# Report Overview

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Our Company

CEO Letter
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Western Union is a complex global business, and our ability to manage this complexity is one core strength. Yet, in some ways our business is very simple: it’s all about the needs of our customers.

A mother of four in the Philippines who puts her children through school with the money she receives from her husband working on a ship at sea. An Indian student in London who has one less thing to worry about now that his tuition is paid reliably and on time through our GlobalPay for Students platform. An entrepreneur in Canada who can make payments to import the materials she needs from China through our efficient payment system. A woman in Mexico who relies on our service to receive funds for food and medicine. We make life a bit better for all of our customers. We help them grow.

Our market is growing, too. Yet, recent years have posed challenges, including an evolving compliance and regulatory environment, economic softness in parts of the world, and competitive pressures in some areas of our business. As we publish this report, I am optimistic that our business is heading in a positive direction, with a purpose that has never been clearer.

Western Union promotes financial inclusion by giving people and organizations better ways to move money across borders in more than 120 currencies. We help create global economic opportunity and growth for individuals, businesses, communities and economies.

Our customer commitment includes consumer protection and empowerment programs, and innovative services delivered through multiple, integrated channels. We strive to allow our consumers to access our services anytime, anywhere, any way they need to meet their financial needs and achieve their full potential.

We connect millions of senders and receivers, and 100,000 Western Union Business Solutions clients, to more than 500,000 Agent locations,* more than

* As of December 31, 2018.
100,000 ATMs,* and millions of mobile phones, tablets and computers worldwide.

Our remitters are heroes in their families and communities. Others are business pioneers. Still others play a vital role as leaders of nonprofit, nongovernmental organizations (NGOs), or academic or healthcare institutions. Yet, they all have needs that are not well met by traditional financial services firms, and they recognize and trust the Western Union brand.

Launched in 2007, Western Union’s Our World, Our Family® program made a five-year, $50 million commitment to fostering global economic opportunity. In 2012, we reached both milestones, having touched five million lives.

In 2013, $82 billion was sent between consumers through the Western Union system. We create growth by moving money for better. To us, that means both responsible corporate operations as well as offering products and services that create shared value – simultaneously driving revenue and benefiting society. Western Union® services make a difference in the lives of millions of people, businesses and communities every day. I am very proud of that fact.

But our commitment to our customers and communities doesn’t end there. Launched in 2007, Western Union’s Our World, Our Family® program made a five-year, $50 million commitment to fostering global economic opportunity. In 2012, we reached both milestones, having touched five million lives.

As we analyzed the program’s success, we realized that education was one of the surest paths to a better life. That is why in 2012, we announced “Education for Better,” a three-year commitment to grow young minds and help meet global education goals. I hope you will take a moment to read about this important effort and to join us in this global cause.

These efforts stem from our deep commitment to Western Union customers and communities. We have long been committed to doing what’s right, not just what’s easy. We stand up for our customers and create opportunity through essential products and services, ethical governance and a culture of compliance, efficient operations and a long-standing community commitment.

Our business is good for society. We help create jobs, help grow the global economy and move money for better. I believe this is the true meaning of responsibility, and I am pleased to share highlights of our progress through this report.

Sincerely,

Hikmet Ersek
President & Chief Executive Officer
Western Union

*As of December 31, 2013
All references to more than 500,000 Agent locations include Western Union, Vigo and Orlandi Valuta brands.
Western Union Snapshot

Western Union promotes global economic opportunity and growth by bridging gaps in the financial services sector. In 2013, we moved money for better 29 times every second, on average, helping to create opportunity and growth for individuals, businesses, communities and whole economies.

We connect people through more than 500,000 Agent locations, more than 100,000 ATMs, and millions of mobile phones, tablets and computers in more than 120 currencies, spanning more than 200 countries and territories. Our business is focused on growth through products such as consumer money transfer, bill payment and business solutions. Consumers can access our growing product portfolio via a variety of channels, including banks, retail outlets, mobile phones and the Internet.

Worldwide, many people have unmet financial service needs. At Western Union, it’s our goal to meet those needs with new, innovative solutions. Our vision is to be a recognized leader in providing innovative solutions, high service levels and omni-channel integration for cross-border, cross-currency money transfer. By providing critical financial services, we can help to transform lives, create jobs and drive economic growth worldwide.

From a London high-rise to a store in a remote Indian village. From a ship on the ocean to a mobile phone in the Philippines. We help families pay bills, universities collect tuition, businesses pay suppliers and nonprofits deliver lifesaving funds.

1 As of December 31, 2013
2 As of December 31, 2013

Our business is focused on growth. Consumers can access our growing product portfolio via a variety of channels including banks, retail outlets, mobile phones and the Internet.
Western Union offers a global platform that connects consumers via approximately 16,000 country-to-country corridors around the world.

We are combining the power of our historically cash-based retail presence with new channels and products, creating opportunities for more people and organizations than ever before. With our vast consumer reach, Western Union links remote communities to the global economy and provides on-demand solutions for the highly mobile and hyper-connected in the world’s busiest urban centers. We help non-governmental organizations (NGOs) get funds to communities in need and universities to receive student tuition from overseas. We provide solutions to help propel businesses forward.

**Our Services**

Consumer-to-consumer money transfer via a variety of channels:
- Walk in / retail
- Telephone
- Online / mobile app
- Bank account based money transfer (ABMT)
- Direct to bank

Consumer bill payments, including to:
- Utilities
- Auto finance companies
- Mortgage services
- Financial services providers
- Government agencies

Payment and foreign exchange solutions for small and medium-enterprises, organizations, and individuals, including:
- Educational institutions
- Financial institutions
- Law firms
- Non-governmental organizations

*We also have other services that are not considered part of these segments, such as our money order services.*
Western Union® services help transform lives, create jobs and lift up economies. As we expand our portfolio and global network, we aim to help give people around the world a fair shot at a better life.

Over 500,000
AGENT LOCATIONS WORLDWIDE
IN MORE THAN 200 COUNTRIES AND TERRITORIES

More than
62,000
AGENT LOCATIONS IN NORTH AMERICA

More than
47,000
AGENT LOCATIONS IN LATIN AMERICA AND THE CARIBBEAN

PRODUCT PORTFOLIO

- Consumer Money Transfer
- Consumer Payments
- Business Payments
- Stored Value

CHANNEL PORTFOLIO

- Digital
- Voice
- Mobile
- Retail
Our Reach

More than 147,000
AGENT LOCATIONS IN EUROPE & CIS

More than 44,000
AGENT LOCATIONS IN THE MIDDLE EAST & AFRICA

Nearly 212,000
AGENT LOCATIONS IN ASIA PACIFIC

WESTERN UNION EMPLOYEES
Approximately 10,000 Worldwide

North America: More than 2,600
LACA: More than 2,500 | Europe & CIS: Approximately 3,000
MEA: More than 150 | Asia Pacific: More than 1,250

3 As of December 31, 2013. Includes Western Union, Vigo and Orandi Valuta brands, where applicable.

4 Employee numbers as of January 31, 2014.
Company Snapshot

Founded in 1851
Western Union was one of the original 11 companies listed on the first Dow Jones Average in 1884

Our Customers

- Millions of senders and receivers used Western Union® services in 2013
- More than 100,000 Business Solutions customers in 2013
- Business Solutions payments in 32 countries in 2013
- We speak to our customers in 75 languages

Our Customers are at the center of everything we do

Financial Strength

- Revenue of $5.7 billion in 2012 and $5.5 billion in 2013
- $1.1 billion in operating profit in 2013
- Electronic channels delivered strong growth in 2013, with revenue increasing 25%
- $671 million returned to shareholders through share repurchases and dividends in 2013

Percent of Revenues

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<thead>
<tr>
<th>Segment</th>
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<tr>
<td>Consumer-to-Consumer</td>
<td>80%</td>
<td>81%</td>
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<tr>
<td>Consumer-to-Business</td>
<td>11%</td>
<td>11%</td>
</tr>
<tr>
<td>Business Solutions</td>
<td>7%</td>
<td>6%</td>
</tr>
<tr>
<td>Other</td>
<td>2%</td>
<td>2%</td>
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Listed on the New York Stock Exchange with the symbol “WU”
In 2013, Western Union Foundation:
- Pledged $6.85 million
- Supported 99 organizations
- Pledged 136 grants and donations in 31 countries
- Supported 17 disaster relief operations in 12 countries

Corporate Headquarters
located in Englewood, Colorado, United States
International headquarters
located in Dublin, Ireland

We have 19 active mobile money transfer connections in 17 countries and wu.com transactional sites in more than 20 countries.  

5 As of December 31, 2013
6 As of December 31, 2013
7 As of December 31, 2013
8 Same numbers as of December 31, 2011, December 31, 2012 and December 31, 2013
9 As of January 31, 2014
10 As of December 31, 2013
Awards and Recognition

Over the last several years, Western Union has been honored by a variety of organizations and publications for our corporate responsibility and customer-centric business practices. A selection of awards and recognition over the past three years is listed here.

2013

- Bombay Stock Exchange Social and Corporate Governance Awards (India) – Winner for Best Corporate and Social Responsibility Practice
- The Civic 50, an initiative of the National Conference on Citizenship and Points of Light in partnership with Bloomberg News, to identify the 50 most community-minded companies in the U.S., ranked Western Union as:
  - No. 2 – Best in Mid-Cap Market
  - No. 4 – Best in Financials Industry
  - No. 4 – Best in Strategic Investment Dimension
  - No. 4 – Best in Fostering Civic Culture
- Ethical Corporation Responsible Business Awards – Winner for Best Employee Engagement
- Fortune Magazine Most Admired Companies – Ranked among top 10 in the “Consumer Credit Card and Related Services” industry
- Innovation Project 2013 – Winner of the PYMNTS.com Innovator Awards for Best Prepaid Innovation
- International Women’s Forum Corporate Champion – Recognized for having more than 20 percent women on our corporate board
- Pinnacle Group Global CSR Summit & Awards (Philippines) – Winner of the Gold CSR Leadership Award
• American Advertising Federation Diversity Achievement Awards – CEO Hikmet Ersek recognized as a Diversity Achievement Industry Career Achiever

• The American Business Awards – Winner of the Bronze Stevie Award for Corporate Social Responsibility Program of the Year

• The Civic 50 – Ranked 11th most community-minded company in the U.S. by the National Conference on Citizenship and Points of Light, in partnership with Bloomberg News

• Corporate Responsibility Magazine – Hikmet Ersek recognized as Responsible CEO of the Year

• Fortune Magazine – 2012 World’s Most Admired Companies Contender

• FTSE4Good Index Series – Included as a constituent for the second year, demonstrating that the Company meets globally recognized corporate responsibility standards

• National Immigration Forum’s Golden Door Award – Western Union and CEO Hikmet Ersek recognized for outstanding leadership and contribution to immigrant-related work

• Newsweek Green Rankings – Ranked 143 out of 500 American companies for environmental sustainability

• Prepaid Expo – Winner for Best Consumer Value - Western Union® MoneyWise™ Prepaid MasterCard

2011

• Business Civic Leadership Center (BCLC) – One of five finalists for Corporate Stewardship in the Corporate Citizenship Awards

• Institute of International Education – Winner of the Opening Minds Corporate Leadership Award for business activities that promote international understanding and improve communities

• FTSE4Good Index Series – First included as a constituent of the prestigious FTSE4Good Index Series, based on an independent assessment by the global index company FTSE that the Company meets globally recognized corporate responsibility standards
In 1851, our Company was founded to meet urgent customer needs – to help connect people and drive growth in a young country. Today, more than 160 years later, the world looks different and our Company looks different, but our mission is still fundamentally about meeting customer needs.

When we think about our services, and how to grow and evolve our Company for the next 160 years, we think about our opportunities to create services that reach the underserved – those people and businesses whose needs

Western Union Milestones

1851
Western Union founded as New York and Mississippi Valley Printing Telegraph Company.

1861
Completed first transcontinental telegraph across North America.

1871
Introduced consumer-to-consumer money transfer service.

1877
Became “the nation’s time-keeper,” ensuring accurate, standardized time across the U.S.

1974
Launched the first commercial communications satellites in the U.S.

1982
Offered EasyLink email service to consumers.

1989
Began consumer-to-business payment services.

2000
Launched westernunion.com.

2007
Launched Our World, Our Family, a five-year $50 million dollar commitment to economic opportunity.

2008
Launched Western Union mobile money transfer service.

2009
Created Western Union Business Solutions, beginning with the acquisition of Custom House.
are overlooked or unmet by other financial institutions. How can we improve their lives, the lives of their families and their communities? How can we innovate to make financial transactions simpler, more reliable and of greater benefit to global customers?

Our answers to those questions are different than they were 160 years ago or even five years ago. Today the answers to those questions are not one or two products or services, but a multitude of services made specifically to satisfy the needs of different populations, undergoing different challenges in different circumstances. As the world changes and technology advances, we continue to evolve and innovate within our suite of products and services.

Our culture of constantly asking these questions and challenging ourselves to find innovative, efficient solutions is how we have thrived over the past 160 years. We believe that same culture is what will help us create the financial services that will be the economic engines of 2014 and beyond.

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1914
Introduced one of the first consumer charge cards.

1930s
Provided direct desk-to-desk facsimile communications.

1933
Sent the first singing telegram, designed to spread cheer during The Great Depression.

1943
Pioneered city-to-city microwave radio communications.

2001
100,000th Agent location opened in Mumbai, India.

2004
200,000th Agent location opened in Athens, Greece.

2006
Telegrams discontinued.

2007
300,000th Agent location opened in Chandigarh, India.

2011
Acquired Travelex Global Business Payments.
Marked 160th anniversary of Company.
Launched new mobile app to make it easier for consumers to transfer money from their phones.

2012
Announced “Education for Better,” a three-year commitment to education globally, on the floor of the United Nations General Assembly.
Signed on as Global Partner and Presenting Sponsor of the UEFA Europa League.
500,000th Agent location opened in New York, New York.

2013
Announced a consumer-protection partnership with the Better Business Bureau.
Teamed up with the Blue Campaign, an anti-human trafficking initiative spearheaded by the U.S. Department of Homeland Security.
today’s world, financial services shouldn’t be a luxury for the few. They’re a necessity and should be accessible for all. We are proud to provide access to financial services for countless consumers and entrepreneurs around the globe – because with the right tools, anyone can change their world.

At Western Union, we stand up for our customers and create opportunity through reliable products and services, ethical operations, and a long-standing community and customer commitment. We are expanding our portfolio and global network to help give more people a fair shot at a better life. Western Union® services create growth. We transform lives. We help create jobs and lift up economies. To us, this is the true meaning of responsibility.

We believe in responsibility.
Worldwide, many people have unmet financial service needs. At Western Union, it’s our goal to meet those needs with new, innovative solutions.

Corporate responsibility is essential to our business, and our approach is aligned with the Company’s vision and values.

**Conducting Our Business Responsibly**

We value our employees, and strive to provide a stimulating, safe and inclusive work environment for our diverse global talent base to learn and grow. We also strive to create a culture of compliance and promote ethical conduct throughout our global operations. After all, our industry is required to meet a myriad of global, national, and province- or state-specific regulations, and we take those requirements seriously.

We seek to adhere to high standards of corporate governance. This begins with a board of directors who are engaged and knowledgeable about our business, and committed to establishing and maintaining high standards of ethics and integrity for our Company. (For more, please see Operating Ethically.)

We also work to minimize the environmental impact of our operations – reducing the amount of energy and water used in our office buildings, and using recycled materials in office construction. We emphasize efficient, productive operations and seek new ways to leverage our scale for positive social and environmental impact. We believe these commitments are part of the key to our long-term business success.
Focusing on Our Customers

Western Union understands that for our customers and their families, the ability to move money means personal growth, empowerment and the chance to achieve their potential. We provide services that are convenient, fast and reliable, and we’re developing new products to meet our customers’ needs.

We care about the people who use our services; we know they work hard for their money. Our commitment to transparency includes requiring our marketing materials to receive proper review prior to distribution. (For more, please see “Protecting Consumers and Society”.) We also work hard to educate the public about various types of consumer fraud and how they can protect themselves. Our commitment to customers plays out on other levels too, with a strong emphasis on enhancing our culture of compliance, and protecting and empowering consumers.

Creating Shared Value

Western Union believes in offering services that make the Company competitive while, at the same time, benefiting our customers and society. By enabling people to send and receive funds – even in areas lacking traditional financial infrastructure – we’re helping to foster more self-sufficient local economies and enabling people to grow. Our products and services deliver both social and business impact; they are examples of shared value in action.

To harness core Western Union business competencies for even greater impact, in 2011 Hikmet Ersek, President and CEO of Western Union, created a new Social Ventures department. This team focuses on leveraging the Company’s assets for greater business and social impact.

One example is the Company’s development of NGO GlobalPay, first announced at the Clinton Global Initiative’s 2012 Annual Meeting. NGO GlobalPay helps nonprofit, non-governmental organizations (NGOs) better manage and move funds where they are needed, often to remote and hazardous areas. This service expands the Company’s portfolio of offerings into a new vertical market, while at the same time promising powerful benefits to NGOs and the people they serve.

Supporting Communities

For our consumers, education is one of the surest paths to economic opportunity. We help customers move their money so they can pay for school fees and purchase supplies. We offer services that help educational institutions manage the funds for their international programs and students. We engage in marketing promotions that raise awareness of education and direct additional funds toward the cause. We raise up our corporate voice to advocate for quality education.

Through Education for Better, a companywide program, we leverage our products and services, advocacy, strategic philanthropy, employee engagement, cause marketing and communications to support better education for communities around the world. (For more information, please see “Strengthening Communities”.)
Creating Shared Value

- Bridging Gaps in the Financial Services Sector: 18
- Serving Global Consumers: 21
- Supporting Business Growth: 25
- Innovating for Inclusive Financial Services: 30
Bridging Gaps in the Financial Services Sector

Western Union provides vital financial services to individuals and businesses that may lack access to, or whose needs are not being met by, the mainstream financial system. We have a distinctive business model and a distinctive purpose: we aim to move money for better anytime, anywhere and any way our customers choose.

Our customers are diverse. The financial needs of the person who sends money from an Agent location in Dubai to his family in India may be different than the person who lives in New York and uses her iPad® to send a mortgage payment to a bank in California. Yet, they both need to move money to grow and prosper, and they have needs that are not well met by the financial services industry as a whole.

Providing Consumer Choice and Control

While Western Union has long been known for person-to-person money transfer, consumers increasingly turn to us for a broader array of products and services. (Please see "Innovating for Inclusive Financial Services" for additional detail.) Customer needs are driving our growing portfolio of products, services and delivery channels.

We believe that our consumers should have choice and control, which is a key reason that we offer consumers a variety of ways to send and receive money, including:

- Walk-in Agent locations
- Online at www.westernunion.com
- To or from a bank account
- To or from a mobile phone
- To or from a prepaid card
- Via an ATM

In 2012, Western Union completed 231 million consumer-to-consumer transactions worldwide, moving $79 billion of principal between consumers. In 2013, we completed 242 million consumer-to-consumer transactions, moving $82 billion in principal between consumers.

In 2013, our electronic channels continued to grow – and represented 5 percent of our business in 2013, with a revenue increase of 25 percent.

Yet cash is still critical and remains the most frequently used payment instrument for most global transactions.1 In 2013, the substantial majority of our consumer-to-consumer transactions were cash money transfers involving our walk-in Agent locations around the world.

We put our customers first – adapting to their needs and offering new ways to move money. And as their needs are changing, we’re changing, too. We’re innovating new ways to leverage our strengths – expertise in moving money, our global network, our well-known brand – to offer new ways to bridge the divide between cash and digital.

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1 McKinsey: Global Payments Map, 2013
systems and our well-known brand – to offer new ways to bridge the divide between cash and digital.

Our Business

Western Union has pursued a strategy that will further differentiate our business from the competition. Today, our business includes:

• a solid foundation of products and services, including person-to-person money transfer, bill payment and money orders,

• a robust network of retail Agent locations,

• opportunities for account-based relationships with consumers through Western Union Business Solutions,

• consumer services, as well as a dedicated focus on solutions for businesses, governments, educational institutions and NGOs, among a growing range of clientele,

• a variety of ways for consumers to send and receive money, including in-person at an Agent location, over the telephone, via the Internet and mobile phone applications, and ATM access – alongside a commitment to continue to pioneer new delivery channels that meet the changing needs of our consumers.

