Western Union CO
Form DEF 14A
April 01, 2015

Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant [X]
Filed by a Party other than the Registrant [ ]

Check the appropriate box:

[ ]	Preliminary Proxy Statement	[ ]	Soliciting Material Under Rule 14a-12
[ ]	Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))		
[X]	Definitive Proxy Statement		
[ ]	Definitive Additional Materials		

The Western Union Company
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

[X] No fee required.

[ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

[ ]	Fee paid previously with preliminary materials:
[ ]	Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

1)	Amount previously paid:
2)	Form, Schedule or Registration Statement No.:
3)	Filing Party:
4)	Date Filed:

Table of Contents

THE WESTERN UNION COMPANY
12500 East Belford Avenue
Englewood, CO 80112

April 1, 2015

Dear Stockholder:

You are cordially invited to attend the 2015 Annual Meeting of Stockholders (the Annual Meeting) of The Western Union Company (the Company), to be held at 8:00 a.m., local time, on Friday, May 15, 2015, at 505 Fifth Avenue, 7th Floor, New York, NY 10017. The registration desk will open at 7:30 a.m.

The attached notice and Proxy Statement contain details of the business to be conducted at the Annual Meeting. In addition, the Company s 2014 Annual Report, which is being made available to you along with the Proxy Statement, contains information about the Company and its performance. Directors and officers of the Company will be present at the Annual Meeting.

Your vote is important! Whether or not you plan to attend the Annual Meeting, **please read the Proxy Statement and then vote**, at your earliest convenience, by telephone or Internet, or request a proxy card to complete, sign, and date and return by mail. Using the telephone or Internet voting systems, or mailing your completed proxy card, will not prevent you from voting in person at the Annual Meeting if you are a stockholder of record and wish to do so.

On behalf of the Board of Directors, I would like to express our appreciation for your continued interest in the Company.

Regards,

Hikmet Ersek
President, Chief Executive Officer and Director

Table of Contents

THE WESTERN UNION COMPANY
12500 East Belford Avenue
Englewood, CO 80112
(866) 405-5012

Notice of Annual Meeting of Stockholders
TO BE HELD MAY 15, 2015

NOTICE IS HEREBY GIVEN that the 2015 Annual Meeting of Stockholders (the Annual Meeting) of The Western Union Company, a Delaware corporation (the Company), will be held at 8:00 a.m., local time, on Friday, May 15, 2015, at 505 Fifth Avenue, 7th Floor, New York, NY 10017, for the following purposes:

1. Elect Hikmet Ersek, Richard A. Goodman, Jack M. Greenberg, Betsy D. Holden, Jeffery A. Joerres, Linda Fayne Levinson, Roberto G. Mendoza, Michael A. Miles, Jr., Robert W. Selander, Frances Fragos Townsend, and Solomon D. Trujillo to serve as members of the Company s Board of Directors until the Company s 2016 Annual Meeting of Stockholders.

2. Hold an advisory vote to approve executive compensation.

3. Approve The Western Union Company 2015 Long-Term Incentive Plan (the 2015 Plan).

4. Ratify the selection of Ernst & Young LLP as our independent registered public accounting firm for 2015.

5. Vote on the stockholder proposals described in the accompanying Proxy Statement, if properly presented at the Annual Meeting.

6. Transact any other business as may properly come before the Annual Meeting or any adjournment or postponement of the Annual Meeting.

The Board of Directors recommends the following votes:

FOR the election of all the nominees for the Board of Directors.

FOR the approval of a resolution to approve, on an advisory basis, the compensation of the Company s named executive officers, as described in the Compensation Discussion and Analysis section, the tabular disclosure regarding such compensation, and the accompanying narrative disclosure, set forth in the accompanying Proxy Statement.

FOR the approval of the 2015 Plan.

FOR the ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm for 2015.

AGAINST the stockholder proposals described in the accompanying Proxy Statement, if properly presented at the Annual Meeting.

Our stockholders of record on March 19, 2015 are entitled to notice of and to vote at the Annual Meeting and at any adjournment or postponement that may take place. A list of stockholders entitled to vote at the Annual Meeting will be available for examination by any stockholder at the Annual Meeting and for ten days prior to the Annual Meeting at our principal executive offices located at 12500 East Belford Avenue, Englewood, CO 80112.

You are cordially invited to attend the Annual Meeting. To gain admission, you will need to show that you are a stockholder of the Company. All stockholders will be required to show valid, government-issued, picture identification or an employee badge issued by the Company. If your shares are registered in your name, your name will be compared to the list of registered stockholders to verify your share ownership. If your shares are in the name of your broker or bank, you will need to bring evidence of your share ownership, such as your most recent brokerage account statement or a legal proxy from your broker. If you do not have valid picture identification and proof that you own Company shares, you will not be admitted to the Annual Meeting. All packages and bags are subject to inspection. Please note that the registration desk will open at 7:30 a.m. Please arrive in advance of the start of the Annual Meeting to allow time for identity verification.

Table of Contents

Your vote is extremely important. We appreciate your taking the time to vote promptly. After reading the Proxy Statement, please vote, at your earliest convenience, by telephone or Internet, or request a proxy card to complete, sign, and date and return by mail. If you decide to attend the Annual Meeting and would prefer to vote by ballot, your proxy will be revoked automatically and only your vote at the Annual Meeting will be counted. YOUR SHARES CANNOT BE VOTED UNLESS YOU VOTE BY: (i) TELEPHONE; (ii) INTERNET; (iii) REQUESTING A PAPER PROXY CARD TO COMPLETE, SIGN, AND DATE AND RETURN BY MAIL; OR (iv) ATTENDING THE ANNUAL MEETING AND VOTING IN PERSON. Please note that all votes cast via telephone or the Internet must be cast prior to 11:59 p.m., Eastern Time on Thursday, May 14, 2015.

By Order of the Board of Directors

John R. Dye
Executive Vice President, General Counsel and Secretary

April 1, 2015

YOUR VOTE IS IMPORTANT

PLEASE PROMPTLY VOTE BY TELEPHONE OR INTERNET, OR REQUEST A PROXY CARD TO COMPLETE, SIGN, AND DATE AND RETURN BY MAIL SO THAT YOUR SHARES MAY BE VOTED IN ACCORDANCE WITH YOUR WISHES AND SO THAT THE PRESENCE OF A QUORUM MAY BE ASSURED. YOUR PROMPT ACTION WILL AID THE COMPANY IN REDUCING THE EXPENSE OF PROXY SOLICITATION.

Table of Contents

Table of Contents

Table of Contents

Table of Contents

Proxy Summary

This summary highlights information contained elsewhere in this Proxy Statement. This summary does not contain all of the information you should consider, and you should read the entire Proxy Statement before voting.

2015 Annual Meeting of Stockholders

Date and Time:	Place:
May 15, 2015 at 8:00 a.m. local time	505 Fifth Avenue, 7th Floor, New York, NY 10017

Record Date:
March 19, 2015

Meeting Agenda and Voting Matters

Item	Management Proposals	Board Vote Recommendation	Page Reference (for more detail)
1	Election of Directors	FOR each director nominee	15
2	Advisory Vote to Approve Executive Compensation	FOR	73
3	Approval of The Western Union Company 2015 Long-Term Incentive Plan	FOR	76
4	Ratify the Selection of Ernst & Young LLP as our independent registered public accounting firm for 2015	FOR	85

Item	Stockholder Proposals	Board Vote Recommendation	Page Reference (for more detail)
5	Stockholder Proposal Regarding Stockholder Action By Written Consent	AGAINST	86
6	Stockholder Proposal Regarding Political Contributions	AGAINST	89
7	Stockholder Proposal Regarding New Board Committee	AGAINST	93

Members of Our Board of Directors

Director	Age	Director Since	Independent	Committee Memberships
Dinyar S. Devitre	67	2006	Yes	CGC , CC
Hikmet Ersek	54	2010	No	CC+
Richard A. Goodman	66	2012	Yes	AC , CBC
Jack M. Greenberg	72	2006	Yes	
Betsy D. Holden	59	2006	Yes	CBC , CGC
Linda Fayne Levinson	73	2006	Yes	AC, CGC
Roberto G. Mendoza	69	2006	Yes	AC, CBC
Michael A. Miles, Jr.	53	2006	Yes	AC, CC
Robert W. Selander	64	2014	Yes	CBC, CC
Frances Fragos Townsend	53	2013	Yes	CC , CGC
Solomon D. Trujillo	63	2012	Yes	CBC

- Chairman of the Board
AC - Audit Committee
CBC - Compensation and Benefits Committee
CGC - Corporate Governance and Public Policy Committee

CC - Compliance Committee
- Committee Chair
+ - Non-voting Member

Table of Contents

Proxy Summary

PROXY STATEMENT

Director Nominee

	Age	Independent	Committee Memberships
Jeffery A. Joerres	55	Yes	*

* Subject to Mr. Joerres election, the Board will determine Mr. Joerres committee assignments after the Annual Meeting.

Information about our Board and Committees (Page 7)

	Number of Members	Independence	Number of Meetings During Fiscal Year 2014
Full Board	11	91%	8
Audit Committee	4	100%	8
Compensation and Benefits Committee	5	100%	6
Corporate Governance and Public Policy Committee	4	100%	4
Compliance Committee	5	100% of voting members	10

Governance Highlights (Page 16)

Annual Election of Directors
Proxy Access
Majority Vote Standard in Uncontested Elections
Stockholder Right to Call Special Meetings
No Stockholder Rights Plan (Poison Pill)
No Supermajority Voting Provisions in the Company s Organizational Documents
Independent Board, except our Chief Executive Officer
Independent Non-Executive Chairman
Independent Board Committees
Confidential Stockholder Voting
Committee Authority to Retain Independent Advisors
Robust Codes of Conduct
Stock Ownership Guidelines for Senior Executives and Directors
Prohibition Against Pledging and Hedging of Company Stock by Senior Executives and Directors
Stockholder Engagement

Core Components of Executive Compensation (Page 44)

Base Salary - Fixed compensation component payable in cash

Annual Incentive Awards - Variable compensation component payable in cash based on performance against annually established performance objectives

Performance-Based Restricted Stock Units - Stock units that vest based on the Company s achievement of financial performance objectives and standalone stock units that vest based on the Company s relative total shareholder return (TSR) versus the Standard & Poor s 500 Index (S&P 500 Index)

Stock Options - Nonqualified stock options granted with an exercise price at fair market value on the date of grant that expire ten years after grant and become exercisable in 25% annual increments over a four-year vesting period

Restricted Stock Units - Restricted stock units that generally vest in 25% annual increments over a four-year vesting period

Table of Contents

Key Features of Our Executive Compensation Program (Page 35)

What We Do:

✓ **Pay-for-performance.** A significant percentage of targeted annual compensation is delivered in the form of variable compensation that is connected to actual performance. For 2014, variable compensation comprised approximately 88% of the targeted annual compensation for the Chief Executive Officer and, on average, 75% of the targeted annual compensation for the other named executive officers (excluding the 2014 promotion and retention/performance restricted stock unit grants to such executives).

✓ **Linkage between performance measures and strategic objectives.** Performance measures for incentive compensation are linked to both strategic and operating objectives designed to create long-term stockholder value and to hold executives accountable for their individual performance and the performance of the Company.

✓ **Emphasis on future pay opportunity vs. current pay.** In 2014, all of the long-term incentive awards delivered to our named executive officers were in the form of equity-based compensation.

✓ **Mix of performance metrics.** The Company utilizes performance metrics that emphasize absolute performance goals, which provide the primary links between incentive compensation and the Company’s strategic operating plan and financial results, while providing balance through relative performance goals, which measure Company performance in comparison to the S&P 500 Index.

✓ **Stockholder engagement.** As part of the Company’s stockholder outreach program, the chair of the Compensation Committee and members of management engage with stockholders to discuss and understand their perceptions or concerns regarding our executive compensation program.

✓ **Outside compensation consultant.** The Compensation Committee retains its own compensation consultant to review the Company’s executive compensation program and practices.

✓ **“Double trigger” in the event of a change-in-control.** In the event of a change-in-control, severance benefits are payable only upon a “double trigger.”

✓ **Maximum payout caps for annual cash incentive compensation and performance-based restricted stock unit awards.**

✓ **“Clawback” Policy.** The Company may recover incentive compensation paid to an executive officer that was calculated based upon any financial result or performance metric impacted by fraud or misconduct of the executive officer.

✓ **Robust stock ownership guidelines.** Executives are required to hold stock equal to a multiple of five times salary for our Chief Executive Officer and two times salary for each other named executive officer. Fifty percent of after-tax shares received as equity compensation must be retained until an executive meets the stock ownership guideline.

What We Don’t Do:

× **No change-in-control tax gross ups.** We do not provide change-in-control tax gross ups to individuals promoted or hired after April 2009. Mr. Ersek is the only Company employee who remains eligible for excise tax gross-up payments.

× **No repricing or buyout of underwater stock options.** None of our equity plans permit the repricing or buyout of underwater stock options or stock appreciation rights without stockholder approval, except in connection with certain corporate transactions involving the Company.

- **Prohibition against pledging and hedging of Company securities by senior executives and directors.**
- **No dividends or dividend equivalents accrued or paid on performance-based restricted stock unit awards or time-based restricted stock unit awards.**

Table of Contents

Recent Compensation Actions

For 2014, many of the compensation decisions were designed to further align the Company's executive compensation program with the Company's future growth and strategic operating plans and the interests of our executives with those of our stockholders. Specifically, the Compensation Committee approved several modifications to the compensation program to further align the executive compensation program with evolving investor preferences, executive compensation practices and market trends.

These decisions included:

No Executive Base Salary Increases for 2013 or 2014: Other than with respect to executive promotions, there were no changes in our named executive officers' base salary levels for 2013 or 2014 from the levels effective March 2012.

Created Standalone TSR Performance-Based Restricted Stock Units: We replaced the TSR modifier from our 2013 long-term incentive design under the Company's 2006 Long-Term Incentive Plan (the "Long-Term Incentive Plan") with a standalone TSR performance-based restricted stock unit award ("TSR PSU") in order to enhance focus on stockholder returns. These TSR PSUs require the Company to achieve 60th percentile relative TSR performance versus the S&P 500 Index over a three-year performance period in order to earn target payout, with 30th percentile relative TSR performance resulting in threshold payout and 90th percentile relative TSR resulting in maximum payout.

Increased Performance Period for Performance-Based Restricted Stock Units: We increased the performance period of our performance-based restricted stock units so that they will be subject to a three-year total performance period, versus the two-year performance period used in prior years.

Diversified Long-Term Incentive Plan Mix and Increased Weighting of At-Risk Awards: We increased the percentage of our annual equity grants that have vesting provisions that are strictly performance-based and at-risk. For 2014, the annual equity awards under the Long-Term Incentive Plan consisted of 80% performance-based restricted stock units (60% financial performance-based restricted stock units, incorporating both revenue and operating income growth ("Financial PSUs"), and 20% TSR PSUs) and 20% stock options, as compared to 67% performance-based restricted stock units and 33% stock options in 2013.

Established Goals Exceeding Performance During Prior Three Years: The financial performance target objectives for the 2014 compensation program were set at constant currency growth rates that are higher than the Company's average annual constant currency results achieved over 2011 through 2013. The 2014 Senior Executive Annual Incentive Plan (the "Annual Incentive Plan") financial performance target objectives were also set higher than the constant currency financial performance target objectives and actual results under the 2013 Annual Incentive Plan. For the 2014 Annual Incentive Plan, performance at 184% of the target revenue growth rate and at 200% of the target operating income growth rate is required for a maximum payout equal to 150% of the target award. Further, the Company's relative TSR performance rank versus the S&P 500 Index over the 2014-2016 performance period that is required to earn a target payout under the 2014 TSR PSUs is higher than the Company's annual relative TSR performance versus the S&P 500 Index in each of 2011, 2012, and 2013.

Reduced Maximum Payout Under Annual Incentive Plan: The Compensation Committee reduced the maximum payout opportunity under the Annual Incentive Plan to 150% of target, as compared to the 200% of target maximum payout opportunity that was used in prior years.

Reduced Severance Benefits Under Executive Severance Policy: During 2014, the Compensation Committee amended the Company's executive severance policy (the "Executive Severance Policy") to reduce the severance multiple for determining severance benefits prior to a change-in-control from 2 to 1.5 for participants other than the Company's Chief Executive Officer.

Table of Contents

Chief Executive Officer Compensation

For 2014 performance, Mr. Ersek received a cash payout under the 2014 Annual Incentive Plan of $1,314,800, reflecting a blended payout of 88% of target based on the Company's achievement of corporate and strategic performance goals, as compared to an 84% of target payout for 2013 performance and no payout for 2012 performance. The Compensation Committee based Mr. Ersek's award opportunity under the Annual Incentive Plan on the achievement of corporate and strategic performance goals and did not include individual performance goals. As noted above, the 2014 Annual Incentive Plan financial performance target objectives were set higher than the constant currency financial performance target objectives and actual results under the 2013 Annual Incentive Plan. Also for 2014, the committee awarded Mr. Ersek a discretionary bonus of $115,000 in recognition of his leadership in enhancing the Company's global compliance programs.

The following chart demonstrates that variable, performance-based pay elements comprised approximately 88% of the targeted 2014 annual compensation for Mr. Ersek (consisting of target payout opportunity under the Annual Incentive Plan and stock option and performance-based restricted stock unit components under the Long-Term Incentive Plan). Pay is based on the annual base salary and target incentive opportunities applicable to Mr. Ersek as of December 31, 2014.

Since a significant portion of Mr. Ersek's compensation is both performance-based and "at-risk," we are providing the following supplemental graph to demonstrate the difference between the compensation granted to Mr. Ersek as required to be reported by the U.S. Securities and Exchange Commission (the "SEC") rules in the 2014 Summary Compensation Table, and the compensation "realizable" by him for 2012 to 2014.

We believe the "realizable" compensation shown is reflective of the Compensation Committee's emphasis on "pay-for-performance" in that differences between realizable pay and total reported compensation as well as fluctuations year-over-year are primarily the result of our varying levels of achievement against pre-established performance goals under our Annual Incentive Plan and Long-Term Incentive Plan and our stock performance. For example, as illustrated in the following table, 2012 realizable compensation was significantly below 2012 reported compensation and 2013 and 2014 realizable compensation. This difference was primarily a result of a 2012 payout level of 13% of target for the Chief Executive Officer for the Company's 2012 performance-based stock unit awards, no payout for the Chief Executive Officer under the 2012 Annual Incentive Plan, and stock price depreciation during 2012. In contrast, the improvement in realizable compensation in 2013 and 2014 is primarily attributable to our estimated performance as of December 31, 2014 against the financial performance objectives under the Company's 2013 and 2014 performance-based restricted stock unit awards and stock price appreciation.

Table of Contents

(1) This graph and the total realizable compensation reported in this graph provides supplemental information regarding the compensation paid to Mr. Ersek and should not be viewed as a substitute for the 2014 Summary Compensation Table.

(2) As reported in the Total column of the 2014 Summary Compensation Table.

(3) Amounts reported in the calculation of total realizable compensation include (a) annualized base salary, (b) actual bonus payments made to Mr. Ersek with respect to each of the years shown under the Company s Annual Incentive Plan, (c) actual amounts paid with respect to discretionary bonuses in the year in which such bonuses are paid, (d) the value realized from the exercise of stock options and for unexercised stock options, the difference between the exercise price and the closing stock price on December 31, 2014, each reported in the year granted, (e) the value realized upon vesting of restricted stock units or performance-based restricted stock units and the value of unvested restricted stock units or performance-based restricted stock unit awards based on the closing stock price on December 31, 2014, each reported in the year granted, and (f) amounts reported in the All Other Compensation Table for the respective years. For purposes of this table, the value of the TSR PSUs is based on target performance since the TSR PSUs vest based on the Company s TSR at the end of the three-year performance period compared to the Company s TSR at the beginning of the performance period. The Financial PSUs and the 2013 performance-based restricted stock unit awards are valued for purposes of this table based on estimated performance as of December 31, 2014.

(4) Closing stock price as of December 31 for each year reported.

Table of Contents

Proxy Statement and Proxy Process

PROXY STATEMENT

Proxy Statement

The Board of Directors (the Board of Directors or the Board) of The Western Union Company (Western Union or the Company) is soliciting your proxy to vote at the 2015 Annual Meeting of Stockholders (the Annual Meeting) to be held on May 15, 2015 at 8:00 a.m., local time, and any adjournment or postponement of that meeting. The meeting will be held at 505 Fifth Avenue, 7th Floor, New York, NY 10017.

In accordance with rules and regulations of the SEC, instead of mailing a printed copy of our proxy materials to each stockholder of record or beneficial owner, we furnish proxy materials, which include this Proxy Statement and the accompanying Proxy Card, Notice of Meeting, and Annual Report to Stockholders, to our stockholders over the Internet unless otherwise instructed by the stockholder. If you received a Notice of Internet Availability of Proxy Materials by mail and would like to receive a printed copy of our proxy materials, you should follow the instructions for requesting such materials included in the Notice of Internet Availability of Proxy Materials.

