

WEX Inc.
Form DEF 14A
April 24, 2018
Table of Contents

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:

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

WEX INC.
April 24, 2018

Dear Fellow Stockholders,

You are invited to attend the 2018 annual meeting of stockholders of WEX Inc., or the Company. The meeting will be held on Friday, May 11, 2018, 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 three directors for three-year terms,
- conduct an advisory (non-binding) vote on the compensation of our named executive officers,
- vote to ratify the selection of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the year ending December 31, 2018, 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

Table of Contents

WEX INC.

NOTICE OF 2018 ANNUAL MEETING OF STOCKHOLDERS

April 24, 2018

The 2018 annual meeting of stockholders of WEX Inc. will be held on Friday, May 11, 2018, 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 three directors for three-year terms,
- conduct an advisory (non-binding) vote on the compensation of our named executive officers,
- vote to ratify the selection of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the year ending December 31, 2018, 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 11, 2018:

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 13, 2018 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
CHIEF LEGAL OFFICER

Table of Contents

TABLE OF CONTENTS	
<u>Voting Your Shares</u>	<u>1</u>
<u>Governance</u>	<u>2</u>
<u>Item 1: Election of Directors</u>	<u>2</u>
<u>The Board of Directors</u>	<u>3</u>
<u>Members of the Board of Directors</u>	<u>4</u>
<u>Number of Directors and Terms</u>	<u>9</u>
<u>Board and Committee Meetings</u>	<u>9</u>
<u>Compensation Committee Interlocks and Insider Participation</u>	<u>11</u>
<u>Director Compensation</u>	<u>11</u>
<u>2017 Director Compensation</u>	<u>12</u>
<u>Non-Employee Director Ownership Guidelines</u>	<u>12</u>
<u>Principal Stockholders</u>	<u>13</u>
<u>Amount and Nature of Shares Beneficially Owned</u>	<u>13</u>
<u>Director Independence</u>	<u>16</u>
<u>Director Nominations and Recommendations</u>	<u>16</u>
<u>Communications with the Board of Directors</u>	<u>18</u>
<u>Compensation</u>	<u>19</u>
<u>Executive Officers</u>	<u>19</u>
<u>Item 2: Advisory (non-binding) Vote on the Compensation of Named Executive Officers</u>	<u>21</u>
<u>Executive Compensation</u>	<u>22</u>
<u>Compensation Discussion and Analysis</u>	<u>22</u>
<u>Executive Summary</u>	<u>22</u>
<u>Process for Determining Executive Compensation</u>	<u>27</u>
<u>Total Compensation - Objectives and Philosophy</u>	<u>28</u>
<u>2017 Total Direct Compensation</u>	<u>28</u>
<u>Peer Group</u>	<u>33</u>
<u>Strong Say on Pay Support and Stockholder Engagement</u>	<u>33</u>
<u>Changes for 2018</u>	<u>34</u>
<u>Other Compensation Program and Governance Features</u>	<u>34</u>
<u>Compensation Committee Report</u>	<u>36</u>
<u>2017 Summary Compensation Table</u>	<u>37</u>
<u>All Other Compensation</u>	<u>38</u>
<u>2017 Grants of Plan-Based Awards</u>	<u>39</u>
<u>Outstanding Equity Awards at 2017 Fiscal Year End</u>	<u>41</u>
<u>2017 Option Exercises and Stock Vested</u>	<u>43</u>
<u>2017 Non-qualified Deferred Compensation</u>	<u>44</u>
<u>Employment Agreements, Severance and Change in Control Benefits</u>	<u>46</u>
<u>Potential Payments Upon Termination of Employment</u>	<u>48</u>
<u>Pay Ratio Disclosure</u>	<u>49</u>
<u>Securities Authorized for Issuance under Equity Compensation Plans</u>	<u>49</u>
<u>Section 16(A) Beneficial Ownership Reporting Compliance</u>	<u>49</u>
<u>Certain Relationships and Related Transactions</u>	<u>49</u>
<u>Item 3: Ratification of Deloitte & Touche LLP as our Independent Registered Public Accounting Firm for Fiscal Year 2018</u>	<u>51</u>
<u>Audit Committee Report</u>	<u>52</u>
<u>Independent Registered Public Accountant</u>	<u>53</u>
<u>Auditor Selection and Fees</u>	<u>53</u>

<u>Other Business</u>	<u>53</u>
<u>Information About Voting Procedures</u>	<u>54</u>
<u>Appendix A</u>	<u>58</u>

Table of Contents

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, 2018.

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 13, 2018, 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 42,933,142 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 9, 2018. 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.

Table of Contents

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 2018, there are three Class I directors up for election at the Annual Meeting. George L. McTavish, Jack VanWoerkom, John E. Bachman and Regina O. Sommer currently serve as Class I directors. However, Mr. McTavish will retire at the end of his term and is not standing for reelection at the Annual Meeting. Following the Annual Meeting, the size of the Board will be reduced to nine 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:

- John E. Bachman
- Regina O. Sommer
- Jack VanWoerkom

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.