Consumer-to-Consumer Money Transfer

We view our money transfer service as one interconnected global network where a money transfer can be sent from one location to another, around the world, including related transactions that can be initiated through websites and account-based money transfers. Although most Western Union Money Transfer transactions are sent through an in-person interaction with an employee of one of our Agent locations worldwide, in some countries we offer the ability to send money over the Internet or phone using a credit or debit card, or through a payment directly from a consumer’s bank account. Agent locations generally accept cash to initiate a transaction, and a growing number also accept debit cards.

We offer consumers several options to receive a money transfer. While the vast majority of transfers are paid in cash at our Agent locations, in some places we offer payout directly to the receiver’s bank account.

Although Western Union operates some Company-owned locations or branches, our Agents are typically grocery stores, banks, post offices, check cashers and other businesses such as convenience stores and pharmacies that offer Western Union® services as part of their everyday business operations. Many Agents operate in locations that are open outside of traditional banking hours, for example, on nights and weekends.

Our Agents provide the physical infrastructure and staff required to complete the transfers, while Western Union provides central operating functions such as transaction processing, settlement, marketing support and customer relationship management to our Agents. Western Union® Agents receive commissions on transactions sent from or paid out at their locations, as well as for sales of other Western Union® products and services. Our top 40 Agents globally have been with us an average of approximately 17 years. (For more information about this part of our business, please see “Serving Global Consumers”.)
Western Union moves only data through its system. Though Agents receive and pay out consumer funds in the form of cash, the movement of funds with Western Union takes place electronically through our Agent settlement process via the global banking system.

**Consumer-to-Business Bill Payments**

The Western Union payments business provides fast and convenient options for consumers to send payments to businesses and other organizations, including utilities, auto finance companies, mortgage servicers, financial service providers and government agencies.

Consumers may make a cash payment at an Agent or owned location or may make an electronic payment over the phone or on the Internet using their credit or debit card, or through the automated clearing house (ACH) system.

Our consumer-to-business payments services are available through a variety of products that give consumers choices as to the payment channel and method of payment, and include the following: Western Union Payments, Quick Pay®, Convenience Pay®, Quick Collect®, Speedpay®, Equity Accelerator, and Pago Fácil®.

**Business Solutions**

Western Union Business Solutions facilitates payments and international cash management and foreign exchange solutions, primarily cross-border, cross-currency transactions, for small and medium-size enterprises and other organizations and individuals. Western Union Business Solutions offers help with processing outgoing payments, receiving and converting foreign funds into home currencies, and reducing businesses’ exposure to fluctuations in the foreign exchange market.

Transactions are conducted through various channels including the phone and Internet. Payments are made predominately through wire transfers and ACH, but in some situations, checks are remitted. In certain countries, we write foreign currency forward and option contracts for customers to facilitate future payments. (For more information about Western Union Business Solutions, please see “Supporting Business Growth”.)

**How Western Union Earns Money**

Money transmitters generally have two revenue sources: transaction fees and foreign exchange.

Like other money transmitters, Western Union can profit from foreign exchange and charges fees for the act of transferring funds through our network. These funds enable us to invest in existing and new technology, offer new products, services and channels, and expand our compliance and consumer protection and empowerment programs.

Most commonly, fees are charged according to the amount of money being transferred. In some “corridors” – countries or regions between which money transfers are sent – fees represent a percentage of the amount being transferred. In other instances, a combination of a fee and percentage is charged, or we charge a flat fee, regardless of the amount being sent.

We also generate revenue based on the difference between the exchange rate offered to the consumer or business, and the rate at which we or our Agents are able to acquire the currency.
Western Union has been providing valuable services to consumers for more than 160 years. In 2013, Western Union reached millions of senders and receivers, moving on average 29 transactions per second, reaching more than 200 countries and territories, and dealing in more than 120 currencies.

Whether they start or end in cash, every one of these transactions is processed electronically. Each of these transactions also helps meet a very personal consumer need.

**A Diverse and Mobile Consumer Base**

Western Union offers a variety of ways to move money. We don’t just offer ways for people to move money to other people, but also ways for people to move money to businesses. For organizations to move money to employees. For governments to move money to their citizens. For businesses to move money to other businesses. For NGOs to move money to people desperate for funds after a disaster. (For more about how our work supports businesses and organizations to move money, please see “Supporting Business Growth.”)

Yet many of our consumers are global migrants: people who move to new countries to find better lives. They are committed to their families back home and send money regularly to pay for things like education, health care, food, rent and other basic needs.

**Diaspora and Remittances**

More than 232 million people, or more than three percent of the world’s population, live outside their countries of birth. If these international migrants formed a country, it would be the world’s fifth-largest. Many of these migrants are Western Union consumers.

As migrants begin to contribute to the economies of their host or new home countries, they also collectively serve as one of the most powerful forces in global economic development by sending home money, known as remittances.

The scale of support that diasporas provide communities “back home” has few parallels. Together, migrants sent an estimated $458 billion in remittances to developing countries in 2013 – more than three times the funds in official development assistance (ODA).

Western Union is a proud supporter and sponsor of regional and national organizations that advocate for and provide services to such diaspora communities. For example, in the U.S., we have worked closely with groups such as the National Immigration Forum and the National Immigrant Integration Conference. We were also an early supporter of the National Business Information

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2 United Nations Population Division, Population Facts, September 2013
4 Aite, Cross Border Money Transfers, April 2014
Clearinghouse to provide access to resources for immigrant entrepreneurs – those who might move from being users of our consumer services to become Western Union Business Solutions customers.

Globally, we’ve supported initiatives such as Vielfalter, which supports schools across Austria to provide programs on diversity and multiculturalism for children. (For additional details, please see “Engaging Diaspora in Sustainable Development” in the “Strengthening Communities” section of this report.)

Transnational Families

In some regions of the world, ten percent of the population may depend on money sent from diaspora communities, with 80 to 90 percent of those funds spent on necessities such as food, clothes, housing, education and health—core elements of the United Nations (UN) Millennium Development Goals (MDGs), and building blocks for a better future.

Many experts see remittances as an effective tool in reducing poverty. Remittances have also been shown to spur spending on health and education. The share of families living on $1 per day drops 3.5 percent when remittances rise just ten percent. The financial lifeline that diasporas make possible also can enable families to move from wage employment to self-employment and help them to face unexpected financial challenges such as poor crop production in rural areas, which receive up to 40 percent of remittances.

The story of today’s diasporas goes beyond the fact that the economic effects of migration dwarf foreign aid and are out-competing more established forms of private investment. It is the quality of this very personal, familial investment that really makes the difference. Over time, remittances have been more stable than private capital flows, showing a steady rise over the last few decades.

Through our services, Western Union helps diasporas move money reliably and quickly to virtually any country on the planet. And we do it for extraordinary people who are seeking a better life, or running businesses that can generate jobs and opportunity.
Our products and services contribute to our financial strength as a company and they promote the financial wellbeing of the people and organizations we serve. Our products and services deliver both social and business impact – they are examples of shared value in action. (For more about shared value, please see “Our Approach to Corporate Responsibility.”)

Western Union also works with migrant groups to amplify the impact of their remittances. In the Philippines, for example, the Western Union Foundation is partnering with the United Nations Development Programme to harness the power of collective remittances. In Africa, Western Union and the Western Union Foundation have partnered with the United States Agency for International Development (USAID) on the African Diaspora Marketplace, a program to encourage entrepreneurship among African diaspora. In Mexico, Western Union has been a long-time supporter of the 4+1 program to help create job opportunities. (Please see the “Strengthening Communities” section of this report for additional details.)

“Remittances are the expression of profound emotional bonds between relatives separated by geography and borders, and they are the manifestation of a profound and constant interaction among these relatives regardless of the distances between them.”

Multinational Investment Fund and PEW Hispanic Center

In 2013, through the Western Union® network, 242 million consumer-to-consumer transactions were sent worldwide and 459 million business payments were completed.

Western Union® products and services have multiple positive ripple effects. By providing individuals, families and businesses with access to financial services, people’s lives and livelihoods can improve, communities can prosper and entire economies can benefit.

FOR INDIVIDUALS

Western Union core services can positively impact individual consumers in a variety of ways. For example, individuals who send their bill payments through Western Union can choose from a variety of speed of delivery options, helping ensure that their bills are paid on time and late fees are avoided.

Additionally, Western Union has a very direct and positive impact on approximately 10,000 people who are employed by our Company in over 50 countries around the world. (For more details, please see “Developing Our Global Workforce”)

Approximately one million people serve as front line associates – handling in-person transactions offered through our combined network of more than 500,000 Agent locations across the globe. Many of our customers use our services on a regular basis and have built long-term, trusting relationships with those front line associates – who have, in turn, become a big part of their lives.
FOR FAMILIES

Every day, consumers choose and trust Western Union to move their money for better. For our consumers and their families, the ability to move money means personal growth, empowerment, and the ability to achieve potential. When money is sent, the result can often be something “better” – a bill gets paid, groceries are purchased, or a student can buy books for school.

Western Union® services are an economic lifeline and a powerful source of growth for families around the world. Money sent through Western Union helps create financial stability for families and provides the peace of mind that comes with knowing that expenses can be covered. Some families rely on these remittances for life’s essentials, while others save some of the funds they receive for the future. These “person-to-person” flows are extremely democratic, as they are sent directly to individuals who can save them or use them for the goods and services they value most.

FOR BUSINESSES

Western Union Business Solutions (WUBS) helps businesses large and small compete on a global scale – offering them the ability to trade in more than 120 currencies. With a strong focus on payment services, risk management and foreign exchange, we create unique solutions tailored to meet each client’s needs – helping companies spend less time managing international financial transactions and more time growing their businesses.

Around the world, our core business also benefits the many businesses that offer our services to consumers. Stretched across large cities, small towns and villages in more than 200 countries and territories across the globe, these Western Union® Agents are positively impacted through the commissions they earn by offering our services. In addition, Agents can increase foot traffic and incremental sales by offering a brand that consumers have come to know and trust.

We believe our business customers who receive consumer bill payments through our services benefit from their relationship with Western Union as it provides them with real-time or near real-time posting of their customer payments. In many circumstances, our relationships with business customers also provide them with an additional source of income, as well as reduced expenses for cash and check handling.

FOR COMMUNITIES

Our services can contribute directly to the economic empowerment of communities, many of which are all too often overlooked or underserved. Remittances sent through Western Union often are put to immediate use at local businesses. As a result, entire communities can prosper as new income is invested to grow businesses, employ neighbors and help out loved ones.
In Bangladesh, for example, just 13 percent of remittance-receiving households are below the poverty line, compared to 34 percent of those who get no money from abroad. In rural Pakistan, school enrollment rates have been been higher in migrant-sending households, particularly for girls. Elsewhere in Asia, Latin America and Africa, evidence suggests similar outcomes.

When used for goods that might at first be considered a luxury, such as Internet access or smart phones, remittances help close the digital divide and link people to the world’s wealth of knowledge.

FOR NATIONAL ECONOMIES

Remittances build stability and make up a significant percentage of GDP in some developing economies. With an approximately 14 percent market share in this estimated $526 billion annual cross-border flow of resources, Western Union is an engine for economic growth around the world.

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16 Leveraging remittances for Africa: remittances, skills, and investments, World Bank, 2011
17 Aite, Cross Border Money Transfers, April 2014

Supporting Business Growth
Western Union Business Solutions

Approximately 90 percent of all businesses worldwide are small to medium-sized enterprises. They provide more than half the world’s employment and drive global economic growth.

Yet the needs of small and medium-sized businesses are not well met by traditional financial services providers. An estimated 30 million of these businesses need assistance making payments across borders and across currencies. Western Union Business Solutions (WUBS) supports these organizations in making cross-border payments. In 2013, we provided services to more than 100,000 clients.

Solutions for Multiple Sectors

WUBS works with clients to address the difficulties that organizations often face when doing business (e.g. buying or selling goods or services) internationally. These include:

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18 International Finance Corporation, IFC Issue Brief, Small and Medium Enterprises, March 2012
• lack of price transparency,
• poor customer service,
• slow reconciliation of accounts,
• high retail foreign exchange rates,
• cumbersome and inefficient processes,
• uncertainty about currency rates and movements.

WUBS works to ease these difficulties by providing targeted products and services that address real customer needs and help organizations better understand and manage their international cash flows.

For importers and exporters, adverse movements in exchange rates are an inherent risk of doing business in international markets. WUBS can help protect profits from exchange rate fluctuations by locking in rates. This allows companies and organizations of all sizes that trade internationally to hedge their exposure, protect their margins and budget with greater certainty. We also provide insights into the nature of their exposure to international exchange markets.

With WUBS, clients can make payments through a variety of account-based platforms. While the specifics vary by market, these options include web-based and mobile services, and Western Union® Agent locations. Customers also benefit from specially trained client-facing teams that focus on providing a tailored service designed to meet their unique payment needs. These services are valuable for a variety of vertical markets.

Our top verticals include:

**Finance**

With solutions that integrate into existing operations, we enable banks and credit unions to increase their revenue, grow their business and improve efficiencies. Our services allow financial institutions to provide world-class foreign exchange services, without distracting from their core business. The service simplifies global payments for clients and offers fast and reliable movement of money across borders.

**Education**

Our services in the education vertical help universities with both outbound and incoming payments. Whether for funding research overseas, paying international suppliers or issuing student refunds, our outbound services give university accounts payable teams access to simple streamlined domestic and international transfers.

Our payments services for student tuition and fees are fully integrated into client universities’ websites. The service enables students to pay tuition in their local currency. Funds arrive in full and on time. The streamlined reconciliation helps improve the institution’s cash flow and also helps students avoid the frustration that can come from lost or delayed payments.

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19 Institute of International Education (IIE), Open Doors, 2013
Legal

WUBS is a leading legal payments specialist. We provide specific web-based systems designed for law firms for domestic and international payments, enabling firms to initiate foreign exchange payments in more than 120 currencies. WUBS offers international transfers, accounting system integration and strong compliance features.

Prior to the University of Toronto’s current relationship with Western Union Business Solutions, Canada’s largest university used a major international bank for its payment services. However, the university required a more tailored program that would increase payment automation and efficiency. As a result, the university connected with Western Union Business Solutions for its best-in-class payments and foreign exchange solutions, and implemented a tailored program to alleviate the payment pains of the university and its students.

The relationship initially started with outgoing wires via the Western Union Business Solutions GlobalPay for Education online payments platform. Given the positive return on investment and feedback from the university and the international student body, the University of Toronto has expanded its suite of services to include receivables. The WU GlobalPay for Students platform helps the university easily receive and reconcile tuition fee payments from its international students.

Western Union Business Solutions understands our complex payment and foreign exchange needs and truly works not only to improve the university’s payment processes, but also to alleviate the payment concerns of our international students by offering innovative products and services at a lower cost.

Pierre Piche
Controller and Director of Financial Services,
University of Toronto

Western Union sponsors the New American Small Business Series, an innovative series of quarterly events to foster small business growth in immigrant communities throughout Chicago. The City of Chicago’s Office of New Americans (ONA), alongside the Department of Business Affairs and Consumer Protection (BACP), organize these free quarterly community expos to foster small business growth and expansion. Each expo is open to the public and provides current and potential business owners in immigrant communities with crucial information and advice on topics such as how to start a small business, navigating licensing processes, complying with tax laws, interacting with chambers of commerce and more. The series began in 2012 and will run through 2014.
Indian students now have the option to pay tuition fees to attend American universities without leaving their homes. Indian rupees are transferred and exchanged to U.S. dollars thanks to an agreement with Western Union, Weizmann Forex Ltd. and Paul Merchants Ltd.21

**How It Works**

1. An Indian student receives a tuition bill from a participating American university.
2. The student contacts Weizmann Forex or Paul Merchants, who send a representative to the student’s house to collect the payment in Indian rupees.
3. The university receives the full tuition in U.S. dollars, attributed to the student in India.

**Academic Level of Indian Students in the U.S.**

In 2012-13, the majority of Indian students studied at the graduate level.

**Number of Indian Students in the U.S.**22

Students from India make up approximately 11.8% of the total foreign-student population in the United States.

Payment services in India offered by Weizmann Forex Ltd. and Paul Merchants Ltd. under their licenses.

Institute of International Education, Open Doors, 2013
Growing Our Offerings

We have developed other unique offerings to meet our client needs, such as:

- **NGO GlobalPay**: At the Clinton Global Initiative’s Annual Meeting in 2012, we announced an innovative new product, NGO GlobalPay, which provides nonprofit, non-governmental organizations (NGOs) better ways to manage and deliver funds where they are needed.

Every day – and particularly during times of crisis – NGOs must move to get resources to remote, underdeveloped and sometimes hazardous areas. Often, NGOs sending funds into such locations have little transparency regarding when funds will arrive, how much will arrive and what fees they will pay. They face delays in getting funds into the field, which can limit their vital operations on the ground. Many also experience challenges related to accountability and transparency of operations. Tracking the distribution of funds also can be a concern.

For example, in the NGO GlobalPay product development process, some NGOs reported that they were forced to send money to the personal bank accounts of local contacts in-market, relying on the integrity of these individuals to make money available for vital programs. Others explained that their staff carry duffel bags filled with cash across borders and into conflict zones to reach people in need. Disasters and emergencies don’t always happen during bank hours; when lives hang in the balance, every minute counts. NGOs needed faster, more transparent and reliable methods of moving money.

Western Union is uniquely placed to help solve these challenges by combining our cross-border business payment platforms with our vast global reach. The NGO GlobalPay service provides access to the Western Union Business Solutions dedicated institutional payment platforms, connected to extensive consumer infrastructure – offering options that have never before been available.

"Since joining the NGO GlobalPay pilot program, we have benefited from the ability to send funds to our workers via cash. This allows our staff to spend their time on the ground running their operations and providing relief to affected areas without waiting for funds to arrive or having to use their own accounts.

The cash disbursement facility is a great service which makes Western Union Business Solutions stand out from their competitors by delivering a truly unique solution.

**Alistair Martin**
Treasury Transition Manager
Save the Children"
In many regions where Save the Children works, bank access is limited, which makes funding projects and providing emergency relief a challenge. Save the Children needed a solution that would allow their aid workers to receive funds efficiently without relying solely on bank accounts.

When violence erupted in Syria in 2012, Save the Children – a global organization that works to promote the safety, rights and education of children in 120 countries around the world – was determined to help. In July of 2012, they launched an ambitious emergency appeal to respond to the growing refugee crisis in the region through humanitarian interventions in Jordan, Lebanon, Iraq and Syria itself.

Designed specifically for organizations like Save the Children, the NGO GlobalPay platform allows cash disbursements across Western Union’s Agent network in addition to electronic account-to-account payments. This was exactly what Save the Children needed.

From their UK headquarters, Save the Children can initiate an online transfer in seconds using the NGO GlobalPay platform. They simply specify the amount and currency to be sent and the beneficiary authorized to receive it. In this case, they were sending U.S. dollars to staff on the ground near the Syrian border.

Their field worker receives an email notification that funds are available for pick up at the nearest Western Union® Agent location. Since there are Agent locations even in rural regions without bank access, collecting funds is now a quick and convenient process.

Innovating for Inclusive Financial Services

Worldwide, many people have unmet financial service needs. We understand that to be “underserved” in this way has many forms. It’s not limited to those without bank accounts or migrants sending money home.

For us, the underserved is a much broader category: people and businesses whose needs are not being met by the traditional banking system. These can include:
small and medium-sized businesses that have challenges getting the specialized attention, accuracy and transparency they need when making cross-border payments and dealing with FX,
• millions of people in the U.S. who have bank accounts but rely on alternatives like money orders and check-cashing services,
• millions of rural consumers in developing countries, who may live nowhere near a bank and have no access to traditional financial services – but they have mobile phones.

Person-to-person transfers, or remittances, can provide an on-ramp for financial inclusion by increasing demand for savings tools. Yet we believe that supporting true financial inclusion means thinking beyond access to traditional bank services and striving to provide the ability to move money anytime, anywhere and any way our customers need, whether they have a bank account or not.

Our consumers value our Agent network and the ability to transact in person – and in cash – at more than 500,000 Agent locations around the world. Increasingly, current and potential customers also are interested in amplifying the benefits of the Western Union® Agent network with digital channels as well as access to Western Union® services and products. We are listening to the voice of our customers and expanding our touchpoints through our digital business, making our services available through the click of a mouse, a tap on an iPad or a touch on a mobile keypad, creating more opportunities for consumers and businesses than ever before.

Digital Channels

Our digital business holds particular promise for bridging gaps in the financial services sector, and is critical to Western Union’s ability to meet the needs of our consumers.

With this opportunity in mind, in 2012, we opened a new office in San Francisco – the headquarters for Western Union’s digital business – and invested in technology, products, talent, marketing, and geographic expansion to drive innovation in our digital services.