The Notice of Internet Availability of Proxy Materials was first mailed on or before April 1, 2015 to all stockholders of record as of March 19, 2015 (the Record Date). The only voting securities of the Company are shares of the

Companys common stock, $0.01 par value per share (the Common Stock), of which there were 518,535,065 shares outstanding as of the Record Date. The closing price of the Companys Common Stock on the Record Date was $19.25 per share.

The Companys Annual Report to Stockholders, which contains consolidated financial statements for the year ended December 31, 2014, accompanies this Proxy Statement. You also may obtain a copy of the Companys Annual Report on Form 10-K for the year ended December 31, 2014 that was filed with the SEC, without charge, by writing to Investor Relations, The Western Union Company, 12500 East Belford Avenue, Mailstop M23IR, Englewood, CO 80112. **If you would like to receive a copy of any exhibits listed in the Companys Annual Report on Form 10-K for the year ended December 31, 2014, please call (866) 405-5012 or submit a request in writing to Investor Relations at the above address, and the Company will provide you with the exhibits upon the payment of a nominal fee (which fee will be limited to the expenses we incur in providing you with the requested exhibits).** The Companys Annual Report on Form 10-K for the year ended December 31, 2014 and these exhibits are also available in the Investor Relations section of *www.wu.com*.

Table of Contents

The Proxy Process and Stockholder Voting

WHY DID I RECEIVE THESE MATERIALS?

Our Board of Directors has made these materials available to you on the Internet or, upon your request, has delivered printed versions of these materials to you by mail, in connection with the Board's solicitation of proxies for use at our Annual Meeting, which will take place on May 15, 2015, or any adjournment or postponement thereof. Our stockholders are invited to attend the Annual Meeting and are requested to vote on the proposals described in this Proxy Statement.

WHAT DOES IT MEAN IF I RECEIVE MORE THAN ONE NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS OR SET OF PROXY MATERIALS?

This means you hold shares of the Company in more than one way. For example, you may own some shares directly as a "Registered Holder" and other shares through a broker or you may own shares through more than one broker. In these situations, you may receive multiple Notices of Internet Availability of Proxy Materials or, if you request proxy materials to be delivered to you by mail, Proxy Cards. It is necessary for you to vote, sign, and return all of the Proxy Cards or follow the instructions for any alternative voting procedure on each of the Notices of Internet Availability of Proxy Materials you receive in order to vote all of the shares you own. If you request proxy materials to be delivered to you by mail, each Proxy Card you receive will come with its own prepaid return envelope; if you vote by mail, make sure you return each Proxy Card in the return envelope which accompanied that Proxy Card.

WHY DID MY HOUSEHOLD RECEIVE ONLY ONE COPY OF THE NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS OR PROXY MATERIALS?

In addition to furnishing proxy materials electronically, we take advantage of the SEC's "householding" rules to reduce the delivery cost of materials. Under such rules, only one Notice of Internet Availability of Proxy Materials or, if you have requested paper copies, only one set of proxy materials is delivered to multiple stockholders sharing an address unless we have received contrary instructions from one or more of the stockholders. If you are a stockholder sharing an address and wish to receive a separate Notice of Internet Availability of Proxy Materials or copy of the proxy materials, you may so request by contacting the Broadridge Householding Department by phone at 1-800-542-1061 or by mail to Broadridge Householding Department, 51 Mercedes Way, Edgewood, NY 11717. A separate copy will be promptly provided following receipt of your request, and you will receive separate materials in the future. If you currently share an address with another stockholder but are nonetheless receiving separate copies of the materials, you may request delivery of a single copy in the future by contacting the Broadridge Householding Department at the number or address shown above.

Table of Contents

Proxy Statement and Proxy Process

PROXY STATEMENT

DOES MY VOTE MATTER?

YES! We are required to obtain stockholder approval for the election of directors and other important matters. Each share of Common Stock is entitled to one vote and every share voted has the same weight. In order for the Company to obtain the necessary stockholder approval of proposals, a quorum of stockholders (a majority of the issued and outstanding shares entitled to vote) must be represented at the meeting in person or by proxy. If a quorum is not obtained, the Company must adjourn or postpone the meeting and solicit additional proxies; this is an expensive and time-consuming process that is not in the best interest of the Company or its stockholders. Since few stockholders can spend the time or money to attend stockholder meetings in person, voting by proxy is important to obtain a quorum and complete the stockholder vote.

HOW DO I VOTE?

By Telephone or Internet You may vote your shares via telephone as instructed on the Proxy Card, or the Internet as instructed on the Proxy Card or the Notice of Internet Availability of Proxy Materials. The telephone and Internet procedures are designed to authenticate your identity, to allow you to vote your shares, and confirm that your instructions have been properly recorded.

The telephone and Internet voting facilities will close at 11:59 p.m., Eastern Time, on May 14, 2015.

By Mail If you request paper Proxy Cards by telephone or Internet, you may elect to vote by mail. If you elect to do so, you should complete, sign, and date each Proxy Card you receive, indicating your voting preference on each proposal, and return each Proxy Card in the prepaid envelope which accompanied that Proxy Card. If you return a signed and dated Proxy Card but you do not indicate your voting preferences, your shares will be voted in accordance with the recommendations of the Board of Directors. By returning your signed and dated Proxy Card or providing instructions by the alternative voting procedure in time to be received for the Annual Meeting, you authorize Hikmet Ersek and John R. Dye to act as your Proxies to vote your shares of Common Stock as specified.

At the Meeting Shares held in your name as the stockholder of record may be voted by you in person at the Annual Meeting. Shares held beneficially on your behalf by a broker or agent may be voted by you in person at the Annual Meeting only if you obtain a legal proxy from the broker or agent that holds your shares giving you the right to vote the shares, and you bring such proxy to the Annual Meeting.

Shares held in The Western Union Company Incentive Savings Plan For shares held in The Western Union Company Incentive Savings Plan, that plans trustee will vote such shares as directed. If no direction is given on how to vote such shares to the trustee by mail on or before May 12, 2015 or by Internet or telephone by 11:59 p.m. (Eastern Time) on May 14, 2015, the trustee will vote your shares held in that plan in the same proportion as the shares for which it receives instructions from all other participants in the plan.

Table of Contents

HOW MANY VOTES ARE REQUIRED TO APPROVE A PROPOSAL?

The Company s By-Laws (the By-Laws) require directors to be elected by the majority of votes cast with respect to such director in uncontested elections (the number of shares voted for a director must exceed the number of votes cast against that director with abstentions and broker non-votes not counted as votes for or against). In a contested election (a situation in which the number of nominees exceeds the number of directors to be elected), the standard for election of directors will be a plurality of the shares represented in person or by proxy at any such meeting and entitled to vote on the election of directors.

The advisory vote to approve executive compensation (Proposal 2), approval of The Western Union Company s 2015 Long-Term Incentive Plan (Proposal 3), the ratification of Ernst & Young LLP s selection as independent registered public accounting firm (Proposal 4), the stockholder proposal regarding stockholder action by written consent (Proposal 5), and the stockholder proposal regarding political contributions (Proposal 6) each require the affirmative vote of a majority of the shares of Common Stock present in person or represented by proxy at the Annual Meeting and entitled to vote thereon. The stockholder proposal regarding creation of a Board Committee on Human Rights (Proposal 7) requires the affirmative vote of the holders of a majority of the outstanding Common Stock of the Company entitled to vote thereon.

WHAT IS THE EFFECT OF NOT VOTING?

It depends on how ownership of your shares is registered and the proposal to be voted upon. If you own shares as a Registered Holder, rather than through a broker, your unvoted shares will not be represented at the Annual Meeting and will not count toward the quorum requirement. Except as described below, and assuming a quorum is obtained, your unvoted shares will not affect whether a proposal is approved or rejected.

If you own shares through a broker and do not vote, your broker may represent your shares at the meeting for purposes of obtaining a quorum. Except as described in the answer to the following question, in the absence of your voting instruction, your broker may or may not vote your shares.

IF I DON T VOTE, WILL MY BROKER VOTE FOR ME?

If you own your shares through a broker and you don t vote, your broker may vote your shares in its discretion on some routine matters. With respect to other proposals, however, your broker may not be able to vote your shares for you. With respect to these proposals, the aggregate number of unvoted shares is reported as the broker non-vote. Broker non-vote shares will have the same effect as a vote against Proposal 7. With respect to each of the other proposals, a broker non-vote share will not affect the determination of whether the matter is approved. The Company believes that the proposal to ratify Ernst & Young LLP s selection as independent registered public accounting firm (Proposal 4) set forth in this Proxy Statement is a routine matter on which brokers will be permitted to vote any unvoted shares.

Other than Proposal 4, the Company believes that all other proposals set forth in this Proxy Statement are not considered routine matters and brokers will not be able to vote on behalf of their clients if no voting instructions have been furnished. Please vote your shares on all proposals.

Table of Contents

HOW ARE ABSTENTIONS TREATED?

Whether you own your shares as a Registered Holder or through a broker, abstentions are counted toward the quorum requirement and are counted as votes against a proposal, other than the proposal for the election of directors.

IF I OWN MY SHARES THROUGH A BROKER, HOW IS MY VOTE RECORDED?

Brokers typically own shares of Common Stock for many stockholders. In this situation, the Registered Holder on the Company s stock register is the broker or its nominee. This often is referred to as holding shares in Street Name. The Beneficial Owners do not appear in the Company s stockholder register. If you hold your shares in Street Name, and elect to vote via telephone or the Internet, your vote will be submitted to your broker. If you request paper Proxy Cards and elect to vote by mail, the accompanying return envelope is addressed to return your executed Proxy Card to your broker. Shortly before the meeting, each broker totals the votes submitted by telephone, Internet, or mail by the Beneficial Owners for whom it holds shares, and submits a Proxy Card reflecting the aggregate votes of such Beneficial Owners.

IS MY VOTE CONFIDENTIAL?

In accordance with the Company s Corporate Governance Guidelines, the vote of any stockholder will not be revealed to anyone other than a non-employee tabulator of votes or an independent election inspector (the Inspector of Election), except (i) as necessary to meet applicable legal and stock exchange listing requirements, (ii) to assert claims for or defend claims against the Company, (iii) to allow the Inspector of Election to certify the results of the stockholder vote, (iv) in the event a proxy, consent, or other solicitation in opposition to the voting recommendation of the Board of Directors takes place, (v) if a stockholder has requested that his or her vote be disclosed, or (vi) to respond to stockholders who have written comments on Proxy Cards.

CAN I REVOKE MY PROXY AND CHANGE MY VOTE?

Yes. You have the right to revoke your proxy at any time prior to the time your shares are voted. If you are a Registered Holder, your proxy can be revoked in several ways: (i) by timely delivery of a written revocation delivered to the Corporate Secretary, (ii) by timely submission of another valid proxy bearing a later date (including through any alternative voting procedure described on the Notice of Internet Availability of Proxy Materials or Proxy Card), or (iii) by attending the Annual Meeting and giving the Inspector of Election notice that you intend to vote your shares in person. If your shares are held by a broker, you must contact your broker in order to revoke your proxy.

WILL ANY OTHER BUSINESS BE TRANSACTED AT THE MEETING? IF SO, HOW WILL MY PROXY BE VOTED?

Management does not know of any business to be transacted at the Annual Meeting other than those matters described in this Proxy Statement. The period specified in the Company s By-Laws for submitting additional proposals to be considered at the Annual Meeting has passed and there are no such proposals to be considered. However, should any other matters properly come before the Annual Meeting, and any adjournments and postponements thereof, shares with respect to which voting authority has been granted to the Proxies will be voted by the Proxies in accordance with their judgment.

WHO COUNTS THE VOTES?

Votes will be counted and certified by the Inspectors of Election, who are employees of Wells Fargo Bank, N.A., the Company s Transfer Agent and Registrar. If you are a Registered Holder, your telephone or Internet vote is submitted, or your executed Proxy Card is returned, directly to Wells Fargo for tabulation. As noted above, if you hold your shares through a broker, your broker returns a single Proxy Card to Wells Fargo on behalf of its clients.

Table of Contents

Proxy Statement and Proxy Process

PROXY STATEMENT

HOW MUCH DOES THE PROXY SOLICITATION COST?

The Company has engaged the firm of MacKenzie Partners, Inc., 105 Madison Avenue, New York, NY 10016, to assist in distributing and soliciting proxies for a fee of approximately $20,000, plus expenses. However, the proxy solicitor fee is only a small fraction of the total cost of the proxy process. A significant expense in the proxy process is printing and mailing the proxy materials. The Company will also reimburse brokers, fiduciaries, and custodians for their costs in forwarding proxy materials to Beneficial Owners of our Common Stock. Proxies also may be solicited on behalf of the Company by directors, officers, or employees of the Company in person or by mail, telephone, or facsimile transmission. No additional compensation will be paid to such directors, officers, or employees for soliciting proxies. The Company will bear the entire cost of solicitation of proxies, including the preparation, assembly, printing, and mailing of the Notice of Internet Availability of Proxy Materials, and this Proxy Statement and the accompanying Proxy Card, Notice of Meeting, and Annual Report to Stockholders.

Important Notice Regarding the Availability of Proxy Materials

The Company s Proxy Statement and Annual Report to Stockholders are available at *www.proxydocs.com/wu* for Registered Holders and at *www.proxyvote.com* for Beneficial Owners. To access such materials, you will need the control/identification numbers provided to you in your Notice of Internet Availability of Proxy Materials or your Proxy Card.

Table of Contents

Board of Directors Information

In accordance with applicable Delaware law, the business of the Company is managed under the direction of its Board of Directors. Pursuant to the Company s Amended and Restated Certificate of Incorporation, the Board of Directors is to consist of not less than one nor more than 15 directors. At the Annual Meeting, director nominees will stand for election for one-year terms, expiring at the 2016 Annual Meeting of Stockholders.

During 2014, the Board of Directors met eight times (not including committee meetings). Each of the directors attended at least 75% of the aggregate number of meetings of the Board and Board committees on which they served during 2014.

Board of Directors

Dinyar S. Devitre

PRINCIPAL OCCUPATION, BUSINESS EXPERIENCE AND DIRECTORSHIPS

Special Advisor to General Atlantic LLC since 2008. Mr. Devitre served as Senior Vice President and Chief Financial Officer of Altria Group, Inc. from 2002 until 2008. From 2001 to 2002, Mr. Devitre served as a private business consultant and from 1998 to 2001, he was Executive Vice President at Citibank in Europe. He started with the Altria Group companies in 1970 and served in a variety of positions, including President Philip Morris, Asia, Chairman and Chief Executive Officer Philip Morris, Japan, and Senior Vice President, Corporate Planning, Philip Morris Companies, Inc. from 1995 to 1998. Mr. Devitre was a director of Kraft Foods Inc. from 2002 to 2007, and is a director of SABMiller plc, Markit Ltd. and Altria Group, Inc. Mr. Devitre s term expires in 2015 and he has declined to stand for re-election.

Age 67

Director Since 2006

EXPERIENCE, QUALIFICATIONS, ATTRIBUTES AND SKILLS SUPPORTING DIRECTORSHIP POSITION ON THE COMPANY S BOARD*

Mr. Devitre brings to the Board experience as the chief financial officer of a large United States-based multinational company, as an executive and director of large consumer goods corporations subject to regulation in multiple jurisdictions and as an executive of a financial services company. Mr. Devitre has experience with complex capital structures and related issues. Mr. Devitre also provides the Board with diversity in viewpoint and international business experience as a native of India who has lived and worked in many countries.

[Table of Contents](#)

Board of Directors Information

PROXY STATEMENT

Hikmet Ersek

PRINCIPAL OCCUPATION, BUSINESS EXPERIENCE AND DIRECTORSHIPS

President and Chief Executive Officer of the Company since 2010. From January 2010 to August 2010, Mr. Ersek served as the Company s Chief Operating Officer. Prior to 2010, Mr. Ersek served as the Company s Executive Vice President and Managing Director, Europe, Middle East, Africa and Asia Pacific Region from 2008. From 2006 to 2008, Mr. Ersek served as the Company s Executive Vice President and Managing Director, Europe/Middle East/Africa/South Asia. Prior to 2006, Mr. Ersek held various positions of increasing responsibility with the Company. Prior to joining Western Union in 1999, Mr. Ersek was with GE Capital and Europay/ MasterCard specializing in European payment systems and consumer finance. Mr. Ersek s term expires in 2015.

Age 54

Director Since 2010

EXPERIENCE, QUALIFICATIONS, ATTRIBUTES AND SKILLS SUPPORTING DIRECTORSHIP POSITION ON THE COMPANY S BOARD*

Mr. Ersek is the only Director who is also an executive of the Company. Mr. Ersek provides insight as the Company s leader, and from his prior roles as the Company s Chief Operating Officer and leader in the Company s Europe, Middle East, Africa and Asia Pacific region, a significant area for the Company. Mr. Ersek provides many years of international consumer payment sales, marketing, distribution, and operations insight from his experience with the Company, GE Capital, and Europay/MasterCard.

Richard A. Goodman

PRINCIPAL OCCUPATION, BUSINESS EXPERIENCE AND DIRECTORSHIPS

Executive Vice President, Global Operations of PepsiCo Inc. (PepsiCo) from 2010 to 2011. Prior to that, Mr. Goodman was PepsiCos Chief Financial Officer from 2006. From 2003 until 2006, Mr. Goodman was Senior Vice President and Chief Financial Officer of PepsiCo International. Mr. Goodman served as Senior Vice President and Chief Financial Officer of PepsiCo Beverages International from 2001 to 2003, and as Vice President and General Auditor of PepsiCo from 2000 to 2001. Before joining PepsiCo in 1992, Mr. Goodman was with W.R. Grace & Co. in a variety of senior financial positions. Mr. Goodman is a director of Johnson Controls Inc., Toys R Us, Inc., and Kindred Healthcare, Inc. Mr. Goodmans term expires in 2015.

Age 66

Director Since 2012

EXPERIENCE, QUALIFICATIONS, ATTRIBUTES AND SKILLS SUPPORTING DIRECTORSHIP POSITION ON THE COMPANY S BOARD*

Mr. Goodman brings to the Board experience as the chief financial officer and executive of a large, United States-based global company that manufactures, markets, and distributes a broad range of consumer goods. Mr. Goodman has experience with complex capital structures, and brings to the Board and management perspective with regard to consumer products, marketing, and brand management. Mr. Goodman also brings to the Board his experience as a board member of both a global diversified industrial company and a global retailer.

Table of Contents

Jack M. Greenberg

PRINCIPAL OCCUPATION, BUSINESS EXPERIENCE AND DIRECTORSHIPS

Non-Executive Chairman of the Board of Directors. Mr. Greenberg was Chairman (from 1999) and Chief Executive Officer (from 1998) of McDonald s Corporation until 2002. Mr. Greenberg joined McDonald s Corporation as Executive Vice President and Chief Finance Officer and as a member of its Board of Directors in 1982. He served as a director of First Data from 2003 to 2006, as a director of Abbott Laboratories from 2001 to 2007, and as a director of Manpower, Inc. from 2003 to 2014. Mr. Greenberg is a director of The Allstate Corporation, Hasbro, Inc., Innerworkings, Inc., where he serves as Chairman of the Board, and Quintiles Transnational Holdings Inc. Mr. Greenberg s term expires in 2015.

Age 72

Director Since 2006

EXPERIENCE, QUALIFICATIONS, ATTRIBUTES AND SKILLS SUPPORTING DIRECTORSHIP POSITION ON THE COMPANY S BOARD*

Mr. Greenberg s experience as the Chairman and Chief Executive Officer of McDonald s Corporation is supportive of his role as Non-Executive Chairman of the Board. He has experience working with large, global distribution networks, similar to the Company s agent network, and operations, consumer marketing, pricing, and trend analysis. Mr. Greenberg brings to the Board experience as the chief financial officer of a large United States-based multinational company. He is also a certified public accountant and an attorney. Mr. Greenberg is the only Director who was a director of the Company s former parent company, which provides historical context for the Company s operations.

Betsy D. Holden

PRINCIPAL OCCUPATION, BUSINESS EXPERIENCE AND DIRECTORSHIPS

Senior Advisor to McKinsey & Company since 2007. Ms. Holden served as President, Global Marketing and Category Development of Kraft Foods Inc. from 2004 through 2005, Co-Chief Executive Officer of Kraft Foods Inc. from 2001 until 2003, and President and Chief Executive Officer of Kraft Foods North America from 2000 until 2003. Ms. Holden began her career at General Foods in 1982. She currently serves as a director of Catamaran Corporation, Diageo plc., and Time, Inc. Ms. Holden s term expires in 2015.

Age 59

Director Since 2006

EXPERIENCE, QUALIFICATIONS, ATTRIBUTES AND SKILLS SUPPORTING DIRECTORSHIP POSITION ON THE COMPANY S BOARD*

Ms. Holden brings to the Board experience as a chief executive officer of a large United States-based multinational company and provides the Board with insights into consumer marketing and brand management from her years of experience with Kraft Foods. She is familiar with the challenges of operating in a highly regulated industry. Her current role as Senior Advisor to McKinsey & Company is focused on strategy, marketing, innovation, and board effectiveness initiatives across a variety of industries.