Table of Contents

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 Chief Legal Officer, who reports directly to the Chief Executive Officer; and, (ii) our Vice President, Compliance and Enterprise Risk Management, who reports to the Company's Chief Legal Officer. 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 enterprise risks 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. In connection with the oversight of cybersecurity risk, our Audit Committee receives regular reports from our Chief Information Security Officer, who presents a threat matrix and overall analysis of our cyber-health, as well as any recent threat activity. 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.

Table of Contents

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 because our success depends on developing, investing in and protecting new technologies and ideas. We also target directors who can help guide the Company in advancing our strategy into new payment industries.

Industry experience.

We seek directors with experience in the payments industry generally and fleet, travel and healthcare payments specifically.

Table of Contents

Regina O. Sommer Age 60
 Class I
 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 sat on the Board of Insulet Corporation from January 2008 to August 2017, a publicly held provider of an insulin infusion system for people with insulin dependent diabetes. She also served 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.

Table of Contents

Age 64
 Class I
 Jack VanWoerkom Director Since 2005
 Term Expires 2018

Mr. VanWoerkom has been the General Counsel and Chief Compliance Officer of Porchlight Equity (formerly Highland Consumer Fund), a private equity firm specializing in lower middle market companies, since January 2017. Before serving as General Counsel and Chief Compliance Officer, Mr. VanWoerkom served as an Operating Partner at Porchlight Equity from June 2015 until January 2017. From June 2011 until June 2015, Mr. VanWoerkom was retired. From June 2007 until June 2011, Mr. VanWoerkom was employed by The Home Depot, Inc., a home improvement retailer, as Executive Vice President, General Counsel and Corporate Secretary. Mr. VanWoerkom served as Executive Vice President, General Counsel and Secretary of Staples, Inc., an office supply retailer, from March 2004 to June 2007. From March 1999 to March 2004, Mr. VanWoerkom was Senior Vice President, General Counsel and Secretary of Staples.

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 62
 Class I
 John E. Bachman Director Since 2016
 Term Expires 2018

Prior to his retirement, Mr. Bachman was a partner at the accounting firm of PricewaterhouseCoopers LLP (“PwC”), a firm that focuses on audit, assurance, tax and consulting services from 1989 to 2015. At PwC, Mr. Bachman served as the Operations Leader of the firm’s U.S. Assurance Practice from July 2007 to November 2013 with full operational and financial responsibility for this \$4 billion line of business, which included the firm’s audit and risk management practices. Prior to this operational role, Mr. Bachman served for three years as the firm’s Strategy Leader where he was responsible for strategic planning across business units, geographies and industries. Mr. Bachman also served as an audit partner for companies in the industrial manufacturing, financial services, publishing, healthcare and other industries. Mr. Bachman sits on the Board of The Children’s Place, Inc., a children’s specialty apparel retailer. Mr. Bachman received an MBA from the Harvard University Graduate Business School and a bachelor’s degree from Bucknell University.

The Board concluded that Mr. Bachman is well suited to serve as a director of the Company because of his extensive background in auditing, as well as his strategy and operations experience with C-level executives, which will benefit

WEX's vision of global expansion now and in the future.

Shikhar Ghosh Age 60
 Class II
 Director Since 2005
 Term Expires 2019

Mr. Ghosh is a Professor of Management Practice at the Harvard Business School. He has been on the faculty since August 2008. Mr. Ghosh is also currently on the Board of Decision Resources Group, a leading provider of information services to the healthcare industry and Evidence Action, a non-profit organization that provides health services to over 200 million children across multiple countries. From June 2006 until December 2007, Mr. Ghosh was the Chief Executive Officer of Risk Syndication for the Kessler Group, where he enabled bank clients and their endorsing partners to market credit cards. From June 1999 to June 2004, Mr. Ghosh was Chairman and Chief Executive Officer of Verilytics Technologies, LLC, an analytical software company focused on the financial services industry. In 1993, Mr. Ghosh founded Open Market, Inc., an Internet commerce and information publishing software firm. From 1988 to 1993, Mr. Ghosh was the Chief Executive Officer of Appex Corp., a technology company that was sold to Electronic Data Systems Corporation in 1990. From 1980 until 1988, Mr. Ghosh served in various positions with The Boston Consulting Group, and was elected as a worldwide partner and a director of the firm in 1988.

The Board concluded that Mr. Ghosh is well suited to serve as a director of the Company because of his experience with various technology related ventures and record of founding companies that have operated in emerging technology markets. Mr. Ghosh's qualifications to serve on the Board include his academic experience and executive management, business development and leadership experience, as the Chairman and CEO of various companies.

Table of Contents

James Neary Age 53
 Class II
 Director Since 2016
 Term Expires 2019

Mr. Neary is a managing director of Warburg Pincus, a private equity firm, which he joined in 2000. Mr. Neary has served as co-head of the Industrial & Business Services team since June 2013 and is also a member of the firm's executive management group. From 2010 to June 2013, Mr. Neary led the firm's late-stage efforts in the technology and business services sectors in the U.S. Prior to that, from 2004 to 2010, he was co-head of the technology, media and telecommunications investment efforts in the U.S. From 2000 to 2004, Mr. Neary led the firm's Capital Markets activities. Before joining Warburg Pincus, he was a managing director at Chase Securities, an investment advisory firm. Mr. Neary has been the Chairman of Endurance International Group, a web presence solutions company, since December 2011 and Hygiena, a manufacturer of food safety devices, since August 2016. He is also a director of several private companies and a trustee of The Mount Sinai Health Systems. Mr. Neary has previously served on the Boards of Fidelity National Information Services, Inc., a bank technology processing company, from October 2009 to October 2013, Coyote Logistics, a truck brokerage business now owned by UPS, from November 2007 to September 2015 and Interactive Data Corporation, a firm providing financial market data and analytics and now owned by Intercontinental Exchange, from July 2010 to December 2015.