Our digital offerings include:

• online person-to-person money transfers, which pay out at most Western Union® branded Agent locations around the world,
• online bill payment that can be used to send funds to businesses and government agencies,
• mobile money transfer service, which provides consumers with the ability to transfer money to a mobile wallet in certain countries,
• direct-to-bank service that pays directly to a bank account in certain countries.

In addition to using digital channels to access Western Union services, people also rely on our websites for quick and convenient access to information. There, customers can learn about our rates and terms of service, find one of our global Western Union Agent locations, access helpful resources on preventing fraud, download white papers designed to support small businesses and more.

24 As of December 31, 2013
From Westernunion.com to the World

People in more than 20 countries\(^{25}\) can access online money transfer services from our websites. While some of these transactions start and end in a digital environment, other Western Union customers opt for a combination of digital and cash or product-based options, such as receiving funds directly to a prepaid card or at one of our local Agent locations.

Additionally, online transfers through westernunion.com can be accessed through mobile apps in the U.S. and Australia (see Mobile Money section below).

To give our consumers increased choice and control in moving money, we plan to continue to expand our growing digital opportunities around the world.

Mobile Money

For many of the world’s low-income and rural populations, geographic distance from banks is a major obstacle to accessing financial services. But with the widespread and growing penetration\(^{26}\) of mobile phones in otherwise underserved areas, consumers can now access financial services that were previously unavailable to them. This makes mobile money a crucial tool in improving financial inclusion, particularly in developing countries.

Mobile money consumers often use their accounts not only to pay bills and participate in the local economy, but also to receive money from relatives. In one study in sub-Saharan Africa, for example, 16 percent of adults reported using a mobile phone in the previous 12 months to pay bills or send or receive money.\(^{27}\)

We have seen this in Uganda, where a Grameen Foundation study funded by the Western Union Foundation found that mobile money transfer services had a positive impact on financial inclusion, financial literacy and savings.

As the use of mobile phones grows around the world, we are creating convenient ways for consumers to send money via these devices. In developing these offerings, we are particularly focused on reaching people with unmet financial service needs.

With our mobile money services, consumers can send and receive funds in two ways:

1. **Cash to Mobile:** A consumer can take cash to a participating Western Union\(^{26}\) Agent location and send it directly to the recipient’s mobile phone number in select countries.

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\(^{25}\) As of December 31, 2013

\(^{26}\) Financial Services for the Poor: Strategy Overview. Bill and Melinda Gates Foundation.

2. **Mobile to Cash:** Consumers who have downloaded the westernunion.com mobile application can send funds to be picked up by the recipient at a participating Western Union® Agent location worldwide. If the sender has provided key contact information, we will even confirm funds pick-up for the sender via mobile phone, as well.

Western Union is proud to work with M-Pesa (operated by Safaricom) in Kenya, Tigo in Paraguay and Central America, Smart Communications in the Philippines and others to expand options for consumers to send money via their mobile phones.28

**What’s Next**

The number of consumer money transfers made through westernunion.com grew 65 percent in 2013. Looking forward, we expect to continue to set ambitious goals for expanding the availability of Western Union® products and services via our digital channels and optimizing these services for an ever-widening array of devices.

**Additional Products**

Just as we are offering our services via a wider array of delivery channels, we are also growing our product portfolio to meet even more needs for more people around the world. Currently, our consumer product portfolio includes person-to-person money transfer through a variety of channels, bill payment, money orders and stored value products. In addition to our consumer products, we also offer services for businesses, governments, academia and nonprofit, non-governmental organizations (NGOs). (Please see “Supporting Business Growth” for details.)

**Bill Payment**

Our bill payment service enables customers to send funds to billers – to pay mortgages, auto loans, utilities and other expenses – and some government agencies using cash, debit cards, prepaid cards, credit cards, checks or the Automated Clearing House (ACH) Network. Depending on the market and payment mechanism, payments can be initiated in person, over the phone or via the Internet.29

Currently, the Americas represent the major markets for our bill payment services. In the U.S., we offer walk-in and electronic payment options. In Latin America, we offer walk-in, cash bill payment services that allow customers to make payments for services such as phone service, utilities and other recurring bills. In Argentina, we provide this service under the Pago Fácil brand, on which a substantial number of Argentine families rely to pay their bills. We offer this service under the Western Union brand in Peru and Panama.

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28 As of December 31, 2013, Western Union had active relationships with 19 cross-border mobile network operators (MNOs) spanning 17 countries.
29 Branding for services, payment methods and payee types vary by market.
Money Orders

Western Union offers money orders as a trusted alternative to checks. They can be used for making purchases or paying bills, and they can be deposited directly into bank accounts or cashed at some check cashers, banks and retailers. These services provide an important financial tool to those who may not have access to other financial products such as credit cards and checking accounts.

What's Next

We believe that we owe it to our customers to keep improving and innovating — to offer better products and services that make their lives easier.

We are investing in technology that provides greater customer convenience and improves the overall customer experience. We are taking an increasingly systematic approach to leveraging customer insights to further develop our channels and services to better meet people’s needs. And we are aggressively pursuing more options across different technologies to reflect and anticipate the needs of the market and the people we serve.

We were proud to partner with Accion International and their Center for Financial Inclusion on Financial Inclusion 2020, a project that has mobilized private sector players, regulators, industry developers, technology providers and others to achieve full financial inclusion, using the year 2020 as a focal point for action.

In addition to the support provided to the initiative by the Western Union Foundation, three Western Union executives were members of these working groups, bringing Western Union’s unique perspective and expertise to the conversation.

To learn more, please visit: [www.centerforfinancialinclusion.org/fi2020](http://www.centerforfinancialinclusion.org/fi2020)
Conducting Our Business Responsibly

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Protecting Consumers and Society

Western Union promotes global economic opportunity and growth by bridging gaps in the financial services sector. The needs of the people we serve form one of our chief priorities, and that includes the need for reliable services as well as programs and information that help protect and empower consumers.

This commitment plays out on many levels, with a strong emphasis on enhancing our culture of compliance. Our tradition of consumer protection and empowerment includes fraud prevention measures, competitive services, data security and privacy measures, transparency in marketing, and a commitment to those we serve.

Enhancing Our Culture of Compliance

We are dedicated to continuing to enhance our culture of compliance, which is a cornerstone of our ability to offer our services in more than 200 countries and territories. In 2013 alone, Western Union spent more than $150 million on our compliance and regulatory programs.

We have made these investments because we believe it is the right thing to do for our customers and society. Robust compliance programs are also the essential foundation that enables us to continue to expand into new product categories, channels and geographies. Our Anti-Money Laundering (AML) Program is one important way that we work to maintain the integrity of our network.

Western Union’s Anti-Money Laundering Program

The Company and our Agents are regulated in many of the countries we serve, which may include both federal and state-level regulations, as is the case in the U.S. Western Union follows Financial Action Task Force (FATF) guidance by taking a risk-based approach to meeting its AML obligations, so the greatest resources are assigned to those areas that pose the greatest risk. Western Union’s AML Program is designed to identify and assess the AML risks that are inherent to our business and to develop strategies and controls to mitigate those risks.

System technology helps us strengthen our security measures. Western Union employs a number of system controls to monitor transaction activity, prompt for enhanced consumer due diligence, and monitor compliance with specific legal and Western Union recordkeeping and reporting requirements. Many of these controls are triggered at specific currency thresholds.

EMPLOYEES AND AGENTS: Our employees and Agents are critical to our anti-money laundering efforts. Western Union employees receive annual training in a variety of topics relevant to ethics, compliance and anti-money laundering. (For more information, see “Operating Ethically”) Additionally, employees are required to have a “Culture of Compliance” goal in their performance objectives. (For more information, please see “Developing Our Global Workforce”)
In addition to the high expectations we set for Western Union employees around the world, we also have specialists dedicated to advancing our compliance efforts. This dedicated team of hundreds around the world reviews risk, trains our Agents, monitors our systems for suspicious activity and helps reinforce our compliance efforts around the world. Maintaining a global compliance footprint allows us to better understand and more rapidly respond to regional and global issues, and is an integral part of our compliance efforts.

Due diligence on potential Agents is one of the many vital functions these employees perform. This is a prerequisite for Agents to become part of the Western Union® network. Our Agents are regulated in many of the jurisdictions in which they do business. For example, many of our Agents are banks or national postal systems – organizations that are very familiar with local rules and requirements for operating their businesses. Our top 40 Agents globally have been with us an average of 17 years and in 2013 were involved in transactions that generated approximately 60 percent of our consumer-to-consumer revenue.

**SYSTEM CONTROLS:** While people are critical to compliance, system controls provide an additional measure of protection. We continue to expand and improve our system controls. They are used to help monitor Agent compliance with regulatory and internal requirements and minimize the element of human error. For example, when certain conditions are met, the Western Union system will prompt the Agent with a screen containing mandatory data fields. This requires the Agent to obtain and enter specific information, such as data from a valid government-issued photo identification, before the transaction can be completed.

In addition, Western Union uses system controls to implement enhanced consumer due diligence, including through consumer interviews, which allows us to better understand the use of Western Union® services.

The Western Union system is also capable of controlling transaction activity to meet currency or exchange control requirements in jurisdictions throughout the world.

Our system technology also is designed to help prevent those we don’t want to do business with from using our system. For instance, under Western Union’s Sanctions Program, transactions are systematically screened against lists maintained by the United Nations, European Union, the U.S. and other governments. Individuals whose names appear on these lists are blocked from conducting Western Union transactions. We also use this program to seek to prevent consumers who conduct undesirable transactions from using Western Union® services. This is just part of what it means for us to know our customers.

**ANALYSIS:** At Western Union, knowing our customers also means knowing their transactions. Western Union’s Global Monitoring & Intelligence (GMI) team is a central, coordinated unit responsible for monitoring uses of our network. GMI’s functions include regulatory reporting, extended Agent oversight, geographic analysis, consumer investigations, Agent investigations and analytics.

The GMI team is trained to watch for signs of possible money laundering, fraud or terrorist financing. We monitor consumers, Agents and geographies for indications of undesirable activity and potential system abuse. Our Financial Intelligence Unit is designed to research and investigate potential money laundering complicity by Agents and incidents of money transfer activity that could indicate money laundering. Our approach combines data analysis and risk assessment techniques to identify and, where appropriate, act upon potentially suspicious activity.
This information is fed to our compliance field officers who conduct on-site visits and deliver targeted training. They can help determine whether the identified activity is indeed suspicious, along with the appropriate level of response. The field officer’s findings and any corrective action taken is fed to the monitoring group, helping to enhance our ongoing analysis. This continuous feedback loop is essential to meeting the Company’s obligation to its customers and regulators.

**Addressing Predicate Crime**

Though millions of people – by far the vast majority of our consumers – use Western Union for legal money transactions, unfortunately some people attempt to use our services to support activity that is not only illegal but also morally reprehensible.

Responsible companies within the financial services sector naturally are concerned not only that individuals will attempt to utilize their services for money laundering, but also about the predicate crimes that give rise to the money laundering threat. One example of particular concern is human trafficking and smuggling. While these can be difficult issues to discuss, understanding is one of the first steps in prevention.

The terms “human trafficking” and “human smuggling” are sometimes used interchangeably, but they are in fact very different. Human trafficking involves people – often women and children – coerced or forced into exploitative situations for the trafficker’s ongoing financial gain.

Human smuggling, however, does not involve coercion; rather, it involves facilitating – for profit – the illegal entry of a migrant into another country. Smugglers may charge exorbitant sums and submit migrants to inhumane conditions as they travel. Nonetheless, some migrants may seek out smugglers – sometimes known as coyotes – for the purpose of crossing borders toward what they hope will be a better life. In turn, human smugglers may attempt to use money transfer businesses like Western Union to facilitate payments for their services.

Financial gain is the goal of human trafficking. Human traffickers take in their money through the daily work of their victims, and may then use the financial system to concentrate their ill-gotten funds in a central location, similar to drug-trafficking organizations.

We use numerous controls in our efforts to seek to prevent the Western Union® network from being used to facilitate payments for such services:

- **Real-time transaction controls:** Western Union employs a set of sophisticated transaction controls that seek to limit the amount of funds and the number of transactions that can be received in areas where human smuggling is known to be especially prevalent.

- **Transaction monitoring/regulatory reporting:** We routinely monitor transactions to attempt to identify suspicious activity and fulfill our regulatory reporting obligations.

- **Interdiction/blocking:** In cooperation with law enforcement, we work to block individuals suspected of illegal activity from using our service.

Western Union was the first major financial services institution to sign on to the Blue Campaign, an anti-human trafficking initiative spearheaded by the U.S. Department of Homeland Security (DHS).
government, the Blue Campaign strives to protect the basic right of freedom and to bring those who exploit human lives to justice.

Western Union will provide the Blue Campaign’s multilingual training and awareness materials to select Western Union® Agent locations in the Southwest border region and other areas in the U.S. These materials highlight the signs of human trafficking and how to accurately report them. Participating Agents will also receive additional training from Western Union on how to detect a potential human trafficking victim and how to involve law enforcement.

**Protecting and Empowering Our Consumers**

Consumer protection and empowerment is an issue of considerable importance to Western Union, and something we work to address on many levels. This section focuses on fraud prevention, competitive services and transparent pricing, marketing, data security and privacy, and the satisfaction of those we serve. We also recognize financial literacy as an important part of our consumer protection and empowerment efforts. (For details on Western Union’s work to promote financial literacy, see “Strengthening Communities”)

**Helping to Prevent Fraud**

Western Union regularly reviews its Anti-Fraud Program and adjusts its controls to respond to evolving and emerging trends – much like law enforcement must do when confronting sophisticated and organized criminals.

While technology has innumerable benefits, it also has given con artists widely expanded opportunities to scam people via email, websites and phone. Anyone can be a victim of a scam. Unfortunately, there are relationship scams aimed at people seeking companionship, lottery scams aimed at people’s desire to win money and prizes, Internet purchase scams that take advantage of people who shop online, and job scams for those who are looking for work. Whether it is working to help prevent these scams or raise awareness of new ones, we take a multi-pronged approach: building consumer awareness, training our Agents, investing in technological solutions and collaborating with law enforcement.

**RAISING CONSUMER AWARENESS:** Consumer awareness is an important tool in the fight against fraud. Consumers are the first and last line of defense against fraud, and we are committed to providing them with the tools and knowledge they need to avoid becoming victims of scams. Our approach includes direct outreach to consumers via a variety of Western Union channels as well as consumer advocacy organizations.

As a starting point, we provide fraud prevention materials at community events and conferences, and to Agents for display at the point-of-sale. We use social media to educate the public about various types of scams, and sponsor banner advertisements that are displayed on diverse websites.

In August 2012, we launched our enhanced Consumer Protection Center (CPC) website: [www.westernunion.com/stopfraud](http://www.westernunion.com/stopfraud), available in the U.S. We intend to roll out the site globally in the future. This interactive website equips consumers with important details about different scams, features a fraud quiz and provides materials that visitors are encouraged to share with others. The site also includes links for visitors to report scams or forward suspicious emails so that Western Union can take action.
In 2012, Western Union also entered into a relationship with the Better Business Bureau (BBB) to support the BBB Scam Stopper website. Like the CPC, the Scam Stopper website provides key information on avoiding scams. With the extensive reach of the BBB behind it, the Scam Stopper website helps create broad-based consumer fraud awareness.

Alongside our BBB partnership, we have worked with the Consumer Federation of America to produce and distribute consumer awareness videos. To help people start out on the right road for managing their money wisely, we work with LifeSmarts, a National Consumer League program that helps teens learn about financial literacy and online financial safety. At the other end of the spectrum, we collaborate with the National Adult Protective Services Association (NAPSA) on campaigns to reach senior citizens. NAPSA’s broad access to this community helps us work to protect individual consumers.

We also work with Medicare Patrol, local Adult Protective Services, the Mystery Shopping Providers Association and law enforcement on a variety of consumer protection awareness initiatives. The insight that we gain from our own efforts and our key relationships also helps us as we engage Agents and train them to spot and prevent fraud.

Beyond our work in the U.S., we partner with organizations globally to raise awareness about consumer fraud. In Australia, for example, we partnered with NSW Fair Trading and the independent group Internet Fraud Watchdog in 2012 to educate Australian consumers about how to avoid becoming victims of fraud.

ENGAGING AGENTS IN THE FIGHT AGAINST FRAUD: Con artists are successful because they play on human emotions. They pretend to be a relative in distress, or they offer lottery payments or mystery shopping programs that are too good to be true. By the time many victims of fraud get to a Western Union® Agent location, they often are determined to proceed with the transaction, despite questioning from a Western Union Agent at the counter. In many cases, con artists actually coach their victims on what to say so the Agent is not successful in convincing consumers to avert the transaction.

Agents are trained to help identify potential fraud victims. If an Agent suspects that the transaction is fraudulent, the Agent is trained to refuse the transaction or report it to Western Union for further investigation.

Our Agents are on the front lines of customer service. Therefore we support and empower them with tools and techniques to prevent fraud by providing a variety of Agent training resources and materials through channels that include fraud kits, newsletters, fraud alerts and an online Agent Resource Center.

A fraud hotline is available to all Agents in the U.S. and Canada 24 hours a day, seven days a week, 365 days a year. The hotline connects the Agent directly to a Western Union fraud specialist and allows the Agent to promptly report potential fraud or request assistance with a specific transaction.

To further engage our Agents in the fight against fraud, Western Union also has a monetary reward program for Agents. Known as
the Eagle Eye Program, this ongoing effort rewards Agents and their employees who demonstrate exceptional effort and effectiveness in helping to protect Western Union consumers.

We also analyze Agent activity, along with fraud complaints received from consumers, and determine whether Agents need additional training or oversight, or if they should be suspended or even terminated. These reviews have led to program enhancements, including additional controls for transactions and additional training and support where needed.

Leslie, a retiree living in the U.S. state of Florida, received an email from a friend. He said he was traveling in London and had been mugged. He asked Leslie to send $2,000 to help him get home. Leslie decided to use Western Union, just like thousands of honest people who count on us for everyday emergencies. But this story didn’t add up. The Western Union Agent employee urged Leslie to call her friend. She did and discovered her friend was home in Boston. It turns out that a scammer had hacked into her friend’s email account and sent an urgent message to all his contacts. Leslie’s money was saved.

In the United Arab Emirates, a man came into a Western Union Agent location to send money as a “security deposit” toward a new job in the United Kingdom, one with a salary beyond his wildest dreams. Behind the counter, the Agent employee sensed something was amiss. This concerned Agent employee showed the customer brochures on fraud and explained that this was probably a scam. The man decided to abort the transaction. Although he was disappointed about the nonexistent job, he was relieved to avoid becoming a victim of fraud.

In the U.S. state of Florida, a grandmother rushed to the local supermarket to send $4,000 to her grandson. After receiving a call, she was convinced that he was traveling in Haiti and urgently needed cash. In this case, Western Union’s risk-assessment controls caught this grandparent scam and stopped the transaction before it went through, saving the grandmother’s money.

To learn more about scams, visit www.bbb.org/scam-stopper
INVESTING IN FRAUD-PREVENTION TECHNOLOGY: We employ proprietary systems, policies and procedures to help us seek to identify and stop transactions that may be fraudulent. In addition to consumer and Agent education, Western Union has implemented a number of controls designed to stop fraudulent transactions before they are paid. For instance, our Courtesy Callback Program is a critical component of our consumer protection efforts in some countries.

As part of this program, Western Union may try to contact senders whose transactions meet certain criteria to interview them in an attempt to determine if they are victims of fraud. If consumer fraud is detected, the principal and fees for the money transfer are refunded to the sender.

Western Union also employs automated fraud controls through our Real Time Risk Assessment Program. This is a rules-based system used to block or queue money transfer transactions that fit a known profile for fraud.

The Western Union toll-free fraud hotline described above is also available to consumers who want to report and stop fraudulent transactions before they are paid. As of December 2013, this hotline was available in 42 countries with many open 24 hours a day, seven days a week. The relevant local telephone number appears on Western Union’s “To Send Money Form,” the westernunion.com website, and on our consumer fraud brochures. If a consumer calls the fraud hotline to report that he or she may be a victim of fraud and the transfer has not been paid, the principal and the money transfer fees are refunded. Western Union regularly reviews the data we receive from consumers to guide our fraud prevention efforts and evolve our strategy.

Additionally, Western Union operates an Interdiction Program. This program is designed to prohibit suspected fraudsters from receiving money transfers and to prevent people who have been victimized in the past from sending money. Names are submitted for interdiction daily, based on analysis of our own fraud data and/or third-party requests, including referrals from law enforcement and family members.