Table of Contents

Linda Fayne Levinson

PRINCIPAL OCCUPATION, BUSINESS EXPERIENCE AND DIRECTORSHIPS

An advisor to professionally funded, privately held ventures. Ms. Fayne Levinson was Non-Executive Chair of the Board of Connexus, Inc., formerly VendareNetblue, a privately held online marketing company until 2010 when it was merged with Epic Advertising. From 1997 until 2004, Ms. Fayne Levinson was a partner at GRP Partners, a venture capital firm, investing in early stage technology companies in the financial services, internet media and online retail sectors. Earlier in her career, Ms. Fayne Levinson was an executive at American Express and a partner at McKinsey & Company. She is a director of NCR Corporation, Jacobs Engineering Group Inc., Ingram Micro, Inc., and Hertz Global Holdings Inc. Ms. Fayne Levinson s term expires in 2015.

Age 73

Director Since 2006

EXPERIENCE, QUALIFICATIONS, ATTRIBUTES AND SKILLS SUPPORTING DIRECTORSHIP POSITION ON THE COMPANY S BOARD*

Ms. Fayne Levinson provides a combination of consumer payments business experience with that of emerging technology and online retail services companies. She also provides general management experience from her time at American Express, strategic experience as a former McKinsey partner, and investment experience from her time as a venture capital investor. Each of these areas is central to the Company s business. Ms. Fayne Levinson also has substantial experience with respect to executive compensation matters and corporate governance.

Roberto G. Mendoza

PRINCIPAL OCCUPATION, BUSINESS EXPERIENCE AND DIRECTORSHIPS

Senior Managing Director of Atlas Advisors LLC, an independent global investment banking firm, since 2010. Previously, Mr. Mendoza co-founded Deming Mendoza & Co., LLC, a corporate finance advisory firm, and served as one of its partners from 2009 to 2010. Mr. Mendoza served as Non-Executive Chairman of Trinsum Group from 2007 to 2008. In 2007, Trinsum Group was formed as a result of a merger of Marakon Associates and Integrated Finance Limited, a financial advisory company which Mr. Mendoza co-founded and of which he served as Chairman of the Board and Managing Director from 2002 to 2007. He also served as Managing Director of Goldman Sachs from 2000 to 2001. From 1967 to 2000, Mr. Mendoza held positions at J.P. Morgan & Co. Inc., serving from 1990 to 2000 as director and Vice Chairman of the Board. He currently serves as a director of PartnerRe Ltd. and Manpower Inc. Mr. Mendoza s term expires in 2015.

Age 69

Director Since 2006

EXPERIENCE, QUALIFICATIONS, ATTRIBUTES AND SKILLS SUPPORTING DIRECTORSHIP POSITION ON THE COMPANY S BOARD*

Mr. Mendoza has substantial experience in investment banking and financial services. Mr. Mendoza also provides the Board with diversity in viewpoint and international business experience as he has lived and worked and served on a variety of public company boards, both in the United States and abroad.

Table of Contents

Michael A. Miles, Jr.

PRINCIPAL OCCUPATION, BUSINESS EXPERIENCE AND DIRECTORSHIPS

Advisory Director of Berkshire Partners, a private equity firm, since 2013. Previously, Mr. Miles was President of Staples, Inc. from 2006 until 2013, and Chief Operating Officer from 2003. Prior to that, Mr. Miles was Chief Operating Officer, Pizza Hut for Yum! Brands, Inc. from 2000 to 2003. From 1996 to 1999, he served Pizza Hut as Senior Vice President of Concept Development & Franchise. Mr. Miles term expires in 2015.

Age 53

Director Since 2006

EXPERIENCE, QUALIFICATIONS, ATTRIBUTES AND SKILLS SUPPORTING DIRECTORSHIP POSITION ON THE COMPANY S BOARD*

Mr. Miles has experience as an executive of an international consumer goods retailer, and with large acquisitions outside of the United States and franchise distribution networks, which are similar to the Company s agent network. Mr. Miles also brings U.S. and global operational expertise to the Board discussions.

Robert W. Selander

PRINCIPAL OCCUPATION, BUSINESS EXPERIENCE AND DIRECTORSHIPS

Mr. Selander served as Executive Vice Chairman of MasterCard Incorporated and MasterCard International during 2010. From 1997 until 2010, Mr. Selander served as Chief Executive Officer of MasterCard Incorporated and MasterCard International. In addition, until 2009, Mr. Selander served as President of MasterCard Incorporated and MasterCard International from 2002 and 1997, respectively. Prior to his election as President and Chief Executive Officer of MasterCard International in 1997, Mr. Selander was an Executive Vice President and President of the MasterCard International Europe, Middle East/Africa and Canada regions. Before joining MasterCard in 1994, Mr. Selander spent two decades with Citicorp/Citibank, N.A. Mr. Selander has also served as a director of the Hartford Financial Services Group, Inc. from 1998 to 2008, MasterCard Incorporated from 2002 until 2010, and MasterCard International from 1997 until 2010. Mr. Selander currently serves on the Board of Directors of Mozido, Inc. and the Board of Trustees of the Fidelity Equity and High Income Funds.

Age 64

Director Since 2014

EXPERIENCE, QUALIFICATIONS, ATTRIBUTES AND SKILLS SUPPORTING DIRECTORSHIP POSITION ON THE COMPANY S BOARD*

Mr. Selander has extensive global business, leadership and financial services experience gained in over thirteen years as Chief Executive Officer of MasterCard Incorporated and MasterCard International and in senior positions at Citicorp/Citibank N.A. Mr. Selander also has substantial board of director experience having served as a director of MasterCard Incorporated, MasterCard International and the Hartford Financial Services Group, Inc.

Table of Contents

Frances Fragos Townsend

PRINCIPAL OCCUPATION, BUSINESS EXPERIENCE AND DIRECTORSHIPS

Executive Vice President of Worldwide Government, Legal and Business Affairs at MacAndrews & Forbes Holdings Inc. since 2013, and previously served as Senior Vice President of Worldwide Government, Legal and Business Affairs from 2010 to 2012. Ms. Fragos Townsend was a corporate partner at the law firm of Baker Botts L.L.P. from 2009 to 2010. From 2008 to 2009, Ms. Fragos Townsend provided consulting services and advised corporate entities on global strategic risk and contingency planning. Prior to that, Ms. Fragos Townsend served as Assistant to President George W. Bush for Homeland Security and Counterterrorism and chaired the Homeland Security Council from 2004 until 2008. She also served as Deputy Assistant to the President and Deputy National Security Advisor Combating Terrorism from 2003 to 2004. Ms. Fragos Townsend was the first Assistant Commandant for Intelligence for the United States Coast Guard and spent 13 years at the United States Department of Justice in various senior positions. Ms. Fragos Townsend is a director of Scientific Games Corporation and Freeport-McMoRan Copper & Gold Inc. and was a director of SIGA Technologies, Inc. until 2014. Ms. Fragos Townsend s term expires in 2015.

Age 53

Director Since 2013

EXPERIENCE, QUALIFICATIONS, ATTRIBUTES AND SKILLS SUPPORTING DIRECTORSHIP POSITION ON THE COMPANY S BOARD*

Ms. Fragos Townsend has extensive public policy, government, legal, and regulatory experience, and brings to the Board valuable insights regarding the conduct of business in a highly regulated industry. Ms. Fragos Townsend also has substantial leadership experience as former chair of the Homeland Security Council and as a former officer in the United States Coast Guard.

Table of Contents

Solomon D. Trujillo

PRINCIPAL OCCUPATION, BUSINESS EXPERIENCE AND DIRECTORSHIPS

Founded Trujillo Group, LLC, and has served as chairman since 2003. Mr. Trujillo also served as the Chief Executive Officer and as director of Telstra Corporation Limited, Australia s largest media-communications enterprise, from 2005 to 2009. From 2003 to 2004, Mr. Trujillo was Orange SA s Chief Executive Officer. Before that, Mr. Trujillo was Chairman, President and Chief Executive Officer of Graviton, Inc. from 2001 until 2003. Mr. Trujillo previously served as a director of Target Corporation from 1994 to 2014 and currently serves as a director of WPP plc and ProAmerica Bank. Mr. Trujillo s term expires in 2015.

Age 63

Director Since 2012

EXPERIENCE, QUALIFICATIONS, ATTRIBUTES AND SKILLS SUPPORTING DIRECTORSHIP POSITION ON THE COMPANY S BOARD*

Mr. Trujillo is an international business executive with experience as a chief executive officer of global companies in the telecommunications, media, and cable industries headquartered in the United States, the European Union, and the Asia-Pacific region. He has global operations experience and provides the Board with substantial international experience and expertise in the retail, technology, media, and communications industries.

Director Nominee

Jeffrey A. Joerres

PRINCIPAL OCCUPATION, BUSINESS EXPERIENCE AND DIRECTORSHIPS

Executive Chairman of ManpowerGroup since May 2014. From 1999 to 2014, Mr. Joerres served as CEO of ManpowerGroup and from 2001 to 2014, he served as Chairman of the Board. Mr. Joerres joined ManpowerGroup in 1993, and served as Vice President of Marketing and Senior Vice President European Operations and Marketing and Major Account Development. Mr. Joerres is the former Chair and current director of the Federal Reserve Bank of Chicago board of directors, and serves as a director of Johnson Controls, Inc., Artisan Partners Asset Management and the Committee for Economic Development, and is chair of the Future Workforce Committee of the Greater Milwaukee Committee. Mr. Joerres served as a director of Artisan Funds, Inc. from 2001 to 2011.

Age 55

EXPERIENCE, QUALIFICATIONS, ATTRIBUTES AND SKILLS SUPPORTING DIRECTORSHIP POSITION ON THE COMPANY S BOARD*

Mr. Joerres brings to the Board experience as the former chief executive officer and current executive chairman of a large United States-based global company that delivers workforce solutions around the world. Mr. Joerres also brings to the Board his experience as a board member of both a global diversified industrial company and the Federal Reserve Bank of Chicago.

Table of Contents

* The Board selects nominees for Director on the basis of experience, integrity, skills, diversity, ability to make independent analytical inquiries, understanding of the Company s business environment, and willingness to devote adequate time to Board duties, all in the context of an assessment of the perceived needs of the Board at a given point in time. In addition to the individual attributes of each of the directors described above, the Company highly values the collective business experience and qualifications of the directors. We believe that the experiences, viewpoints, and perspectives of our directors result in a Board with the commitment and energy to advance the interests of our stockholders.

Director and Director Nominee Qualifications Matrix

The following matrix is provided to illustrate the skills and qualifications of our Directors and Director Nominee.

	Leadership			Financial		International		Diversity		
Director/ Director Nominee	**CEO Experience**	**CFO Experience**	**Regulated Industry/ Government**	**Financial Literacy**	**Eligible for Audit Committee Qualified Expert**	**Emerging Markets**	**Global Operational Experience**	**Gender**	**Ethnicity**	**Geograph**
Dinyar S. Devitre	X	X	X	X	X		X	M	X	X
Hikmet Ersek	X		X	X		X	X	M		X
Richard A. Goodman		X		X	X	X	X	M		
Jack M. Greenberg	X	X	X	X	X	X	X	M		
Betsy D. Holden	X		X	X		X	X	F		
Jeffery A. Joerres	X			X			X	M		
Linda Fayne Levinson	X		X	X				F		
Roberto G. Mendoza			X	X			X	M	X	X
Michael A. Miles, Jr.				X			X	M		
Robert W. Selander	X		X	X		X	X	M		
Frances Fragos Townsend			X					F		
Solomon D. Trujillo	X		X	X		X	X	M	X	X

Table of Contents

Proposal 1
Election of Directors

The Board of Directors was previously divided into three classes. At the Company s 2012 Annual Meeting of Stockholders, the Company s stockholders approved a proposal to amend the Company s Amended and Restated Certificate of Incorporation to declassify the Board of Directors such that each director standing for election or re-election will be elected to a one-year term. At the 2015 Annual Meeting, and at subsequent Annual Meetings, all directors will be elected on an annual basis for one-year terms.

Upon the recommendation of the Corporate Governance and Public Policy Committee, the Board of Directors appointed Mr. Robert W. Selander as a director in July 2014, subject to election by the stockholders at the 2015 Annual Meeting and nominated Mr. Jeffrey A. Joerres in February 2015 to stand for election at the 2015 Annual Meeting. Mr. Selander and Mr. Joerres were originally recommended to the Corporate Governance and Public Policy Committee by non-employee members of the Board of Directors. Except for Mr. Devitre, who has declined to stand for re-election, the terms of each director if re-elected or elected will expire at the 2016 Annual Meeting of Stockholders. In the case of a vacancy, the Board of Directors may appoint another director as a replacement, may leave the vacancy unfilled or may reduce the number of directors on the Board. (See the Board of Directors Information section of this Proxy Statement for information concerning all nominees.)

The Company s By-Laws require directors to be elected by the majority of votes cast with respect to such director in uncontested elections (the number of shares voted for a director must exceed the number of votes cast against that director, with abstentions and broker non-votes not counted as cast either for or against). In a contested election (a situation in which the number of nominees exceeds the number of directors to be elected), the standard for election of directors will be a plurality of the shares represented in person or by proxy at any such meeting and entitled to vote on the election of directors.

Under the Company s By-Laws, if an incumbent director is not elected, the director will promptly tender his or her resignation to the Board of Directors. The Corporate Governance and Public Policy Committee will make a recommendation to the Board of Directors as to whether to accept or reject the resignation of such incumbent director, or whether other action should be taken. The Board of Directors will act on the resignation, taking into account the Corporate Governance and Public Policy Committee s recommendation, and publicly disclose (by a press release, a filing with the SEC or other broadly disseminated means of communication) its decision regarding the tendered resignation and the rationale behind the decision within 90 days following certification of the election results. If such incumbent director s resignation is not accepted by the Board of Directors, such director will continue to serve until the next annual meeting and until his or her successor is duly elected or his or her earlier resignation or removal.

Your shares will be voted as you instruct via the telephone or Internet voting procedure described on the Proxy Card or the Notice of Internet Availability of Proxy Materials, or as you specify on your Proxy Card(s) if you elect to vote by mail. If unforeseen circumstances (such as death or disability) require the Board of Directors to substitute another person for any of the director nominees, your shares will be voted for that other person.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE TO RE-ELECT MR. ERSEK, MR. GOODMAN, MR. GREENBERG, MS. HOLDEN, MS. FAYNE LEVINSON, MR. MENDOZA, MR. MILES, MS. TOWNSEND AND MR. TRUJILLO, AND TO ELECT MR. JOERRES AND MR. SELANDER, AS DIRECTORS TO SERVE UNTIL THE 2016 ANNUAL MEETING OF STOCKHOLDERS OR UNTIL THEIR RESPECTIVE SUCCESSORS ARE ELECTED AND QUALIFIED.

Table of Contents

Corporate Governance

Summary of Corporate Governance Practices

The Board of Directors believes that strong corporate governance is key to long-term stockholder value creation. Over the years, our Board of Directors has responded to evolving governance standards by enhancing our practices to best serve the interests of the Company s stockholders, including:

Annual election of directors.

Proxy access. Our By-Laws permit qualifying stockholders or groups of qualifying stockholders that have each beneficially owned at least 3% of the Company s Common Stock for three years to nominate up to an aggregate of 20% of the members of the Board and have information and supporting statements regarding those nominees included in the Company s proxy statement.

Majority vote standard in uncontested elections. Each director must be elected by a majority of votes cast, rather than by a plurality.

Stockholder right to call special meetings.

No stockholder rights plan (poison pill).

No supermajority voting provisions in the Company s organizational documents.

Independent Board, except our Chief Executive Officer. Our Board is comprised of all independent directors, except our Chief Executive Officer.

Independent non-executive chairman. The Chairman of the Board of Directors, Jack Greenberg, is a non-executive independent director.

Independent Board committees. Each of the Audit, Compensation, and Corporate Governance and Public Policy Committees is made up of independent directors, and all voting members of the Compliance Committee are independent. Each standing committee operates under a written charter that has been approved by the Board.

Confidential stockholder voting. The Company s Corporate Governance Guidelines provide that the vote of any stockholder will not be revealed to anyone other than a non-employee tabulator of votes or an independent election inspector, except under circumstances set forth in the Company s Corporate Governance Guidelines.
Committee authority to retain independent advisors. Each of the Audit, Compensation, Compliance, and Corporate Governance and Public Policy Committees has the authority to retain independent advisors.

Robust codes of conduct. The Company is committed to operating its business with honesty and integrity and maintaining the highest level of ethical conduct. These absolute values are embodied in our Code of Conduct and require that every customer, employee, agent and member of the public be treated accordingly. The Company Code of Conduct applies to all employees, but the Company s senior financial officers are also subject to an additional code of ethics, reflecting the Company s commitment to maintaining the highest standards of ethical conduct. In addition, the Board of Directors is subject to a Director s Code of Conduct.

Stock ownership guidelines for senior executives and directors. Significant stock ownership requirements for our senior executives and directors strongly link the interests of management and the Board with those of stockholders.

Prohibition against pledging and hedging of Company stock by senior executives and directors. As noted below in Compensation of Directors Prohibition Against Pledging and Hedging of the Company s Securities and Compensation Discussion and Analysis The Western Union Executive Compensation Program *Prohibition Against Pledging and Hedging of the Company s Securities*, the Company s insider trading policy prohibits the Company s executive officers and directors from pledging the Company s securities or engaging in hedging or short-term speculative trading of the Company s securities, including, without limitation, short sales or put or call options involving the Company s securities.

Stockholder engagement. The Company regularly engages with its stockholders to better understand their perspectives. You can learn more about our corporate governance by visiting the Investor Relations, Corporate Governance portion of the Company s website, *www.wu.com*, or by writing to the attention of: Investor Relations, The Western Union Company, 12500 East Belford Avenue, Mailstop M23IR, Englewood, CO 80112.

Table of Contents

Independence of Directors

The Board of Directors has adopted Corporate Governance Guidelines, which contain the standards that the Board of Directors use to determine whether a director is independent. A director is not independent under these categorical standards if:

- The director is, or has been within the last three years, an employee of Western Union, or an immediate family member of the director is, or has been within the last three years, an executive officer of Western Union.
- The director has received, or has an immediate family member who has received, during any 12-month period within the last three years, more than $120,000 in direct compensation from Western Union, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service).
- (i) The director is a current partner or employee of a firm that is Western Union s internal or external auditor; (ii) the director has an immediate family member who is a current partner of such a firm; (iii) the director has an immediate family member who is a current employee of such a firm and personally works on Western Union s audit; or (iv) the director or an immediate family member was within the last three years a partner or employee of such firm and personally worked on Western Union s audit within that time.
- The director or an immediate family member is, or has been within the last three years, employed as an executive officer of another company where any of Western Union s present executive officers at the same time serves or served on that company s compensation committee.
- The director is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, Western Union for property or services in an amount which, in any of the last three fiscal years, exceeded the greater of $1 million or 2% of such other company s consolidated gross revenues.
- The director is a current employee, or an immediate family member is a current executive officer, of a company which was indebted to Western Union, or to which Western Union was indebted, where the total amount of either company s indebtedness to the other, in any of the last three fiscal years, exceeded 5% or more of such other company s total consolidated assets.
- The director or an immediate family member is a current officer, director, or trustee of a charitable organization where Western Union s (or an affiliated charitable foundation s) annual discretionary charitable contributions to the charitable organization, in any of the last three fiscal years, exceeded the greater of $1 million or 5% of such charitable organization s consolidated gross revenues.

The Board has reviewed the independence of the current directors and director nominee under these standards and the rules of the New York Stock Exchange (the NYSE) and found each of Mr. Devitre, Mr. Goodman, Mr. Greenberg, Ms. Holden, Mr. Joerres, Ms. Fayne Levinson, Mr. Mendoza, Mr. Miles, Mr. Selander, Ms. Fragos Townsend and Mr. Trujillo to be independent.

Table of Contents

Board Leadership Structure and Role in Risk Oversight

The Board has a non-executive Chairman. This position is independent from management. The Chairman sets the agendas for and presides over the Board meetings as well as meetings of the independent directors. The Chief Executive Officer is a member of the Board and participates in its meetings. The Board believes that this leadership structure is appropriate for the Company at this time because it allows for independent oversight of management, increases management accountability, and encourages an objective evaluation of management s performance relative to compensation.

The Board regularly devotes time during its meetings to review and discuss the most significant risks facing the Company, and management s process for identifying, prioritizing, and responding to those risks. During these discussions, the Chief Executive Officer, the General Counsel, and the Chief Financial Officer present management s process for assessment of risks, a description of the most significant risks facing the Company, and any mitigating factors, plans, or policies in place to address and monitor those risks. The Board has also delegated risk oversight authority to its committees.