The Board concluded that Mr. Neary is qualified to serve as a director of the Company due to his extensive knowledge of the payments industry, strategy and business development and his wide-ranging experience as a director and as chairman of other companies and his perspective as the representative of a substantial shareholder.

Kirk P. Pond Age 73
 Class II
 Director Since 2005
 Term Expires 2019

From June 1996 until May 2005, Mr. Pond was the President and Chief Executive Officer of Fairchild Semiconductor International, Inc., one of the largest independent, international semiconductor companies. He was the Chairman of the Board of Directors of that company from March 1997 until June 2006 and retired from its Board in May 2007. Prior to Fairchild Semiconductor's separation from National Semiconductor, Mr. Pond held several executive positions with National Semiconductor, including Executive Vice President and Chief Operating Officer and was in the office of the President. Mr. Pond had also held executive management positions with Texas Instruments, a global semiconductor design & manufacturing

company, and Timex Corporation, a watch and jewelry manufacturing company, and is a former director of the Federal Reserve Bank of Boston. Mr. Pond has been a Director of Brooks Automation, Inc., a leading worldwide provider of automation solutions and integrated subsystems to the global semiconductor and related industries, since 2007, where he serves on the human resources and compensation committee and the finance committee. Mr. Pond has also been a Director of Sensata Technologies Holding N.V., a sensor and electrical protection device manufacturer, since March 2011 and serves on the nominating and governance committee and is the chair of the compensation committee.

The Board concluded that Mr. Pond is well suited to serve as a Director of the Company because of his experience directing a large, publicly traded company with international operations and experience with the technology industry. The Board benefits from Mr. Pond's number of years of leadership and global experience and expertise in corporate strategy and restructuring and from his organizational acumen. In addition, Mr. Pond provides considerable operational, strategic planning and leadership experience to the Board.

Age 49
Class II
Melissa D. Smith Director since 2014
Term expires 2019

Ms. Smith assumed the role of Chief Executive Officer of WEX and a seat on the Board in January 2014. She has served as the Company's President since May 2013. Previously, Ms. Smith served as President, The Americas, from April 2011 to April 2013 and as the Company's Chief Financial Officer and Executive Vice President, Finance and Operations from November 2007 to April 2011. From September 2001 through November 2007, Ms. Smith served as Senior Vice President, Finance and Chief Financial Officer. From May 1997 to August 2001, Ms. Smith held various positions of increasing responsibility with the Company. Ms. Smith began her career at Ernst & Young.

The Board concluded that Ms. Smith is well suited to serve as a Director of the Company because of her experience with the Company in various positions with increasing responsibilities across all facets of the Company. The Board benefits from the leadership skills, financial expertise and business development expertise of Ms. Smith. Ms. Smith has over 20 years of experience with the Company.

Table of Contents

Age 67
Class III
Michael E. Dubyak Director Since 2005
Term Expires 2020

Mr. Dubyak has served as the Chairman of the Board since May 2008. Mr. Dubyak also served as the Executive Chairman from January 2014 to December 2014 and our Chief Executive Officer from August 1998 until January 2014. He also served as the President from August 1998 until May 2013. From November 1997 to August 1998, Mr. Dubyak served as our Executive Vice President of U.S. Sales and Marketing. Before that, from January 1994 to November 1997, Mr. Dubyak served us in various senior positions in marketing, sales, business development and customer service. From January 1986 to January 1994, he served as our Vice President of Marketing. Mr. Dubyak has more than 30 years of experience in the business-to-business payments, payment processing, information management services and vehicle fleet and fuel industries.

The Board concluded that Mr. Dubyak is well suited to serve as a director of the Company because of his long experience with the Company and knowledge of the fleet card and payment processing industries. Mr. Dubyak has served in various leadership roles with the Company and held senior positions in marketing, marketing services, sales and business development. He has been associated with the Company for over 31 years.

Age 71
Class III
Rowland T. Moriarty Director Since 2005
Term Expires 2020

Dr. Moriarty served as the non-executive Chairman of the Board of Directors of WEX Inc. from 2005 until May 2008 and has served as the Vice Chairman and Lead Director since May 2008. He has been the President and Chief Executive Officer of Cubex Corporation, a privately-held consulting company, since 1992. From 1981 to 1992, Dr. Moriarty was a professor of business administration at Harvard Business School and served on the Board of Staples, Inc., an office products company, from 1986 until June 2016. Dr. Moriarty currently serves on the Boards of CRA International, Inc., an economic, financial and management consulting services firm, as Chairman, and Virtusa Corporation, a global information technology services company, since 1986 and 2006, respectively.