We work with law enforcement around the world and we are committed to continuing this cooperation to help address the important issue of consumer fraud.

COLLABORATING WITH LAW ENFORCEMENT: Continuous collaboration with law enforcement is another key component of Western Union’s Anti-Fraud Program. We regularly receive leads from law enforcement and work with investigators to identify fraudulent activities.

Many of the Western Union personnel who work in our Anti-Fraud Program have extensive backgrounds in law enforcement agencies, such as the London Metropolitan Police Services, Royal Canadian Mounted Police, the Lithuanian Criminal Police Bureau, and in the U.S., the Secret Service, the Federal Bureau of Investigation, Immigration and Customs Enforcement/Homeland Security Investigations, and Department of Treasury Office of the Comptroller of the Currency.

These focused efforts in the areas of education, monitoring and technology are paying off for the customer. Yet we recognize that despite our best efforts,
there remain individuals and criminal networks that will attempt to use our system for fraudulent transactions. At Western Union, we are committed to improving our efforts to protect our customers and to communicating with the public and empowering people to make smart choices about their money.

Empowering Consumers through Information

**PRICING AND TRANSPARENCY**: Pricing is regarded by some external stakeholders as a highly relevant issue and it also clearly is relevant to Western Union. When considering pricing, it is important to realize that Western Union offers solutions for small and medium businesses, universities and other organizations, as well as bill payment and fee friendly prepaid cards. Yet, our consumer-to-consumer money transfer services tend to receive the greatest attention where pricing is concerned.

Years ago, Western Union offered only money in minutes – and in cash. Today, we provide a growing range of online, in-person, mobile, prepaid and bank-connected products, with different access points, speed and pricing, which enable consumers to make informed choices between differently priced products based on their needs.

To reinforce Western Union’s position as a financial services provider of choice, we periodically review our prices to ensure they are competitive and in line with both consumer and business needs. Technology and efficiencies of scale have allowed us to lower our prices consistently over the past decade, and in 2012 and 2013, we reduced fees in a number of key markets and principal bands. Globally, on average we earn in revenue between 5 and 6 percent of the amount sent, which includes both fee and foreign exchange (FX) spread.

Our investments in access, cost reduction, efficiency and greater choice have led to our direct-to-bank, account based money transfer and mobile money transfer service, and we remain committed to such innovation and market collaboration. To successfully build a foundation for financial inclusion will require attention to the full economics of the payments value chain – not just one aspect (a technology, a fee-type, a type of institution or private sector provider).

While we are proud of the value we offer consumers for the price, too often, increased focus on pricing can lead to a “race to the bottom.” A single-track emphasis on the lowest possible price does not necessarily benefit consumers or society. Appropriate pricing is necessary to provide high quality, reliable money transfer service while investing in such areas as new products and channels, a vibrant global network, robust compliance and community benefit programs.
To help consumers make informed choices, we provide numerous channels for disclosure of Western Union’s fees and foreign exchange rates. Western Union® Agents can give this information at the point-of-sale before the transaction, and senders also receive a receipt that describes both the fee and the exchange rate associated with a transaction. In addition, this information is available on both Western Union’s website and via our toll-free number, where consumers can receive estimates in multiple languages.

This push for transparency, which is crucial for our larger goal of improving customer service, is also aligned with developments in the U.S.

**TRANSPARENCY IN MARKETING:** Individuals and organizations that choose Western Union may not be well served by traditional financial services systems. That is one reason we work hard to provide a positive, easy-to-understand experience with Western Union.

We spend considerable effort to accurately and fairly market our products and services, and we strive to comply with applicable laws and regulations. When creating marketing materials, we require our employees to follow established guidelines. Our rules require that we:

- create materials in accordance with these marketing guidelines,
- submit materials through the appropriate legal and other review processes,
- follow the Company’s privacy policy and data protection requirements when using or obtaining consumer information.

Our marketing guidelines call for consistent representation of our brand promise in markets across the world in order to help our employees, clients and prospects understand our business and the services we deliver.

Through the consistent use of this process, we aim to achieve:

- adherence to legal guidelines specific to each business unit,
- adherence to Western Union marketing legal guidelines,
- brand consistency across communications.

To help us maintain fairness and transparency in marketing, we have numerous checks and safeguards in place.

We strive to comply with all our regulatory responsibilities, including employing reasonable security measures to help protect personal information from unauthorized access and use.

**DATA SECURITY AND PRIVACY:** Our ability to protect information is critical to maintaining trust, a cornerstone of the Western Union brand. Yet, our business is driven by information; we need to collect it, transfer it, and disclose and store it in a variety of means across the organization. The collection and use of personal information by Western Union is subject to privacy regulations that may differ from country to country and even state to state within an individual country.
In an effort to comply with these regulations and our own high standards of privacy and data security, our Privacy and Records Management team is responsible for creating policies that help safeguard our consumers’ information.

When required by law to assist in the prevention of money laundering, terrorist financing and other matters, Western Union makes information available to relevant government agencies in key geographies. We acknowledge that the regulatory goals to prevent money laundering, terrorist financing and identity theft may sometimes conflict with regulatory goals to protect privacy rights, and the laws in these areas are not consistent or settled. We believe we are compliant with all our regulatory responsibilities, while at the same time we strive to fully honor our commitment to protect personal information and safeguard consumer privacy.

**Customer Satisfaction**

While serving customers has always been at the core of what we do, we are in the process of making our Company more customer-centric than ever before. We are looking closely at the customer experience, finding areas that need improvement, and addressing them. To facilitate this process, we have made investments in enhancing our ability to capture customer feedback in relevant touch points, including web channels, social media, and call centers. Processes and systems are also being enhanced to synthesize, analyze, and report on this data to inform and influence business decisions that will improve the overall consumer experience.

One of the ways we are learning about our customers’ experiences is through our ‘WU Listens’ customer satisfaction surveys. Through these surveys we are giving our customers the opportunity to rate their satisfaction with our services, products and channels. We are using survey feedback to identify and fix specific issues to improve our customer service.

Customer membership programs are another area of focus. Our most recent program, called My WU®, launched at the end of 2012 and has since expanded to multiple countries around the world. In fact, Western Union now operates membership programs in 80+ countries around the world, providing customers with personalized service, valuable benefits and relevant incentives across our products and channels. We are proud that our programs help us meet the money movement needs of millions of customers, recognizing their loyalty to Western Union.

To measure client satisfaction with Western Union Business Solutions, we use client advisory boards from verticals including universities and financial institutions to better understand businesses’ and organizations’ cross-border payments needs. Clients provide direct feedback on product development, customer support and opportunities to increase usage among their students and members.
While serving customers has always been at the core of what we do, we are in the process of making our Company more customer-centric than ever before.

What’s Next

We are proud of our efforts to-date, and are particularly excited about our future goals. Major areas of focus include:

**Call centers:** We aim to maximize efficiencies in our call center organization to enable our customer service representatives to respond quickly and efficiently. We also aim to give customers more self-service options.

**Customer loyalty platform:** We’re building our consumer loyalty and service platform so we can provide a better omni-channel experience across various channels including mobile, web, phone and our Agent locations worldwide.

**Customer experience:** We aim to improve the end-to-end customer experience – reflected in improved customer satisfaction and net promoter scores.

Collaborating with the Public Sector

Western Union is not alone in its efforts to protect its customers. The public sector is also important in assisting Western Union in its consumer protection and empowerment efforts. Western Union maintains a worldwide network of contacts to receive up-to-date intelligence on criminal threats and alerts. We also provide actionable information to our key stakeholders, helping them leverage their reach to advance shared consumer protection and empowerment goals.

Proactively, we host one of the largest conferences on best practices in identifying and preventing fraud and money laundering in the U.S., convening the private sector, law enforcement and government agencies to develop solutions.

Around the world, we work with a variety of financial regulators and law enforcement agencies at the national, state and local levels to share information, exchange intelligence and maintain ongoing dialogue around current and future vulnerabilities to the global financial system. Strong public-private partnerships help drive results. These relationships provide valuable insight for colleagues across the Company about how we can improve our systems and safeguards.

Operating Ethically

Western Union moves money for better in more than 200 countries and territories around the world and is subject to myriad laws and regulations. We take those requirements seriously, and strive to meet the highest standards of compliance and ethical conduct throughout our global operations. We are known and trusted by millions, and we endeavor to earn – and keep – that trust every day.
Conducting Our Business with Integrity

Western Union has been providing reliable services to consumers for more than 160 years. Operating with integrity is of the utmost importance to us, and we believe this commitment is one key to our long-term business success. For us, this involves maintaining respect for employees and providing them access to the tools and training they need to help them better serve our customers.

We offer our services in a highly regulated environment. Across the globe, our Company, our subsidiaries and our local Agents and partners are regulated on multiple levels. Generally, Western Union is licensed as a non-bank financial institution or money transmitter. Like any financial institution, laws addressing consumer protection, data privacy, safety and soundness apply in jurisdictions where we do business. We take these requirements seriously, as do our Agents. They are a reflection of – and also supported by – our core values.

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<th>OUR CORE VALUES1</th>
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<td><strong>Integrity</strong></td>
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<td><strong>Passion</strong></td>
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<td><strong>Teamwork</strong></td>
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1 See page 60 for Western Union behaviors
To support these values, we have behavior standards that guide our employees, and we measure their behavior as part of their performance reviews. (For more on these behaviors, see “Developing Our Global Workforce”)

**Code of Conduct**

The primary expression of our commitment to integrity can be found in our Code of Conduct, “Navigating Ethical and Compliance Issues with Integrity,” which applies to Western Union employees worldwide. Employees receive Code of Conduct training and are asked to certify each year that they have read, and agree to comply with, the Code, which has been translated into nine languages. (For more information on training see “Training for Ethics and Compliance”)

**Anti-money laundering (AML) Activities**

Almost all financial institutions face some degree of risk that their services may be used for illicit purposes, such as money laundering or the funding of criminal activity. Western Union strives to ensure that our positive approach in this area helps set us apart.

We seek to ensure that we are on top of the trends and best practices and implementing robust programs. To this end, Western Union has established and maintains a comprehensive anti-money laundering (AML) compliance and consumer protection organization and program. (For more information on our AML activities, please see the “Protecting Consumers and Society” section of this report.)

**Anti-Corruption Activities**

Western Union provides consumer-to-consumer, consumer-to-business and business-to-business services. The Company manages reputational risk across all three segments.

We believe that corruption has a corrosive effect globally on economies and societies, and locally on communities and individuals. As a U.S.-based company that operates in more than 200 countries and territories around the world, Western Union is subject to the U.S. Foreign Corrupt Practices Act as well as the anti-corruption regulations of other nations, including the UK’s Bribery Act.

The risk of corruption is measured and addressed by the Company in a number of ways, including:

- using risk indicators from organizations like Transparency International in our global and country-specific risk assessments,
- addressing corruption risk in our Ethics Committee discussions,
- training employees on anti-corruption and anti-bribery principles and policies annually.

Through this process our business is analyzed for risks related to corruption.

Western Union maintains a commitment to a culture of ethics and integrity. The Western Union Code of Conduct provides guidance to employees in fulfilling their responsibility for compliance with Company policy and the laws and regulations that apply to our business around the world. Western Union sponsors multiple programs and resources for employee compliance education as well as established channels to ask questions or raise concerns. The annual performance evaluations of employees include a rating on the Culture of Compliance performance objective.

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2 English, Spanish, French, Italian, German, Lithuanian, Portuguese, Russian, Turkish
We strive to create a company culture that rejects corruption, including any form of bribery, and require compliance with anti-bribery laws in all the countries where we work. We forbid Western Union employees from making, offering or promising anything of value, including the provision of any service, gift or entertainment, to government personnel or officials for the purpose of improperly obtaining or retaining business, or for any other improper business advantage.

Our Anti-Corruption Policy and Code of Conduct explicitly outline our commitments to these principles and include practical advice and guidance. We encourage employees to check with the General Counsel’s office where guidelines do not specifically address their concerns.

We also forbid making improper payment through third parties. We require that all business units keep accurate books and records so that payments are recorded honestly and that funds are not used for an illegal purpose. Financial documentation is audited annually when we release our financial statements publicly.

**Training for Ethics and Compliance**

To maintain a global culture of compliance, Western Union employees must complete a series of annual training courses based on their positions in the Company and their respective areas of responsibility.

Western Union requires employees to complete training courses annually in a number of subject areas which include Code of Conduct, anti-bribery, anti-harassment, avoiding insider trading and fair competition. The courses are online and available in five languages. Each year, employees are also asked to complete a certification acknowledging receipt and understanding of the Western Union Code of Conduct. Courses on other ethics and compliance topics may be included in the curriculum in a particular year.

The trainings and Code emphasize a number of important issues, including the Company’s commitment to not retaliate against employees for concerns raised in good faith. This stance is reinforced by Western Union senior leadership, who actively encourage open and transparent communication. Our CEO repeatedly invites questions and comments from employees at all levels, holds small-group and town-hall meetings and urges employees to engage in “skip-level” dialogue to ensure all voices are heard.

In 2012, Western Union introduced a new employee AML training program that consists of a suite of six courses, which build upon each other and increase in difficulty. The courses address AML rules and regulations, typologies and scenario-based training to engage and challenge employees. A risk-based, tiered approach is used to determine the level and pace of trainings that employees must complete. The content for the courses are reviewed and refreshed each year, if applicable, with new and emerging trends, typologies, regulations and law enforcement actions pertinent to the financial industry.

In 2012, two of the six courses were launched. In 2013, we rolled out the remaining four to our approximately 10,000 employees globally. All courses are currently available in multiple languages to support our broad employee base.
A Way to Be Heard

There are several ways in which employees can report suspected violations of the Code of Conduct or a Western Union policy. Options include speaking with a manager or contacting appropriate employees in Finance, the General Counsel’s Office, Corporate Security, the Ethics Office, or by making a report via the Ethics Helpline or to the Audit Committee.

The Western Union Ethics Helpline is available for employee reports by telephone or Internet 24 hours per day, 365 days per year. The Helpline is administered by a third party that provides interpretation services for reports via the call center in more than 80 languages, and translation services for reports made via the Internet in more than 100 languages.

Western Union’s Code of Conduct prohibits retaliation against employees who raise questions, concerns or problems in good faith. Our commitment to integrity means we must never ignore a legal or ethical issue that needs our attention. This message is reinforced through ongoing communications to employees at all levels, including articles in Western Union internal newsletters, on the intranet, on-site posters, email blasts, and updates that are shared in all-hands meetings, cascading down from the Operating Committee to employees via departmental and team meetings. Western Union maintains resources on this topic for employees and managers, and includes integrity as an important part of the Company’s core behaviors, which are part of employees’ mid-year and annual reviews.

Human Rights and Employment

From our founding, we have connected families and created a cycle of shared value in the communities we have served: wealth for shareholders, wages for employees and fast, reliable service that links consumers across a growing international communications grid.

As we have evolved into a global business, our employees and Agents have grown to reflect the people we serve, who are dispersed across more than 200 countries and territories. We are inspired by our customers and colleagues around the world, and by our own diversity and commitment to responsibility.

At Western Union, our commitment to human rights is consistent with our emphasis on promoting respect for one another and for the consumers and communities we serve. We reflect these enduring values in our corporate policies and in our Code of Conduct.

We respect universal human rights, which benefits both our employees and the communities in which we operate. We condemn the use of forced labor and exploitative child labor. We do not use forced or involuntary labor of any type. We comply with applicable local, state and national laws regarding the employment of minors.

Respectful Treatment

We commit to treating each other with dignity and respect at all times. Intimidating, abusive and offensive conduct in the workplace is completely unacceptable. Western Union aspires to maintain a work environment of mutual trust and respect, where everyone knows what is expected of them in their job, is recognized and competitively rewarded for their performance based on merit, and has open and constructive performance evaluations.

Western Union employees are hired, developed and advanced on the basis of their qualifications, skills, experience and achievements. We believe that diversity benefits our Company’s culture and provides us all with opportunities to learn from and with the best around the world. (For more on this subject, see “Developing Our Global Workforce”.)
Safety and Health

We are committed to providing a safe and healthy working environment for our employees and promoting positive attitudes toward safety and health within the organization. This commitment includes compliance with applicable health and safety laws, as well as compliance with our internal policies and Code of Conduct. To support compliance with applicable safety-related requirements, we develop health and safety manuals for our employees. In some locations we have established health and safety committees.

We take a variety of steps to ensure that the health of employees is safeguarded on a daily basis. For example, at our larger workforce locations, the Company installed automated external defibrillators (AED) and has offered employees first-aid classes at no cost.

Our facilities team explores ways to promote the wellbeing of employees at the same time we promote the wellbeing of our planet through environmentally sensitive site design and purchasing decisions. (Please see “Conserving the Environment” for details.)

During natural disasters, our Environmental Health and Safety Department works with our Corporate Crisis Management Department to ensure that employees, property and data are safeguarded.

Protecting Employee Privacy

Western Union is committed to respecting the confidentiality of our employees’ personal information. It is our policy to acquire and retain employee personal data that is required for the effective operation of the Company, or that is required by law in the places where we operate. We limit access to personal information to Company personnel who have a documented business need and have received appropriate authorization. It is our policy not to provide employee information to anyone within or outside the Company without proper notice and authorization.

Western Union does not normally take an interest in personal conduct outside of work or work-related situations and respects an employee’s privacy, unless such conduct impairs the employee’s work performance or affects the reputation or legitimate business interests of the Company.

Human Rights in Our Supply Chain

Human rights is an important, complex and evolving topic. Even when there is agreement on overarching goals, there can be reasonable differences on approach and priorities. We make a point to stay abreast of developments in this area, referencing the United Nations Guiding Principles on Business and Human Rights, attending sessions on the topic at major global gatherings such as the Clinton Global Initiative and Business for Social Responsibility (BSR) annual meetings, and engaging in ongoing dialogue with a variety of internal and external stakeholders.

As these issues and our business evolve, we plan to continue our efforts to seek appropriate and effective methods to integrate respect for, and promotion of, human rights across our business operations. While we do not currently integrate explicit additional human rights clauses into all
Company contracts or significant investment agreements, we do require counterparties to agree to comply with applicable law.

**Sensitive Sectors**

Arms and weapons systems, tobacco, genetically modified organisms (GMOs), and nuclear power sectors are not part of our core business model. However, to ensure consumers broad access to financial services, our global Agent network extends to retail environments where some sensitive items may be sold (e.g., some of our Agents sell tobacco products). But to the best of our knowledge, Western Union does not directly and materially profit from the manufacture, distribution or sale of these products or associated industry activities.

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**Political Activities**

**Political Donations**

From time to time, Western Union expends 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.

In the U.S., federal law prohibits corporations from contributing corporate treasury funds to federal candidates or to federal campaign committees. Western Union does not make independent political expenditures in support of or in opposition to federal candidates or political parties. In compliance with state and local election laws, Western Union may contribute corporate funds to state or local candidates for public office, or to political organizations or parties.

The Company has historically made an extremely limited number of political contributions, which are not financially material to the Company. In 2013 and 2012, these contributions totaled approximately $11,500 and $13,700, respectively.

Western Union also belongs to various trade 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 campaigns. Western Union does not fund advertisements that qualify as “independent expenditures” or “electioneering communications” under U.S. federal campaign finance laws.

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](http://www.fec.gov).

**Lobbying Activities**

As an engaged corporate citizen, there are times that we may speak out on issues that are important to the Company and/or to our consumers. The Public Policy department is responsible for forming strategies in this area. Western Union’s Public Policy Program utilizes in-house professionals, external consultants, and trade associations in Washington D.C., state capitals in the U.S., Brussels, and government centers around the world to monitor legislative and regulatory activities that may impact the Company. Western Union works with elected officials, regulators, and policymakers at all levels of government to seek sound solutions to issues impacting our Company, our consumers, our Agents and our employees.

While we do engage consultants in some jurisdictions, we prefer to have our own employees, who are experts on many issues, speak directly with officials on matters of importance to the Company and our customers.
Western Union advocates on public policy matters such as:

- enhancing consumer disclosure and consumer protection requirements in line with customer needs and business reality,
- promoting awareness of the importance of remittances to developing nations,
- increasing access to financial services within underserved markets,
- preventing unnecessary and discriminatory government taxes on remittances,
- streamlining regulatory requirements and ensuring their consistency,
- advancing knowledge of alternative payment methods, including mobile payments,
- advocating on behalf of our customers on issues such as immigration reform,
- working with law enforcement to protect consumers and prevent criminal use of the financial system on issues such as fraud and anti-money laundering,
- empowering consumers through collaborative efforts with NGOs and Hometown Associations.

