

WEX Inc.
Form DEF 14A
April 24, 2017
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A INFORMATION
(Rule 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240. 14a-12

WEX INC.

(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):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) 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:

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WEX INC.
April 24, 2017

Dear Fellow Stockholders,

You are invited to attend the 2017 annual meeting of stockholders of WEX Inc., or the Company. The meeting will be held on Friday, May 12, 2017, at 8:00 a.m., Eastern Time, at the WEX Inc. Long Creek Campus located at 225 Gorham Road, South Portland, Maine, 04106.

At the meeting we will:

- elect two directors for three-year terms,
- conduct an advisory vote on executive compensation,
- conduct an advisory vote on the frequency of future advisory votes on executive compensation,
- vote to ratify the selection of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the year ending December 31, 2017, and
- consider any other business properly coming before the meeting.

Whether or not you attend the annual meeting, it is important that your shares be represented and voted at the meeting. As a stockholder of record, you can vote your shares by signing and dating the enclosed proxy card and returning it by mail in the enclosed envelope. If you decide to attend the annual meeting and vote in person, you may then revoke your proxy. If you hold your stock in "street name," that is, held for your account by a bank, broker or other nominee, you should follow the instructions provided by your bank, broker or other nominee.

On behalf of the Board of Directors and the employees of WEX Inc., we would like to express our appreciation for your continued interest in the Company.

Sincerely,
Melissa D. Smith
PRESIDENT AND CHIEF EXECUTIVE OFFICER

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WEX INC.

NOTICE OF 2017 ANNUAL MEETING OF STOCKHOLDERS

April 24, 2017

The 2017 annual meeting of stockholders of WEX Inc. will be held on Friday, May 12, 2017, at 8:00 a.m., Eastern Time, at the WEX Inc. Long Creek Campus located at 225 Gorham Road, South Portland, Maine, 04106. At the meeting we will:

- elect two directors for three-year terms,
- conduct an advisory vote on executive compensation,
- conduct an advisory vote on the frequency of future advisory votes on executive compensation,
- vote to ratify the selection of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the year ending December 31, 2017, and
- consider any other business properly coming before the meeting.

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to be Held on May 12, 2017:

The proxy statement and annual report to stockholders are available on our investor relations webpage at:
<http://ir.wexinc.com/phoenix.zhtml?c=186699&p=irol-proxy>

Stockholders who owned shares of our common stock at the close of business on March 14, 2017 are entitled to attend and vote at the meeting and any adjournment or postponement of the meeting. Stockholders that owned stock in "street name" as of such date must present proof of beneficial ownership to attend the meeting and must obtain a legal proxy from their bank, broker or other nominee to vote at the meeting. A complete list of registered stockholders will be available at least 10 days prior to the meeting at our offices located at 225 Gorham Road, South Portland, Maine, 04106.

By Order of the Board of Directors,
Hilary A. Rapkin
SENIOR VICE PRESIDENT,
GENERAL COUNSEL AND
CORPORATE SECRETARY

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This proxy statement describes the proposals on which you may vote as a stockholder of WEX Inc. It contains important information to consider when voting.

The Company's Board of Directors, or the Board, is sending these proxy materials to you in connection with the Board's solicitation of proxies. Our annual report to stockholders and our proxy materials were first mailed on or about April 24, 2017.

Your vote is important. Please complete, execute and promptly mail your proxy card as soon as possible even if you plan to attend the annual meeting.

VOTING YOUR SHARES

Stockholders who owned the Company's common stock at the close of business on March 14, 2017, the record date, may attend and vote at the annual meeting of stockholders, or the Annual Meeting. Each share is entitled to one vote. There were 42,742,467 shares of common stock outstanding on the record date.

How do I vote?

• You may vote by mail if you hold your shares in your own name

You do this by completing, signing and dating your proxy card and mailing it in the enclosed prepaid and addressed envelope.