The Board concluded that Dr. Moriarty is well suited to serve as

a Director of the Company because of his experience across a broad spectrum of industries gained as the Chairman of CRA International, Inc., as well as his experience as a member of the Board of Directors of other publicly-traded companies. He also adds value to the Board from his in-depth industry experience, diversification, merger and acquisition experience and financial expertise.

George L. McTavish also currently serves as Class I Director. However, Mr. McTavish will retire at the end of his term and is not standing for reelection at the Annual Meeting. Following the Annual Meeting, the size of the Board will be reduced to nine members.

Table of Contents

NUMBER OF DIRECTORS AND TERMS

Our certificate of incorporation provides that our Board shall consist of such number of directors as is fixed by our By-Laws. Our By-Laws provide that our Board shall consist of such number of directors as from time to time is fixed exclusively by resolution of the Board. Currently, the Board has fixed the size of the Board at ten directors, who serve staggered terms as follows:

- each director who is elected at an annual meeting of stockholders serves a three-year term and until such director's successor is duly elected and qualified, subject to such director's earlier death, resignation or removal,
- the directors are divided into three classes,
- the classes are as nearly equal in number as possible, and
- the term of each class begins on a staggered schedule.

Following the Annual Meeting, the size of the Board will be reduced to nine members.

BOARD AND COMMITTEE MEETINGS

The Board held 6 meetings in 2017. Each of our directors attended at least 75 percent of the aggregate number of meetings of the Board and meetings of the Board committees, held during the period for which he or she was a director or served on a committee in 2017. Our independent directors meet in executive session in at least one regularly scheduled in-person Board meeting each year. As provided in our Corporate Governance Guidelines, we expect directors to attend the annual meeting of stockholders. All of our directors attended the 2017 annual meeting of stockholders.

Our Board has created the following committees. The charters for each of the committees can be obtained at: <http://ir.wexinc.com/phoenix.zhtml?c=186699&p=irol-govhighlights>

Table of Contents

NAME OF COMMITTEE AND MEMBERS	COMMITTEES OF THE BOARD OF DIRECTORS	NUMBER OF MEETINGS IN 2017
Audit	The Audit Committee must be comprised of at least three independent directors appointed by a majority of the Board. The Audit Committee oversees our accounting and financial reporting processes, the audits of our financial statements and internal control over financial reporting and monitors the Company's enterprise risk management and cybersecurity program. All members of the Audit Committee are independent under the applicable rules of the New York Stock Exchange, or the NYSE, and the Securities and Exchange Commission, or the SEC. In addition, each member of the Audit Committee is required to have the ability to read and understand fundamental financial statements. Unless determined otherwise by the Board, the Audit Committee shall have at least one member who qualifies as an "audit committee financial expert" as defined by the rules of the SEC. Our Board has determined that Mr. Bachman and Ms. Sommer qualify as "audit committee financial experts."	12
Regina O. Sommer (Chair) John E. Bachman George L. McTavish Kirk Pond		
Compensation	The Compensation Committee must be comprised of at least two independent directors appointed by a majority of the Board. The Compensation Committee oversees the administration of our equity incentive plans and certain of our benefit plans, reviews and administers all compensation arrangements for executive officers and our Board and establishes and reviews general policies relating to the compensation and benefits of our officers and employees. All members of the Compensation Committee are independent under the applicable rules of the NYSE.	6
Jack VanWoerkom (Chair) Shikhar Ghosh James Neary		
Corporate Governance	The Corporate Governance Committee is comprised of such number of independent directors as our Board shall determine. The Corporate Governance Committee's responsibilities include identifying and recommending to the Board appropriate director nominee candidates, overseeing succession planning for the CEO and other executive officers and providing oversight with respect to corporate governance matters. All members of the Corporate Governance Committee are independent under the applicable rules of the NYSE.	4
Rowland T. Moriarty (Chair) John E. Bachman Jack VanWoerkom		
Finance Committee	The Finance Committee is comprised of such number of directors as our Board shall determine. The Finance Committee's responsibilities include advising the Board and the Company's management regarding potential corporate transactions, including strategic investments, mergers, acquisitions and divestitures. The Finance Committee also oversees the Company's debt or equity financings, credit arrangements, investments, capital structure and capital policies.	12
George L. McTavish (Chair) Michael E. Dubyak Rowland T. Moriarty		

James Neary

Technology
Committee

Shikhar Ghosh
(Chair)
Michael E.
Dubyak
Kirk Pond
Regina O.
Sommer

The Technology Committee is comprised of such number of directors as our Board shall determine. The Technology Committee's responsibilities include assisting the Board and Audit Committee in their oversight of the Company's management of risks regarding technology, data security, disaster recovery, and business continuity. In addition, the Technology Committee focuses on 4 strategy relating to hardware, software, personnel, architecture, organizational structure, management, resource allocation, innovation, and research and development.

Table of Contents**COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION**

No member of our Compensation Committee (the members of which are listed in the table in the "Board and Committee Meetings" section of this Proxy statement) is or was one of our or our subsidiaries' former officers or employees. During 2017, there were no Compensation Committee interlocks as required to be disclosed under SEC rules.