Governance

Corporate Governance Overview

Western Union’s governance structure is designed to serve the best interests of our shareholders. The board of directors selects the chief executive officer and other key members of the executive management of Western Union, who are charged with directing Western Union’s business activities and strategy. The primary function of the board is oversight: it is tasked with defining and enforcing standards of accountability that enable Company management to execute their responsibilities fully and in the best interests of our shareholders.

Board Structure

Effective governance begins with a strong board of directors who are engaged, committed and knowledgeable about our business. We have sought to recruit a board for Western Union that is committed to establishing and maintaining the highest standards of ethics and integrity for our Company. Currently, we have 11 board members, 10 of whom are independent of the Company, as defined in our Corporate Governance Guidelines and under New York Stock Exchange requirements.

Our board members provide guidance and support with their breadth of knowledge and expertise by serving on our four standing board committees:

1. Corporate Governance and Public Policy Committee
2. Audit Committee
3. Compensation and Benefits Committee
4. Compliance Committee

The charters of our board committees require that these committees be made up of members who are independent of the Company.

One of the responsibilities of the Corporate Governance and Public Policy Committee is to review and advise the board of directors regarding matters of public policy and corporate and social responsibility that are relevant to Western Union and its industry, including those related to immigration and charitable giving activities.

Board Leadership

Our board members are drawn from around the world and have been associated with recognizable global brands. Our board believes that responsibility for the Company and for the community is the anchor of how we do business.
Jack M. Greenberg, an independent director, serves as the non-executive chair of our board of directors. He is also the chair of the Compliance Committee. Hikmet Ersek, our chief executive officer and president, also serves as a director. The other directors are:

- **Dinyar S. Devitre**  
  *Director, Chair of the Corporate Governance and Public Policy Committee*  
  *Member of the Audit Committee and the Compliance Committee*

- **Richard A. Goodman**  
  *Director, Chair of the Audit Committee and*  
  *Member of the Compensation and Benefits Committee*

- **Betsy D. Holden**  
  *Director, Chair of the Compensation and Benefits Committee and*  
  *Member of the Corporate Governance and Public Policy Committee*

- **Linda Fayne Levinson**  
  *Director, Member of the Audit Committee and the Corporate Governance and Public Policy Committee*

- **Roberto G. Mendoza**  
  *Director, Member of the Audit Committee and the Compensation and Benefits Committee*

- **Michael A. Miles, Jr.**  
  *Director, Member of the Audit Committee and the Compliance Committee*

- **Wulf von Schimmelmann**  
  *Director, Member of the Corporate Governance and Public Policy Committee*

- **Frances Fragos Townsend**  
  *Director, Member of the Compliance Committee*

- **Solomon D. Trujillo**  
  *Director, Member of the Compensation and Benefits Committee*

**Contacting the Board**

Shareholders and other interested parties may contact the non-management directors or the other members of the Company’s board of directors by writing to:

**The Western Union Company**  
Board of Directors  
12500 East Belford Avenue, Mailstop M21A2  
Englewood, Colorado 80112

Communications that are intended specifically for non-management directors should be addressed to the attention of the chair of the Corporate Governance and Public Policy Committee. All communications will be forwarded to the chair of the Corporate Governance and Public Policy Committee unless the communication is specifically addressed to another member of the board, in which case, the communication will be forwarded to that director.

You may submit your concern anonymously or confidentially by postal mail. You also may indicate whether you are a shareholder, consumer, supplier, or other interested party. Communications are distributed to the board, or to any individual directors as appropriate, depending on the facts and circumstances outlined in the communication.

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3 Mr. von Schimmelmann has declined to stand for re-election at the 2014 Annual Meeting of Stockholders.

4 In February 2014, the board approved resolutions appointing Ms. Fragos Townsend as Chair of the Compliance Committee in place of Mr. Greenberg. The board also approved resolutions appointing Ms. Fragos Townsend as a member of the Corporate Governance and Public Policy Committee. These changes are subject to, and will be effective upon the date of, the election by the stockholders of Ms. Fragos Townsend and the re-election by the stockholders of Mr. Greenberg as directors at the 2014 Annual Meeting of Stockholders.
Conserving the Environment

Over time, our goal is to drive environmental excellence throughout our Company, and to assess the ways we might have a positive secondary impact by engaging with our suppliers, business partners and employees in this area.

In 2012 and 2013, we generated $5.7 billion and $5.5 billion in revenue, respectively, and had a brand presence in more than 200 countries and territories. Yet, because of the nature of our operations, we have a lighter environmental footprint than many other corporations of a similar size. As of January 2014, our workforce numbered approximately 10,000 employees, a relatively modest number. We own only five facilities, and like others in the financial services sector, our business is in many ways “virtual,” with a growing focus on digital channels. Much of our work – ranging from consumer money transfers to web-based small business services – is conducted via computer networks. Like most companies in the financial services sector, data centers and the energy required to power them represent one of our greatest environmental impacts.

While environmental issues ranked toward the bottom of the list of areas relevant to our business in our assessment of key issues (see “Engaging Key Stakeholders” for more details), we are committed to reducing our environmental footprint by adopting commonly-accepted principles and practices. We began with a simple but impactful framework: reduce, recycle and reuse.

When implementing environmental efforts against this framework, we have focused most on the areas in which Western Union has direct control. These include our owned facilities, our information technology network, our business activities and our engagement with employees.

Facilities

Western Union owns just five office buildings, and we have taken steps to reduce consumption of natural resources at the primary sites.\(^5\) Most Western Union sites engage in environmentally sustainable practices and are working to expand their programs to address issues that are most relevant for their local environment. For example, water management is a comparatively meaningful issue in Englewood, Colo. – the site of Western Union’s headquarters – which is a relatively dry area near the U.S. Rocky Mountains. There, Western Union’s environmental efforts have prioritized the reduction of water use.

Energy Use

In our larger owned office buildings, we use energy-efficient lighting and sensor lights to cut our electricity usage, and we recycle our light bulbs. In 2011, we used 21,492 Therms (Gas) and 12,066,880 kWh (Electric) of energy in the three facilities measured.\(^6\) In 2012, we used 10,650 Therms (Gas) and 13,442,866 kWh (Electric) of energy in these facilities, and in 2013 we used 14,745 therms (Gas) and 12,612,167 kWh (Electric) in these facilities. In our Englewood, Colo., and Montvale, NJ, offices, we have installed motion-sensor operated lights and replaced lighting fixtures in an effort to save an

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\(^5\) In addition to our owned buildings, we lease real estate in more than 400 locations - approximately 20 in the U.S. and more than 400 internationally. In our leased locations we seek to reduce our environmental impacts in the areas over which we have direct control. Other environmental conservation efforts vary by office.

\(^6\) In 2011, 2012 and 2013 we had environmental data for three of our five facilities (two buildings in Englewood, Colo. and one building in Montvale, NJ). Together these facilities make up 98.35 percent of our owned portfolio.
estimated 145,985 kWh annually. While we recognize that this is a relatively modest number, since our overall footprint itself is relatively small, this reduction of energy use represents a meaningful step in cutting consumption in our two largest locations. We are encouraged by our steady progress in this area, even as we work to discover additional ways to mitigate our impacts.

**Water Use**

Water scarcity is an important global issue, and we recognize that water management must be shaped by factors including local water demand, impact on local watersheds and infrastructure in a given region. Our water management decisions are therefore shaped by the specific locations of our facilities. Our water management plan has enabled us to reduce our Company’s water use with a priority focus on water-stressed areas such as our Englewood, Colo., headquarters. To this end, we have automatic bathroom tap shut-offs, and we have installed reduced-flow faucets. Our use of non-potable water for landscape irrigation reduces the burden on local water-treatment facilities by preventing the treatment of millions of gallons of water annually.

Significant portions of our headquarters remain un-landscaped and dotted with natural grasses, which require no irrigation. Rather than maintaining extensive water-intensive traditional lawn, the Company has a contract with a local farmer to mow and control weeds on approximately 48 acres of our headquarters property, helping to preserve open space, protect the local ecosystem and reduce the need for irrigation. Approximately 10 acres of this property are planted with crops used for animal feed and harvested by a local farmer.

As we have updated the landscaping on the grounds of our headquarters, we have continued to reduce our water usage by choosing plants that need less water and are thus well-suited to Colorado’s arid climate. Further, we irrigate our landscaping on site just three days per week and only in the early morning or late in the evening, in accordance with water conservation standards promoted by Denver Water, the water utility for the greater Denver area.

The water we use in our Englewood, Colo., and Montvale, NJ, facilities comes from municipal water systems. Unlike some companies that produce goods and have to pre-treat their discharge wastewater for effluents, we use water primarily for basic cleaning, drinking, food preparation and irrigation. So our wastewater can be discharged through the sewer system without requiring additional treatment.

Overall, across the three facilities we have measured, we used approximately 10,159,000 gallons of non-potable water and 6,836,356 gallons of potable water in 2011. In 2012, we used approximately 8,268,000 gallons of non-potable water and 8,172,832 gallons of potable water. In 2013, we used approximately 4,457,000 gallons of non-potable water and 4,616,000 gallons of potable water. Water is sent back to the public utility without requiring additional treatment. We are not aware of any material penalties or fines during the reporting period with regard to water, waste or other environmental issues.

**Waste and Materials Management**

Across our major owned facilities, we have systems in place to recycle paper, glass, aluminum, plastic and even the toner cartridges from our copy machines and printers. Most of our offices also recycle “techno-trash” such as old computer monitors, electronic equipment and data cabling. Our Englewood, Colo., Montvale, NJ and Vilnius, Lithuania offices contract with “green housekeeping” companies, with cleaners that are aware of waste management and recycling procedures.
Where possible, Western Union opts for eco-preferred supplies in newly constructed facilities. For example, in Vilnius, Lithuania, during the construction of our European Regional Operating Center, we chose water-based paint and office furniture from Steelcase, a supplier known for waste-free “cradle-to-cradle” design. New and updated facilities – both owned and leased – use carpet that is made of at least 44.4 percent recycled materials and is 100 percent recyclable.

In 2013, we began renovations of the office spaces, common areas and cafeteria in our Englewood, Colo. facilities. As part of this renovation, we are sourcing furniture from vendors who maintain high sustainability standards. Moreover, rather than taking the old office furniture to a landfill, we coordinated with a vendor to reuse and recycle core materials such as steel, and donate it to nonprofit organizations.

Our 26,000-square-foot Western Union Digital office in San Francisco has been certified through the Leadership in Energy and Environmental Design (LEED) program of the U.S. Green Business Council. We are also working with the Canadian Green Business Council to certify our new office in Victoria, Canada, according to LEED CI standards.

**Information and Computer Technology**

We appreciate the environmental benefits of our largely “virtual” operations, but acknowledge that like most companies in the financial services sector, data centers and the energy required to power them are among the areas of our greatest environmental impact. We are taking steps to use energy more efficiently in this area. Older Western Union sites have upgraded their phone systems, and we have applied a power-saving strategy to hundreds of computers, with automatic activation of “sleep mode” when they are not being used outside regular office hours. We have also installed power management software on all Company computers, significantly reducing electricity usage.

We have also initiated a number of paper-reduction efforts. For example, we are piloting a program that tracks individual paper use and provides metrics to individuals so they can set personal targets and reduce consumption. In the future, we plan to run individual and team-based environmental challenges to encourage awareness and reduce individual and joint consumption.

**Business Activities**

Western Union offers some consumers the ability to conduct “formless transactions” that are fully computerized, preventing the need to fill in paper forms. We estimate that in 2011 and 2012, formless transactions in the U.S. helped to reduce the use of paper forms by an estimated 42.15 million forms. Formless transactions bring additional benefits, although not quantified, by reducing the amount of energy and water needed to manufacture the paper, print the forms, and ship them to our Agent locations.

The Company has also called on its regulators to shift from paper-based processes to electronic filing of regulatory reports for all financial services companies. While our smaller Agents may still need to utilize paper filing, e-filing could significantly reduce paper usage not only within Western Union but across the industry. At Western Union alone, we estimate that this reduced our Company’s paper usage by approximately 2,754 reams in 2012 – up from 2,480 reams in 2011 – and we believe that this would be a beneficial industry-wide shift.

Our corporate responsibility team has worked with marketing and corporate events planning to identify more environmentally friendly and fair trade suppliers for branded and promotional merchandise, such as fleece jackets made from recycled materials and reusable water bottles. We source the fleece jackets, water bottles and other promotional items from a company that plants trees to offset every order.

**Western Union offers some consumers the ability to conduct “formless transactions” that are fully computerized, preventing the need to fill in paper forms.**
Engaging Employees in Environmental Awareness

We share information about our corporate responsibility initiatives with our employees through articles in the Company newsletters and on the Company intranet. The Company Code of Conduct encourages employees to act responsibly, and employees are asked to include a responsibility goal as part of their individual annual performance plan. While these communications and goals reflect a broader range of relevant issues and practices, environmental issues are included as an important focal point.

Western Union offers its employees a range of green benefits which also are tailored to local needs and culture. For example, in Englewood, we maintain indoor and outdoor bike parking, support an annual bike-to-work day, and provide locker-room facilities for employees who bike to work. Our Montvale and Vilnius facilities also have locker room facilities for employees who bike to work.

When developing new offices, the Company considers strategies that support reduced employee commuting times, greater workplace flexibility, easier access to public transportation and proximity to convenient neighborhood amenities. Our Western Union Digital office in San Francisco has been recognized by the U.S. Green Business Council for being in close proximity to public transportation. A recent survey indicates that nearly 80 percent of employees in that office most often commute by using public transportation, taking a shuttle, walking or biking.

To encourage more employees to take public transportation, Western Union participates in a commuter program that enables U.S.-based employees to set aside tax-free dollars that support public transportation, vanpools and carpools. Across our U.S. offices, approximately 152 employees signed up for the program in just its first six-months of operation.

During recent renovations of our Englewood, Colo., campus, we also added a transit shelter to encourage the use of public transportation.

Western Union also promotes carbon offsets and matches U.S. employee donations to NGOs, including those working in this area, up to $25,000 per employee per year. Western Union’s “Bravo” employee recognition program features rewards such as compost bins, bicycles and solar garden lights that make it easy for employees to reduce their personal environmental footprints.
Investing in Our People and Communities

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Western Union is truly a global Company. We span the world, and our approximately 10,000 employees1 live and work in over 50 countries, speaking more than 37 different languages and dialects. We offer approximately 900 different types of jobs across some 200 job families that match nearly every interest. We pay our employees in 45 different currencies.

Our employees are at the core of our success and we are committed to ensuring they have safe, productive and engaging work. We share a sense of purpose through doing interesting work in a dynamic environment with global colleagues, while developing our careers in partnership with one of the world’s strongest brands.

InVeSTInG In OuR PeOPle AnD COmmunITIeS

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1 As of January 31, 2014

A Global Culture

Moving money for better is what we do; it matters to our customers, to the communities where we work, and to our employees and their families. Our culture is shaped by the following behaviors that guide our actions:

**BEHAVIORS THAT GUIDE OUR ACTIONS**

**INSPIRED**

We demonstrate passion for our Company, markets, products, customers, Agents, and suppliers. We know, understand and respect our customers. Therefore we maintain the highest standards for products and services and do not accept mediocrity.

**CONNECTED**

We work hand-in-hand with our global network of colleagues and customers. We drive teamwork; partnership among our colleagues, Agents and customers is one of our greatest strengths.

**DRIVEN**

Western Union employees execute decisively, quickly, and with repeatable excellence and consistently deliver quality results on time. We find ways to make it work, rather than reasons why it won’t.

**GAME CHANGER**

We relentlessly pursue new opportunities, fresh ideas, and innovation. We challenge the status quo and find new ways of doing business.

**RESPONSIBLE**

We believe that doing what’s right should never be compromised. We demonstrate integrity. We create shared value for our Company, our customers and society.

(continues)
We spent 2012 and 2013 taking a holistic approach to integrating these “WU behaviors” into how we hire, grow and reward our global workforce. Our first step was to help employees understand the WU behaviors and what each looked like in action. We did this by developing and deploying an introductory e-learning module that explained the behaviors, along with workshops for each behavior.

One critical element that makes these workshops so effective is that we use a “leader as teacher” model. Having the leaders in the organization take ownership for delivering these workshops and be role models has increased the adoption by employees.

Accountability for employees embodying the behaviors is reflected in the weighting assigned to the behavior and outcomes in the annual performance review process.

We also incorporated the WU behaviors into our recognition strategy, gamifying the process so employees can earn virtual badges, e-cards, and other types of recognition that reinforce the behaviors in creative and technologically-enhanced ways.

**Recruiting and Hiring**

Our Western Union behaviors guide our search for talent. When it comes to hiring, we especially look for those who are “connected,” who seek the challenge and opportunity of working closely with international colleagues, who are driven to make life better for our global consumer base.

We expect the best from our employees. In return, we strive to provide competitive compensation and benefits packages, world-class training and skills development, and a safe and healthy work environment where diversity and inclusion are celebrated.

**Benefits and Compensation**

Our goal is to reward employees not just for what they do, but also for how they do it. Here, too, Western Union behaviors inform our process. Our performance-based compensation model takes into account both the process and the outcome of employees’ work. Goal-setting and performance reviews are fundamental to that process. The performance review not only evaluates how well an employee has achieved work objectives, but how well the employee has demonstrated the Western Union behaviors in his or her day-to-day actions. Linking behaviors to performance reviews and compensation is a tangible example of our commitment to being a responsible Company. We believe it helps set Western Union apart, particularly among our peers in the financial services sector.

Employee performance is rewarded through performance-related pay and variable compensation such as incentive plans for some employees. At the highest level, top executives are rewarded in line with long-term Company and shareholder interests. Executive compensation is reviewed and approved by the Compensation and Benefits Committee of the Company’s board of directors.
In 2012 and 2013, Western Union employees were asked to create a “Social Ventures” objective, part of “The WU Way” – a set of objectives that help drive a customer-centric and performance-driven culture. These goals reinforce each individual employee’s commitment to using our business assets to deliver business and social results.

Some examples of Social Ventures goals might include:

- Incorporate Western Union corporate responsibility and community commitment information into an external-facing sales deck
- Initiate a teambuilding activity that incorporates giving back to the local community
- Help save money and the environment by using less paper or adopting more environmentally friendly products, technologies or practices

We have a global workforce, and we work to ensure that the benefits we provide to our employees are in line with the needs and standards of each country where employees are located. Specific benefits vary depending on the location, but frequently include medical, dental, life insurance and disability coverage. These benefits and a number of other employment privileges are extended to family members and same- and opposite-sex domestic partners, subject to applicable law. As part of our commitment to work-life balance, employee assistance, tuition assistance, adoption assistance, scholarship award programs and more may be offered to colleagues, depending upon local market needs and practices.

Part-time employees generally are offered the same standard benefits as their full-time colleagues. In the U.S., eligibility varies by benefit category. Outside of the U.S., full- and part-time employees are generally offered the same benefits, though there may be minimum work requirements to receive them and some part-time employees may have their benefits pro-rated, subject to applicable law.

We offer notice and/or severance payments and access to outplacement and transition services for eligible employees affected by a reduction in force, subject to applicable law and local practice. Eligibility varies by country.

For counseling on transitioning to a non-working life whether due to retirement or other reasons, employees may access the Company’s Employee Assistance Program (EAP). They may also receive guidance from their pension or retirement plan provider (if applicable), which varies by country. In the U.S., for example, employees may take advantage of the pre-retirement planning offered by the third-party provider that administers The Western Union Company Incentive Savings Plan.

Reflecting our commitment to education, Western Union established the Western Union Global Scholarship Awards Program to assist employees’ children who plan to pursue post-secondary education in a college program. Scholarships are offered each year for full-time study at an accredited two- or four-year college or university of the student’s choice.

Western Union also strongly supports the pursuit of higher education by its employees. To assist in this effort, the Company provides financial assistance to eligible employees who enroll in qualifying programs.
Defined Contribution Plans

The Western Union Company Incentive Savings Plan (the “401(k)”) covers eligible employees on the U.S. payroll of the Company. Employees who make voluntary contributions to this plan receive up to a four percent Company matching contribution. All matching contributions are immediately vested.

The Company also sponsored more than 25 defined contribution plans in various countries globally on behalf of approximately 1,700 employee participants as of December 31, 2013, and 1,500 employee participants as of December 31, 2012. Such plans have vesting and employer contribution provisions that vary by country.

In addition, the Company sponsors a non-qualified deferred compensation plan for a select group of highly compensated U.S. employees.