Consistent with the NYSE listing standards, to which the Company is subject, the Audit Committee bears responsibility for oversight of the Company s policies with respect to risk assessment and risk management and must discuss with management the major risk exposures facing the Company and the steps the Company has taken to monitor and control such exposures. The Audit Committee is also responsible for assisting Board oversight of the Company s compliance with legal and

regulatory requirements, which represent many of the most significant risks the Company faces. During the Audit Committee s discussion of risk, the Company s Chief Executive Officer, General Counsel, Chief Financial Officer, Chief Compliance Officer, and Chief Internal Auditor present information and participate in discussions with the Audit Committee regarding risk and risk management.

While the Board committee with primary oversight of risk is the Audit Committee, the Board has delegated to other committees the oversight of risks within their areas of responsibility and expertise. For example, in light of the breadth and number of responsibilities that the Audit Committee must oversee, and the importance of the evaluation and management of risk related to the Company s compliance programs and policies associated with anti-money laundering laws, including investigations or other matters that may arise in relation to such laws, the Board formed a Compliance Committee in 2013 to assist the Audit Committee and the Board with oversight of those risks. This function was previously performed by the Corporate Governance and Public Policy Committee. The Compliance Committee reports regularly on these matters to the Board and Audit Committee and during the Compliance Committee s meetings, each of the General Counsel and Chief Compliance Officer regularly present and participate in discussions. In addition, the Compensation Committee oversees the risks associated with the Company s compensation practices, including an annual review of the Company s risk assessment of its compensation policies and practices for its employees and the Company s succession planning process.

Table of Contents

Corporate Governance

PROXY STATEMENT

Committees of the Board of Directors

The current members of each Board Committee are indicated in the table below.

Director	Audit	Corporate Governance & Public Policy	Compensation & Benefits	Compliance
Dinyar S. Devitre		X		X
Hikmet Ersek				X (non-voting)
Richard A. Goodman	X		X	
Jack M. Greenberg				
Betsy D. Holden		X	X	
Linda Fayne Levinson	X	X		
Roberto G. Mendoza	X		X	
Michael A. Miles, Jr.	X			X
Robert W. Selander			X	X
Frances Fragos Townsend		X		X
Solomon D. Trujillo			X	

Chairman of the Board
Committee Chair

In February 2015, subject to, and effective upon the date of, the election of Mr. Selander and the re-election of Mr. Trujillo as directors at the 2015 Annual Meeting, the Board approved resolutions (i) appointing Mr. Selander as the chair of the Corporate Governance and Public Policy Committee and removing Mr. Selander as a member of the Compliance Committee, and (ii) appointing Mr. Trujillo as a member of the Compliance Committee.

Board and Committee Governing Documents

Each committee operates under a charter approved by the Board. The Company s Audit Committee Charter, Compensation and Benefits Committee Charter, Corporate Governance and Public Policy Committee Charter, Compliance Committee Charter, and Corporate Governance Guidelines are available without charge through the Investor Relations, Corporate Governance portion of the Company s website, *www.wu.com*, or by writing to the attention of: Investor Relations, The Western Union Company, 12500 East Belford Avenue, Mailstop M23IR, Englewood, CO 80112.

Table of Contents

Audit Committee

Richard A. Goodman
Committee Chair
Additional Committee Members: Linda Fayne Levinson, Roberto G. Mendoza and Michael A. Miles, Jr.

Meetings Held in 2014: 8

Primary Responsibilities: Pursuant to its charter, the Audit Committee assists the Board of Directors in fulfilling its oversight responsibilities with respect to:

- integrity of the Company's consolidated financial statements;
- compliance with legal and regulatory requirements;
- independent registered public accounting firm qualifications and independence; and
- performance of the Company's internal audit function and independent registered public accounting firm.

Independence: Each member of the Audit Committee meets the independence requirements of our Corporate Governance Guidelines, the NYSE and the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and as the Board has determined, has no material relationship with the Company. Each member of the Audit Committee is financially literate, knowledgeable, and qualified to review financial statements. The Board has designated Mr. Goodman as a "financial expert" as defined by Item 407(d) of Regulation S-K.

Service on Other Audit Committees: No director may serve as a member of the Audit Committee if such director serves on the audit committees of more than two other public companies, unless the Board determines that such simultaneous service would not impair the ability of such director to effectively serve on the Audit Committee. Currently, none of the Audit Committee members serve on more than three audit committees (including the Company's Audit Committee).

Table of Contents

Compensation and Benefits Committee

Betsy D. Holden
Committee Chair
Additional Committee Members: Richard A. Goodman, Roberto G. Mendoza, Robert W. Selander, and Solomon D. Trujillo

Meetings Held in 2014: 6

Primary Responsibilities: Pursuant to its charter, the Compensation Committee has the authority to administer, interpret, and take any actions it deems appropriate in connection with any incentive compensation or equity-based plans of the Company, any salary or other compensation plans for officers and other key employees of the Company, and any employee benefit or fringe benefit plans, programs or policies of the Company. Among other things, the Compensation Committee is responsible for:

- in consultation with senior management, establishing the Company's general compensation philosophy, and overseeing the development and implementation of compensation and benefits policies;
- reviewing and approving corporate goals and objectives relevant to the compensation of the Chief Executive Officer and other executive officers, evaluating the performance of the Chief Executive Officer and other executive officers in light thereof, and setting compensation levels and other benefits for the Chief Executive Officer (with the ratification by the independent directors of the Board) and other executive officers based on this evaluation;
- reviewing and making recommendations to the Board regarding severance or similar termination agreements with the Company's Chief Executive Officer or to any person being considered for promotion or hire into the position of Chief Executive Officer;
- approving grants and/or awards of options, restricted stock, restricted stock units, and other forms of equity-based compensation under the Company's equity-based plans;
- reviewing with management and preparing an annual report regarding the Company's Compensation Discussion and Analysis to be included in the Company's Proxy Statement and Annual Report;
- in consultation with the Chief Executive Officer, reviewing management succession planning;
- reviewing and recommending to the Board of Directors compensation for non-employee directors; and
- periodically reviewing the overall effectiveness of the Company's principal strategies related to human capital management, recruiting, retention, career development, and diversity.

Independence: Each member of the Compensation Committee meets the definitions of "outside director" under Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code") and "non-employee director" under Rule 16b-3 of the Exchange Act. Each member of the Compensation Committee meets the independence requirements of our Corporate Governance Guidelines, the NYSE and the Exchange Act, and as the Board has determined, has no material relationship with the Company.

Table of Contents

Compliance Committee

Frances Fragos Townsend
Committee Chair
Additional Committee Members: Dinyar S. Devitre, Hikmet Ersek (non-voting member), Michael A. Miles, Jr., and Robert W. Selander

Meetings Held in 2014: 10

Primary Responsibilities: Pursuant to its charter, the Compliance Committee assists the Audit Committee and the Board in fulfilling the Board's oversight responsibility for the Company's compliance with legal and regulatory requirements. Among other things, the Compliance Committee is responsible for reviewing:

- the Company's compliance programs and policies relating to anti-money laundering laws, including establishing procedures to be apprised of material investigations or other material matters that may arise in relation to such laws; and
- legal, compliance or other regulatory matters that may have a material effect on the Company's business, financial statements or compliance policies, including material notices to or inquiries received from governmental agencies.

Independence: Each voting member of the Compliance Committee meets the independence requirements of our Corporate Governance Guidelines, the NYSE and the Exchange Act, and as the Board has determined, has no material relationship with the Company. The Board may appoint non-voting members to the Compliance Committee that are not independent from the Company. The Company's Chief Executive Officer is currently a non-voting member of the Compliance Committee.

Corporate Governance and Public Policy Committee

Dinyar S. Devitre
Committee Chair
Additional Committee Members: Betsy D. Holden, Linda Fayne Levinson, and Frances Fragos Townsend

Meetings Held in 2014: 4

Primary Responsibilities: Pursuant to its charter, the Corporate Governance and Public Policy Committee is responsible for:

- recommending to the Board of Directors criteria for Board and committee membership;
- considering, in consultation with the Chairman of the Board and the Chief Executive Officer, and recruiting candidates to fill positions on the Board of Directors;
- evaluating current directors for re-nomination to the Board of Directors;
- recommending the director nominees for approval by the Board of Directors and the stockholders;
- recommending to the Board of Directors appointments to committees of the Board of Directors;
- recommending to the Board of Directors corporate governance guidelines, reviewing the corporate governance guidelines at least annually, and recommending modifications to the corporate governance guidelines to the Board of Directors;
- establishing and implementing self-evaluation procedures for the Board of Directors and its committees;
- reviewing stockholder proposals submitted for inclusion in the Company's Proxy Statement;
- reviewing the Company's related persons transaction policy, and as necessary, reviewing specific related person transactions; and
- reviewing and advising the Board of Directors regarding matters of public policy and social responsibility that are relevant to the Company or the industries in which the Company operates.

Independence: Each member of the Corporate Governance and Public Policy Committee meets the independence requirements of our Corporate Governance Guidelines, the NYSE and the Exchange Act, and as the Board has determined, has no material relationship with the Company.

Table of Contents

Corporate Governance

PROXY STATEMENT

Chief Executive Officer Succession Planning

The Companys Board of Directors has developed a governance framework for Chief Executive Officer succession planning that is intended to provide for a talent-rich leadership organization that can drive the Companys strategic objectives. Under its governance framework, the Board of Directors:

Reviews succession planning for the Chief Executive Officer on an annual basis. As part of this process, the Chief Executive Officer reviews the annual performance of each member of the management team with the Board and the Board engages in a discussion with the
Chief Executive Officer and the Chief Human Resources Officer regarding each team member and the team members development;
Maintains a confidential plan to address any unexpected short-term absence of the Chief Executive Officer and identifies candidates who could act as interim Chief Executive Officer in the event of any such unexpected absence; and
Ideally three to five years before the retirement of the current Chief Executive Officer, manages the succession process and determines the current Chief Executive Officers role in that process.

Communications with the Board of Directors

Any stockholder or other interested party who desires to contact the non-management directors or the other members of the Companys Board of Directors may do so by writing to: The Western Union Company, Board of Directors, 12500 East Belford Avenue, Mailstop M21A2, Englewood, CO 80112. Communications that are intended specifically for non-management directors should be

addressed to the attention of the Chairperson of the Corporate Governance and Public Policy Committee. All communications will be forwarded to the Chairperson 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.

Board Attendance at Annual Stockholders Meeting

Although the Company does not have a formal policy regarding attendance by members of the Board of Directors at the Companys Annual Meeting of Stockholders, it encourages directors to attend.

Ten of our eleven members of the Board of Directors serving at the time attended the Companys 2014 Annual Meeting of Stockholders.

Presiding Director of Non-Management Director Meetings

The non-management directors meet in regularly scheduled executive sessions without management. The Chairman of the Board of Directors, Mr. Greenberg, is the presiding director at these meetings.

Nomination of Directors

The Company□s Board of Directors is responsible for nominating directors for election by the stockholders and filling any vacancies on the Board that may occur. The Corporate Governance and Public Policy Committee is responsible for identifying, screening, and recommending candidates to the Board for Board membership. The

Corporate Governance and Public Policy Committee does not have any single method for identifying director candidates but will consider candidates suggested by a wide range of sources, including by any stockholder, director, or officer of the Company.

Table of Contents

Director Qualifications

General criteria for the nomination of director candidates include experience, high ethical standards and integrity, skills, diversity, ability to make independent analytical inquiries, understanding of the Companys business environment, and willingness to devote adequate time to Board dutiesall in the context of an assessment of the perceived needs of the Board at that point in time. In exercising its director nomination responsibilities, the Corporate Governance and Public Policy Committee considers diversity in gender, ethnicity, background, and cultural viewpoints when considering director nominees, given the global nature of the Companys business. However, the Board has not adopted a formal policy governing director diversity. The effectiveness of the nomination process is evaluated by the Board each year as part of its annual self-evaluation and by the Corporate Governance and Public Policy Committee as it evaluates and identifies director candidates.

Each director is expected to ensure that other existing and planned future commitments do not materially interfere with the members service as a Board or Committee member. The Corporate Governance and Public Policy Committee will consider candidates for election to the Board suggested in writing by a stockholder and will make a recommendation to the Board using the same criteria as it does in evaluating candidates submitted by members of the Board of Directors. If the Company receives such a suggestion, the Company may request additional information from the candidate to assist in its evaluation.

Stockholder Nominees

Stockholders may submit nominations for director candidates by giving notice to the Corporate Secretary, The Western Union Company, 12500 East Belford Avenue, Mailstop M21A2, Englewood, CO 80112. The requirements for the submission of such stockholder nominations are set forth in Article II of the Companys By-Laws, which are available on the Companys website, *www.wu.com*.

Submission of Stockholder Proposals

Stockholder proposals, including stockholder director nominations, requested to be included in the Companys Proxy Statement for its 2016 Annual Meeting of Stockholders must be received by the Company not later than December 3, 2015 and comply with the requirements of Rule 14a-8, if applicable, and the Companys By-laws. Even if a proposal is not submitted in time to be considered for inclusion in the Companys Proxy Statement for its 2016 Annual Meeting of Stockholders, a proper stockholder proposal or director nomination may still be considered

at the Companys 2016 Annual Meeting of Stockholders, but only if the proposal or nomination is received by the Company no sooner than January 16, 2016 and no later than February 15, 2016 and otherwise complies with the Companys By-Laws. All proposals or nominations a stockholder wishes to submit at the meeting should be directed to the Corporate Secretary, The Western Union Company, 12500 East Belford Avenue, Mailstop M21A2, Englewood, CO 80112.

Code of Ethics

The Companys Directors Code of Conduct, Code of Ethics for Senior Financial Officers, Reporting Procedure for Accounting and Auditing Concerns, Professional Conduct Policy for Attorneys, and the Code of Conduct are available without charge through the Investor Relations, Corporate Governance portion of the Companys website,

www.wu.com, or by writing to the attention of: Investor Relations, The Western Union Company, 12500 East Belford Avenue, Mailstop M23IR, Englewood, CO 80112. In the event of an amendment to, or a waiver from, the Companys Code of Ethics for Senior Financial Officers, the Company intends to post such information on its website, *www.wu.com*.

Table of Contents

Compensation of Directors

The following table provides information regarding the compensation of our outside directors for 2014. Mr. Ersek, our President and Chief Executive Officer, does not receive additional compensation for his service as a director.

2014 DIRECTOR COMPENSATION

Name	Fees Earned or Paid in Cash ($000)	Stock Awards ($000)[2]	Option Awards ($000)[3]	All Other Compensation ($000)[4]	Total ($000)[5]
Jack M. Greenberg	125.0	175.0	175.0	19.6	494.6
Dinyar S. Devitre	115.4	130.0		23.4	268.8
Richard A. Goodman	110.0	65.0	65.0	25.0	265.0
Betsy D. Holden	110.0	130.0		30.0	270.0
Linda Fayne Levinson	95.0	130.0			225.0
Roberto G. Mendoza	95.0	65.0	65.0		225.0
Michael A. Miles, Jr.	95.0(1)	130.0		9.5	234.5
Wulf von Schimmelmann[6]	32.0	130.0		1.0	163.0
Robert W. Selander[6]	38.8(1)	29.9	29.9	25.0	123.6
Frances Fragos Townsend	96.5	65.0	65.0		226.5
Solomon D. Trujillo	85.0	65.0	65.0		215.0

Footnotes:

(1) *Mr. Miles and Mr. Selander elected to receive their annual retainer fees for 2014 in the form of equity compensation as described below under Equity Compensation.*

(2) *The amounts in this column represent the value of stock units granted to each director as annual equity grants. Stock awards consist of fully vested stock units that are settled in shares of Common Stock and may be subject to a deferral election consistent with Internal Revenue Code Section 409A. The amounts shown in this column are valued based on the aggregate grant date fair value computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation Stock Compensation (FASB ASC Topic 718). See Note 16 to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the year ended December 31, 2014 for a discussion of the relevant assumptions used in calculating these amounts.*

(3) *The amounts in this column represent the value of options granted to each director as annual equity grants. The amounts shown in this column are valued based on the aggregate grant date fair value computed in accordance with FASB ASC Topic 718. See Note 16 to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the year ended December 31, 2014 for a discussion of the relevant assumptions used in calculating these amounts.*

(4) *All Other Compensation represents matches under the Company s gift matching program that the Company made in 2014. Outside directors are eligible to participate in the Company s gift matching program on the same terms as Western Union s executive officers and employees. As noted below, contributions made or directed to be made to an eligible organization, up to an aggregate amount of $25,000 per calendar year, will be matched by the Company. Matching contributions to various charities were made in 2014 on behalf of the following directors: Messrs. Greenberg, Devitre, Goodman, Miles and Selander and Ms. Holden. Contributions up to $100,000 per calendar year that a director makes to The Western Union Foundation without designating a recipient organization will be matched by the Company $2 for every $1 contributed. The charitable contributions made by Ms. Holden represent matches made by the Company in 2014 with respect to charitable contributions made by Ms. Holden in 2014 and 2013.*

Table of Contents

(5) *As of December 31, 2014, each individual who served as an outside director during 2014 had outstanding the following number of stock units and options:*

Name	Stock Units	Options
Jack M. Greenberg	34,466	422,596(A)
Dinyar S. Devitre	29,470	149,196
Richard A. Goodman	16,001	36,814
Betsy D. Holden	52,650	53,980
Linda Fayne Levinson	45,861	143,253
Roberto G. Mendoza	34,619	152,009
Michael A. Miles, Jr.	85,244	53,980
Wulf von Schimmelmann	40,890	26,789
Robert W. Selander	3,967	7,480
Frances Fragos Townsend	5,335	21,876
Solomon D. Trujillo	12,227	36,814

(A) Includes 121,137 options received pursuant to a conversion of First Data option awards to Western Union option awards.

(6) *Mr. Selander was appointed to the Board, effective July 17, 2014. Mr. von Schimmelmann ceased serving as a director at the 2014 Annual Meeting of Stockholders.*

Cash Compensation

In 2014, each outside director (other than our Non-Executive Chairman) received the following cash compensation for service on our Board and committees of our Board:

- an annual Board retainer fee of $85,000; and
- an annual committee chair retainer fee of $25,000 for the chairperson of each committee of the Board (other than Mr. Greenberg, who did not receive a committee chair retainer fee for his service as Compliance Committee Chair from January to May 2014; Ms. Fragos Townsend received a prorated annual committee chair retainer fee for her service as Compliance Committee Chair for the remainder of 2014), and a $10,000 committee member retainer fee for each other member of the Audit Committee of our Board.

Equity Compensation

The 2014 outside director equity awards were granted pursuant to our Long-Term Incentive Plan. All director equity awards will be settled in shares of Common Stock. The purpose of these awards is to advance the interest

of Western Union and its stockholders by encouraging increased stock ownership by our outside directors and by helping the Company attract, motivate, and retain highly qualified outside directors.

Each outside director has the option of electing to receive such director s annual retainer fees described above in the form of (a) all cash, (b) a combination of cash, fully vested stock options, and fully vested stock units, (c) all fully vested stock options, (d) all fully vested stock units, (e) a combination of 75% fully vested stock options and 25% fully vested stock units, (f) a combination of 50% fully vested stock options and 50% fully vested stock units, or (g) a combination of 75% fully vested stock units and 25% fully vested stock options. Each outside director may also elect to receive such director s annual equity grant in the form of any of the above alternatives, other than alternatives that include cash.

Each outside director (other than our Non-Executive Chairman) is eligible to receive an annual equity grant with a value of $130,000 for service on our Board and committees of our Board.

Table of Contents

Compensation of Our Non-Executive Chairman

In 2014, our Non-Executive Chairman received the following compensation in lieu of the compensation described above for our other outside directors:

- an annual retainer fee of $125,000; and
- an annual equity grant with a value of $350,000.

Our Non-Executive Chairman has the option to receive his annual retainer fee in the forms discussed above under -Equity Compensation.

Charitable Contributions

Outside directors may participate in the Company s gift matching program on the same terms as Western Union s executive officers and employees. Under this program, contributions up to $100,000 per calendar year that the director makes to the Western Union Foundation (the Foundation) without designating a recipient organization will be matched by the Company $2 for every $1 contributed. Contributions made or directed to be made to an eligible organization, as defined in the program, up to an aggregate amount of $25,000 per calendar year will be equally matched by the Company through the Foundation.

Reimbursements

Directors are reimbursed for their expenses incurred in attending Board, committee and stockholder meetings, including those for travel, meals, and lodging.

Indemnification Agreements

Each outside director has entered into a Director Indemnification Agreement with the Company to clarify indemnification procedures. Consistent with the indemnification rights already provided to directors of the Company in the Company s Amended and Restated Certificate of Incorporation, each agreement provides that the Company will indemnify and hold harmless each outside director to the fullest extent permitted or authorized by the General Corporation Law of the State of Delaware in effect on the date of the agreement or as such laws may be amended or replaced to increase the extent to which a corporation may indemnify its directors.