• You may vote in person at the meeting

We will pass out ballots to any record holder who wants to vote at the meeting. However, if you hold your shares in "street name," you must request a proxy from your bank, broker or other nominee in order to vote at the meeting. Holding shares in street name means you hold them through a bank, broker or other nominee, and as a result, the shares are not held in your individual name but through someone else.

If you hold your shares in "street name," you should follow the instructions provided by your bank, broker or other nominee, which may include instructions regarding your ability to vote by telephone or through the Internet.

How do I vote my shares held in the WEX Inc. Employee Savings Plan?

If you participate in our WEX Inc. Employee Savings Plan, commonly referred to as the "401(k) Plan," shares of our common stock equivalent to the value of the common stock interest credited to your account under the plan will be voted by the trustee in accordance with your instructions, if they are received before 8:00 AM Eastern Time on May 10, 2017. Otherwise, if you do not provide instruction by such date, the share equivalents credited to your account will not be voted by the trustee.

Please refer to the "Information about Voting Procedures" section.

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GOVERNANCE

The Corporate Governance Committee of the Board of Directors of WEX Inc. is responsible for identifying individuals qualified to become Board members, consistent with criteria approved by the Board and recommending to the Board the persons to be nominated for election as directors at the annual meeting of stockholders in accordance with the Corporate Governance Guidelines, the policies and principles in the Corporate Governance Committee charter and the applicable criteria adopted by the Board. In 2017, there are two Class III directors up for election at the Annual Meeting. Eric Duprat and Ronald T. Maheu currently serve as Class III directors. However, Messrs. Duprat and Maheu will retire at the end of their term and are not standing for reelection at the Annual Meeting. Following the Annual Meeting, the size of the Board will be reduced to ten members.

ITEM 1. ELECTION OF DIRECTORS

At each annual meeting of stockholders, directors are elected for a term of three years to succeed those directors whose terms are expiring.

Our nominees for director this year are:

• Michael E. Dubyak

• Rowland T. Moriarty

Each nominee is presently a director of the Company and has consented to serve a new three-year term.

We recommend a vote FOR these nominees.

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THE BOARD OF DIRECTORS

BOARD LEADERSHIP

Our Board is led by our Chairman, Mr. Dubyak. As Chairman he leads all meetings of the Board at which he is present, sets meeting schedules and agendas and manages information flow to the Board to ensure appropriate understanding and discussion regarding matters of interest or concern to the Board. The Chairman also has such additional powers and performs such additional duties consistent with organizing and leading the actions of the Board as may be prescribed by the Board.

In addition to our Chairman, the Board has appointed Dr. Moriarty as our Vice Chairman and Lead Director. Dr. Moriarty chairs meetings of the independent directors in executive session and chairs any meetings at which the Chairman is not present. In addition, he facilitates communications between other members of the Board and the Chairman as needed. The Lead Director is authorized to call meetings of the independent directors and is available to consult with any of the Company's senior executives regarding any concerns an executive may have. Dr. Moriarty aids in the preparation of meeting agendas and is authorized to meet with stockholders as a representative of the independent directors. Our Board decided to separate the roles of the Chairman and Chief Executive Officer because it believes that leadership structure presently offers the following benefits:

- Enhances our Board's objective evaluation of our Chief Executive Officer
- Frees the Chief Executive Officer to focus on the Company's operations instead of Board administration
- Provides a liaison on our Board with a depth of knowledge about the Company
- Provides greater opportunities for communication between stockholders and our Board

THE BOARD'S ROLE IN RISK OVERSIGHT

Our Board oversees our risk management processes directly, and through a risk management program overseen by both: (i) the Company's Senior Vice President, General Counsel and Corporate Secretary, who reports directly to the Chief Executive Officer; and, (ii) our director of compliance who reports to the Company's Senior Vice President, General Counsel and Corporate Secretary. Risks are identified and prioritized by our management, and a report of those risks is presented to the full Board. In general, our Board oversees risk management activities relating to business strategy, operations and financial and legal risks; our Audit Committee oversees the process by which various issues, such as enterprise risk and cybersecurity, are managed and reported to the Board, as well as activities related to financial controls and legal and corporate compliance; and, our Compensation Committee oversees risks related to our compensation programs. Oversight of particular risks may also be delegated to other committees of the Board, such as the Technology Committee and the Finance Committee, as appropriate, based upon the nature of any particular risk. Our appointment of both: (i) a Chairman and (ii) Vice Chairman and Lead Director allows for an efficient delegation of responsibilities for risk oversight amongst those two individuals as well as the use of an independent Vice Chairman and Lead Director to manage risks as needed.