DIRECTOR COMPENSATION

The Company's Non-Employee Directors Compensation Plan is designed to achieve the following objectives:

- ▲ Attract and engage directors
 - Compensate our directors for the investment of time they make to support the Company
 - ▲ Align director compensation with stockholder interests
 - ✚ Have a compensation structure that is simple, transparent and easy for stockholders to understand
- Annual Cash Retainers

The Company pays each non-employee Board member the following annual cash retainer(s) based upon his or her service on the Board and/or a Board committee. Such payments are made in four equal quarterly amounts. Following a review of peer company market data (the same peer companies used to benchmark executive compensation), the fee schedule and equity retainers was revised effective October 1, 2017, as shown below, to be competitive with median payments at peer companies.

	Annual Fee Schedule	
	Beginning Q4 2017	Effective Q1 - Q3 2017
Annual Chair Cash Retainer	\$120,000	\$87,500
Annual Lead Director Cash Retainer	\$85,000	\$65,000
Annual Director Cash Retainer (other than Chairman and Lead Director)	\$70,000	\$50,000
Audit Committee Chair Cash Retainer	\$30,000	\$30,000
Compensation Committee Chair Cash Retainer	\$20,000	\$20,000
Finance Committee Chair Cash Retainer	\$20,000	\$20,000
Corporate Governance Committee Chair Cash Retainer	\$15,000	\$15,000
Technology Committee Chair Cash Retainer	\$20,000	\$20,000
Audit Committee Member Cash Retainer (other than Committee Chair)	\$15,000	\$15,000
Compensation Committee Member Cash Retainer (other than Committee Chair)	\$10,000	\$10,000
Finance Committee Member Cash Retainer (other than Committee Chair)	\$10,000	\$10,000
Corporate Governance Committee Member Cash Retainer (other than Committee Chair)	\$7,500	\$7,500
Technology Committee Member Cash Retained (other than Committee Chair)	\$10,000	\$10,000

To the extent a director is appointed at a time other than the annual stockholders' meeting, any annual cash retainer is prorated. Employees who serve as directors are not separately compensated for their service on our Board.

Equity Retainers

In 2017, all non-employee directors were granted a number of restricted stock units, or RSUs, worth the equivalent of approximately \$110,000 at the time of the annual stockholders' meeting at the then current stock price. The Lead Director was granted additional RSUs worth the equivalent of approximately \$15,000 and the Chairman was granted additional RSUs worth the equivalent of approximately \$37,500 at the time of the annual stockholders' meeting at the then current stock price. These RSUs vest on the first anniversary of the date of grant.

In 2018, all non-employee directors will be granted a number of RSUs, worth the equivalent of approximately \$135,000 at the time of the annual stockholders' meeting at the then current stock price. The Lead Director will be granted additional RSUs worth the equivalent of approximately \$15,000 and the Chairman will be granted additional RSUs worth the

Table of Contents

equivalent of approximately \$50,000 at the time of the annual stockholders' meeting at the then current stock price. These RSUs will vest on the first anniversary of the date of grant.

New Director Equity Grants

All new directors are granted a number of RSUs, worth the equivalent of \$50,000 at the then current stock price. Such RSUs are granted at the next annual stockholders meetings after the appointment of the director, and vest on the first anniversary of the date of grant. Accordingly, Messrs. Bachman and Neary were granted RSUs worth \$50,000 on May 12, 2017.

2017 Director Compensation

Our non-employee directors received the aggregate amount of compensation in the year ended December 31, 2017:

Name	Fees Earned or Paid in Cash (\$)	Stock Awards ⁽¹⁾ (\$)	Total (\$)
John E. Bachman	\$67,813	\$159,848	\$227,661
Michael E. Dubyak	\$97,500	\$147,444	\$244,944
Shikhar Ghosh	\$80,000	\$109,933	\$189,933
George L. McTavish	\$85,000	\$109,933	\$194,933
Rowland T. Moriarty	\$80,000	\$124,937	\$204,937
James Neary	\$70,000	\$159,848	\$229,848
Kirk P. Pond	\$70,000	\$109,933	\$179,933
Regina O. Sommer	\$90,000	\$109,933	\$199,933
Jack VanWoerkom	\$77,500	\$109,933	\$187,433

This column is the fair value of stock awards granted on May 12, 2017. The fair value of these awards is determined in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC")

(1) Topic 718 based on the closing price of our common stock as reported by the New York Stock Exchange on the day that the award is granted. The aggregate number of RSUs outstanding for each non-employee director as of December 31, 2017 is as follows: Mr. Bachman — 1,598; Mr. Dubyak — 1,474; Mr. Ghosh — 1,099; Mr. McTavish — 1,099; Dr. Moriarty — 1,249; Mr. Neary — 1,598; Mr. Pond — 1,099; Ms. Sommer — 1,099; and Mr. VanWoerkom — 1,

Fee Deferral

Directors may defer all or part of their cash fees and equity retainers into deferred stock units which will be payable in Company shares to the Director 200 days following cessation of Board service.