Equity Ownership Guidelines

Each outside director is expected to maintain an equity investment in Western Union equal to five times his or her annual cash retainer, which must be achieved within five years of the director s initial election to the Board. The holdings that generally may be counted toward achieving the equity investment guidelines include outstanding stock awards or units, shares obtained through stock option exercises, shares owned jointly with or separately by the director s spouse, shares purchased on the open market and outstanding stock options received in lieu of cash retainer fees. As of March 19, 2015, all outside directors have met or, within the applicable period, are expected to meet, these equity ownership guidelines.

Changes to Outside Director Compensation Effective for 2015

On July 15, 2014 our Board approved the following changes effective January 1, 2015 to the annual compensation for outside directors:

- a $10,000 increase in the annual equity grant for directors other than our Non-Executive Chairman for a total grant value of $140,000;

a $10,000 increase in the annual equity grant for our Non-Executive Chairman for a total grant value of $360,000; and

a $10,000 annual cash retainer for service on each committee of the Board (instead of only the Audit Committee).
Our outside directors had not received an increase in their annual Board retainer or equity grant value since January 1, 2011.

Prohibition Against Pledging and Hedging of the Company s Securities

The Company s Insider Trading Policy prohibits the Company s directors from pledging the Company s securities or engaging in hedging or short-term speculative trading of the Company s securities, including, without limitation, short sales or put or call options involving the Company s securities.

Report of the Audit Committee

The Audit Committee is comprised of three or more directors and operates under a written charter adopted by the Board. The Audit Committee reviews the charter at least annually, updating it last in December 2014. The charter is available through the Investor Relations, Corporate Governance portion of the Company s website, *www.wu.com*.

The Board has the ultimate authority for effective corporate governance, including the role of oversight of the management of the Company. The Audit Committee s purpose is to assist the Board in fulfilling its oversight responsibilities with respect to the Company s consolidated financial statements, independent registered public accounting firm qualifications and independence, performance of the Company s internal audit function and independent registered public accounting firm, and other matters identified in the Audit Committee Charter. The Audit Committee relies on the expertise and knowledge of management, the internal auditors and the independent registered public accounting firm in carrying out its responsibilities. Management is responsible for the preparation, presentation, and integrity of the Company s consolidated financial statements, accounting and financial reporting principles, internal control over financial reporting and disclosure controls, and procedures designed to ensure compliance with accounting standards, applicable laws, and regulations. In addition, management is responsible for objectively reviewing and evaluating the adequacy, effectiveness, and quality of the Company s system of internal control. The Company s independent registered public accounting firm, Ernst & Young LLP, is responsible for performing an independent audit of the consolidated financial statements and for expressing an opinion on the conformity of those financial statements with United States generally accepted accounting principles. The Company s independent registered public accounting firm is also responsible for expressing an opinion on the effectiveness of the Company s internal control over financial reporting.

During fiscal year 2014, the Audit Committee fulfilled its duties and responsibilities as outlined in its charter. Specifically, the Audit Committee, among other actions:

reviewed and discussed with management and the independent registered public accounting firm the Company s quarterly earnings press releases, consolidated financial statements, and related periodic reports filed with the SEC;

reviewed with management, the independent registered public accounting firm and the internal auditor, management s assessment of the effectiveness of the Company s internal control over financial reporting, and the effectiveness of the Company s internal control over financial reporting;

reviewed with the independent registered public accounting firm, management and the internal auditor, as appropriate, the audit scope, and plans of both the independent registered public accounting firm and internal auditor;

met in periodic executive sessions with each of the independent registered public accounting firm, management, and the internal auditor;

received the written disclosures and the annual letter from Ernst & Young LLP provided to us pursuant to Public Company Accounting Oversight Board Ethics and Independence Rule 3526, *Communication with Audit Committees Concerning Independence,* concerning their independence and discussed with Ernst & Young LLP their independence; and

reviewed and pre-approved all fees paid to Ernst & Young LLP, as described in Proposal 4, and considered whether Ernst & Young LLP s provision of non-audit services to the Company was compatible with the independence of the independent registered public accounting firm.

The Audit Committee has reviewed and discussed with the Company s management and independent registered public accounting firm the Company s audited consolidated financial statements and related footnotes for the fiscal year ended December 31, 2014, and the independent registered public accounting firm s report on those financial statements. Management represented to the Audit Committee that the Company s financial statements were prepared in accordance with United States generally accepted accounting principles.

Table of Contents

Report of the Audit Committee

We have discussed with Ernst & Young LLP the matters required to be discussed with the Audit Committee by Auditing Standard No. 16, *Communications with Audit Committees*, issued by the Public Company Accounting Oversight Board. The Auditing Standard No. 16 communications include, among other items, matters relating to the conduct of an audit of the Company s consolidated financial statements under the standards of the Public Company Accounting Oversight Board. This review included a discussion with management and the independent registered public accounting firm about the quality (not merely the acceptability) of the Company s accounting principles, the reasonableness of significant estimates and judgments, and the disclosures in the Company s financial statements, including the disclosures relating to critical accounting policies.

In reliance on the review and discussions described above, we recommended to the Board of Directors that the audited consolidated financial statements be included in the Company s Annual Report on Form 10-K for the year ended December 31, 2014 for filing with the SEC.

Audit Committee

Richard A. Goodman (Chairperson)
Linda Fayne Levinson
Roberto G. Mendoza
Michael A. Miles, Jr.

Table of Contents

Compensation and Benefits Committee Report

The Compensation and Benefits Committee has reviewed and discussed the Company s Compensation Discussion and Analysis with management and, based on such review and discussion, the Compensation and Benefits Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in the Company s Proxy Statement and its Annual Report on Form 10-K.

Compensation and Benefits Committee

Betsy D. Holden (Chairperson)
Richard A. Goodman
Roberto G. Mendoza
Robert W. Selander
Solomon D. Trujillo

Table of Contents

Compensation Discussion and Analysis

Executive Summary

Business Overview

The Western Union Company provides people and businesses with fast, reliable, and convenient ways to send money and make payments around the world. Western Union offers its services in more than 200 countries and territories. Our business is complex: our regulatory environment is disparate and developing; our consumers are different from those addressed by traditional financial services firms; and our agent and client relationships are numerous and varied. Managing these complexities is at the center of Western Union s success, and our leadership must be capable of supporting our Company s goals amid this complexity.

Similar to 2013, the Company s key strategic priorities for 2014 remained focused on strengthening our consumer money transfer business, with a continued emphasis on digital expansion; driving accelerated growth in Western Union Business Solutions; and generating and deploying strong cash flow for our stockholders. The performance goals and objectives under our annual incentive and long-term incentive programs were designed to support these strategies.

Selected 2014 results are as follows:

- Revenue of $5.6 billion, up 1% from 2013;
- Operating income of $1.1 billion, up 3% from 2013;
- Operating income margin of 20.3%, compared to 20.0% in 2013;
- Cash flow from operations of $1.0 billion, down 4% from 2013; and
- TSR of 6.9% compared to 30.6% in 2013.

Please see our 2014 Annual Report on Form 10-K for more information regarding our performance.

Recent Compensation Actions

For 2014, many of the compensation decisions were designed to further align the Company s executive compensation program with the Company s future growth and strategic operating plans and the interests of our executives with those of our stockholders. Specifically, the Compensation Committee (the Compensation Committee or committee) approved several modifications to the compensation program to further align the executive compensation program with evolving investor preferences, executive compensation practices and market trends.

These decisions included:

- ***No Executive Base Salary Increases for 2013 or 2014:*** Other than with respect to executive promotions, there were no changes in our named executive officers base salary levels for 2013 or 2014 from the levels effective March 2012.
- ***Created Standalone TSR Performance-Based Restricted Stock Units:*** We replaced the TSR modifier from our 2013 long-term incentive design under the Long-Term Incentive Plan with a standalone TSR PSU in order to enhance focus on stockholder returns. These TSR PSUs require the Company to achieve 60th percentile relative TSR performance versus the S&P 500 Index over a three-year performance period in order to earn target payout, with 30th percentile relative TSR performance resulting in threshold payout and 90th percentile relative TSR resulting in maximum payout.

Increased Performance Period for Performance-Based Restricted Stock Units: We increased the performance period of our performance-based restricted stock units so that they will be subject to a three-year total performance period, versus the two-year performance period used in prior years.

Diversified Long-Term Incentive Plan Mix and Increased Weighting of At-Risk Awards: We increased the percentage of our annual equity grants that have vesting provisions that are strictly performance-based and at-risk. For 2014, the annual equity awards under the Long-Term Incentive Plan consisted of 80% performance-based restricted stock units (60% Financial PSUs, incorporating both revenue and operating income growth and 20% TSR PSUs) and 20% stock options, as compared to 67% performance-based restricted stock units and 33% stock options in 2013.

Established Goals Exceeding Performance During Prior Three Years: The financial performance target objectives for the 2014 compensation program were set at constant currency growth rates that are higher than the Company s average annual constant currency results achieved over 2011 through 2013. The 2014 Annual Incentive Plan financial performance target objectives were also set higher than the constant currency financial performance target objectives and actual results under the 2013 Annual Incentive Plan. For the 2014 Annual Incentive Plan, performance at 184% of the target revenue growth rate and at 200% of the target operating income growth rate is required for a maximum payout equal to 150% of the target award. Further, the Company s relative TSR performance rank versus the S&P 500 Index over the 2014-2016 performance period that is required to earn a target payout under the 2014 TSR PSUs is higher than the Company s annual relative TSR performance versus the S&P 500 Index in each of 2011, 2012, and 2013.

Reduced Maximum Payout Under Annual Incentive Plan: The Compensation Committee reduced the maximum payout opportunity under the Annual Incentive Plan to 150% of target, as compared to the 200% of target maximum payout opportunity that was used in prior years.

Reduced Severance Benefits Under Executive Severance Policy: During 2014, the Compensation Committee amended the Executive Severance Policy to reduce the severance multiple for determining severance benefits prior to a change-in-control from 2 to 1.5 for participants other than the Company s Chief Executive Officer.

Chief Executive Officer Compensation

For 2014 performance, Mr. Ersek received a cash payout under the 2014 Annual Incentive Plan of $1,314,800, reflecting a blended payout of 88% of target based on the Company s achievement of corporate and strategic performance goals, as compared to an 84% of target payout for 2013 performance and no payout for 2012 performance. The Compensation Committee

based Mr. Ersek s award opportunity under the Annual Incentive Plan on the achievement of corporate and strategic performance goals and did not include individual performance goals. As noted above, the 2014 Annual Incentive Plan financial performance target objectives were set higher than the constant currency financial performance target objectives and actual results under the 2013 Annual Incentive Plan. Also for 2014, the committee awarded Mr. Ersek a discretionary bonus of $115,000 in recognition of his leadership in enhancing the Company s global compliance programs.

The following chart demonstrates that variable, performance-based pay elements comprised approximately 88% of the targeted 2014 annual compensation for Mr. Ersek (consisting of target payout opportunity under the Annual Incentive Plan and stock option and performance-based restricted stock unit components under the Long-Term Incentive Plan). Pay is based on the annual base salary and target incentive opportunities applicable to Mr. Ersek as of December 31, 2014.

Since a significant portion of Mr. Ersek s compensation is both performance-based and at-risk, we are providing the following supplemental graph to demonstrate the difference between the compensation granted to Mr. Ersek as required to be reported by the SEC rules in the 2014 Summary Compensation Table, and the compensation realizable by him for 2012 to 2014.

Table of Contents

We believe the realizable compensation shown is reflective of the Compensation Committee s emphasis on pay-for-performance in that differences between realizable pay and total reported compensation as well as fluctuations year-over-year are primarily the result of our stock performance and our varying levels of achievement against pre-established performance goals under our Annual Incentive Plan and Long-Term Incentive Plan. For example, as illustrated in the table below, 2012 realizable compensation was significantly below 2012 reported compensation and 2013 and 2014 realizable compensation. This difference was primarily a result of a

2012 payout level of 13% of target for the Chief Executive Officer for the Company s 2012 performance-based stock unit awards, no payout for the Chief Executive Officer under the 2012 Annual Incentive Plan, and stock price depreciation during 2012. In contrast, the improvement in realizable compensation in 2013 and 2014 is primarily attributable to our estimated performance as of December 31, 2014 against the financial performance objectives under the Company s 2013 and 2014 performance-based restricted stock unit awards and stock price appreciation.

(1) This graph and the total realizable compensation reported in this graph provides supplemental information regarding the compensation paid to Mr. Ersek and should not be viewed as a substitute for the 2014 Summary Compensation Table.

(2) As reported in the Total column of the 2014 Summary Compensation Table.

(3) Amounts reported in the calculation of total realizable compensation include (a) annualized base salary, (b) actual bonus payments made to Mr. Ersek with respect to each of the years shown under the Company s Annual Incentive Plan, (c) actual amounts paid with respect to discretionary bonuses in the year in which such bonuses are paid, (d) the value realized from the exercise of stock options and for unexercised stock options, the difference between the exercise price and the closing stock price on December 31, 2014, each reported in the year granted, (e) the value realized upon vesting of restricted stock units or performance-based restricted stock units and the value of unvested restricted stock units or performance-based restricted stock unit awards based on the closing stock price on December 31, 2014, each reported in the year granted, and (f) amounts reported in the All Other Compensation Table for the respective years. For purposes of this table, the value of the TSR PSUs is based on target performance since the TSR PSUs vest based on the Company s TSR at the end of the three-year performance period compared to the Company s TSR at the beginning of the performance period. The Financial PSUs and the 2013 performance-based restricted stock unit awards are valued for purposes of this table based on estimated performance as of December 31, 2014.

(4) Closing stock price as of December 31 for each year reported.

Table of Contents

Executive Compensation Framework

The Compensation Committee reviews on an ongoing basis the Company s executive compensation and benefits programs to evaluate whether they support the Company s compensation philosophy and objectives, as described in Establishing and Evaluating Executive Compensation *Our Executive Compensation Philosophy and Objectives* below, and serve the interests of our stockholders. The Company s practices include the following, each of which the committee believes reinforces our executive compensation philosophy and objectives:

What We Do:

Pay-for-performance. A significant percentage of targeted annual compensation is delivered in the form of variable compensation that is connected to actual performance. For 2014, variable compensation comprised approximately 88% of the targeted annual compensation for the Chief Executive Officer and, on average, 75% of the targeted annual compensation for the other named executive officers (excluding the 2014 promotion and retention/performance restricted stock unit grants to such executives).

Linkage between performance measures and strategic objectives. Performance measures for incentive compensation are linked to both strategic and operating objectives designed to create long-term stockholder value and to hold executives accountable for their individual performance and the performance of the Company.

Emphasis on future pay opportunity vs. current pay. In 2014, all of the long-term incentive awards delivered to our named executive officers were in the form of equity-based compensation.

Mix of performance metrics. The Company utilizes performance metrics that emphasize absolute performance goals, which provide the primary links between incentive compensation and the Company s strategic operating plan and financial results, while providing balance through relative performance goals, which measure Company performance in comparison to the S&P 500 Index.

Stockholder engagement. As part of the Company s stockholder outreach program, the Compensation Committee chair and members of management engage with stockholders to discuss and understand their perceptions or concerns regarding our executive compensation program.

Outside compensation consultant. The Compensation Committee retains its own compensation consultant to review the Company s executive compensation program and practices.

Double trigger in the event of a change-in-control. In the event of a change-in-control, severance benefits are payable only upon a double trigger.

Maximum payout caps for annual cash incentive compensation and performance-based restricted stock unit awards.

Clawback Policy. The Company may recover incentive compensation paid to an executive officer that was calculated based upon any financial result or performance metric impacted by fraud or misconduct of the executive officer.

Robust stock ownership guidelines. Executives are required to hold stock equal to a multiple of five times salary for our Chief Executive Officer and two times salary for each other named executive officer. Fifty percent of after-tax shares received as equity compensation must be retained until an executive meets the stock ownership guideline.

What We Don t Do:

No change-in-control tax gross ups. We do not provide change-in-control tax gross ups to individuals promoted or hired after April 2009. Mr. Ersek is the only Company employee who remains eligible for excise tax gross-up payments.

No repricing or buyout of underwater stock options. None of our equity plans permit the repricing or buyout of underwater stock options or stock appreciation rights without stockholder approval, except in connection with certain corporate transactions involving the Company.

Prohibition against pledging and hedging of Company securities by senior executives and directors.

No dividends or dividend equivalents accrued or paid on performance-based restricted stock unit awards or time-based restricted stock unit awards.

Table of Contents

2014 Say On Pay Vote

As noted above, in its compensation review process, the committee considers whether the Company s executive compensation and benefits program serves the interests of the Company s stockholders. In that respect, as part of its on-going review of the Company s executive compensation program, the Compensation Committee considered the approval by more than 96% of the votes cast for the Company s say on pay vote at the

Company s 2014 Annual Meeting of Stockholders. After considering the 2014 say on pay results as well as the positive feedback received during the Company s stockholder engagement efforts, the committee determined that the Company s executive compensation philosophy, compensation objectives, and compensation elements continued to be appropriate and did not make any specific changes to the Company s executive compensation program in response to the 2014 say on pay vote or stockholder feedback.

Stockholder Engagement

In connection with the Annual Meeting, the Compensation Committee chair and certain members of management held discussions regarding executive compensation matters with stockholders who the Company believes collectively held over 30% of the Company s outstanding Common Stock as of the Record Date to better understand their views on the Company s executive compensation program, the say on pay vote and our executive compensation disclosure. The committee and management found the discussions to be very helpful in their ongoing evaluation of the Company s executive compensation program, and intend to continue to obtain this feedback in the future.

2015 Plan Design

As part of its ongoing review of the executive compensation program during 2014 and 2015, and based on input from the Compensation Committee s compensation consultant and the stockholder feedback described above, the Compensation Committee determined to continue the compensation program elements implemented in 2014, as described in this Compensation Discussion and Analysis. Accordingly, for 2015, the Company s executive compensation program will continue to be significantly weighted towards performance-based compensation and will continue to include a diversified mix of long-term incentive awards, weighted 60% Financial PSUs, 20% TSR PSUs and 20% stock options, with Company performance under the PSUs measured over a three-year performance period.

Table of Contents

Other Corporate Governance Practices

The Board of Directors believes that strong corporate governance is key to long-term stockholder value creation. Please see Corporate Governance-Summary of Corporate Governance Practices above for a summary of the Company s corporate governance practices. Highlights include:

Governance Highlights

Annual Election of Directors
Proxy Access
Majority Vote Standard in Uncontested Elections
Stockholder Right to Call Special Meetings
No Stockholder Rights Plan (Poison Pill)
No Supermajority Voting Provisions in the Company s Organizational Documents
Independent Board, except our Chief Executive Officer
Independent Non-Executive Chairman
Independent Board Committees
Confidential Stockholder Voting
Committee Authority to Retain Independent Advisors
Robust Codes of Conduct
Stock Ownership Guidelines for Senior Executives and Directors
Prohibition Against Pledging and Hedging of Company Stock by Senior Executives and Directors
Stockholder Engagement

Establishing and Evaluating Executive Compensation

Introduction

This Compensation Discussion and Analysis describes how the Compensation Committee determined 2014 executive compensation, the elements of our executive compensation program and the compensation of each of our named executive officers. The information provided should be read together with the information presented in the Executive Compensation section of this Proxy Statement. For 2014, the named executive officers were:

Hikmet Ersek - President and Chief Executive Officer (September 2010 to present)
Rajesh K. Agrawal - Executive Vice President and Interim Chief Financial Officer (January 2014 to July 2014) and Executive Vice President and Chief Financial Officer (July 2014 to present)

Odilon Almeida - Executive Vice President and President, Americas and European Union (January 2014 to present)

J. David Thompson - Executive Vice President, Global Operations (November 2012 to present) and Chief Information Officer (April 2012 to present)

John R. Dye - Executive Vice President, General Counsel and Secretary (November 2011 to present)

Table of Contents

Our Executive Compensation Philosophy and Objectives

The Compensation Committee believes the Company s executive compensation program should reward actions and behaviors that build a foundation for the long-term strength and performance of the Company,

while also rewarding the achievement of short-term performance goals. To align the Company s incentive compensation program with the Company s overall executive compensation philosophy and objectives, the Compensation Committee has adopted the key principles identified in the table below.

Objectives	Corresponding Principles
Align executive goals with stockholder interests	Structure metrics, goal-setting and incentive payouts to result in enterprise value creation.
	Share a reasonable portion of the Company s financial results with employees, both on upside and downside performance.
Hold executives accountable and reward them for results	Establish sufficient linkage between incentive payouts and individual and business unit performance.
Attract, retain, and motivate outstanding executive talent	Set performance goals and operating plan to retain and motivate leadership to achieve superior results.

