site at [westernunionhelpline.com](http://westernunionhelpline.com) or by phone. Both avenues for reporting concerns are typically available 24 hours a day.

The web-based reporting tool is available to individuals in six languages while the toll-free phone line supports calls in over 150 languages. The Ethics Helpline is administered by an external, independent, third-party vendor, and concerns reported through the Helpline are forwarded to the Western Union Ethics Office for review. Western Union reviews concerns raised and investigates and takes action, as appropriate. Western Union prohibits retaliation for raising concerns in good faith.

In 2022, Western Union did not receive complaints through the Helpline involving suspected human trafficking incidents.
Assessing and Managing Risk
In 2020, with the support of an external expert, our Company conducted an assessment that helped us identify and prioritize the negative human rights impacts that are most likely to arise in connection with our business and our business partners and develop mitigation and remediation strategies to address the impacts we identified. Informed by the UN Guiding Principles on Business and Human Rights and other internationally recognized standards, the assessment included:

- Desktop research analyzing Company publicly available information and reports by NGOs and other stakeholders.
- A review of internal documents, processes, and procedures Western Union leverages to identify and manage human rights risk.
- Interviews with internal and external stakeholders.

One of the main potential impacts we identified was the wrongful use of our network by illicit actors to facilitate human trafficking and other human rights abuses that harm individuals and communities. Human traffickers can and do attempt to use platforms like Western Union's to recruit potential victims of human trafficking, finance the lodging and transportation of victims, and control victims. We recognize some of these risks are inherent to our role as a money movement and payments service provider, and some are due to external, contextual factors in the geographies where we operate, such as conflict, weak rule of law, and the uneven application of the law.

Our leading compliance program, explained in more detail below, helps manage these risks. We are committed to integrating additional lessons learned from the assessment to continuously improve our approach to combating human trafficking and modern slavery.
Steps We Took in 2022 to Address Modern Slavery

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

The bedrock of our efforts in combating modern slavery is our leading compliance program. Our comprehensive global policies and procedures establish the framework for our compliance program, based on international standards created by organizations such as the Financial Action Task Force. In line with legal and regulatory requirements, our approach is risk-based.

We continue to maintain an AML Risk Assessment Framework to detect, deter, prevent, and report illicit transactions with dedicated teams of employees who are responsible for risk assessment, risk modeling, and ongoing analysis. This framework requires a multi-faceted approach to assessing and managing risk, including, but not limited to, analysis such as:

- Consumer-level monitoring, investigation, and reporting
- Agent-level due diligence, monitoring, investigation, and oversight
- Product risk assessment
- Country and regional level risk assessments
- Emerging risk and strategic intelligence analysis
- Control testing and audits

Our compliance program is designed to manage complexity across geographies. Transactions between specific countries and cities pose varying risks. We manage nuanced transaction risks across thousands of geographic connections. For example, we might treat a transaction from Madrid to Marrakesh differently than one from Barcelona to Casablanca. Although they are both Spain to Morocco, the risks of transactions between these locales may differ depending on a variety of factors, including the specific cities involved, the amount of the transfer, other behaviors associated with the involved consumers, and the type of product.

When transaction activity associated with human trafficking features targetable patterns that are relatively diagnostic of this crime type, we build controls to proactively prevent our systems from similar abuse. We have developed and implemented numerous controls and alerts designed to specifically target patterns and geographies that are higher risk for links to human trafficking. 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. We do this to identify prohibited parties and potentially illicit activity and may freeze or reject funds and transactions where required. Our transaction screening takes place while the money is moving and allows for the real-time collection of data to separate false positives from true matches. We also monitor transactions handled through our platform. Our systems are designed to detect potentially suspicious activity and block prohibited users and illicit activity.
We continue to make significant compliance-related investments in people, processes, and technology, including state-of-the-art systems, predictive analytics, machine learning, artificial intelligence, and potential fraud victim interviews. Our Real Time Risk Assessment engine analyzes threats, makes decisions, and takes action in milliseconds to prevent parties that meet specified parameters from completing transactions. We demonstrate our ongoing commitment through the transactions we process and partnerships we form.

**Employee Training**

We trained our employees on ethical conduct and reporting misconduct in our annual online Code of Conduct training, which included a module dedicated to human trafficking. The training also required employees to certify having read and understood the Code of Conduct, which prohibits the use of forced or involuntary labor. We also require our employees to complete compliance training at least annually, covering anti-money laundering, fraud prevention, anti-corruption, and other areas. Ongoing targeted training also provides topic-specific education based on factors such as geography or employee job function.

Additionally, our Financial Intelligence Unit (FIU) staff – comprised primarily of Investigators, Analysts, and Outreach personnel – both facilitate and undergo regular, advanced training on the human trafficking typology. Staff present at and attend external webinars and other training events and collect, collate, and raise awareness around relevant trend information obtained from law enforcement, NGO partners, and open sources.

The FIU annually refreshes a variety of reference materials that contain human trafficking-specific trends, investigative resources, and specific transaction patterns designed to advance investigations and understanding of the changing human trafficking landscape.