Pension Plan

We have one frozen defined benefit pension plan (“Plan”), for which we had a recorded unfunded pension obligation of $70.4 million and $102.1 million as of December 31, 2013 and 2012, respectively. During the years ended December 31, 2013 and 2012, we made contributions of approximately $16 million and $25 million, respectively, to the Plan, including discretionary contributions of $5 million for the year ended December 31, 2012.

Additional details about the defined contribution and pension plans can be found in the 2012 and 2013 annual reports, and in Form 5500 Annual Return/Report of Employee Benefit Plans and accompanying financial statements.

Employee Growth, Training and Development

As leaders in global money movement and payment services, we often expand and create new job opportunities.

Our ongoing talent process and system allows colleagues to post their profiles so we can see what talent is available with the right skills and experiences to meet the needs of our dynamic environment. We hold regular talent discussions to explore opportunities to enable our people to grow.

WESTERN UNION U.S. BENEFITS AT A GLANCE

- Comprehensive health benefits, including medical, dental, vision, life and flexible savings account for health and dependent care
- Short-term and long-term disability insurance
- Voluntary benefits, including group legal insurance
- Retirement plan options, including a 401(k) and a Supplemental Incentive Savings Plan (SISP)
- Employee Assistance Program (EAP) to help employees and their families resolve personal issues
- Employee rewards and recognition
- Stock options and/or restricted stock for some employees
- Paid time off
- Paid volunteer day
- Ability to use pretax dollars for commuter expenses
- Adoption assistance
- Donations for Doers – donations to organizations where employees volunteer
- Scholarships for dependents of Western Union employees
- Employee discount programs for online and local shopping
- Free food and beverages at some locations
- Family fun events
- Employee charitable gift matching
- Tuition assistance
- Western Union fee-free coupons

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2 Specific benefits for non-U.S. colleagues vary by country, employing entity and contract. Non-statutory benefits are intended to be discretionary and non-contractual. Certain benefits for U.S. colleagues vary based on part-time or full-time status and other eligibility requirements.
In addition, Western Union employees participate in a performance and rewards cycle, which includes performance reviews. The foundation of this process is creating individual performance objectives that align with Company goals. From there, leaders and colleagues are asked to have ongoing conversations about development and growth. They are asked to review performance progress at mid-year and year-end, providing specific feedback that employees can use to understand and achieve high performance. The cycle ends with rewards planning, where top performers receive higher rewards.

In addition to a talent profile, employees are encouraged to create a development plan, which is a documented plan for career growth that is monitored and tracked by employees and managers.

Our goal is to foster a positive environment of achievement, opportunity and improvement. We take our commitment to employee development seriously. A suite of learning programs offers Western Union employees – regardless of their level within the Company – a way to develop their talents through required, elective and selective learning opportunities. We believe this will not only help Western Union to meet our core business objectives, but empower our colleagues to meet their professional development goals with a positive ripple effect on broader teams, local communities and the world.

When it comes to finding our future leaders, Western Union assesses individuals on both potential and performance. Understanding potential means taking into account each individual’s own goals – their aspirations, abilities and engagement – to see where they can grow. This might include considering work-life balance goals, a desire to relocate, and new skills that could be beneficial for their careers. Our goal is to match our employees’ aspirations with the Company’s needs.

While investing in our highest performers and next generation of leaders is important, we believe that Company success is critically dependent on the success of our core contributors around the globe – not just those in leadership roles – who keep the Company moving every day, serving consumers and remaining true to our values. With this in mind, we strive to ensure our employees have access to robust training and growth opportunities through WU University and outside opportunities.

WU University

WU University is our internal employee training and development program. Its mission is to provide development and learning opportunities for employees around the world. Individual modules allow employees to learn new approaches to thinking and collaborating with others, to focus on how to better serve our consumers, and to engage directly with their own learning goals.

WU University is focused on:

- designing and developing programs not only for leadership, but for our global workforce at multiple levels,
- delivering learning opportunities that support Company behaviors and our culture of compliance,
- providing learning solutions that are instructor-led and web-based,
- creating training experiences that are aligned directly to business initiatives,
- developing leaders.

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3 In 2012 and 2013, approximately 99 percent of Western Union’s eligible global employees completed year-end performance reviews. This percentage excludes ineligible employees such as front line associates, interns, employees on an extended leave of absence, new hires joining the Company on or after October 1 of the calendar year, and in some circumstances, exiting employees.
WU University offers required courses, elective courses and selective courses. Highlights include:

- **WU Start:** Through our onboarding program, employees are provided with information and development opportunities from the first week they are hired throughout the first three months of their employment, ensuring they are solidly grounded in our Company culture and business priorities.

- **WU Behavior Workshops:** In 2012, we began offering WU Behavior Workshops, in-person and virtual training sessions on each of our core behaviors. These workshops help ensure that we remain committed to our values across diverse geographies and business units.

- **Anti-Money Laundering Compliance Training:** Anti-Money Laundering (AML) Compliance training is a critical part of the Company’s regulatory and legal requirements in many different countries and jurisdictions, and is required of our employees. (For more, please see “Operating Ethically”)

- **Performance Management:** Performance management plays a critical role in Western Union culture. Employees at all levels learn how to align their goals and individual objectives, with additional training modules on subjects like delivering feedback required for people managers.

- **My WU Experience:** My WU Experience asks employees to step into our customers’ shoes by using any customer-facing Western Union® product or service and filing a report about the experience. We believe that by understanding our customers, products and services, we are better positioned to improve the customer experience.

- **WU Fundamentals and WU Fundamentals 2.0:** WU Fundamentals is an optional 90-day program for employees regardless of level or tenure, focused on building interpersonal skills, increasing self-awareness, improving team interactions and outcomes, and expanding understanding of customer and client shared value. In 2012, the program had 1,270 participants from 48 countries around the globe with a 97.5 percent program recommendation. In 2013, the program had 1,015 participants from 33 countries across the globe, with a program recommendation of 98 percent.

- **Rosetta Stone®:** This online language program is available to employees globally to provide an easy and valuable tool to expand their skills in 32 languages, helping employees better connect with each other, Agents and consumers.

- **WU University Projects:** Created for high-performing managers and senior managers, the WU University Project is a 6-8 month experience-based program. The project provides opportunities for employees to develop basic project management and interpersonal skills while working on high-priority initiatives.

- **Customer Centricity Workshops:** To foster deeper customer centricity across the Company, key Western Union leaders facilitate in-person workshops with employees in offices globally.
Western Union aims to be both a learning and a teaching organization, and as such, offers employees who serve as role models within the organization the opportunity to lead development programs such as WU Behaviors Workshops, WU Start and the WU Fundamentals Program. Program facilitation helps these employees develop their facilitation skills through “train-the-trainer” sessions and ongoing coaching.

Alongside WU University, we offer additional outlets to encourage employees to develop and explore their leadership potential, and to contribute to our Company’s positive social impact:

- **Western Union® Ashoka Executive-in-Residence Program**: Since 2010, we’ve partnered each year with Ashoka, a global nonprofit organization, to create a skills-based leadership-development program in which senior employees spend two weeks embedded with NGOs around the world. From 2010 through 2013, 29 Western Union executives traveled to 15 countries as Ashoka Executives-in-Residence.

  NGOs aligned with our philanthropy around the world receive executive-level consulting, while the Western Union Executives-in-Residence receive a life-changing experience in the field, developing leadership skills, working closely with the NGO, and gaining new perspectives on the business unavailable anywhere else. They bring back new insight and perspectives on leadership, global business and giving back to communities around the world. (For more, please see [“Strengthening Communities”](#))

**THE ASHOKA EXPERIENCE**  Projeto Quixote is a nonprofit that uses creative activities, education, and relationship building to restore street children’s confidence in themselves and their futures. Coming from India, I knew that India and Brazil share many similar challenges, but also opportunities. In both societies, finding solutions requires collaboration and adapting quickly to change. On my first day, I approached the Projeto Quixote’s challenges from a corporate perspective, while the NGO took a social approach. We did not understand one another. The next day, I was more patient and tried to understand their perspective to bridge the gap. Finally, five days of collective thinking helped me understand that each person had talents to offer the organization, and I developed a new ability to recognize an individual’s skillset to benefit the whole.

**THE LESSONS**  When I signed on for the project, I expected to give something of myself to a meaningful cause. But what I did not expect was that it would be a powerful learning experience that would strengthen my own skills as a leader. I recognized that one of my team members who had stagnated in his current position was a natural communicator whose abilities were not fully used in his role. This person is now a successful relationships manager. Had I not practiced and developed empathy and listening skills, this asset to our team might have been lost. As an executive in India, where half of the population does not have a bank account, my Ashoka experience helped me think about how the shared value concept could benefit this underserved population. Equipped with a better understanding of the challenges faced by underserved populations, I returned from my Ashoka placement able to put this new knowledge into action.

*Kiran Shetty, Regional Vice President, South Asia*
• **Social Ventures Volunteers:** We have a network of employees around the world who serve as ambassadors to the Company’s social ventures initiatives, leading campaigns and community-facing initiatives in local offices. At the end of 2012, the network included 106 ambassadors, representing 44 offices in 26 countries, including 32 of our largest offices. At the end of 2013, the network included 173 ambassadors representing 54 offices in 30 countries. Approximately 85 percent of employees are located in an office with at least one Social Ventures Volunteer. Working with onsite leadership to plan and execute initiatives, and working directly with local NGOs, Social Ventures Volunteers develop leadership and communication skills, and learn more about philanthropic initiatives and our consumers in their communities.

• **Shared Value Ideas Competition:** In 2012, the Company launched its first-ever employee shared value competition, which solicited ideas for innovative revenue-generating products that also promote social good. We received 74 ideas from employees around the world, and selected a winning idea submitted by three different employees in separate regions. The winning entry received funding and staff support to create a formal business plan. Work is underway to bring the winning idea to market.

**Retention and Corporate Culture**

Western Union strives to be an employer of choice for people around the world. Our colleagues tell us that there are a variety of reasons why they joined Western Union, and even more reasons why they stay. Some of the most common themes are the ability to do engaging work in a diverse and global setting, to grow professionally in an entrepreneurial environment and to work for a Company that has a social purpose – financial inclusion for the underserved – at the heart of its identity.

We recognize that day-to-day quality of life is an important part of retention. Our focus on the Western Union behaviors is, in part, about fostering the type of environment where people love to work. We want to deliver outstanding results for our customers, colleagues and Company – and have fun doing it.

In the spring of 2013, we conducted a short “pulse” survey with a randomized set of employees to learn more about how employees feel about working at Western Union and where we can improve. A full employee survey was carried out later in 2013. Pulse survey results were shared with colleagues during the quarterly CEO and leadership team All-Hands meetings. Based on employee input, we are focused on making work tools simpler and reducing bureaucracy, areas that our colleagues have said is important.

**Work-Life Balance**

Our employees have diverse needs and goals, but they all must balance the needs of their jobs with the needs of their home lives. From adoption assistance to tuition support, we want to make it as easy as possible for employees to manage both work and personal priorities. We offer several programs to help.
Flexible Work Arrangement and Telecommuting: We provide the tools and flexibility for employees to manage work whether in the office, traveling or at home, subject to business needs, Company policy and applicable law. We allow employees and their managers to schedule work hours to allow for flexibility, subject to business needs, Company policy and applicable law.

Wellness Program: Our wellness program helps employees get and stay healthy with a number of sponsored activities and incentives. From offering an onsite fitness center at our global headquarters to coaching on lifestyle management, we encourage our employees to take charge of their health.

In 2011, 50 countries participated in our global fitness activity, an eight-week walking program that encouraged employees to take 10,000 steps a day. In 2012, over 2,900 employees representing 47 countries registered and participated in this program. In 2013, the program was relaunched as “MoveWithWU,” a year-round program to inspire behavior change and wellness.

We offer basic health assessments and biometric screenings to employees in the U.S. In 2012 and 2013, we aimed to increase usage of these tools to help employees understand their health risks and encourage beneficial changes in behavior. These tools help us drive engagement and participation in the wellness programs that we offer.

Parental Leave

Western Union provides employees with time off from work after the birth or adoption of a child. In the U.S., employees who have been with the Company for more than 90 days are eligible for Short-Term Disability compensation coverage. Employees can also use any available paid time off for maternity or paternity leave in connection with the birth or adoption of a child.

We also recognize the importance of welcoming parents back into the workforce after they have taken time away for the birth or adoption of a child. We offer lactation rooms in several offices globally, along with full reimbursement for breast pumps as part of our health insurance for U.S. employees.

Diversity

At Western Union we often say that diversity attracts diversity. Through our services, Western Union touches tens of millions of people in more than 200 countries and territories. We not only embrace this diverse customer base, we reflect it through our employee base and our Agent relationships.

We strive to hire local talent and to provide leadership opportunities in the countries where we have employees. In 2012, we hired approximately 2,171 people from 43 countries, speaking more than 35 languages. In the U.S., we recruit through channels that reach minority candidates, and we are a key sponsor of the Women’s Success Forum in Denver, a full-day event for over 1,000 participants focused on inspiring and engaging women in corporate leadership roles.

Our management team is diverse in terms of gender and national origin, and we are honored that in 2012 our CEO, Hikmet Ersek, was recognized by the American Advertising Federation as a Diversity Achievement Career Achiever.

Our CEO, Hikmet Ersek, was recognized by the American Advertising Federation as a Diversity Achievement Career Achiever.

After all, a truly global Company doesn’t just do business around the world, but also draws its leadership from the places and people it serves.
Western Union’s management team comes from many corners of the globe, bringing with them unique insights required to adapt our products and services to the needs of our global consumers.

As of February 24, 2014
At Western Union, we stand up for our customers and create opportunity through essential products and services (shared value), ethical governance and efficient operations (corporate responsibility), and a long-standing community commitment (corporate citizenship and giving). Through the efforts of the Company, the Western Union Foundation, a separate not-for-profit charity, our employees, Agents and consumers, we strive to create a better world where the ability to realize dreams through economic opportunity is not just a privilege for the few but a right for all.

To learn more about our approach to corporate responsibility and our work to create shared value, please see, "Our Approach to Corporate Responsibility".

Western Union’s Our World, Our Family® Program

In 2007, The Western Union Company launched Western Union’s Our World, Our Family® program, paving the way for the Company and the Western Union Foundation to have a greater impact by standing behind one important social cause. The Company set out to select a focus that capitalized on its strengths as a business and was relevant to its customers. The result was the Our World, Our Family program, a five-year, $50 million program to address the root causes of poverty – which too often made migration a necessity, rather than a choice, for people around the world.

Five years later, by integrating philanthropy and the Western Union core business, the Our World, Our Family program fulfilled its financial and philanthropic objectives, helping create global economic opportunity in a variety of ways. We supported access to education so people were ready to work, fostered entrepreneurship and job creation, and promoted the personal finance skills that helped people convert wages to wealth.

Together, the Company and the Western Union Foundation helped consumers connect to practical financial tools and resources, and spoke out on their behalf, advocating a global economy that offered equal opportunity for everyone.

From individual senders and receivers to small business owners, the Western Union Company and the Western Union Foundation have helped create a brighter future for individuals, families and entire communities. Together and through individual programs, each entity

**OUR WORLD, OUR FAMILY GLOBAL IMPACT**

- 5 year program
- 5 million people benefited
- In 110 countries
- $50 million committed

“Western Union, through the Our World, Our Family program, provides a remarkable example of how effective corporate philanthropy can be when it aligns with the core business. It’s easy to underestimate the tremendous commitment it takes from a company and its partners for an initiative to accomplish what it set out to do.”

**Margaret Coady**

Executive Director, CECP, on International Corporate Philanthropy Day 2013
has helped build businesses, restore livelihoods, rebuild lives and equip thousands of people with educational resources and financial information and the tools to achieve their dreams. We’ve brought economic opportunity to large cities and small villages. And, together with Western Union employees, Agents, vendors and more than 2,500 NGOs across the globe, we have helped make life better for five million people.

**Supporting Education**

At Western Union, we understand the powerful role that education, together with our services, can play in changing people’s lives for the better. While there are many drivers that help underserved communities achieve financial inclusion, education is one of the most critical components. For migrants, leaving home is a sacrifice taken to build a better life, both for themselves and for their families. Education can mean the difference between moving up the economic ladder—or not.

Many grants under the Our World, Our Family program have been devoted to education, advancing educational change in more than 80 countries. Over the course of the program, we:

- provided education tools and resources for more than two million students,
- impacted more than 550,000 people through financial literacy programs,
- awarded more than 65,000 scholarships.

**THE WESTERN UNION FOUNDATION FAMILY SCHOLARSHIP PROGRAM**

Understanding that success is linked to family involvement, this innovative program awards scholarships to two immigrant/migrant family members in the U.S., helping create a stronger support system as recipients further their education. Since the program began in 2008, the Western Union Foundation in partnership with the Institute of International Education (IIE), an international nonprofit educational exchange organization, has supported 255 students to create better lives for themselves and their families through the scholarships. Scholarship recipients are determined in a selection process independently managed by the IIE.

**Entrepreneurship**

Small businesses can help drive economic opportunity, create jobs and increase access to services. A thriving small business can have a ripple effect, providing families and entire communities with improved lives and livelihoods. Through the Our World, Our Family program, business training and microfinance projects helped establish and expand small businesses, empowering people through access to financial services and economic opportunity. As a result, entire communities have prospered as new income is invested to grow businesses, employ neighbors and help out loved ones. By helping build the capacity of business owners to expand their businesses and increasing access to capital through microfinance programs, our support has helped increase income and create new jobs in thousands of communities across the globe.

In addition to financial support, we also supported the provision of business advisory services and programs, including entrepreneurship training, business plan competitions, business mentoring and technical assistance. In 2011 alone, we worked with more than 3,300 business owners through these programs.
Boosting Financial Literacy

Millions of hardworking people across the globe are eager to better their lives and climb the economic ladder but lack access to the financial education and services to help make this happen.

Focused on their day-to-day needs, they may not have the know-how to manage their finances or save for the future. Through the Our World, Our Family program, more than 550,000 individuals around the world have been provided access to financial literacy tools and training – enabling them to understand the basics of financial management.

Disaster Relief

Education and business assistance are vital to growing opportunities for our customers, but when disaster strikes, more immediate needs take precedence. Western Union’s global network of Agents in over 200 countries and territories means that we can help – fast. For example, with the cooperation of Western Union® Agents, in response to major disasters, Western Union often sets up a limited time “no transfer fee” program for money sent to the affected area. From 2009 to 2011, Western Union waived fees in multiple disaster situations, representing a total in-kind contribution of $7.6 million.5

The Company often uses the same service to enable “no transfer fee” consumer contributions to a designated NGO. Frequently, employee and Agent donations to the Western Union Foundation for disaster relief are matched as well – making contributions go even further. It’s a coordinated effort that utilizes our expertise, reach and NGO relationships to help people when they need it most. In many cases, the Company and Foundation continue to provide support long after the disaster, helping rebuild lives and livelihoods for years to come.

Western Union and its Agents have worked together to raise funds for disasters including the earthquake and tsunami in Japan in 2011; hurricanes, tornadoes and floods in the Southeastern U.S. in 2011; Hurricane Sandy on the East Coast of the U.S., Jamaica and Cuba in 2012; flooding in Mali, Senegal, Niger and Nigeria in 2012; flooding in Colorado, U.S., and Alberta, Canada, in 2013; Typhoon Haiyan in the Philippines in 2013; and earthquakes in the Sichuan province of China in 2013; among many others.

Since 2001, the Western Union Foundation has supported more than 134 disaster relief operations in 59 countries, providing 224 disaster relief grants.6

Our World, Our Family program support to the Colayco Foundation for Education in the Philippines helped provide a financial literacy program for 2,500 families and relatives of overseas Filipino workers. As recipients of remittances, these individuals were given guidance in asset building, planning, budgeting, saving and investments in order to grow the hard-earned money they receive from their loved ones working overseas, and achieve financial independence.

Western Union Foundation has supported more than 134 disaster relief operations in 59 countries around the world, providing 224 disaster relief grants.6

TOTAL FEES WAIVED DUE TO DISASTER SITUATIONS

$7.6 MILLION5 FROM 2009 TO 2011

5 Figures from 2012 and 2013 not available at time of publication.
6 As of December 31, 2013
Beyond helping to facilitate the flow of immediate relief funds, we remain invested in the communities during the aftermath of disasters, helping them rebuild. As the first corporate supporter of the United Nations Central Emergency Response Fund (CERF), Western Union Foundation contributions have topped $650,000. CERF enables timely and reliable humanitarian assistance to those affected by disasters and armed conflict. The Western Union Foundation is also a Disaster Responder partner to the American Red Cross, providing a reliable funding base that enables the Red Cross to respond immediately to the needs of individuals and families impacted by disaster.