The Board of Directors and the Compensation Committee

The Board of Directors oversees the goals and objectives of the Company and of the Chief Executive Officer, evaluates succession planning with respect to the Chief Executive Officer and evaluates the Chief Executive Officer s performance. The Compensation Committee supports the Board by establishing the Company s general compensation philosophy and overseeing the development and implementation of the Company s compensation and benefits policies. The Compensation Committee reviews and approves corporate goals and objectives relevant to the compensation of the Chief Executive Officer and other executive officers, sets the compensation levels of each of the Executive Vice Presidents and approves the compensation of the Chief Executive Officer, with the ratification by the independent directors of the Board. The Compensation Committee s responsibilities under its charter are further described in the Corporate Governance section of this Proxy Statement. While not members of the Compensation Committee, the Chairman of the Board attended all, and the Chief Executive Officer attended all but one, of the meetings of the Compensation Committee in 2014 to contribute to and understand the committee s oversight of and decisions relating to executive compensation. The Chief Executive Officer did not attend

portions of the meetings relating to his compensation. The Compensation Committee regularly conducts executive sessions without management present.

The committee also engages in an ongoing dialog with the Chief Executive Officer and the Compensation Committee s compensation consultant in the evaluation and establishment of the elements of our executive compensation program. The committee also received input from the Chief Human Resources Officer in making executive compensation decisions.

Compensation Consultants

Frederic W. Cook & Co., Inc. (the Compensation Consultant) provides executive and director compensation consulting services to the Compensation Committee. The Compensation Consultant is retained by and reports to the Compensation Committee and participates in the committee meetings. The Compensation Consultant informs the committee on market trends, as well as regulatory issues and developments and how they may impact the Company s executive compensation programs. The Compensation Consultant also:

Participates in the design of executive compensation programs to help the committee evaluate the linkage between pay and performance;

Table of Contents

- Reviews market data and advises the committee regarding the compensation of the Company s executive officers;
- Reviews and advises the committee regarding director compensation; and
- Performs an annual risk assessment of the Company s compensation programs, as described in the Executive Compensation-Risk Management and Compensation section of this Proxy Statement.

The Compensation Consultant does not provide any other services to the Company. The Compensation Committee has assessed the independence of the Compensation Consultant pursuant to the NYSE rules and the Company concluded that the Compensation Consultant s work for the Compensation Committee did not raise any conflict of interest.

During 2014, the Company also retained the services of Towers Watson to assist the Company in evaluating the Company s annual and long-term incentive programs. The Compensation Committee evaluated the findings of Towers Watson in its review of the 2014 incentive program design. The Compensation Committee has assessed the independence of Towers Watson pursuant to the NYSE rules and the Company concluded that Towers Watson s work did not raise any conflict of interest.

Setting 2014 Compensation

In late 2013, the Compensation Committee, working with the Compensation Consultant and the Chief Executive Officer, engaged in a detailed review of the Company s executive compensation programs to evaluate whether the design and levels of each compensation element were:

- Appropriate to support the Company s strategic performance objectives;
- Consistent with the philosophy and objectives described under *Our Executive Compensation Philosophy and Objectives* above; and
- Reasonable when compared to market pay practices (see *Market Comparison* below).

Specifically, the Compensation Committee approved several modifications to the compensation program to further align the executive compensation program with evolving investor preferences, executive compensation practices and market trends. These modifications included:

- Replacing the TSR modifier included in our 2013 Long-Term Incentive Plan design with a standalone TSR PSU award;
- Increasing the performance period for performance-based restricted stock units so that they are subject to a three-year total performance period, versus the two-year performance period used in prior years;
- Increasing the percentage of our annual equity grants that have vesting provisions that are strictly performance-based and at-risk;
- Reducing the maximum payout opportunity under the Annual Incentive Plan from 200% of target to 150% of target; and
- Establishing performance goals that exceed performance during the prior three years.

In early 2014, Mr. Ersek presented to the Compensation Committee his evaluation of each of the Executive Vice Presidents and the level of his or her salary, annual bonus targets under the Annual Incentive Plan, and long-term incentive award targets under the Long-Term Incentive Plan. Mr. Ersek based his assessments on each executive s performance and relative contributions to the Company s success, the performance of the executive s respective business unit or functional area, employee retention considerations, compensation history and internal equity. Mr. Ersek also reviewed with the committee tally sheets that presented comprehensive historical and current compensation data for each of the Company s executive officers. Please see *Use of Tally Sheets* below for a description of this tool. The Compensation Consultant participated in the committee meetings to provide peer group and market data regarding executive compensation. Please see *Market Comparison* for a discussion of the use of peer group and market data.

Table of Contents

In early 2014, Mr. Ersek also submitted a self-evaluation to the Compensation Committee. The committee shared Mr. Ersek s goals for the year and his self-evaluation with the independent members of the Board of Directors, who then evaluated Mr. Ersek s performance in 2013 based on his actual performance versus such goals. In setting Mr. Ersek s compensation, the committee considered this evaluation, market data regarding chief executive officer compensation levels provided by the Compensation Consultant, and a tally sheet of Mr. Ersek s historical and current compensation data. No member of management, including Mr. Ersek, made any recommendations regarding Mr. Ersek s compensation or participated in the portions of the Compensation Committee meeting or in the meeting of the independent directors of the Board during which Mr. Ersek s compensation was determined or ratified.

Market Comparison

For 2014, the Compensation Committee considered market pay practices when setting executive compensation, but did not target the specific compensation elements or total compensation against the market data. Instead, the committee used market data to assess the overall competitiveness and reasonableness of the Company s executive compensation program. In evaluating 2014 market data, the committee considered both peer group proxy data and compensation survey data, but did not assign a specific weight to either data source. While the Compensation Committee considers relevant market pay practices when setting executive compensation, it does not believe it appropriate to establish compensation levels based only on market practices. The Compensation Committee believes

that compensation decisions are complex and require a deliberate review of Company performance and peer compensation levels. The factors that influence the amount of compensation awarded include market competition for a particular position, an individual s experience and past performance inside or outside the Company, compensation history, role and responsibilities within the Company, tenure with the Company and associated institutional knowledge, long-term potential with the Company, contributions derived from creative and innovative thinking and leadership, money transfer or financial services industry expertise, past and future performance objectives and the value of the position within the Company.

The Compensation Committee believes that the Company s peer group should reflect the markets in which the Company competes for business, executive talent and capital. Accordingly, the Company s peer group includes companies meeting either of the following criteria:

- Global brands providing virtual products or services; or

- Companies involved with payment and processing services.

In October 2013, the Compensation Consultant was asked to re-evaluate the Company s peer group with respect to revenue, operating income, number of employees, market capitalization, and other factors. Based on this review of the members of the peer group, in December 2013 the committee approved the deletion from the peer group of Visa and MasterCard primarily due to the size of their revenue, operating income and market capitalization in relation to the Company. The revised peer group was used for evaluating 2014 compensation decisions.

Table of Contents

The peer group used for evaluating 2014 compensation decisions consisted of the companies below. The Compensation Consultant compiled compensation information from the peer group based on the publicly filed documents of each member of the peer group.

	2013 Revenues (in Millions)	2013 Operating Income (in Millions)	Employees	Market Capitalization (in Millions) (as of 12/31/13)
Ameriprise Financial	$10,957	$2,178	12,235	$22,462
Automatic Data Processing	$11,490	$2,069	60,000	$38,929
Charles Schwab	$5,362	$1,657	13,800	$33,520
CME Group	$2,947	$1,729	2,600	$26,312
Comerica	$2,637	$1,114	8,967	$8,732
Discover Financial Services	$9,278	$4,318	13,009	$26,789
eBay	$15,510	$3,249	31,500	$71,028
Fidelity National Information Services	$5,992	$1,179	35,000	$15,628
Fiserv	$4,696	$1,125	20,000	$15,270
Global Payments	$2,415	$406	3,954	$4,737
Intuit	$4,231	$1,229	8,000	$21,744
MoneyGram	$1,443	$186	2,490	$1,204
NASDAQ OMX	$3,117	$752	2,506	$6,670
Northern Trust	$4,219	$2,130	14,200	$14,791
State Street	$10,292	$4,774	29,660	$32,387
Total Systems Services	$1,978	$378	8,600	$6,332
75th Percentile	$9,531	$2,142	22,415	$28,188
Median	$4,464	$1,443	12,622	$18,686
25th Percentile	$2,870	$1,024	6,988	$8,217
Western Union	$5,542	$1,107	10,000	$9,467

All data was compiled by the Compensation Consultant who obtained peer company financial market data from Capital IQ Compustat. The data generally represents revenue and operating income for the most recent four quarters available to the Compensation Consultant at the time the Compensation Consultant compiled the data in January 2014. Other than for the Company, operating income may reflect measures not in conformity with Generally Accepted Accounting Principles.

The Compensation Committee also uses general industry compensation survey data in evaluating executive pay. Survey data relies upon responses from participating companies to survey questions, which are compiled and sorted by the surveyor based on various factors, such as the period covered, the location of the company, and the positions under review. Survey data provides insight into positions that may not generally be reported in proxy statements and information about the compensation of executives of non-public companies.

In some instances, survey data is a useful complement to the peer group proxy data. To assist the committee in its review of the general industry compensation survey data, the Compensation Consultant extracts compensation information from the surveys with respect to companies with annual revenues generally ranging from $3 billion to $10 billion. For the 2014 compensation review, the Compensation Consultant compiled compensation data from the following general industry compensation surveys: 2013 U.S. Mercer Benchmark Database-Executive

Table of Contents

(which included data from 56 companies with annual revenues between $5 billion and $10 billion); Equilar Top 25 (which included custom data from 12 of the companies in the Company s peer group described above: Ameriprise Financial, Automatic Data Processing, Charles Schwab, CME Group, Discover Financial Services, eBay, Fidelity National Information Services, Global Payments, MoneyGram, NASDAQ OMX, State Street and Total Systems Services); AonHewitt 2013 US Total Compensation Measurement Database (which included data from 59 companies with annual revenues between $5 billion and $10 billion); and 2013 Towers Watson U.S. Compensation Data Bank General Industry Executive Database (which included data from 112 companies with annual revenues between $3 billion and $6 billion).

In connection with Mr. Almeida s 2014 compensation review, the committee considered compensation information from the 2013 Towers Watson U.S. Compensation Data Bank General Industry Executive Compensation Database (which included data from 119 companies with annual revenues greater than $2 billion); 2013 Mercer Benchmark Database-Executive (which included data from 24 companies with annual revenues between $2.5 billion and $5 billion); AonHewitt 2013 US Total Compensation Measurement Database (which included data from 69 companies with annual revenues between $2.5 billion and $5 billion); and Equilar President America & Europe Compensation Survey (which included data from three companies with a median

annual revenue of $2.9 billion). In doing so, the committee sought to reference data for executives in a similar role as Mr. Almeida who oversee organizations of comparable size and revenue. In connection with Mr. Agrawal s mid-year promotion, the committee considered survey data provided by the Compensation Consultant using the Mercer, Towers Watson, and AonHewitt surveys referenced above (which included 16 publicly-traded peer companies in payment processing and digital services) and also considered supplemental information for chief financial officers in financial services organizations similar in size and revenue to the Company (which included information from the 2013 Towers Watson CBD Financial Services Executive Compensation survey that included 46 companies with annual revenue of $7 billion or more in the financial services industry).

Use of Tally Sheets

The Compensation Committee reviews tally sheets that present compensation data for each of the Company s executives. These tally sheets generally include historical and current compensation data, valuations of future equity vesting, value of option exercises in the past five years as well as analyses for hypothetical terminations and retirements to allow the Compensation Committee to consider the Company s obligations under such circumstances. The tally sheets provide context for the committee in determining the elements and amounts of compensation paid.

The Western Union Executive Compensation Program

Pay-For-Performance

The principal components of the Company s annual executive compensation program are annual base salary, annual incentive awards, and long-term incentive awards in the form of stock options and performance-based restricted stock units. The Compensation Committee designed the 2014 executive compensation program so that performance-based pay elements (Annual Incentive Plan awards, stock options and performance-based restricted stock units) constituted a significant portion of the executive compensation awarded, determined at target levels. The following charts demonstrate that

these variable pay elements comprised approximately 88% of the targeted annual compensation for the Chief Executive Officer and, on average, 75% of the targeted annual compensation for the other named executive officers (excluding the 2014 promotion and retention/merit restricted stock unit grants to such executives). For purposes of these charts, the percentage of targeted annual compensation was determined based on the annual base salary and target incentive opportunities applicable to the named executive officer as of December 31, 2014.

Table of Contents

Since a significant portion of the compensation of our named executive officers is both performance-based and at-risk, we are providing the following supplemental table to demonstrate the difference between the compensation granted to our named executive officers, as required to be reported by SEC rules in the 2014 Summary Compensation Table, and the compensation realizable by such named executive officers for the 2012 to 2014 fiscal years. While the manner for reporting equity compensation as realizable compensation differs from the SEC rules relating to the reporting of compensation in the 2014 Summary Compensation Table, we believe this table serves as a useful supplement to the 2014 Summary Compensation Table. The 2014 Realizable Compensation Table and the total realizable compensation reported in the table provides supplemental information regarding the compensation paid to the named executive officers and should not be viewed as a substitute for the 2014 Summary Compensation Table.

We believe the realizable compensation shown is reflective of the Compensation Committee s emphasis on pay-for-performance in that differences between

realizable pay and total reported compensation as well as fluctuations year-over-year are primarily the result of our varying levels of achievement against pre-established performance goals under our Annual Incentive Plan and Long-Term Incentive Plan and our stock performance. For example, as illustrated in the table below, 2012 realizable compensation was significantly below 2012 reported compensation and 2013 and 2014 realizable compensation. This difference was primarily a result of a 2012 payout level of 13% of target for the Chief Executive Officer and 17% of target for the other named executive officers for the Company s 2012 performance-based stock unit awards, no payout for the Chief Executive Officer and 24% payout for the other named executive officers under the 2012 Annual Incentive Plan, and stock price depreciation during 2012. In contrast, the improvement in realizable compensation in 2013 and 2014 is primarily attributable to our estimated performance as of December 31, 2014 against the financial performance objectives under the Company s 2013 and 2014 performance-based restricted stock unit awards and stock price appreciation.

Table of Contents

2014 REALIZABLE COMPENSATION TABLE

Name	Year	Proxy Reported Compensation ($000)(1)	Total Realizable Compensation ($000)(2)	Realizable as a % of Reported
Hikmet Ersek	2014	8,241.8	8,047.8	98%
	2013	8,775.9	8,763.5	100%
	2012	7,009.0	1,814.2	26%
Rajesh K. Agrawal	2014	3,378.2	3,389.1	100%
	2013	3,360.5	3,351.7	100%
	2012	2,706.2	1,615.6	60%
Odilon Almeida	2014	3,038.9	3,080.3	101%
	2013	N/A	N/A	N/A
	2012	N/A	N/A	N/A
J. David Thompson	2014	2,376.4	2,380.0	100%
	2013	2,233.9	2,221.2	99%
	2012	3,426.5	2,534.6	74%
John R. Dye	2014	2,134.6	2,121.7	99%
	2013	2,280.5	2,268.4	99%
	2012	2,320.8	1,691.6	73%

Footnotes:

(1) As reported in the Total column of the 2014 Summary Compensation Table.

(2) Amounts reported in the calculation of total realizable compensation include (a) annualized base salary, (b) actual bonus payments made to each eligible executive with respect to each of the years shown under the Company s Annual Incentive Plan, (c) actual amounts paid with respect to discretionary bonuses in the year in which such bonuses are paid, (d) the value realized from the exercise of stock options and for unexercised stock options, the difference between the exercise price and the closing stock price on December 31, 2014, each reported in the year granted, (e) the value realized upon vesting of restricted stock units or performance-based restricted stock units and the value of unvested restricted stock units or performance-based restricted stock unit awards based on the closing stock price on December 31, 2014, each reported in the year granted, and (f) amounts reported in the All Other Compensation Table for the respective years. For purposes of this table, the value of the TSR PSUs is based on target performance since the TSR PSUs vest based on the Company s TSR at the end of the three-year performance period compared to the Company s TSR at the beginning of the performance period. The Financial PSUs and the 2013 performance-based restricted stock unit awards are valued for purposes of this table based on estimated performance as of December 31, 2014.

Elements of 2014 Executive Compensation Program

The following table lists the material elements of the Company s 2014 executive compensation program. The committee believes that the design of the Company s executive compensation program balances fixed and variable compensation elements, provides alignment with the Company s short and long-term financial and strategic priorities through the annual and long-term incentive programs, and provides alignment with stockholder interests.

Table of Contents

Element	Key Characteristics	Why We Pay This Element	How We Determine Amount	2014 Decisions
Base salary	Fixed compensation component payable in cash. Reviewed annually and adjusted when appropriate.	Establish a pay foundation at competitive levels to attract and retain talented executives.	Experience, job scope, responsibilities, market data, and individual performance.	Two of our named executive officers received salary increases in connection with promotions. See page 55.
Annual incentive awards	Variable compensation component payable in cash based on performance against annually established performance objectives.	Motivate and reward executives for performance on key financial, strategic and/or individual objectives over the year. Hold our executives accountable, with payouts varying from target based on actual performance against pre-established and communicated performance goals.	Internal pay equity, market practice and individual performance. Participants are eligible to receive a cash payout ranging from 0% to 150% of target based on the achievement of corporate financial, strategic and individual/business unit goals, except for Mr. Ersek whose award is payable based entirely on the achievement of corporate financial and strategic goals. The portion of the bonus opportunity allocated to individual/business unit objectives is subject to a +/- modifier based on a qualitative assessment of Company and employee execution on compliance initiatives.	Based on the achievement of corporate financial, strategic and/or individual/business unit goals, the committee certified payouts ranging from 88% to 102% of target for the named executive officers. See pages 46-49 and 54-56.
Performance-based restricted stock units	Performance-based restricted stock units vest based on the Company s achievement of financial performance objectives (Financial PSUs) and the Company s relative TSR performance (TSR PSUs).	Coupled with stock options, aligns the interests of executives with those of our stockholders by focusing the executives on the Company s financial and TSR performance over a multi-year period.	Internal pay equity, market practice and individual performance. Financial PSUs: Payout based on revenue and operating income growth over 2014-2016 performance period. TSR PSUs: Payout based on the Company s TSR	Performance-based restricted stock units represent 80% of the long-term grant value, with 60% of the long-term grant value delivered as Financial PSUs and 20% delivered as TSR PSUs. See pages 49-51 and 54-56.

Hold our executives accountable, with payouts varying from target based on actual performance against pre-established and communicated performance goals.	performance relative to the TSR of the S&P 500 Index over 2014-2016 performance period.

Table of Contents

Element	Key Characteristics	Why We Pay This Element	How We Determine Amount	2014 Decisions
Stock options	Non-qualified stock options granted with an exercise price at fair market value on the date of grant that expire 10 years after grant and become exercisable in 25% annual increments over a four-year vesting period.	Coupled with performance-based restricted stock units, aligns the interests of executives with those of our stockholders by focusing the executives on long-term objectives over a multi-year period, including stock price growth.	Internal pay equity, market practice and individual performance.	Stock options represent 20% of the long-term grant value, as compared to a 33% weighting in 2013. See pages 49-50.
Restricted stock units	Restricted stock units that generally vest in 25% annual increments over a four-year vesting period.	Granted as promotion grants or in recognition of prior year performance and for retention purposes.	Internal pay equity, market practice and individual performance.	Four of our named executive officers received restricted stock unit grants. See pages 49-51 and 54-56.

Each of Western Union s 2014 executive compensation program elements is described in further detail below and individual compensation decisions are discussed in -Compensation of Our Named Executive Officers.

Base Salary

Our philosophy is that base salaries should meet the objectives of attracting and retaining the executives needed to lead the business. Base salary is a fixed compensation component payable in cash. In setting base salary levels, the committee considered the peer group and survey data as well as the performance of the individual executive. During 2014, Messrs. Agrawal and Almeida received increases in their base salary levels in connection with their respective promotions. None of our other named executive officers have received a salary increase from the levels established in March 2012 (or, if later, the executive s date of hire). Please see -Compensation of Our Named Executive Officers for further information regarding the 2014 base salary levels.

Annual Incentive Compensation

Our Annual Incentive Plan is designed to motivate and reward executive officers for achieving short-term performance objectives. The Annual Incentive Plan design is intended to provide annual incentive awards that qualify as performance-based compensation under Section 162(m) of the Internal Revenue Code. Participants

in the Annual Incentive Plan in 2014 were Mr. Ersek and the Company s Executive Vice Presidents, which included all of the named executive officers.

Compensation under the Annual Incentive Plan is intended to be a significant component of an executive s total compensation opportunity in a given year, helping create a pay for performance culture. Annual Incentive Plan compensation holds executives accountable and rewards them based on the Company s performance.

In connection with its annual review of the Company s executive compensation program, the Compensation Committee approved the following design changes to the Annual Incentive Plan in order to further enhance the pay-for-performance aspect of this program and further align the interests of executives with those of our stockholders:

Approved financial performance target objectives under the 2014 Annual Incentive Plan that were set higher than the constant currency financial performance target objectives and actual results under the 2013 Annual Incentive Plan; and

Strengthened the emphasis on financial performance metrics by increasing the weighting of financial performance metrics in the determination of payouts under the Annual Incentive Plan.