SUCCESSION PLANNING

The Board, with support from its committees as needed, regularly reviews short and long-term succession plans for the Chief Executive Officer and for other senior management positions. In assessing possible CEO candidates, the independent Directors identify the skills, experience and attributes they believe are required to be an effective CEO in light of the Company's global business strategies, opportunities and challenges. The Board also ensures that Directors have substantial opportunities over the course of the year to engage with possible succession candidates.

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MEMBERS OF THE BOARD OF DIRECTORS

The Corporate Governance Committee seeks directors with the following types of experience:

Finance, accounting, or reporting experience.

Directors with an understanding of finance and financial reporting processes are valued on our Board because of the importance we place on accurate financial reporting and robust financial controls and compliance. We also seek to have a number of directors who qualify as audit committee financial experts.

Legal or regulatory experience.

Directors who have had legal or regulatory experience provide insights into addressing significant legal and public policy issues, particularly in areas related to our company's business and operations. Because our company's business requires compliance with a variety of regulatory requirements across a number of countries, our Board values directors with relevant legal or regulatory experience.

Business development and M&A experience. Directors with a background in business development and in M&A provide insight into developing and implementing strategies for growing our business. Useful experience in this area includes skills in analyzing the "fit" of a proposed acquisition with a company's strategy, the valuation of transactions, and assessing management's plans for integration with existing operations.

Marketing or public relations experience.

Directors, who have had relevant experience in marketing, brand management, and public relations, especially on a global basis, provide important insights to our Board.

Global or international business experience.

Because our company is a global organization, directors with broad international exposure provide useful business and cultural perspectives. We seek directors who have had relevant experience with multinational companies or in international markets.

Leadership experience.

We believe that directors who have held significant leadership positions over an extended period, especially CEO positions, provide the company with unique insights. These people generally possess extraordinary leadership qualities, and the ability to identify and develop those qualities in others. They demonstrate a practical understanding of organizations, processes, strategy and risk management, and know how to drive change and growth.

Technology experience.

As a technology company and leading innovator, we seek directors with backgrounds in technology and cybersecurity because our success depends on developing, investing in and protecting new technologies and ideas.

Industry experience.

We seek to have directors with experience in the payments, travel and healthcare industries in which we participate.

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Age 75
 Class I
 George L. McTavish Director Since 2007
 Term Expires 2018

Mr. McTavish currently sits on the Advisory Board of Clayton Associates, which makes early stage investments in healthcare and technology companies, where he has served since March 2014. From October 2004 until October 2012, Mr. McTavish served as the Chairman and Chief Executive Officer of Source Medical Corporation, an outpatient information solutions and service provider for ambulatory surgery centers and rehabilitation clinics. Before joining Source Medical, Mr. McTavish served as Chairman and Chief Executive Officer of BenView Capital, a private investment company, from December 2001 to October 2004. Prior to BenView, Mr. McTavish was a full-time consultant for Welsh Carson Anderson & Stowe, an investment buy-out firm in New York City. From 1987 to 1997, Mr. McTavish was Chairman and Chief Executive Officer of Comdata, a provider of information services, financial services and software to the transportation industry. Following the acquisition of Comdata Corporation by Ceridian Corporation in 1995, he was also named as an Executive Vice President of Ceridian. He had joined Comdata after serving as Chairman and Chief Executive Officer of Hogan Systems, a provider of enterprise software systems to the banking and financial services industries. Mr. McTavish is also a member of the boards of directors of several private businesses.