**Third Party Due Diligence**

We know it is important to do business with the right people for the right reasons and are committed to complying with applicable laws, including applicable economic and trade sanctions designed to support national and international security, policy, and human rights interests. Concerns related to human-trafficking are among the criteria that these sanctions programs use to impose sanctions on individuals or entities.

We also implement due diligence procedures to vet our agents and other business partners and take seriously our obligations to implement Know Your Agent (KYA) and Know Your Customer (KYC) requirements. Under these processes, we collect and verify identifying information to make sure we know with whom we are conducting business. This information helps us identify sanctioned parties and others with whom we are prohibited from doing business and allows us to identify risk indicators and prevent transactions when necessary. Our due diligence and KYA and KYC programs, moreover, are informed by ongoing information monitoring efforts, through which new information may come to light.
Vendor Relations

Western Union maintains a Vendor Risk Oversight program to formalize how we review potential new vendors for risk. We take a risk-based approach to assess vendors for potential human trafficking or modern slavery within their business. We conduct due diligence before we enter into third party contracts to identify potential risks and mitigate risks as appropriate. For example, we identify vendors in high-risk jurisdictions as well as vendors that provide high-risk services and mitigate these risks through actions such as contractual terms.

The Vendor Risk Committee is responsible for developing and monitoring our Vendor Risk Oversight program. The program aligns with our strategic priorities and vendor risk management objectives and is continually enhanced. The Committee is made up of senior leaders from across the organization and met throughout 2022.

In accordance with our policies, prior to working with Western Union prospective vendors must complete our risk assessment process, which includes completion of a survey that is analyzed by applicable departments within Western Union who consider risks related to human trafficking and modern slavery. Western Union’s contractual documentation and standard terms and conditions require third parties and their workers to comply with all applicable laws and regulations, including all applicable laws and regulations prohibiting human trafficking and modern slavery.

Agent Training and Oversight

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

Western Union also trains our new agents to detect, prevent, and report numerous forms of suspicious activity—including activity potentially related to human trafficking and modern slavery—to Western Union and/or the appropriate regulatory agencies. All new agents must identify a compliance officer who must complete compliance program training before providing our services to consumers. Annually, agents must train employees across their network on our compliance program. We give our agents kits, newsletters, alerts, and an online Agent Resource Center as resources to help combat illicit activity. For example, in July 2022, we issued a global newsletter to network and master agents with a specific focus on human trafficking.

In 2020, we set a goal to conduct more than 300,000 engagements—such as compliance program reviews and trainings—by 2025 with partners who offer Western Union services. Each compliance review and training is an opportunity to build capacity within the financial system to detect and prevent illicit activity. These engagements also directly support key business outcomes, such as reducing misuse of our services and fraud rates. We met this goal in 2021. In 2022, we continued assessing ways to make an impact in this area.
In addition to providing general human trafficking awareness content available in agent compliance program manuals, job aids, newsletters, and online training, Western Union also provides targeted training on a risk-based approach. In 2022, for example, we deployed human trafficking online training to Western Union agent locations in Poland, Romania, Moldova, and Hungary due to an influx of refugees as a result of the war in Ukraine. For the same reason, 27 countries in European Economic Area received dynamic messaging with a job aid to raise awareness on the increased risk of human trafficking due to the war in Ukraine. Similarly, in August 2022 we launched targeted human trafficking awareness training for approximately 13,000 agent locations in India to increase the awareness in the region.

**Educating Consumers**

We work to educate the public about consumer fraud, which can occur in conjunction with or advance modern slavery. We have tracked more than 336 million consumer fraud touches toward our goal of 300 million by 2025. Content included notifications about the 2022 World Cup in Qatar and the Russian-Ukraine war.

**Joining Forces to Prevent and Investigate Human Trafficking**

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

**Organizations and Associations:**

In 2022, our Anti-Human Trafficking Initiative—a team aiming to bring awareness to human trafficking issues to Western Union agents, industry partners, and others—continued to collaborate with partners to execute its mission. These partners include various financial institutions; nonprofits such as the International Justice Mission, Stop the Traffik, Child Rescue Coalition, and Polaris; and both the International and National Centers for Missing and Exploited Children (ICMEC and NCMEC). We continued our industry-first collaboration with Child Rescue Coalition (CRC). This nonprofit’s mission is to rescue children from sexual abuse by building technology for law enforcement to track, arrest, and prosecute child predators. Western Union was the first financial institution in the world to leverage CRC data to enhance our investigations and we have continued this analysis for over three years. We are also a member of the U.S. Department of Homeland Security’s Blue Campaign, a national public awareness movement aimed at combating human trafficking.