Expense Reimbursement

Directors are reimbursed by the Company for their out-of-pocket travel and related expenses incurred in attending all Board and committee meetings.

NON-EMPLOYEE DIRECTOR OWNERSHIP GUIDELINES

The Compensation Committee has established equity ownership guidelines for all non-employee directors. "Equity" for the purpose of these guidelines is defined to include shares of the Company's common stock, vested restricted stock units and deferred stock units. Under the guidelines of the equity ownership program, all Directors are expected to own equity equal in value to at least three times each Director's annual Director cash retainer or lead director cash retainer. The Director's compliance with these guidelines is assessed by the Compensation Committee annually on July 31, which is the "Determination Date" for purposes of these guidelines. New directors have three years following their initial Determination Date, to achieve this level of ownership. As of July 31, 2017, all of our non-employee directors then serving, other than Messrs. Bachman and Neary, who joined the Board on September 22, 2016 and July 1, 2016 respectively, exceeded the holding levels in the guidelines. Under our guidelines, Messrs. Bachman and Neary have three years from their initial Determination Date to accumulate sufficient equity to gain compliance with the

equity ownership guidelines.

12

Table of Contents

PRINCIPAL STOCKHOLDERS

This table shows common stock that is beneficially owned by our directors, our named executive officers, our current directors and executive officers as a group and all persons known to us to own 5 percent or more of the Company's outstanding common stock, as of March 30, 2018. The percent of outstanding shares reported below is based on 43,076,438 shares outstanding on March 30, 2018.

AMOUNT AND NATURE OF SHARES BENEFICIALLY OWNED

Name and Address ⁽¹⁾	Common Stock Owned ⁽²⁾	Right To Acquire ⁽³⁾	Total Securities Beneficially Owned ⁽³⁾	Percent of Outstanding Shares
Principal Stockholders:				
Wellington Management Group, LLP ⁽⁴⁾ 280 Congress Street Boston, MA 02210	4,117,015	—	4,117,015	9.6 %
Janus Henderson Group plc ⁽⁵⁾ 151 Detroit Street Denver, Colorado 80206	4,037,771	—	4,037,771	9.4 %
JP Morgan Chase & Co. ⁽⁶⁾ 270 Park Avenue New York, NY 10017	3,692,604		3,692,604	8.6 %
The Vanguard Group, Inc. ⁽⁷⁾ 100 Vanguard Blvd Malvern, PA 19355	3,515,243	—	3,515,243	8.1 %
BlackRock, Inc. ⁽⁸⁾ 55 East 52nd Street New York NY 10022	3,266,378	—	3,266,378	7.6 %
Eaton Vance Management ⁽⁹⁾ 2 International Place Boston, MA 02110	3,187,159		3,187,159	7.4 %
Executive Officers and Directors:				
Melissa D. Smith	77,544	—	77,544	*
Roberto Simon ⁽¹⁰⁾	14,097	—	14,097	*
Kenneth Janosick	18,936	—	18,936	*
Scott Phillips ⁽¹¹⁾	33,912	—	33,912	*
Jeffrey Young	6,762	—	6,762	*
John E. Bachman	—	1,598	1,598	*
Michael E. Dubyak ⁽¹²⁾	64,929	1,474	66,403	*
Shikhar Ghosh	3,712	1,099	4,811	*
George L. McTavish	11,284	1,099	12,383	*
Rowland T. Moriarty ⁽¹³⁾	60,643	1,249	61,892	*
James Neary	—	1,598	1,598	*
Kirk P. Pond ⁽¹⁴⁾	29,333	1,099	30,432	*
Regina O. Sommer	6,346	1,099	7,445	*
Jack VanWoerkom	4,376	1,099	5,475	*
Directors and Executive Officers as a Group (19 Persons) ⁽¹⁵⁾	362,184	11,414	1,970,000	*