Our funding, provided in partnership with the UN High Commissioner for Refugees (UNHCR), has also provided resources for refugees and displaced people fleeing emergency situations. Most recently, it helped provide emergency aid to refugees due to conflict in Libya. In Colombia, it helped expand access to school for internally displaced children. And in Kenya, it helped create a youth center, providing young Somali refugees access to vocational training.

**Engaging Diaspora in Sustainable Development**

In 2013, remittance flows to developing countries were an estimated $458 billion, more than three times the funds in official development assistance (ODA). While remittances have a profound and positive impact on individual households and a ripple effect on the broader community (for more, please see “Serving Global Consumers”), there have been relatively few effective, sustainable and scalable programs that systematically engage diaspora communities in larger-scale development back home. Western Union has reached out across sectors to explore potential solutions with governments, the United Nations and grassroots community groups.

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7 Aite, Cross Border Money Transfers, April 2014
In Latin America: The 4+1 Program is a pioneering grassroots program that addresses one of the root causes of emigration, namely, the lack of opportunities back home. The program is designed to help create job opportunities in Mexico. Working with immigrant-led organizations, or Hometown Associations (HTAs), and federal, state and municipal governments in Mexico, Western Union contributes one dollar for every dollar contributed by the HTAs and each of the three levels of Mexican government. To date, Western Union has contributed approximately $800,000 in cash, with additional in-kind support for the program.

Western Union helped launch the 4+1 Program in 2005. There are 29 projects in six Mexican states with high poverty and migration rates: Zacatecas, Michoacan, Veracruz, Guanajuato, Guerrero and Oaxaca.

In Asia: Together with the United Nations Development Programme (UNDP), Western Union is working to empower migrants to contribute to sustainable local development in their home countries by pooling remittances. Beginning in 2011, this program engaged Filipino migrants around new approaches for collectively supporting economic and community development projects back home. The program has also helped to develop policies, institutions, and other tools to expand the impact of pooled remittances to yield community-wide benefits.

In Africa: We believe in catalyzing the power of the diaspora to foster positive change through remittances and direct investment. In 2010 and 2012, Western Union, the Foundation and the U.S. Agency for International Development (USAID) held a business development competition designed to support entrepreneurship among the African diaspora to promote sustainable development and job creation in Africa.

Through the Foundation Agent Giving program, Western Union® Agents, Ecobank Transnational Incorporated (ETI) in Africa and Irv Barr Management in the U.S., along with the Tony Elumelu Foundation and several other organizations, also helped fund the ADM.

Hundreds of applications were received both years, with finalists chosen to showcase their ideas directly to an international panel of judges in Washington, D.C. From these finalists, a total of 31 winning projects in nine African countries were awarded funding for their innovative business ideas. This funding included approximately $2.25 million in cash grants and $200,000 in technical assistance, of which approximately $1.65 million came from Western Union, the Western Union Foundation, and our Agents and partners.

Access to capital is one of the most difficult challenges faced by entrepreneurs doing business in Africa. Following the second African Diaspora Marketplace in 2012, Western Union and USAID partnered with the Tony Elumelu Foundation and Nigeria’s Bank of Industry to host additional events in which small and medium-sized enterprises (SMEs) from across Africa pitched their businesses directly to banking institutions and impact investors for equity and debt financing.

“Through lessons learned from over two decades of building successful businesses in Africa, I firmly believe that Africa’s economic transformation can be driven from within by the continent’s own entrepreneurs. As an African foundation, we are pleased to participate in this innovative effort with Western Union and USAID as a way to bring African talent and innovation back home.”

Tony O. Elumelu, Founder, the Tony Elumelu Foundation
Western Union’s Our World, Our Family® program (2007-2012) was designed to promote global economic opportunity. In analyzing the impact of that program, we increasingly realized the power of education to support that goal.

According to UNESCO, every additional year of school can increase an individual’s annual income by up to 10 percent. Yet, in 2013, more than 57 million primary school-age children and an additional 69 million teenagers were not in school. And too many who do graduate lack the skills necessary for employment. Yet, basic education is currently underfunded by $26 billion a year.8

Western Union supports the cause with Education for Better (2012-2015), a three-year commitment to grow young minds through access to quality education for all. We have a particular focus on secondary and vocational education.

Unveiled during the launch of the UN Education First initiative in September 2012, Western Union Education for Better is a companywide program that aims to leverage our shared value products and services, advocacy, corporate and Western Union Foundation strategic philanthropy, employee engagement, cause marketing and communications:

- **Products and services:** We are focused on creating products and services, such as NGO GlobalPay (see “Supporting Business Growth” for more), that will help individuals, governments, and donor agencies move funds for education programs to underserved communities with greater speed and accuracy.

- **Advocacy:** We are proud to be a founding member of the Global Business Coalition for Education (GBC-Ed), which champions the education cause with governments and donor agencies worldwide. In 2012, we also began supporting the Center for Universal Education at the Brookings Institution to learn and share best practices and directly engage across sectors with others working to advance the cause.

- **Strategic philanthropy:** The Western Union Foundation has pledged to contribute an average of $10,000 per day for 1,000 days to support education worldwide. This may include matching grants to encourage Western Union® Agents to support this critical cause.

- **Employee engagement:** Western Union is rallying employees around the education cause. We are encouraging our employees to learn about and pledge to support the issue through a variety of Company-sponsored volunteer and donation programs.

- **Cause marketing and communications:** Education has been a focus of multiple Western Union marketing promotions, from celebrations of Ramadan to Chinese New Year to Mother’s Day. We seek to raise awareness of the issue and engage our customers through print and online advertising, point-of-sale materials, radio news releases, social media and a variety of other mechanisms. We also are using a major marketing sponsorship to draw global attention to the issue through the Western Union PASS initiative.

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8 Education for All Global Monitoring Report, UNESCO, January 2014
The Western Union Foundation is dedicated to creating a better world, where the ability to realize dreams through economic opportunity is not just a privilege for the few but a right for all. With the support of The Western Union Company, its employees, Agents and business partners, the Western Union Foundation works to realize this vision by supporting education and disaster relief efforts as pathways toward a better future. The Western Union Foundation is a separate §501(c)(3) recognized U.S. charity supported by the Western Union Company, its employees, Agents and business partners.

Since 2001, the Western Union Foundation has committed more than $93.9 million to 2,708 organizations in more than 133 countries and territories. (Read more about our partners in “Engaging Key Stakeholders”.)

Argentina and Lithuania

As a global organization, the Western Union Foundation values local interest, engagement and participation. It’s for these reasons and more that Western Union has engaged in deeper local relationships by promoting the establishment of local Western Union Foundations on the ground, specifically in Argentina and Lithuania, where the Company has significant employee bases.

Each local Western Union Foundation has a local board of directors and engages directly with employees and NGOs within the local/regional communities. The Western Union Foundation Argentina completed its first initiative in 2012 – helping build a community center in an impoverished neighborhood in Buenos Aires. In 2013, it grew its grant-making to provide funds to four organizations. The Western Union Foundation Lithuania recently elected its board of directors and in September 2013 designated its first four grants. Both local Foundations are actively engaging in their local communities through grants, volunteering and other employee engagement efforts.

Employee Engagement

Employee participation is ingrained within the Western Union culture. This is why Western Union and the Foundation have a variety of tools and resources to help employees give back to our global community.

**Employee Giving:** Every year, the Foundation holds a giving campaign, encouraging Western Union employees around the world to give to the Foundation. Employee engagement in the Foundation’s annual giving campaign has continued to be above market standard, with 57 percent of global employees participating in 2011, 55 percent of employees participating in 2012 and 73 percent participating in 2013.

Through a generous gift match program, employee donations to the Foundation are matched by Western Union, significantly increasing the impact of every dollar donated. Many employees participate because they know their donations to the Foundation are matched and pooled with others, supporting a variety of large NGOs and small nonprofits around the world.
**EMPLOYEE VOLUNTEERING:** Not all companies equip their employees with tools for making a difference. But Western Union does, and every year, thousands of colleagues from across the globe make a difference by volunteering their time to give back to the communities we serve. Western Union also provides a variety of resources to encourage employee volunteerism in local communities, including a free online service that connects employees with volunteer opportunities around the world.

In 2012, nearly 1,400 employees in 29 countries participated in the Employee Volunteer Campaign, collectively spending more than 10,000 hours helping NGOs in their local communities. In 2013, more than 1,500 employees in 20 countries participated in the Employee Volunteer Campaign – collectively volunteering more than 11,000 hours.

**Western Union® Ashoka Executive-in-Residence Program:** Western Union’s partnership with the nonprofit Ashoka offers an exciting way for our senior leaders to engage in skills-based volunteering. For more than 20 years, Ashoka has built bridges between the business and social sectors. Its network of more than 3,000 fellows in 70 countries aims to maximize the flow of expertise and talent to accelerate social change.

In 2010, the Western Union Ashoka Executive-in-Residence program was developed to inspire social entrepreneurship and create opportunities to contribute to positive social change in communities around the globe. The program brings our responsibility commitment to life by sharing our business expertise and knowledge with NGOs for social good. From 2010 through 2013, 29 Western Union executives traveled to 15 countries. From developing a five-year plan for an African network of community-owned tourism routes, to creating a training program for young Mexican attorneys, these skills-based volunteers have helped to create positive change while bringing back new skills and perspectives to Western Union.

**Agent Engagement**

In more than 200 countries and territories, Western Union® services are offered through a network of Western Union® Agents. From large cities to remote villages, these Agents are well-placed to truly understand and meet the needs of consumers and their communities. Many Agents team up with the Foundation through the Agent Giving program – donating funds to support education programs and disaster relief in their local communities. The Foundation and Agents collaborate to identify an NGO and social program that fit within the Foundation’s giving strategies of education and disaster relief support. At times, Agents combine their funds to amplify the effects of their gifts on the issues and geographic areas they care about most. In many cases, the Foundation matches Agent donations for a greater impact on the beneficiary community.

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10 From the program’s creation in 2003 through December 31, 2013
At Western Union, we value our relationships with a wide variety of stakeholders that have an interest in our Company and our commitment to responsible operations and community support. We have a long track-record of ongoing engagement with key audiences, seeking constructive dialogue around issues at the intersection of stakeholder and Company interest.

We do not have one fixed definition of a “stakeholder,” and recognize that interested audiences and issues of concern shift over time. This section provides an overview of those issues and audiences that have tended to be the most enduring for Western Union, as well as some of the primary ways that we engage. While designed to provide an introduction to our engagement efforts, it is not intended as a fixed or definitive approach.

### Engaging Key Stakeholders

<table>
<thead>
<tr>
<th>STAKEHOLDER GROUP</th>
<th>SAMPLE OF REPRESENTATIVE MEMBERS</th>
<th>EXAMPLES OF ENGAGEMENT CHANNELS</th>
</tr>
</thead>
</table>
| Consumers (current and potential)              | • Senders and receivers of money transfer  
• Prepaid card customers  
• Bill payers                                           | • Materials at point-of-sale and Agent locations  
• Corporate advertising, including print, online, radio and TV  
• Direct mail, email and phone\(^1\)  
• Loyalty\(^1\)  
• Corporate website ([www.westernunion.com](http://www.westernunion.com))  
• Customer service centers  
• Social media, including Facebook, Twitter and LinkedIn  
• Consumer protection hotline  
• “Western Union listens” / customer satisfaction surveys  
• Media interviews and engagement                                                    |
| Clients of Western Union Business Solutions (current and potential) | • Small and medium businesses  
• Educational institutions  
• Government clients  
• Law firms  
• Nonprofit organizations                                           | • Direct dialogue and engagement with Western Union account representatives via in-person meetings, phone and email  
• Workshops, webinars and trainings  
• In-person conferences and events  
• Newsletters and online communications |

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\(^1\) For consumers who have provided contact information and/or are registered members of Western Union My WU or Gold Card loyalty programs
<table>
<thead>
<tr>
<th>STAKEHOLDER GROUP</th>
<th>SAMPLE OF REPRESENTATIVE MEMBERS</th>
<th>EXAMPLES OF ENGAGEMENT CHANNELS</th>
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</thead>
</table>
| Financial community and investors | • Western Union shareholders  
• Market analysts  
• Socially responsible investors, e.g., CDP | • Interactions through our investor relations department  
• Investor conferences and webcasts  
• Investor/analyst site visits and management meetings  
• Quarterly earnings communications  
• Annual meeting of shareholders  
• Annual report, SEC filings and other financial disclosures  
• Responses to questionnaires and information requests |
| Governments and regulators | • Legislators at the local, province/state and national levels  
• National and regional financial services regulators, including finance ministers and central bank governors  
• Oversight bodies | • Face-to-face meetings  
• Responses to written requests for information  
• Oral and written testimony  
• Advisory board or private sector consultation participation  
• Meetings and conferences  
• Direct legislator and policymaker engagement |
| Business partners (current and potential) | • Billers  
• Organizations with which Western Union has a formal relationship – e.g., MasterCard | • Direct dialogue with Western Union via in-person meetings, phone and email  
• In-person conferences and events |
| Communities | • National organizations  
• Regional organizations  
• Community-based organizations  
• Diaspora and Hometown Associations  
• Local nonprofit organizations | • Face-to-face meetings  
• Direct engagement  
• Regular and ad-hoc meetings  
• Conferences  
• Employee service on boards and committees  
• Employee volunteering in their communities  
• Engagement of diaspora organizations  
• Participation and/or exhibition in community organization events and conferences |
### STAKEHOLDER GROUPS AND EXAMPLES OF ENGAGEMENT CHANNELS (cont.)

<table>
<thead>
<tr>
<th>STAKEHOLDER GROUP</th>
<th>SAMPLE OF REPRESENTATIVE MEMBERS</th>
<th>EXAMPLES OF ENGAGEMENT CHANNELS</th>
</tr>
</thead>
</table>
| **Current employees** | • Current employees | • Onboarding communications and training  
• Ongoing manager- and team-based communications, including direct email, meetings and regular performance reviews  
• The Wire, Western Union’s intranet, which includes internal social media capabilities  
• The Transfer, Western Union’s companywide newsletter, which includes a feedback section  
• LifeWires, the quarterly Social Ventures and Western Union Foundation newsletter  
• Periodic CEO letter to employees  
• Live “town hall” meetings and “Let’s Talk” sessions  
• Quarterly companywide all-hands employee broadcasts  
• Quarterly all-hands meetings held by CEO direct reports for their teams / departments  
• Employee volunteerism programs, including the Social Ventures Volunteer group and Ashoka Executive-in-Residence program  
• Local employee engagement and/or affinity groups, such as “Wired for Fun” in headquarters  
• Company-supported professional development programs, such as Western Union University  
• Hotline for ethics and compliance questions or concerns  
• Regular employee surveys  
• Exit interviews |
| **Former employees** | • Western Union alumni and retirees | • Retiree communications and engagement with retiree associations |

(cont.)
### Stakeholder Groups and Examples of Engagement Channels (cont.)

<table>
<thead>
<tr>
<th>Stakeholder Group</th>
<th>Sample of Representative Members</th>
<th>Examples of Engagement Channels</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Potential employees</strong></td>
<td>• Potential employees</td>
<td>• Company website (<a href="http://www.westernunion.com">www.westernunion.com</a>)</td>
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<tr>
<td></td>
<td></td>
<td>• Recruiting events</td>
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<td></td>
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<td>• Direct email, phone and in-person meetings</td>
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<tr>
<td></td>
<td></td>
<td>• Social media, including LinkedIn</td>
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<tr>
<td></td>
<td></td>
<td>• Topic-specific online communities</td>
</tr>
<tr>
<td><strong>Agents and front line associates</strong></td>
<td>• Post offices</td>
<td>• Direct dialogue with Western Union via in-person meetings, phone and email</td>
</tr>
<tr>
<td>(current and potential)</td>
<td>• Banks</td>
<td>• Workshops and trainings</td>
</tr>
<tr>
<td></td>
<td>• Retailers with multiple locations</td>
<td>• In-person conferences and events</td>
</tr>
<tr>
<td></td>
<td>• Retailers with single locations</td>
<td>• Newsletters and online communications</td>
</tr>
<tr>
<td></td>
<td>• Front line associates who provide face-to-face customer service at Agent locations</td>
<td></td>
</tr>
<tr>
<td><strong>Media</strong></td>
<td>• Traditional media</td>
<td>• Face-to-face dialogue and interviews</td>
</tr>
<tr>
<td></td>
<td>• Hybrid media</td>
<td>• Press releases</td>
</tr>
<tr>
<td></td>
<td>• Social media</td>
<td>• Social media</td>
</tr>
<tr>
<td><strong>Non-governmental organizations</strong></td>
<td>• Ashoka</td>
<td>• Direct dialogue and engagement with Western Union and/or the Western Union Foundation representatives via in-person meetings, phone and email</td>
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<tr>
<td></td>
<td>• BSR (Business for Social Responsibility)</td>
<td>• Participation in advisory and governing boards as well as membership events</td>
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<td></td>
<td>• Clinton Global Initiative</td>
<td>• Participation in roundtables, workshops, seminars and volunteer opportunities</td>
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<td></td>
<td>• CSR Europe</td>
<td>• Direct email and LifeWires newsletter</td>
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<td></td>
<td>• Mercy Corps</td>
<td>• Western Union and Western Union Foundation websites and blogs</td>
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<tr>
<td></td>
<td>• UNICEF</td>
<td>• Responses to questionnaires</td>
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<tr>
<td></td>
<td>• The World Economic Forum</td>
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</tr>
</tbody>
</table>
Memberships and Partnerships

Western Union and the Western Union Foundation have had affiliations and memberships in a variety of national and international organizations that are relevant to our work in the areas of social ventures, public affairs and philanthropy. These include:

- Ashoka
- Better Business Bureau (BBB)
- BoardSource
- BSR (Business for Social Responsibility)
- Business Council for International Understanding
- The Center for Financial Inclusion at Accion
- The Center for Universal Education at The Brookings Institution
- The Clinton Global Initiative
- Colorado Association of Funders
- The Colorado Innovation Network
- Committee Encouraging Corporate Philanthropy
- Corporate Citizenship Center, U.S. Chamber of Commerce Foundation
- Corporate Community Investment Network Denver
- Council on Foreign Relations
- Council on Foundations
- CSR Europe
- The Global Business Coalition for Education (founding member)
- Global Corporate Volunteer Council
- Hispanics in Philanthropy
- Shared Value Initiative, FSG
- UNICEF
- USAID
- Teach for All (Hikmet Ersek, Western Union’s President and CEO, is on the board of directors)
- The World Economic Forum

<table>
<thead>
<tr>
<th>STAKEHOLDER GROUP</th>
<th>SAMPLE OF REPRESENTATIVE MEMBERS</th>
<th>EXAMPLES OF ENGAGEMENT CHANNELS</th>
</tr>
</thead>
</table>
| Suppliers and related partners | • Software suppliers  
• Hardware suppliers  
• Travel service suppliers | and information requests (e.g. The Civic 50)  
• Shared Value Summits |
|                     |        | • Direct dialogue with our procurement and corporate real estate teams  
• Workshops and meetings  
• Site visits  
• Corporate website  
• Social media |
Western Union also serves as a resource and advocate for multiple national, regional, community-based, grassroots and immigrant-led organizations across the globe, including:

- The American Immigration Council
- The Coalition for Asian American Children and Families
- The Confederation of Mexican Federations
- The Congressional Hispanic Caucus Institute
- The Congressional Hispanic Leadership Institute
- The Council of Mexican Federations in North America
- The League of United Latin American Citizens
- The Mexican American Legal Defense and Educational Fund
- The National Immigration Forum
- The Scalabrini International Migration Network

For details about the groups we engage with as part of our work to protect consumers, please see the “Protecting Consumers and Society” section of this report.

Below is a snapshot of some of our active global affiliations during the reporting period:

**THE WORLD ECONOMIC FORUM**
Western Union is a member of the World Economic Forum (WEF), and is active on a range of the Forum’s initiatives. For example, Hikmet Ersek, President and CEO of Western Union, is on the Steering Committee of the Forum’s “Role of Financial Services in Society” initiative, a multistakeholder dialogue on how the financial system can best serve society. The group includes financial services firms, policymakers, firms that rely upon the services of the financial system, representatives of civil society, including consumer advocates and unions, and leading academics and thought leaders on the financial system. Luella Chavez D’Angelo, Chief Communications Officer of Western Union, serves on the working group for the initiative.