The Compensation Committee also modified the 2014 Annual Incentive Plan design by reducing the maximum payout opportunity from 200% of target to

Table of Contents

150% of target and eliminating the restricted stock unit component which was included in the 2013 Annual Incentive Plan design. The Compensation Committee approved the elimination of the restricted stock unit component in order to simplify the plan design.

Target payout opportunities under the Annual Incentive Plan are expressed as a percentage of a participant s annual base salary, with actual payouts ranging from 0% to 150% of target for various levels of performance.

The following table sets forth each named executive officer s 2014 target award opportunity and the weighting of the corporate, strategic and individual/business unit measures used in determining the cash payout levels. For 2014, Messrs. Agrawal and Almeida received increases in their target award opportunities in connection with

their respective promotions. Each of our other named executive officer s target award opportunity remained unchanged from the level established for the executive in 2012. As discussed further below, the weighting of the performance measures reflects the desire of the Compensation Committee to tie a significant portion of annual incentive compensation to corporate performance measures that the committee believes are meaningful to and readily accessible by our investors while at the same time emphasizing strategic performance objectives that focus on the Company s growth imperatives, and for the named executive officers other than the Chief Executive Officer, individual and/or business unit objectives that the committee believes are indicators of the executive s success in fulfilling the executive s responsibilities and support the Company s strategic operating plan.

		Weighting of Performance Measures		
Executive	**Target Award Opportunity**	**Corporate**	**Strategic**	**Individual/ Business Unit**
Hikmet Ersek	$1,500,000	80.0%	20.0%	
Rajesh K. Agrawal	$446,918(1)	50.0%	20.0%	30.0%
Odilon Almeida	$540,000	50.0%	20.0%	30.0%
J. David Thompson	$450,000	50.0%	20.0%	30.0%
John R. Dye	$400,000	50.0%	20.0%	30.0%

(1) In connection with his mid-year promotion to the position of Executive Vice President and Chief Financial Officer, Mr. Agrawal s target award opportunity was increased from $405,000 to $495,000. The amount reported in the table reflects Mr. Agrawal s prorated award opportunity for 2014.

Financial Performance Metrics. As it had in previous years, the Compensation Committee set the executives 2014 annual incentive compensation award targets for financial performance by establishing a grid based on the Company s revenue and operating income. These performance measures were used in order to tie annual incentive compensation to measures of the Company s financial performance that the committee deemed meaningful to and readily accessible by our investors.

The Compensation Committee established the grid metrics and corresponding payout percentages based upon input from management regarding the Company s expected performance in the upcoming year. As noted above, in order to drive performance above the Company s

prior year results, the 2014 financial performance target objectives were set higher than the constant currency financial performance target objectives and actual results under the 2013 Annual Incentive Plan. The committee designed the grid to encourage strong, focused performance by our executives with the maximum payout levels requiring performance, measured on a constant currency basis, that exceeds the Company s financial guidance. The 2014 grid provided a payout of 100% of target if the Company achieved its internal operating plan for operating income and revenue (revenue of approximately $5.75 billion and operating income of approximately $1.17 billion), with a maximum payout level of 150% of target if revenue and operating income grew

Table of Contents

by 7.0% and 11.0%, respectively, as compared to 2013. Within the grid, a higher rate of increase for one metric could counterbalance a lower rate of increase for the

other metric. For 2014, the grid range for the revenue and operating income performance goals as well as the 2014 achievement are as follows:

	Target Range	Results	Achievement (%)
Total Revenue	$5,597M-$5,928M	$5,765M	103%
Operating Income	$1,118M-$1,229M	$1,181M	111%
Overall Achievement			**107%**

When the grid was established and consistent with prior years, the committee determined that the effect of currency fluctuations on revenue and operating income performance should be excluded from the payout calculation, as committee members believed compensation should not be based on factors outside of the control of our executives. In addition, pursuant to the Annual Incentive Plan and subject to compliance with Section 162(m) of the Internal Revenue Code, the Compensation Committee retained discretion to adjust the performance results against the performance objectives for major nonrecurring and non-operating expense and income items based on the facts and circumstances involved. The Compensation Committee did not exercise this discretion to adjust such performance results for the 2014 Annual Incentive Plan.

Strategic Performance Objectives. Participants in the 2014 Annual Incentive Plan had 20% of their award opportunity tied to the achievement of strategic performance objectives based upon the Company s strategic operating plan, with a focus on the Company s growth imperatives. Performance levels of the objectives were designed to be achievable, but required the coordinated, cross-functional focus and effort of the executives. Based on the achievement of the strategic performance objectives, the committee certified a payout equal to 11% of each named executive officer s target allocated to the strategic performance objectives. The strategic performance objectives, their respective weightings as well as the performance assessment for the 2014 Annual Incentive Plan awards are as follows:

2014 Annual Incentive Plan Strategic Performance Goals	2014 Actual Performance
Currency adjusted growth in revenue originating from digital (weighting 6%)	Below the threshold performance goal
Currency adjusted growth in consumer to consumer principal via wu.com (weighting 4%)	Between threshold and target performance goals
Currency adjusted revenue growth in Western Union Business Solutions (weighting 6%)	Below the threshold performance goal
Currency adjusted EBITDA growth in Western Union Business Solutions (weighting 4%)	Below the threshold performance goal
Performance Level Achievement	**11%**

Individual and Business Unit Performance Objectives. As noted in the table on the previous page, other than for Mr. Ersek, 30% of the 2014 annual incentive awards was subject to the achievement of individual and/or business unit performance objectives. Weighting for each individual and business unit performance objective ranged from 10% to 40% of the bonus opportunity allocated to individual and/or business unit performance. These objectives varied by named executive officer and included objectives relating to operating cash flow, expense management, business unit revenue growth, business unit profit growth, business

unit profit margin, execution of various information technology projects, customer satisfaction with customer service center support, compliance costs, management of compliance with the settlement agreement by and between Western Union Financial Services, Inc. and the State of Arizona, dated February 11, 2010, as amended, and global consumer fraud. To emphasize the importance of compliance and employee engagement throughout the organization, the individual performance objectives also included objectives relating to compliance initiatives and employee engagement. In addition, the 2014 Annual

Table of Contents

Incentive Plan design included a payout modifier with respect to the portion of the bonus opportunity allocated to individual and business unit performance objectives. Under the plan design, the Compensation Committee retained the discretion to modify the deemed overall attainment of the individual and business unit performance objectives based on a qualitative assessment performed by the Compliance Committee of the Board of employee and Company execution on compliance initiatives. For 2014, the Compensation Committee, based on the Compliance Committee s qualitative assessment, utilized the payout modifier to increase the 2014 Annual Incentive Plan payouts by approximately 6% to 7% of the target award opportunity for each named executive officer other than the Chief Executive Officer in recognition of enhancements made to the Company s global compliance programs.

The committee believes the performance objectives established for each of the named executive officers are indicators of the executive s success in fulfilling the executive s responsibilities to the Company and support the Company s strategic operating plan. The committee also believes that including compliance as both a performance objective and a payout modifier reinforces compliance as a priority throughout the organization. The performance levels of the individual and business unit objectives were designed to be achievable, but required strong and consistent performance by the executive. Please see -Compensation of Our Named Executive Officers for a discussion of the annual incentive payouts received by each named executive officer.

Long-Term Incentive Compensation

The Long-Term Incentive Plan allows the Compensation Committee to award various forms of long-term incentive grants, including stock options, restricted stock units, performance-based equity and performance-based cash awards. The Compensation Committee has sole discretion in selecting participants for long-term incentive grants and the Compensation Committee approves all equity grants made to our senior executives, with the equity grants made to the Chief Executive Officer ratified by the independent directors of the Board. When making regular annual equity grants, the Compensation Committee s practice is to approve them during the first quarter of each

year as part of the annual compensation review. Among other factors, the Compensation Committee considers dilution of the Company s outstanding shares when making such grants.

2014 Enhancements to Long-Term Incentive Awards. As part of its ongoing review of the executive compensation program during 2014, and based on input from the Compensation Consultant, the Compensation Committee approved certain changes to the Company s long-term incentive program in order to further enhance the Company s pay-for-performance philosophy and further align the interests of executives with those of our stockholders. Accordingly, in February 2014, the Compensation Committee approved the following modifications to the Company s long-term incentive program:

Created Standalone TSR PSUs: We replaced the TSR modifier from our 2013 Long-Term Incentive Plan design with a standalone TSR PSU award in order to enhance focus on stockholder returns.

Increased Performance Period for Performance-Based Restricted Stock Units: We increased the performance period of our performance-based restricted stock units from two years to three years.

Diversified Long-Term Incentive Plan Mix and Increased Weighting of At-Risk Awards: We increased the percentage of our annual equity grants that have vesting provisions that are strictly performance-based and at-risk.

Established Goals Exceeding Performance During Prior Three Years: The financial performance target objectives for the 2014 Financial PSUs were set at constant currency growth rates that are higher than the Company s average annual constant currency results achieved over 2011 through 2013. Further, the Company s relative TSR performance rank versus the S&P 500 Index over a 2014-2016 performance period that is required to earn a target payout under the terms of the 2014 TSR PSUs is higher than the

Company s annual relative TSR performance versus the S&P 500 Index in each of 2011, 2012, and 2013.

2014 Annual Long-Term Incentive Awards. The Compensation Committee s objectives for the 2014 long-term incentive awards were to:

Align the interests of our executives with the interests of our stockholders by focusing on objectives that result in stock price appreciation through the use of stock options;

Table of Contents

- Increase cross-functional executive focus in the coming years on key performance metrics through Financial PSUs;
- Amplify executive focus on stockholder returns through TSR PSUs; and
- Retain the services of executives through multi-year vesting provisions.

In February 2014, the Compensation Committee granted the Chief Executive Officer and the Executive Vice Presidents long-term incentive awards under the Long-Term Incentive Plan. The awards consisted of 80% performance-based restricted stock units (60% Financial PSUs, incorporating both revenue and operating income growth, and 20% TSR PSUs) and 20% stock options. The committee believed that the mix of stock options, Financial PSUs and TSR PSUs was appropriate because these forms of awards combined represented a balanced reflection of stockholder returns and financial performance. The stock options vest in 25% annual increments over four years and have a 10-year term. The performance-based restricted stock unit awards are described in greater detail below. In addition, as discussed in Compensation of Our Named Executive Officers below, Messrs. Agrawal, Almeida, Thompson and Dye each received time-based restricted stock unit grants in 2014 in connection with promotions or in recognition of 2013 performance and for retention purposes.

Financial PSUs. The 2014 Financial PSU awards will vest if and only to the extent that specific performance goals for revenues and operating income are met during the performance period. To motivate constant improvement over prior year results, the performance objectives under the 2014 Financial PSUs design are based on targeted constant currency compound annual growth rates (CAGR) for revenue and operating income. At the beginning of the performance period, the committee established revenue and operating income CAGR goals for each year of the performance period, with each year weighted equally in the determination of the award

payout. Under the terms of the awards, as much as 150% of the targeted Financial PSUs may be earned based on the Company s performance with respect to the revenue and operating income performance objectives. In order to receive a threshold payout under the award, the three-year CAGR for both revenue and operating income must be positive.

The performance objectives for payment of the 2014 Financial PSU awards and their respective weightings are:

- Targeted CAGR for revenue and operating income (each weighted 50%), comparing 2014 actual performance against 2013 actual performance (weighting 33-1/3%);
- Targeted CAGR for revenue and operating income (each weighted 50%), comparing 2015 actual performance against 2014 actual performance (weighting 33-1/3%); and
- Targeted CAGR for revenue and operating income (each weighted 50%), comparing 2016 actual performance against 2015 actual performance (weighting 33-1/3%).

Similar to the Annual Incentive Plan, when the financial performance objectives were established, the committee determined that the effect of currency fluctuations on revenue and operating income over the course of the year should be excluded from the award calculation, as it believed compensation should not be based on factors outside of the control of our executives.

In order to achieve target performance for the first year of the three-year performance period, the Company had to achieve constant currency revenue and operating income growth of 3.8% and 5.5%, respectively, as compared to 2013 actual performance. Based on 2014 performance, the Company achieved revenues and operating income of approximately $5.76 billion and $1.18 billion, respectively, resulting in a blended achievement with respect to the first year of the three-year performance period of 107% of target. This portion of the award remains subject to the requirement for a three-year positive CAGR in both revenue and operating income as well as the participant s continued service through February 20, 2017.

Table of Contents

The following table sets forth each named executive officer s threshold, target and maximum award opportunity with respect to the 2014 Financial PSUs:

	2014 Financial PSU Award Opportunity		
Executive	**Threshold**	**Target**	**Maximum**
Hikmet Ersek	112,571	225,141	337,712
Rajesh K. Agrawal	24,391	48,781	73,172
Odilon Almeida	22,515	45,029	67,544
J. David Thompson	22,515	45,029	67,544
John R. Dye	18,762	37,524	56,286

TSR PSUs. As noted above, in 2014, the Company introduced a standalone TSR PSU award in order to enhance focus on stockholder returns. These TSR PSUs require the Company to achieve 60th percentile relative TSR performance versus the S&P 500 Index over a three-year performance period in order to earn target payout,

with 30th percentile relative TSR performance resulting in threshold payout and 90th percentile relative TSR resulting in maximum payout.

The following table sets forth each named executive officer s threshold, target and maximum award opportunities with respect to the 2014 TSR PSUs:

	2014 TSR PSU Award Opportunity		
Executive	**Threshold**	**Target**	**Maximum**
Hikmet Ersek	47,886	95,771	143,657
Rajesh K. Agrawal	10,376	20,751	31,127
Odilon Almeida	9,578	19,155	28,733
J. David Thompson	9,578	19,155	28,733
John R. Dye	7,981	15,962	23,943

Other Elements of Compensation

To remain competitive with other employers and to attract, retain, and motivate highly talented executives and other employees, we provide the benefits listed in the following table to our United States-based employees:

Benefit or Perquisite	**Named Executive Officers**	**Other Officers and Key Employees**	**All Full-time and Regular Part-time Employees**
401(k) Plan	X	X	X
Supplemental Incentive Savings Plan			
(a nonqualified defined contribution plan)	X	X	
Severance and Change-in-Control Benefits	X	X	
Health and Welfare Benefits	X	X	X
Limited Perquisites	X	X	

Severance and Change-in-Control Benefits. Western Union has an executive severance policy for our executive officers. The policy helps accomplish Western Union s compensation philosophy of attracting and retaining

exemplary talent. The committee believes it appropriate to provide executives with the rewards and protections afforded by the Executive Severance Policy. The policy reduces the need to negotiate individual severance

Table of Contents

arrangements with departing executives and protects our executives from termination for circumstances not of their doing. The committee also believes the policy promotes management independence and helps retain, stabilize, and focus the executive officers in the event of a change-in-control. In the event of a change-in-control, the policy s severance benefits are payable only upon a double trigger. This means that severance benefits are triggered only when an eligible executive is involuntarily terminated (other than for cause, death, or disability), or terminates his or her own employment voluntarily for good reason (including a material reduction in title or position, reduction in base salary or bonus opportunity or an increase in the executive s commute to his or her current principal working location of more than 50 miles without consent) within 24 months after the date of a change-in-control. Severance benefits under the policy are conditioned upon the executive executing an agreement and release which includes, among other things, non-competition and non-solicitation restrictive covenants and a release of claims against the Company.

During 2014, the Compensation Committee amended the Executive Severance Policy to reduce the severance multiple for determining severance benefits prior to a change-in-control from 2 to 1.5 for participants other than the Company s Chief Executive Officer. This amendment was approved after considering input from the Compensation Consultant as well as market data. In addition, the Executive Severance Policy prohibits excise tax gross-up payments on change-in-control benefits for those individuals who became executives of the Company after April 2009. Mr. Ersek is the only Company employee who remains eligible for excise tax gross-up payments.

Please see the Executive Compensation-Potential Payments Upon Termination or Change-in-Control section of this Proxy Statement for further information regarding the Executive Severance Policy and the treatment of awards upon qualifying termination events or a change-in-control.

Retirement Savings Plans. Western Union executives on United States payroll are eligible for retirement benefits through a qualified defined contribution 401(k) plan, the Incentive Savings Plan, and a non-qualified defined

contribution plan, the Supplemental Incentive Savings Plan (SISP.) The SISP provides a vehicle for additional deferred compensation with matching contributions from the Company. We maintain the Incentive Savings Plan and the SISP to encourage our employees to save some percentage of their cash compensation for their eventual retirement. Mr. Ersek participates in the qualified defined contribution retirement plan made available to eligible employees in Austria. The committee believes that these types of savings plans are consistent with competitive pay practices, and are an important element in attracting and retaining talent in a competitive market. Please see the 2014 Nonqualified Deferred Compensation Table in the Executive Compensation section of this Proxy Statement for further information regarding Western Union s retirement savings plans.

Benefits and Perquisites. The Company s global benefit philosophy for employees, including executives, is to provide a package of benefits consistent with local practices and competitive within individual markets. Each of our named executive officers participates in the health and welfare benefit plans and fringe benefit programs generally available to all other Western Union employees in the individual market in which they are located. In addition, in 2014 the Company provided the benefits and perquisites as described in the 2014 Summary Compensation Table in the Executive Compensation section of this Proxy Statement.

The Company provided its other named executive officers with competitive perquisites and other personal benefits that are consistent with the Company s philosophy of attracting and retaining exemplary executive talent and, in some cases, such as the annual physical examination, the Company provides such personal benefits because the Compensation Committee believes they are in the interests of the Company and its stockholders. The committee periodically reviews the levels of perquisites and other personal benefits provided to named executive officers.

Employment Agreements. The Company generally executes an offer of employment before an executive joins the Company. This offer describes the basic terms of the executive s employment, including his or her start date, starting salary, bonus target and long-term incentive

Table of Contents

award target. The terms of the executive s employment are based thereafter on sustained good performance rather than contractual terms, and the Company s policies, such as the Executive Severance Policy, will apply as warranted.

Under certain circumstances, the Compensation Committee recognizes that special arrangements with respect to an executive s employment may be necessary or desirable. For example, Mr. Ersek, the Company, and a subsidiary of the Company entered into agreements in November 2009 relating to his 2009 promotion to Chief Operating Officer, which were amended effective September 2010 to reflect his 2010 promotion to President and Chief Executive Officer. Employment contracts are a competitive market practice in Austria where Mr. Ersek resided at the time he assumed his position as Chief Operating Officer and the Compensation Committee believes the terms of his agreements are consistent with those for similarly situated executives in Austria. In addition, the Company entered into a letter agreement with Mr. Agrawal in January 2012 describing the terms and conditions applicable to Mr. Agrawal s 2012-2013 expatriate assignment. Please see the Executive Compensation Narrative to Summary Compensation Table and Grants of Plan-Based Awards Table *Employment Arrangements* section of this Proxy Statement for a description of the material terms of Mr. Ersek s employment agreement and Mr. Agrawal s expatriate agreement.

Stock Ownership Guidelines

To align our executives interests with those of our stockholders and to assure that our executives own meaningful levels of Western Union stock throughout their tenures with the Company, the Compensation Committee established stock ownership guidelines that require each of the named executive officers to own Company Common Stock worth a multiple of base salary. Under the stock ownership guidelines, the executives must retain, until the required ownership guideline levels have been achieved and thereafter if required to maintain the required ownership levels, at least 50% of after-tax shares resulting from the vesting of restricted stock and restricted stock units and at least 50% of the shares acquired upon exercise of stock options after the payment of the exercise price, broker fees, and related tax withholding obligations. The chart below shows the salary multiple guidelines and the equity holdings that count towards the requirement as of March 19, 2015. Each named executive officer has met, or is progressing towards meeting, his respective ownership guideline.

Executive	Guideline	Status
Hikmet Ersek	5x salary	Meets guideline
Rajesh K. Agrawal	2x salary	Meets guideline
Odilon Almeida	2x salary	Must hold 50% of after-tax shares until guideline is met
J. David Thompson	2x salary	Meets guideline
John R. Dye	2x salary	Must hold 50% of after-tax shares until guideline is met

What Counts Toward the Guideline	What Does Not Count Toward the Guideline
Western Union securities owned personally	Unexercised stock options
Shares held in any Western Union benefit plan	Performance-based restricted stock units
After-tax value of restricted stock and restricted stock units	

Prohibition Against Pledging and Hedging of the Company s Securities

The Company s insider trading policy prohibits the Company s executive officers and directors from pledging the Company s securities or engaging in hedging or short-term speculative trading of the Company s securities, including, without limitation, short sales or put or call options involving the Company s securities.

Clawback Policy

The Board of Directors adopted a clawback policy in 2009. Under the policy, the Company may, in the Board s discretion and subject to applicable law, recover incentive compensation paid to an executive officer of the Company (defined as an individual subject to Section 16 of the Exchange Act, at the time the incentive compensation was received by or paid to the officer) if the compensation resulted from any financial result or performance

Table of Contents

metric impacted by the executive officer s misconduct or fraud. The Board is monitoring this policy to ensure that it is consistent with applicable laws, including any requirements under the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act).