Table of Contents

* Less than 1%

- (1) Unless otherwise noted, the business address for the individual is care of WEX Inc., 97 Darling Avenue, South Portland, ME 04106.
Unless otherwise noted, includes shares for which the named person has sole voting and investment power or has shared voting and investment power with his or her spouse. Excludes shares that may be acquired through stock option exercises or through the vesting of restricted stock units. This table does not include the following number of shares which will be acquired by our non-employee directors 200 days after their separation from our Board: 37,241 shares by Mr. Ghosh; 22,839 shares by Mr. McTavish; 11,999 shares by Dr. Moriarty; 8,641 shares by Mr. Pond; 6,564 shares by Ms. Sommer, and 6,606 shares by Mr. VanWoerkom.
- (2) Includes shares that can be acquired through stock option exercises or the vesting of restricted stock units through May 29, 2018. Excludes shares that may not be acquired until on or after May 30, 2018.
This information was reported on a Schedule 13G/A filed with the SEC on February 8, 2018. Each of Wellington Management Group, LLP, Wellington Group Holdings LLP and Wellington Investment Advisors Holdings LLP has shared voting power with respect to 3,576,530 shares and shared dispositive power with respect to 4,117,015 shares. Wellington Management Company LLP has shared voting power with respect to 3,372,659 shares and shared dispositive power with respect to 3,831,266 shares. The securities reported are owned of record by clients of one or more investment advisors directly or indirectly owned by Wellington Management Group LLP (the "Investment Advisors"), including: Wellington Management Company LLP, Wellington Management Canada LLC, Wellington Management Singapore Pte Ltd, Wellington Management Hong Kong Ltd, Wellington Management International Ltd, Wellington Management Japan Pte Ltd and Wellington Management Australia Pty Ltd. Wellington Investment Advisors Holdings LLP controls directly, or indirectly through Wellington Management Global Holdings, Ltd., the Investment Advisors. Wellington Investment Advisors Holdings LLP is owned by Wellington Group Holdings LLP. Wellington Group Holdings LLP is owned by Wellington Management Group LLP. The percentage reported in the table above is based on the assumption that Wellington Management Group LLP has beneficial ownership of 4,117,015 shares of common stock on March 30, 2018.
This information was reported on a Schedule 13G/A filed by Janus Henderson Group plc ("Janus Henderson") with the SEC on February 12, 2018. The Schedule 13G/A reported that Janus Henderson has shared voting power and shared dispositive power over 4,037,771 shares. The percentage reported is based on the assumption that Janus Henderson has beneficial ownership of 4,037,771 shares of common stock on March 30, 2018.
- (3) This information was reported on a Schedule 13G filed by JP Morgan Chase & Co. ("JP Morgan") with the SEC on January 11, 2018. The Schedule 13G reported that JP Morgan has sole voting power over 3,214,566 shares, shared voting power over 1,500 shares, sole dispositive power over 3,659,064 shares and shared dispositive power over 26,891 shares. The percentage reported is based on the assumption that JP Morgan has beneficial ownership of 3,692,604 shares of common stock on March 30, 2018.
This information was reported on a Schedule 13G filed by The Vanguard Group, Inc. ("Vanguard") with the SEC on February 9, 2018. The Schedule 13G reported that Vanguard has sole voting power over 21,950 shares, shared voting power over 4,990 shares, sole dispositive power over 3,491,509 shares and shared dispositive power over 23,734 shares. The percentage reported is based on the assumption that Vanguard has beneficial ownership of 3,515,243 shares of common stock on March 30, 2018.
- (4) This information was reported on a Schedule 13G/A filed by BlackRock, Inc. ("BlackRock") with the SEC on January 23, 2018. The Schedule 13G/A reported that BlackRock has sole voting power over 3,127,249 shares and has sole power to dispose 3,266,378 shares. The percentage reported is based on the assumption that BlackRock had beneficial ownership of 3,266,378 shares of common stock on March 30, 2018.
This information was reported on a Schedule 13G filed by Eaton Vance Management ("Eaton Vance") with the SEC on February 14, 2018. The Schedule 13G reported that Eaton Vance has sole voting power over and sole dispositive power over 3,187,159 shares. The percentage reported is based on the assumption that Eaton Vance has beneficial ownership of 3,187,159 shares of common stock on March 30, 2018.
- (5)
- (6)
- (7)
- (8)
- (9)
- (10)

Includes 39 shares held indirectly in the under the WEX Inc. 401(k) Plan. Mr. Simon disclaims beneficial ownership of those shares except to the extent of his pecuniary interest in them.

(11) Includes 7,986 shares held indirectly through a trust for the benefit of Mr. Phillips, 4,149 shares held indirectly through a Grantor Retained Annuity Trust ("GRAT") for the benefit of the reporting person, 4,149 shares held indirectly through a GRAT for the benefit of the reporting person's spouse and 7,987 held indirectly by a trust for the benefit of the reporting person's spouse. Mr. Phillips disclaims beneficial ownership of these shares except to the extent of his pecuniary interest in them.

(12) Includes 11,514 shares held indirectly under a GRAT. Mr. Dubyak disclaims beneficial ownership of those shares except to the extent of his pecuniary interest in them.

(13) Includes 19,000 shares held indirectly through Rubex, LLC, 15,600 shares held indirectly through the Moriarty Family Charitable Trust and 21,978 held indirectly by Rowgra, LLC. Dr. Moriarty is the Chief Investment Officer of Rubex, LLC and disclaims beneficial ownership of the shares held by Rubex, LLC except to the extent of his pecuniary interest in them. Dr. Moriarty disclaims beneficial ownership of the shares of Moriarty Family Charitable Trust shares except to the extent of his pecuniary interest in them. Dr. Moriarty is the Managing Manager and Distribution Manager of Rowgra LLC and disclaims beneficial ownership of the shares held by Rowgra LLC except to the extent of his pecuniary interest in them.

Table of Contents

Includes 2,500 shares held indirectly through the Pond Family Foundation; 700 shares held indirectly through the (14) Loretta A. Pond Trust; and 3,000 shares held by Mr. Pond's spouse. Mr. Pond disclaims beneficial ownership of those shares except to the extent of his pecuniary interest in them.

(15) In addition to the named executive officers and directors named in this table, five other executive officers were members of this group as of March 30, 2018.

Table of Contents

DIRECTOR INDEPENDENCE

We have considered the independence of each member of the Board. To assist us in our determination, we reviewed the NYSE independence requirements and our general guidelines for independence, which are part of our corporate governance guidelines.