The Board concluded that Mr. McTavish is well suited to serve as a director of the Company because of his leadership experience as the Chairman and CEO of an information services company and experience as the CEO of several large organizations. In addition the Board benefits from his deep knowledge of the payments, fleet and healthcare industries and experience in business development and financial and technology industries.

Age 59
 Class I
 Regina O. Sommer Director Since 2005
 Term Expires 2018

Since March 2005, Ms. Sommer has been a financial and business consultant. From January 2002 until March 2005, Ms. Sommer served as Vice President and Chief Financial Officer of Netegrity, Inc., a leading provider of security software solutions, which was acquired by Computer Associates International, Inc. in November 2004. From October 1999 to April 2001, Ms. Sommer was Vice President and Chief Financial Officer of Revenio, Inc., a privately-held customer relationship management software company. Ms. Sommer was Senior Vice President and Chief Financial Officer of Open Market, Inc., an Internet commerce and information publishing software firm, from 1997 to 1999 and Vice President and Chief Financial Officer from 1995 to 1997. From 1989 to 1994, Ms. Sommer was Vice President at The Olsten Corporation and Lifetime Corporation, providers of staffing and healthcare services. From 1980 to 1989, Ms. Sommer served in various positions from staff accountant to senior manager at PricewaterhouseCoopers. Ms. Sommer served on the Board of SoundBite Communications, Inc., from 2006 until May 2012, where she was the chair of the Audit Committee and a member of the Compensation Committee. In addition, she has sat on the board of Insulet Corporation since 2008, a publicly held provider of an insulin

infusion system for people with insulin-dependent diabetes. She also serves on Insulet's Audit Committee and Nominating and Governance Committee. Ms. Sommer also sat on the Board of ING Direct from January 2008 until February 2012, and served as a member of the Audit, Risk Oversight and Investment and the Governance and Conduct Review Committees.

The Board concluded that Ms. Sommer is well suited to serve as a director of the Company because of her past leadership experience as the Chief Financial Officer of two publicly-traded companies. In addition, she brings significant financial expertise across a broad range of industries relevant to the Company's business, including banking, software development and auditing. She also adds value from her experience in business development.

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Age 63
 Class I
 Jack VanWoerkom Director Since 2005
 Term Expires 2018

Mr. VanWoerkom has served as an Operating Partner at Highland Consumer Fund, which invests in growth-oriented consumer-facing businesses, including specialty retail, e-commerce, consumer products and consumer service companies, since June 2015. From June 2011 until June 2015, he was retired. From June 2007 until his retirement in June 2011 Mr. VanWoerkom was employed by The Home Depot, Inc., a home improvement retailer, as Executive Vice President, General Counsel and Corporate Secretary. Previously, Mr. VanWoerkom served as Executive Vice President, General Counsel and Secretary of Staples, Inc., an office supply retailer, from March 2004 to June 2007. Before that, Mr. VanWoerkom was Senior Vice President, General Counsel and Secretary of Staples from March 1999 to March 2004.

The Board concluded that, due to his experience as a general counsel and an executive officer of several companies, Mr. VanWoerkom is well suited to serve as a director of the Company. Specifically, his experience with legal, regulatory, corporate governance and corporate transactions, including mergers and acquisitions, provides a valuable point of view on the board. Mr. VanWoerkom brings an international perspective to the Board owing to his experience with managing global suppliers and international operations.

Age 61
 Class I
 John E. Bachman Director Since 2016
 Term Expires 2018

Mr. Bachman was a partner at the accounting firm of PricewaterhouseCoopers LLP ("PwC"), a firm that focuses on audit and assurance and tax and consulting services, from 1989 to 2015. At PwC, in addition to audit partner work, Mr. Bachman served from July 2007 to November 2013 as the operations leader of the firm's U.S. Assurance Practice with full operational and financial responsibility for this \$4 billion line of business, which included the firm's audit and risk management practices. Mr. Bachman earlier served for three years as the firm's strategy leader, where he was responsible for strategic planning across business u