Tax Implications of Executive Compensation Program

Under Section 162(m) of the Internal Revenue Code, named executive officer (other than the Chief Financial Officer) compensation over $1 million for any year is generally not deductible for United States income tax purposes. Performance-based compensation is exempt

from the deduction limit, however, if certain requirements are met. The Compensation Committee structures compensation to take advantage of this exemption under Section 162(m) to the extent practicable, while satisfying the Company s compensation policies and objectives. Because the Compensation Committee also recognizes the need to retain flexibility to make compensation decisions that may not meet the standards of Section 162(m) when necessary to enable the Company to continue to attract, retain, and motivate highly-qualified executives, it reserves the authority to approve potentially non-deductible compensation in appropriate circumstances.

Compensation of Our Named Executive Officers

Hikmet Ersek
President and Chief Executive Officer

Mr. Ersek s 2014 compensation was weighted significantly toward variable and performance-based incentive pay over fixed pay, and long-term, equity-based pay over annual cash compensation, because the Compensation Committee desired to tie a significant level of Mr. Ersek s compensation to the performance of the Company. The percentage of compensation delivered in the form of performance-based compensation is higher for Mr. Ersek than compared to the other named executive officers because the Compensation Committee believes that the Chief Executive Officer s leadership is one of the key drivers of the Company s success, and that a greater percentage of the Chief Executive Officer s total compensation should be variable as a reflection of the Company s level of performance. Market data provided by the Compensation Consultant supported this practice as well. Accordingly, at target-level performance for 2014, Mr. Ersek s annual compensation was weighted 12% base salary, 17% annual incentive award, and 71% long-term incentive award. Approximately 88% of Mr. Ersek s 2014 targeted total annual compensation varies based on the Company s performance.

In February 2014, the Compensation Committee set Mr. Ersek s 2014 compensation levels, including his annual and long-term incentive award targets, as discussed below. Mr. Ersek s compensation as Chief Executive Officer is set higher relative to the other named executive officers. The Compensation Committee considers this

to be appropriate, based on market data provided by the Compensation Consultant, and because his level of pay reflects his ultimate responsibility to oversee the performance of the Company.

Base Salary. For 2014, no changes were made to Mr. Ersek s annual base salary. Accordingly, Mr. Ersek s annual base salary remained at $1,000,000.

Annual Incentive Plan Target and Payout Level. For 2014, no changes were made to Mr. Ersek s Annual Incentive Plan target of $1,500,000. The maximum Annual Incentive Plan award that Mr. Ersek could have earned during 2014 was 150% of Mr. Ersek s target, or $2,250,000, as compared to a maximum award opportunity of 200% of target that was used in prior years. The Compensation Committee determined that it was appropriate to base Mr. Ersek s award opportunity under the Annual Incentive Plan on Company financial and strategic performance objectives and did not include on individual measures. Mr. Ersek s 2014

Annual Incentive Plan award payout was $1,314,800, reflecting a blended payout of 88% of target based on the Company s level of achievement of the corporate and strategic performance goals.

Discretionary Bonus. For 2014, the committee awarded Mr. Ersek a discretionary bonus of $115,000 in recognition of his leadership in enhancing the Company s global compliance programs.

Long-Term Incentive Award. For 2014, no changes were made to Mr. Ersek s long-term incentive award target. Accordingly, Mr. Ersek s 2014 long-term incentive award target remained at $6,000,000.

Table of Contents

Rajesh K. Agrawal

Executive Vice President and Interim Chief Financial Officer (January 2014 to July 2014) and Executive Vice President and Chief Financial Officer (July 2014 to present)

In February 2014, the Compensation Committee set Mr. Agrawal s initial 2014 compensation levels. In connection with his mid-year promotion to the position of Executive Vice President and Chief Financial Officer, in July 2014, the committee adjusted Mr. Agrawal s compensation levels based on the input of the Compensation Consultant, the historical compensation levels received by the Company s former Chief Financial Officer, and market data.

Base Salary. In connection with Mr. Agrawal s mid-year promotion, Mr. Agrawal s annual base salary was increased from $405,000 to $550,000, effective July 15, 2014.

Annual Incentive Plan Target and Payout Level. Mr. Agrawal s 2014 annual incentive target was increased from $405,000 to $495,000 due to his promotion to Chief Financial Officer in July 2014. Accordingly, Mr. Agrawal s prorated annual incentive target for 2014 was $446,900. The maximum Annual Incentive Plan award that Mr. Agrawal could have earned during 2014 was 150% of Mr. Agrawal s prorated target, or $670,400, as compared to a maximum award opportunity of 200% of target that was used in prior years. Mr. Agrawal s 2014 Annual Incentive Plan award payout was $442,400, reflecting a blended payout of 99% of target based on the Company s achievement of the corporate and strategic performance goals and Mr. Agrawal s achievement of his individual performance goals.

Discretionary Bonus. For 2014, the committee awarded Mr. Agrawal a discretionary bonus of $13,400 in recognition of his performance during 2014.

Long-Term Incentive Award. In connection with his promotion, Mr. Agrawal s long-term incentive award target was increased from $1,300,000 to $1,500,000.

Promotion Compensation. Effective upon his promotion to the position of Executive Vice President and Chief Financial Officer, Mr. Agrawal received a cash bonus of $80,000 and a restricted stock unit award valued at $500,000. The restricted stock unit award is scheduled to vest in four annual installments, subject to Mr. Agrawal s continued employment through each vesting date.

Odilon Almeida

Executive Vice President and President, Americas and European Union (January 2014 to present)

In February 2014, the Compensation Committee set Mr. Almeida s 2014 compensation levels, including his annual and long-term incentive award targets, as discussed below. In determining Mr. Almeida s 2014 target compensation levels, the committee considered Mr. Almeida s 2013 performance, his increased responsibilities as Executive Vice President and President, Americas and European Union, and market data. The committee increased Mr. Almeida s compensation levels, including his long-term incentive award, to reflect his increased responsibilities and to bring his total compensation into closer alignment with the Company s other executive officers as well as market levels.

Base Salary. For 2014, Mr. Almeida s base salary was increased from $575,000 to $600,000.

Annual Incentive Plan Target and Payout Level. Mr. Almeida s annual incentive target was increased from $517,500 to $540,000. The maximum Annual Incentive Plan award that Mr. Almeida could have earned during 2014 was 150% of Mr. Almeida s target, or $810,000, as compared to a maximum award opportunity of 200% of target that was used in prior years. Mr. Almeida s 2014 Annual Incentive Plan award payout was $507,600, reflecting a blended payout of 94% of target based on the Company s achievement of the corporate and strategic performance goals and Mr. Almeida s achievement of his individual/business unit performance goals.

Discretionary Bonus. For 2014, the committee awarded Mr. Almeida a discretionary bonus of $43,200 in recognition of his performance during 2014.

Long-Term Incentive Award. For 2014, the committee increased Mr. Almeida s long-term incentive award target from $750,000 to $1,200,000.

Promotion Compensation. Effective upon his promotion to the position of Executive Vice President and President, Americas and European Union, Mr. Almeida received a restricted stock unit award valued at $450,000. The restricted stock unit award is scheduled to vest in four annual installments, subject to Mr. Almeida s continued employment through each vesting date.

Table of Contents

J. David Thompson
Executive Vice President, Global Operations and Chief Information Officer

In February 2014, the Compensation Committee set Mr. Thompson s 2014 compensation levels, including his annual and long-term incentive award targets, as discussed below.

Base Salary. For 2014, no changes were made to Mr. Thompson s annual base salary. Accordingly, Mr. Thompson s annual base salary remained at $500,000.

Annual Incentive Plan Target and Payout Level. For 2014, no changes were made to Mr. Thompson s Annual Incentive Plan target of $450,000. The maximum Annual Incentive Plan award that Mr. Thompson could have earned during 2014 was 150% of Mr. Thompson s target, or $675,000, as compared to a maximum award opportunity of 200% of target that was used in prior years. Mr. Thompson s 2014 Annual Incentive Plan award payout was $459,000, reflecting a blended payout of 102% of target based on the Company s achievement of the corporate and strategic performance goals and Mr. Thompson s achievement of his individual/business unit performance goals.

Discretionary Bonus. For 2014, the committee awarded Mr. Thompson a discretionary bonus of $9,000 in recognition of his performance during 2014.

Long-Term Incentive Award. For 2014, no changes were made to Mr. Thompson s long-term incentive award target. Accordingly, Mr. Thompson s long-term incentive award target remained at $1,200,000.

Discretionary Awards. In early 2014, the committee awarded Mr. Thompson a discretionary restricted stock unit award with a grant value of $240,000 in recognition of his performance during 2013 and for retention purposes. This restricted stock unit award is scheduled to vest in four annual installments, subject to Mr. Thompson s continued employment through each vesting date. In early 2015, the committee awarded Mr. Thompson a discretionary restricted stock unit award with a grant value of $300,000 in recognition of his performance during 2014 and for retention purposes. This restricted stock unit award is scheduled to vest in three equal installments on February 20, 2016, 2017 and 2018, respectively, subject to Mr. Thompson s continued employment through each vesting date.

John R. Dye
Executive Vice President, General Counsel and Secretary

In February 2014, the Compensation Committee set Mr. Dye s 2014 compensation levels, including his annual and long-term incentive award targets, as discussed below.

Base Salary. For 2014, no changes were made to Mr. Dye s annual base salary. Accordingly, Mr. Dye s annual base salary remained at $500,000.

Annual Incentive Plan Target and Payout Level. For 2014, no changes were made to Mr. Dye s Annual Incentive Plan target of $400,000. The maximum Annual Incentive Plan award that Mr. Dye could have earned during 2014 was 150% of Mr. Dye s target, or $600,000, as compared to a maximum award opportunity of 200% of target that was used in prior years. Mr. Dye s 2014 Annual Incentive Plan award payout was $376,000, reflecting a blended payout of 94% of target based on the Company s achievement of the corporate and strategic performance goals and Mr. Dye s achievement of his individual/business unit performance goals.

Discretionary Bonus. For 2014, the committee awarded Mr. Dye a discretionary bonus of $8,000 in recognition of his performance during 2014.

Long-Term Incentive Award. For 2014, no changes were made to Mr. Dye s long-term incentive award target. Accordingly, Mr. Dye s long-term incentive award target remained at $1,000,000.

Discretionary Award. In early 2014, the committee awarded Mr. Dye a discretionary restricted stock unit award with a grant value of $100,000 in recognition of his performance during 2013 and for retention purposes. The restricted stock unit award is scheduled to vest in four annual installments, subject to Mr. Dye s continued employment through each vesting date.

2015 Compensation

At its February 19, 2015 meeting, the Compensation Committee approved the following compensation amounts and award targets for the named executive

officers. In setting executive compensation levels for 2015, the committee considered a number of factors including peer group and survey data, individual characteristics and responsibilities, and the Company s financial performance in 2014.

Named Executive Officer	**Base Salary**	**Annual Incentive Award Target**	**Long-Term Incentive Award Target**
Hikmet Ersek	$1,000,000	$1,500,000	$6,000,000
Rajesh K. Agrawal	$566,500	$509,850	$1,500,000
Odilon Almeida	$612,000	$550,800	$1,200,000
J. David Thompson	$540,000	$486,000	$1,200,000
John R. Dye	$510,000	$408,000	$1,000,000

Table of Contents

Executive Compensation

The following table contains compensation information for our named executive officers for the last three fiscal years.

2014 Summary Compensation Table

Name and Principal Position	Year	Salary ($000)(1)	Bonus ($000)	Stock Awards ($000)(2)	Option Awards ($000)(2)	Non-Equity Incentive Plan Compensation ($000)(3)	Change in Pension Value and Non-qualified Deferred Compensation Earnings ($000)	Co
Hikmet Ersek(5)	2014	1,000.0	115.0(6)	4,478.1	1,200.0	1,314.8		
President and Chief	2013	1,000.0		4,375.0	2,000.0	1,260.0		
Executive Officer	2012	987.5		3,758.9	1,980.0			
Rajesh K. Agrawal	2014	472.0	93.4(8)	1,435.6	260.0	442.4		
EVP and Chief	2013	405.0		972.3	429.0	324.0		
Financial Officer	2012	405.0		814.4	429.0	97.2		
Odilon Almeida	2014	600.0	193.2(9)	1,312.6	240.0	507.6		
EVP, President, Americas and	2013	N/A	N/A	N/A	N/A	N/A	N/A	
European Union	2012	N/A	N/A	N/A	N/A	N/A	N/A	
J. David Thompson	2014	500.0	9.0(10)	1,118.0	240.0	459.0		
EVP, Global Operations and	2013	500.0		916.5	396.0	360.0		
Chief Information Officer	2012	344.7	158.6	2,453.8	330.0	74.7		
John R. Dye	2014	500.0	208.0(11)	838.9	200.0	376.0		
EVP, General Counsel	2013	500.0	300.0	770.0	330.0	360.0		
and Secretary	2012	500.0	404.0	469.9	247.5	96.0		

Footnotes:

(1) *Any salary adjustments, other than for Mr. Almeida, are effective as of March of each reporting year. Mr. Almeida s salary adjustment was effective as of January 1, 2014.*

(2) *The amounts reported in these columns for 2014 represent the annual equity grants to the named executive officers under the Long-Term Incentive Plan and time-based restricted stock unit awards granted to Messrs. Agrawal, Almeida, Thompson and Dye as promotion or retention/merit grants. The amounts reported in these columns are valued based on the aggregate grant date fair value computed in accordance with FASB ASC Topic 718. The amounts included in the Stock Awards column for the performance-based restricted stock units granted during 2014 are calculated based on the probable satisfaction of the performance conditions for such awards as of the date of grant in 2014. Assuming the highest level of performance is achieved for the Financial PSUs, the maximum value of the Financial PSUs at the grant date would be as follows: Mr. Ersek $4,917,079; Mr. Agrawal $1,065,377; Mr. Almeida $983,433; Mr. Thompson $983,433; and Mr. Dye $819,524. Under FASB ASC Topic 718, the vesting condition related to the TSR PSUs is considered a market condition and not a performance condition. Accordingly, there is no grant date fair value below or in excess of the amount reflected in the table above for the named executive officers that could be calculated and disclosed based on achievement of the underlying market condition. See Note 16 to the Consolidated Financial Statements included in our Annual Reports on Form 10-K for the years ended December 31, 2014, 2013 and 2012, respectively, for a discussion of the relevant assumptions used in calculating the amounts reported for the applicable year.*

(3) For 2014, the amounts reflect the actual cash bonus received under the Annual Incentive Plan.

(4) Amounts included in this column for 2014 are set forth by category in the 2014 All Other Compensation Table below.

Table of Contents

Executive Compensation

PROXY STATEMENT

(5) *For 2014, Mr. Ersek s salary is denominated in United States dollars but is paid to or on behalf of Mr. Ersek in euros, based on a conversion rate that was determined each calendar quarter. Contributions made to the Austrian retirement plan on behalf of Mr. Ersek are denominated in euros and converted to United States dollars for disclosure in the proxy. The conversion rates 0.72775, 0.71870, 0.73855, and 0.77381 were applied for quarters one, two, three and four, respectively.*

(6) *For 2014, the committee awarded Mr. Ersek a discretionary bonus of $115,000 in recognition of his leadership in enhancing the Company s global compliance programs.*

(7) *Includes $18,400 and $16,800 in medical premiums inadvertently not reported in 2013 and 2012, respectively.*

(8) *Mr. Agrawal s bonus includes a cash bonus of $80,000 received by Mr. Agrawal in connection with his promotion to the position of Executive Vice President and Chief Financial Officer, and a discretionary cash bonus of $13,400 in recognition of his performance during 2014.*

(9) *Mr. Almeida s bonus includes the final installment of a salary supplement paid pursuant to the terms of Mr. Almeida s offer of employment. Mr. Almeida was eligible to receive a $150,000 salary supplement payable in each of 2013 and 2014, subject to Mr. Almeida s continued employment through the respective payment dates. Mr. Almeida s bonus also includes a discretionary bonus of $43,200 in recognition of his performance during 2014.*

(10) *Mr. Thompson s bonus represents a discretionary bonus of $9,000 in recognition of his performance during 2014.*

(11) *Mr. Dye s bonus includes the final installment of his sign on bonus payable pursuant to the terms of Mr. Dye s offer of employment. Mr. Dye was eligible to receive a $600,000 bonus, payable in three equal annual installments commencing six-months after Mr. Dye s employment commencement date of November 30, 2011. Mr. Dye s bonus also includes a discretionary bonus of $8,000 in recognition of his performance during 2014.*

2014 All Other Compensation Table

Name	**Perquisites & Other Personal Benefits ($000)**[(1)]	**Tax Reimbursements ($000)**[(2)]	**Company Contributions to Defined Contribution Plans ($000)**[(3)]	**Insurance Premiums ($000)**	**Total ($000)**
Hikmet Ersek	31.2	7.4	74.9	20.4	133.9
Rajesh K. Agrawal	546.8(4)	92.4	35.0	0.6	674.8
Odilon Almeida	81.3(5)	55.0	47.8	1.4	185.5
J. David Thompson	2.2		34.4	13.8	50.4
John R. Dye			10.4	1.3	11.7

Footnotes:

(1) *Amounts in this column include the incremental cost or valuation of executive security costs and personal jet usage for Mr. Ersek, relocation expenses for Messrs. Agrawal (as described in Footnote 4 to this table) and Almeida (as described in Footnote 5 to this table), sporting event tickets for each of the named executive officers other than Mr. Dye, car service/allowances for Mr. Ersek, an annual physical examination, including travel expenses, for certain named executive officers and family visa services for Messrs. Ersek and Almeida.*

(2) *Amounts in this column include tax gross-ups for Messrs. Ersek and Almeida for family visa services and Messrs. Agrawal and Almeida for relocation expenses. These benefits are generally available to employees asked to relocate as part of the Company's relocation and immigration programs.*

(3) *Amounts shown in this column represent contributions made by the Company on behalf of each of the named executive officers, except for Mr. Ersek, to the Company s Incentive Savings Plan and/or the Supplemental Incentive Savings Plan, and contributions made by the Company on behalf of Mr. Ersek to the Company s defined contribution plan in Austria, the Victoria Volksbanken Pensionskassen AG.*

Table of Contents

Executive Compensation

PROXY STATEMENT

(4) This amount includes approximately ($545,200) paid to or on behalf of Mr. Agrawal in connection with his relocation from the United Kingdom to Colorado including foreign tax equalization payments ($479,300) and United States tax payments ($50,000). These relocation expenses were valued on the basis of the aggregate incremental cost to the Company and represent the amount accrued for payment or paid to the service provider or Mr. Agrawal, as applicable. These benefits are generally available to employees asked to relocate as part of the Company's relocation program.

(5) This amount includes approximately $70,600 paid to or on behalf of Mr. Almeida in connection with his relocation from Brazil to Florida including a housing allowance ($34,200) and tax-related services ($28,200). These relocation expenses were valued on the basis of the aggregate incremental cost to the Company and represent the amount accrued for payment or paid to the service provider or Mr. Almeida, as applicable. These benefits are generally available to employees asked to relocate as part of the Company's relocation program.

The following table summarizes awards made to our named executive officers in 2014.

2014 Grants of Plan-Based Awards Table

		Estimated Possible Payouts Under Non-Equity Incentive Plan Awards(1)		Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock	All Other Option Awards: Number of Securities Underlying	Exercise or Base Price of Option	Grant Date Fair Value of Stock and Option
Name	**Grant Date**	**Target ($000)**	**Maximum ($000)**	**Threshold (#)**	**Target (#)**	**Maximum (#)**	**or Units (#)(2)**	**Options (#)(3)**	**Awards ($/sh)**	**Awards ($000)(4)**
Hikmet Ersek		1,500	2,250							
	2/20/2014			112,571(5)	225,141(5)	337,712(5)				3,278.1
	2/20/2014			47,886(6)	95,771(6)	143,657(6)				1,200.0
	2/20/2014							303,798	$15.99	1,200.0
Rajesh K. Agrawal		446.9(7)	670.4							
	2/20/2014			24,391(5)	48,781(5)	73,172(5)				710.3
	2/20/2014			10,376(6)	20,751(6)	31,127(6)				260.0
	2/20/2014							65,823	$15.99	260.0
	7/15/2014						28,936			465.3
Odilon Almeida		540.0	810.0							
	2/20/2014			22,515(5)	45,029(5)	67,544(5)				655.6
	2/20/2014			9,578(6)	19,155(6)	28,733(6)				240.0
	2/20/2014							60,760	$15.99	240.0
	3/28/2014						27,761			417.0
J. David Thompson		450.0	675.0							
	2/20/2014			22,515(5)	45,029(5)	67,544(5)				655.6
	2/20/2014			9,578(6)	19,155(6)	28,733(6)				240.0
	2/20/2014									