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2 In 2021, we refined our tracking methodology and the definition of this goal to focus on Consumer Fraud Awareness Touches, which are derived from metrics tracked across various platforms, including paid media ads, social media (Facebook, Twitter, YouTube, Community Management), outreach attendees, and wu.com/fraud awareness visits. Each platform may have a unique method for quantifying individuals who have consumed anti-fraud content, based on reach, impressions, views, visits, and/or received physical materials. Given that consumers may engage with our content through multiple channels, each “touch” may not be a unique consumer.
Law Enforcement
Our FIU continued to partner with law enforcement and nonprofits to better target and disrupt human trafficking financial flows. In 2022, we assisted with more than 650 human trafficking investigations, bringing our total to over 3,500 human trafficking investigations since 2013 when our Anti-Human Trafficking Initiative was launched. This has contributed to hundreds of arrests and the rescue of hundreds of victims. A large majority of these investigations were advanced by referrals from Romanian and other law enforcement entities in Europe. The team also continued work with INTERPOL and participate in both the Europol Financial Intelligence Public Private Partnership Steering Group (EFIPPPP) and the Joint Money Laundering Intelligence Taskforce (JMLIT), led by the UK’s National Crime Agency, on investigations tackling child sexual abuse and exploitation.

Supporting Ukraine
In 2022, in light of the tragic impact of Russia’s invasion of Ukraine, we suspended our operations in Russia and Belarus. Though Russia was an important market for us, we believe it was the right thing to do.

We have also been working to support the people of Ukraine, including the millions who have been forcibly displaced. Our efforts include:

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<thead>
<tr>
<th>Fee-free money transfers:</th>
<th>We have offered fee-free money transfers for our customers to send funds to cards, bank accounts, or for cash pickup in Ukraine.</th>
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<tr>
<td>Donations to support humanitarian relief:</td>
<td>To directly support those affected by the humanitarian crisis, Western Union, its employees, and the Western Union Foundation pledged up to $500,000 in aid to the people of Ukraine.</td>
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<tr>
<td>Adapting system requirements:</td>
<td>We have adapted our ID requirements to allow people displaced from Ukraine in neighboring countries to transact. We also enabled money transfers sent to Ukraine to be paid out in cash at Western Union locations in neighboring countries.</td>
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<tr>
<td>Employee volunteering:</td>
<td>Our employees have mobilized to provide humanitarian aid such as blankets, first aid kits and power banks for people displaced from Ukraine at Western Union agent locations, and border crossings in Hungary, Moldova, Poland, Romania, and Slovakia. Western Union employees in Lithuania also volunteered with a local food bank to arrange for packages of food to be distributed to people displaced from Ukraine in Lithuania.</td>
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Steps Assessing the Effectiveness of Our Actions
As mentioned above, in 2020, we partnered with an external expert, who helped us identify and prioritize Western Union’s salient human rights risks and assessed the degree to which we managed risks.

With respect to our overall compliance program, over the past five years we have had approximately 600 exams, audits, and third-party reviews across the 200 countries and territories where we operate, including 81 exams, audits, and third-party reviews in 2022. We regularly meet with regulators and banks from around the world to thoroughly review our programs. Additionally, our internal audit department conducts over 50 reviews a year to evaluate various aspects of our compliance program. These evaluations help us confirm that our programs are operating effectively.

Western Union also publishes information on its efforts to prevent modern slavery and human trafficking in its annual Environmental, Social, Governance (ESG) Report. The ESG report is prepared in reference to the Global Reporting Initiative (GRI) Standards. It also includes responses to select relevant metrics from the Sustainability Accounting Standards Board (SASB) Standards as well as the U.N. Sustainable Development Goals. This facilitates ESG ratings agencies to assess Western Union’s ESG performance and supports data monitoring and measurement to assess the effectiveness of the Company’s sustainability goals.
Looking Forward
Western Union remains committed to leveraging our global footprint to help combat human trafficking and modern slavery in 2023 and beyond. Going forward, we will continue to look for new opportunities to engage our employees, customers, business partners, and stakeholders on this important issue and will develop our efforts through various measures, including:

- Enhancing our Vendor Risk Oversight program to increase due diligence risk identification and implement an ongoing monitoring process to review vendors throughout the engagement life cycle. We will continue to enhance program governance for risk oversight, specifically as it relates to potential human trafficking or modern slavery.
- Continuing to update and expand training materials and investigative resources for employees and agents on how to identify, prevent, and report potential signs of human trafficking and modern slavery.
- Expanding the reach of our global anti-human trafficking and modern slavery initiatives through a focus on continuing to strengthen our partnerships with law enforcement and non-governmental organizations in certain regions. For example, we have committed to lead the 2024 ICMEC sponsored Law Enforcement – Financial Institution Dialogue Series and will be responsible for organizing, developing, and delivering several workshops throughout the year. The workshops will bring together representatives from various law enforcement agencies and private sector organizations to discuss the latest trends, issues and challenges facing financial institutions in combatting child exploitation.

Consultation and Approval
This Statement is Western Union’s seventh statement. It was drafted in consultation with several internal stakeholders from departments across the organization, who provided feedback throughout the process. It was approved by pertinent affiliates of The Western Union Company on the dates set out below.

Please direct any questions on this statement to Western Union’s Business Integrity Office at: BusinessIntegrity@westernunion.com.