Barbara Span, Vice President of Public Affairs for Western Union, is actively engaged with the Forum’s Global Agenda Council on Migration, which works to promote new knowledge and cooperation on migration. The Council’s view is that the perspective of business organizations has the potential to strengthen migration policy, which in turn can impact human mobility, stimulate economic growth, enhance competitiveness and improve public perceptions of migration.

**CLINTON GLOBAL INITIATIVE**
Western Union has been engaged with the Clinton Global Initiative (CGI) since 2007, and has made two CGI commitments to action. The first was made in 2008 and focused on promoting economic opportunity. It was successfully completed in 2012. Our second commitment was made in 2012, and centers on creating new tools to help NGOs span the so-called last mile. This commitment is being fulfilled through NGO GlobalPay. In addition, Western Union executives have served as speakers at a variety of CGI events.

**GLOBAL BUSINESS COALITION FOR EDUCATION**
Western Union is a founding member of the Global Business Coalition for Education (GBC-Ed), which brings together corporate leaders from across sectors who are committed to delivering on the promise of quality education for all. The Company supports GBC-Ed goals and actively engages in a variety of GBC-Ed events, lending its voice to the education cause.

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**Identifying Significant Issues**

This report focuses on issues of interest to a variety of Western Union stakeholders and of relevance to our business. To identify these issues, we conducted our first materiality assessment in the context of corporate responsibility, engaging Western Union employees, executives, Agents and business partners, consumers, the media, NGOs, corporate responsibility experts and practitioners to identify the issues most critical for Western Union. The contents of this report are based on that assessment.
Key issues were identified by drawing on numerous sources, including:

- Western Union corporate plans and strategies,
- employee surveys and other input, including one-on-one interviews with senior executives,
- in-person and phone interviews with Western Union® Agents around the world,
- review of Agent surveys,
- survey of Agent front line associates,
- global social media audit,
- media audit,
- review of call center data and other consumer feedback channels,
- annual consumer survey,
- in-person and phone interviews with external corporate leaders,
- in-person and phone interviews with NGOs,
- industry benchmarking.

Through the assessment, these issues were assessed and prioritized based on:

- impact on Western Union’s business,
- level of interest and concern to external stakeholders,
- degree to which Western Union can control or influence the topic or issue,
- applicability to multiple global regions.

The top issues that were identified as most significant to Western Union in the context of corporate responsibility are:

- regulatory compliance,
- consumer protection,
- customer service,
- pricing,
- transparency in marketing,
- community investment and social practices.

We will continue to refine our definition of significant issues in future reports.
About This Report
We are proud to issue Western Union’s first corporate responsibility report, which is aligned with the Global Reporting Initiative’s (GRI) G3.1 Guidelines. This report is a reflection of our commitment to operating ethically and sustainably and to contributing to a transparent dialogue with our diverse stakeholders.

The data in this report are primarily from the 2012 and 2013 calendar years and include all Western Union branded locations, as well as Orlandi Valuta and Vigo Agent locations, unless otherwise noted. This report does not include joint ventures, partially owned subsidiaries, leased facilities or third-party, outsourced operations.

A global company of our size and operating scope faces a range of challenges when measuring and reporting on its environmental, social and governance (ESG) performance. While the content and data in this report have not been externally verified, the report has gone through a rigorous internal review process in an effort to ensure that the information and data presented is accurate and complete.

Currently, we intend to issue a report every two to three years, and we may issue interim updates on key programs through a variety of corporate communications channels.

Environmental data reported include three of the five Western Union-owned facilities. The three facilities – two in Englewood, Colo. and one in Montvale, NJ – account for more than 98 percent of the total square footage of owned facilities. We aim to include data on the remaining facilities in future reports, pending its availability from utility providers.

Our financial information is prepared according to the Generally Accepted Accounting Principles (GAAP) in the U.S. and is subject to our own internal accounting control systems as well as external third-party audits. Unless otherwise noted, all dollar amounts given are in U.S. dollars.

Terms such as Western Union, the Company, we, our and us are used interchangeably in the report.

We are self-declaring a Global Reporting Initiative (GRI) G3.1 Application Level of C for this report. The GRI is a network-based organization that produces a comprehensive sustainability reporting framework widely used globally. The GRI’s core goals focus on mainstreaming the disclosure of environmental, social and governance performance. An index to GRI indicators in this report is included in the following section. More information about the GRI and the application levels can be found at www.globalreporting.org.

We welcome feedback on this report and on our corporate responsibility efforts. Our goal is to engage in a conversation with our stakeholders to solicit their input to help us consistently improve.

Please contact:

**Talya Bosch**  
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Phone: +1-781-777-1805

**Joy Miller**  
*Senior Manager, Social Ventures*  
Email: joy.miller@westernunion.com  
Phone: +1-720-332-1166
GRI Index
<table>
<thead>
<tr>
<th>Profile Disclosure</th>
<th>Description</th>
<th>Reported</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Statement from the most senior decision-maker of the organization.</td>
<td>Full</td>
<td>Letter from the CEO (pages 2-3)</td>
</tr>
<tr>
<td>2.1</td>
<td>Name of the organization.</td>
<td>Full</td>
<td>Our Company (page 4)</td>
</tr>
<tr>
<td>2.2</td>
<td>Primary brands, products, and/or services.</td>
<td>Full</td>
<td>Our Company (pages 2-9)</td>
</tr>
<tr>
<td>2.3</td>
<td>Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.</td>
<td>Full</td>
<td>Our Company (page 6), 2012 and 2013 10-K</td>
</tr>
<tr>
<td>2.4</td>
<td>Location of organization’s headquarters.</td>
<td>Full</td>
<td>Our Company (page 9)</td>
</tr>
<tr>
<td>2.5</td>
<td>Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.</td>
<td>Full</td>
<td>Our Company (pages 6-7)</td>
</tr>
<tr>
<td>2.6</td>
<td>Nature of ownership and legal form.</td>
<td>Full</td>
<td>Our Company (page 8), 2012 and 2013 10-K</td>
</tr>
<tr>
<td>2.7</td>
<td>Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).</td>
<td>Full</td>
<td>Our Company (pages 5-8), Serving Global Consumers (page 21)</td>
</tr>
<tr>
<td>2.8</td>
<td>Scale of the reporting organization.</td>
<td>Full</td>
<td>Our Company (pages 8-9)</td>
</tr>
<tr>
<td>2.9</td>
<td>Significant changes during the reporting period regarding size, structure, or ownership.</td>
<td>Full</td>
<td>About This Report (page 86)</td>
</tr>
<tr>
<td>2.10</td>
<td>Awards received in the reporting period.</td>
<td>Full</td>
<td>Our Company (pages 10-11)</td>
</tr>
<tr>
<td>3.1</td>
<td>Reporting period (e.g., fiscal/calendar year) for information provided.</td>
<td>Full</td>
<td>About This Report (page 86)</td>
</tr>
<tr>
<td>3.2</td>
<td>Date of most recent previous report (if any).</td>
<td>Full</td>
<td>About This Report (page 86)</td>
</tr>
<tr>
<td>3.3</td>
<td>Reporting cycle (annual, biennial, etc.)</td>
<td>Full</td>
<td>About This Report (page 86)</td>
</tr>
<tr>
<td>3.4</td>
<td>Contact point for questions regarding the report or its contents.</td>
<td>Full</td>
<td>About This Report (page 86)</td>
</tr>
<tr>
<td>3.5</td>
<td>Process for defining report content.</td>
<td>Full</td>
<td>Engaging Key Stakeholders (pages 83-84)</td>
</tr>
</tbody>
</table>
### 3.6 Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).

Full | Our Company (pages 6-7), About This Report (page 86)

### 3.7 State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).

Full | About This Report (page 86)

### 3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.

Full | About This Report (page 86)

### 3.10 Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).

Full | About This Report (page 86)

### 3.11 Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.

Full | About This Report (page 86)

### 3.12 Table identifying the location of the Standard Disclosures in the report.

Full | GRI Content Index (this table)

### 4. Governance, Commitments, and Engagement

<table>
<thead>
<tr>
<th>Profile Disclosure</th>
<th>Description</th>
<th>Reported</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1</td>
<td>Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.</td>
<td>Full</td>
<td>Operating Ethically (pages 53-54) and Board of Directors Information in Proxy Statement, Annual Report 2013, page 13.</td>
</tr>
<tr>
<td>4.2</td>
<td>Indicate whether the Chair of the highest governance body is also an executive officer.</td>
<td>Full</td>
<td>Operating Ethically (page 54)</td>
</tr>
<tr>
<td>4.3</td>
<td>For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.</td>
<td>Full</td>
<td>Operating Ethically (pages 53-54). Of our 11 board members, three are women and eight are men.</td>
</tr>
<tr>
<td>4.4</td>
<td>Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.</td>
<td>Full</td>
<td>Operating Ethically (pages 50, 54)</td>
</tr>
<tr>
<td>4.14</td>
<td>List of stakeholder groups engaged by the organization.</td>
<td>Full</td>
<td>Engaging Key Stakeholders (pages 78-84)</td>
</tr>
<tr>
<td>4.15</td>
<td>Basis for identification and selection of stakeholders with whom to engage.</td>
<td>Full</td>
<td>Engaging Key Stakeholders (pages 78-84)</td>
</tr>
</tbody>
</table>

### PART II: Performance Indicators

#### Product and Service Impact

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
<th>Reported</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>FS1</td>
<td>Policies with specific environmental and social components applied to business lines.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>FS2</td>
<td>Procedures for assessing and screening environmental and social risks in business lines.</td>
<td>Not</td>
<td></td>
</tr>
</tbody>
</table>
### FS3
Processes for monitoring clients’ implementation of and compliance with environmental and social requirements included in agreements or transactions. Not

### FS4
Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines. Not

### FS5
Interactions with clients/investees/business partners regarding environmental and social risks and opportunities. Not

### FS6
Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector. Not

### FS7
Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose. Not

### FS8
Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose. Not

### Audit
Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures. Not

### FS9
Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures. Not

### Active ownership
Percentage and number of companies held in the institution’s portfolio with which the reporting organization has interacted on environmental or social issues. Not

### FS10
Percentage and number of companies held in the institution’s portfolio with which the reporting organization has interacted on environmental or social issues. Not

### FS11
Percentage of assets subject to positive and negative environmental or social screening. Not

### FS12
Voting policy(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting. Not

### Economic

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
<th>Reported</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EC1</strong>&lt;sub&gt;COMM&lt;/sub&gt;</td>
<td>Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.</td>
<td>Partially</td>
<td>Our Company (pages 8-9), Bridging Gaps in the Financial Services Sector (pages 18-20), Innovating For Inclusive Financial Services (pages 30-34), Developing Our Global Workforce (page 63), Strengthening Communities (pages 70-77), 2012 and 2013 10-K</td>
</tr>
<tr>
<td>EC3</td>
<td>Coverage of the organization’s defined benefit plan obligations.</td>
<td>Full</td>
<td></td>
</tr>
<tr>
<td>EC4</td>
<td>Significant financial assistance received from government.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>EC5</td>
<td>Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>EC6</td>
<td>Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>EC7</td>
<td>Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.</td>
<td>Not</td>
<td></td>
</tr>
</tbody>
</table>

## Indirect economic impacts

| EC8 | Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement. | Full | Bridging Gaps in the Financial Services Sector (page 18), Serving Global Consumers (page 23), Innovating for Inclusive Financial Services (pages 30-34), Strengthening Communities (pages 70-77) |
| EC9 | Understanding and describing significant indirect economic impacts, including the extent of impacts. | Full | Bridging Gaps in the Financial Services Sector (pages 18-20), Serving Global Consumers (pages 23-24), Innovating for Inclusive Financial Services (pages 30-34) |

## Environmental

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Disclosure</th>
<th>Reported</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Materials</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EN1</td>
<td>Materials used by weight or volume.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>EN2</td>
<td>Percentage of materials used that are recycled input materials.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>Energy</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EN3</td>
<td>Direct energy consumption by primary energy source.</td>
<td>Full</td>
<td>Conserving the Environment (page 55)</td>
</tr>
<tr>
<td>EN4</td>
<td>Indirect energy consumption by primary source.</td>
<td>Full</td>
<td>Conserving the Environment (page 55)</td>
</tr>
<tr>
<td>EN5</td>
<td>Energy saved due to conservation and efficiency improvements.</td>
<td>Full</td>
<td>Conserving the Environment (pages 55-56)</td>
</tr>
<tr>
<td>EN6</td>
<td>Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>EN7</td>
<td>Initiatives to reduce indirect energy consumption and reductions achieved.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>Water</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EN8</td>
<td>Total water withdrawal by source.</td>
<td>Full</td>
<td>Conserving the Environment (page 56)</td>
</tr>
<tr>
<td>EN9</td>
<td>Water sources significantly affected by withdrawal of water.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>EN10</td>
<td>Percentage and total volume of water recycled and reused.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>Biodiversity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EN11</td>
<td>Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>EN12</td>
<td>Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>EN13</td>
<td>Habitats protected or restored.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>EN14</td>
<td>Strategies, current actions, and future plans for managing impacts on biodiversity.</td>
<td>Not</td>
<td></td>
</tr>
</tbody>
</table>
EN15 | Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk. | Not

**Emissions, effluents and waste**

| EN16 COMM | Total direct and indirect greenhouse gas emissions by weight. | Not
| EN17 | Other relevant indirect greenhouse gas emissions by weight. | Not
| EN18 | Initiatives to reduce greenhouse gas emissions and reductions achieved. | Not
| EN19 | Emissions of ozone-depleting substances by weight. | Not
| EN20 | NOx, SOx, and other significant air emissions by type and weight. | Not
| EN21 | Total water discharge by quality and destination. | Not
| EN22 COMM | Total weight of waste by type and disposal method. | Not
| EN23 | Total number and volume of significant spills. | Not
| EN24 | Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally. | Not
| EN25 | Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization’s discharges of water and runoff. | Not

**Products and services**

| EN26 | Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation. | Full | Conserving the Environment (page 57)
| EN27 | Percentage of products sold and their packaging materials that are reclaimed by category. | Not

**Compliance**

| EN28 | Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations. | Full | Conserving the Environment (page 56)

**Transport**

| EN29 | Significant environmental impacts of transporting products and other goods and materials used for the organization’s operations, and transporting members of the workforce. | Not

**Overall**

| EN30 | Total environmental protection expenditures and investments by type. | Not

**Social: Labor Practices and Decent Work**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
<th>Reported</th>
<th>Location of Disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td>LA1</td>
<td>Total workforce by employment type, employment contract, and region, broken down by gender.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>LA2</td>
<td>Total number and rate of new employee hires and employee turnover by age group, gender, and region.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>LA3</td>
<td>Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.</td>
<td>Partially</td>
<td>Developing Our Global Workforce (page 62)</td>
</tr>
<tr>
<td>LA15</td>
<td>Return to work and retention rates after parental leave, by gender.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>Labor/management relations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LA4</td>
<td>Percentage of employees covered by collective bargaining agreements.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>LA5</td>
<td>Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>Occupational health and safety</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LA6</td>
<td>Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>LA7</td>
<td>Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>LA8</td>
<td>Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>LA9</td>
<td>Health and safety topics covered in formal agreements with trade unions.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>Training and education</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LA10</td>
<td>Average hours of training per year per employee by gender, and by employee category.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>LA11</td>
<td>Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.</td>
<td>Full</td>
<td>Developing Our Global Workforce (pages 62-66)</td>
</tr>
<tr>
<td>LA12</td>
<td>Percentage of employees receiving regular performance and career development reviews, by gender.</td>
<td>Partially</td>
<td>Developing Our Global Workforce (page 64)</td>
</tr>
<tr>
<td>Diversity and equal opportunity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LA13</td>
<td>Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>Equal remuneration for women and men</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LA14</td>
<td>Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>Social: Human Rights</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indicator</td>
<td>Disclosure</td>
<td>Reported</td>
<td>Location</td>
</tr>
<tr>
<td>Investment and procurement practices</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HR1</td>
<td>Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.</td>
<td>Full</td>
<td>Operating Ethically (pages 51-52)</td>
</tr>
<tr>
<td>HR2</td>
<td>Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>HR3</td>
<td>Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>-----------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-----</td>
<td></td>
</tr>
<tr>
<td><strong>Non-discrimination</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HR4</td>
<td>Total number of incidents of discrimination and corrective actions taken.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td><strong>Freedom of association and collective bargaining</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HR5</td>
<td>Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td><strong>Child labor</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HR6</td>
<td>Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td><strong>Prevention of forced and compulsory labor</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HR7</td>
<td>Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td><strong>Security practices</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HR8</td>
<td>Percentage of security personnel trained in the organization’s policies or procedures concerning aspects of human rights that are relevant to operations.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td><strong>Indigenous rights</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HR9</td>
<td>Total number of incidents of violations involving rights of indigenous people and actions taken.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td><strong>Assessment</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HR10</td>
<td>Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td><strong>Remediation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HR11</td>
<td>Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td><strong>Social: Society</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indicator</td>
<td>Description</td>
<td>Reported</td>
<td>Location</td>
</tr>
<tr>
<td><strong>Local communities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SO1 (FSSS)</td>
<td>Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>SO1 (G3.1)</td>
<td>Percentage of operations with implemented local community engagement, impact assessments, and development programs.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>FS13</td>
<td>Access points in low-populated or economically disadvantaged areas by type.</td>
<td>Partially</td>
<td>Bridging Gaps in the Financial Services Sector (page 19), Serving Global Consumers (page 25), Innovating for Inclusive Financial Services (pages 32, 34)</td>
</tr>
<tr>
<td>Indicator</td>
<td>Description</td>
<td>Full/Not</td>
<td>Location</td>
</tr>
<tr>
<td>-----------</td>
<td>-------------</td>
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</tr>
<tr>
<td>FS14</td>
<td>Initiatives to improve access to financial services for disadvantaged people.</td>
<td>Full</td>
<td>Bridging Gaps in the Financial Services Sector (pages 18-20), Serving Global Consumers (pages 21-25), Innovating for Inclusive Financial Services (pages 32, 34)</td>
</tr>
<tr>
<td>SO9</td>
<td>Operations with significant potential or actual negative impacts on local communities.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>SO10</td>
<td>Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>Corruption</td>
<td>FS15 Policies for the fair design of financial products and services.</td>
<td>Full</td>
<td>Protecting Consumers and Society (pages 36-46), Western Union Code of Conduct</td>
</tr>
<tr>
<td>SO2</td>
<td>Percentage and total number of business units analyzed for risks related to corruption.</td>
<td>Not</td>
<td>Operating Ethically (page 48)</td>
</tr>
<tr>
<td>SO3</td>
<td>Percentage of employees trained in organization’s anti-corruption policies and procedures.</td>
<td>Partially</td>
<td>Operating Ethically (page 49)</td>
</tr>
<tr>
<td>SO4</td>
<td>Actions taken in response to incidents of corruption.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>Public policy</td>
<td>SO5 Public policy positions and participation in public policy development and lobbying.</td>
<td>Full</td>
<td>Operating Ethically (pages 52-53)</td>
</tr>
<tr>
<td>SO6</td>
<td>Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.</td>
<td>Partially</td>
<td>Operating Ethically (page 52)</td>
</tr>
<tr>
<td>Anti-competitive behavior</td>
<td>SO7 Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>Compliance</td>
<td>SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>Social: Product Responsibility</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indicator</td>
<td>Description</td>
<td>Reported</td>
<td>Location</td>
</tr>
<tr>
<td>Customer health and safety</td>
<td>PR1 Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>PR2 Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.</td>
<td>Not</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product and service labelling</td>
<td>PR3 Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.</td>
<td>Not</td>
<td></td>
</tr>
<tr>
<td>PR4 Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.</td>
<td>Not</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PR5</td>
<td>Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.</td>
<td>Partially</td>
<td>Protecting Consumers and Society (page 45)</td>
</tr>
<tr>
<td>-----</td>
<td>------------------------------------------------------------------------------------------------------</td>
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<td>------------------------------------------</td>
</tr>
<tr>
<td>FS16</td>
<td>Initiatives to enhance financial literacy by type of beneficiary.</td>
<td>Full</td>
<td>Strengthening Communities (pages 71-72)</td>
</tr>
</tbody>
</table>

**Marketing communications**

<table>
<thead>
<tr>
<th>PR6</th>
<th>Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.</th>
<th>Partially</th>
<th>Protecting Consumers and Society (pages 44-45)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PR7</td>
<td>Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.</td>
<td>Not</td>
<td></td>
</tr>
</tbody>
</table>

**Customer privacy**

| PR8 | Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data. | Not | |

**Compliance**

| PR9 | Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services. | Not | |