To be considered independent: (1) a director must be independent as determined under Section 303A.02(b) of the NYSE Listed Company Manual and (2) in the Board's judgment, the director must not have a material relationship with the Company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company).

The Board has established guidelines to assist it in determining whether a director has a material relationship with the Company. Under these guidelines, a director will not be considered to have a material relationship with the Company if (1) he or she is independent as determined under Section 303A.02(b) of the NYSE Listed Company Manual and (2) he or she: (i) serves as an executive officer of another company which is indebted to the Company, or to which the Company is indebted, provided that the total amount of either company's indebtedness to the other is less than one percent of the total consolidated assets of the company he or she serves as an executive officer; (ii) serves as an officer, director or trustee of a tax exempt organization, that receives contributions from the Company, provided that the Company's discretionary contributions to such organization are less than the greater of \$1 million or 2 percent of that organization's consolidated gross revenues; or (iii) serves as a director of another company with which the Company engages in a business transaction or transactions, provided that the director owns less than 5 percent of the equity interests of such other company and recuses himself or herself from deliberations of the Board with respect to such transactions. In addition, ownership of a significant amount of the Company's stock, by itself, does not constitute a material relationship. For relationships not covered by the guidelines set forth above, the determination of whether a material relationship exists shall be made by the other members of the Board of Directors who are independent as defined above.

Based on our guidelines and NYSE corporate governance standards, we have determined that the following directors are independent: John E. Bachman, Shikhar Ghosh, George L. McTavish, Rowland T. Moriarty, James Neary, Kirk P. Pond, Regina O. Sommer and Jack VanWoerkom. In assessing the independence of Mr. VanWoerkom, the Board considered the former employment relationship of an immediate family member of Mr. VanWoerkom who is not an executive officer and received annual compensation of less than \$120,000. In assessing the independence of Mr. Neary, the Board considered his relationship with Warburg Pincus, a former significant stockholder.

In addition, each of the members of the Corporate Governance Committee, Audit Committee and the Compensation Committee are independent, as determined by the Board in accordance with its guidelines and the listing standards of the NYSE. We have also determined that the members of the Audit Committee satisfy the independence requirements contemplated by Rule 10A-3 under the Exchange Act, and that the members of the Compensation Committee satisfy the independence requirements contemplated by Rule 10C-1 under the Exchange Act.

DIRECTOR NOMINATIONS AND RECOMMENDATIONS

The Corporate Governance Committee responsibilities include recommending candidates for nomination to the Board. The Corporate Governance Committee has recommended Messrs. Bachman and VanWoerkom and Ms. Sommer (with Messrs. Bachman and VanWoerkom abstaining from the vote regarding their own nominations) for re-election at the 2018 Annual Meeting. Mr. VanWoerkom and Ms. Sommer have served as members of our Board since February 2005 and Mr. Bachman has served as a member of the Board since September 2016. In identifying potential directors, the Corporate Governance Committee may: retain a search firm; consider their professional networks; evaluate highly-regarded leaders in industry and academia; or, entertain suggestions from stockholders or other business organizations, among other ways suitable for identifying potential directors.

The Corporate Governance Committee will consider candidates nominated or recommended by stockholders as potential director nominees in the same manner as candidates identified by the Corporate Governance Committee. If the Board determines to nominate a stockholder-recommended candidate and recommends his or her election, then that nominee's name will be included in the proxy card for the next annual meeting. Our stockholders also have the

right under our By-Laws to directly nominate director candidates and should follow the procedures outlined in the "Information About Voting Procedures" section of this proxy statement in the answer to the question entitled "How do I submit a stockholder proposal or director nominee for next year's annual meeting or suggest a candidate for nomination as a director to the Corporate Governance Committee?"

To be timely, a stockholder's notice to the Secretary of a director nominee for next year's annual meeting must be delivered to or mailed and received no earlier than January 11, 2019 nor later than February 10, 2019. However, in the event that the annual meeting is called for a date that is not within 25 days before or after May 11, 2019, notice by the stockholder must be received no earlier than 120 days prior to the annual meeting and no later than the later of the 90th day prior to the

Table of Contents

annual meeting or the tenth day following the day on which notice of the date of the annual meeting is mailed or publicly disclosed.

Stockholder nominations must be addressed to:

WEX Inc.
Attention: Corporate Secretary
97 Darling Avenue
South Portland, ME 04106

Director Qualifications

The qualifications for directors are described in our Corporate Governance Guidelines and the guidelines for evaluating director nominees are in the Corporate Governance Committee's charter, each of which is available on our website. The Corporate Governance Committee believes that a nominee for the position of director must meet the following specific, minimum qualifications:

- Nominees should have a reputation for integrity, honesty and adherence to high ethical standards;
 - Nominees should have demonstrated business acumen, experience and ability to exercise sound judgments in matters that relate to the current and long-term objectives of the Company and should be willing and able to contribute positively to the decision-making process of the Company;
 - Nominees should have a commitment to understand the Company and its industry and to regularly attend and participate in meetings of the Board and its committees;
 - Nominees should have the interest and ability to understand the sometimes conflicting interests of the various constituencies of the Company, which include stockholders, employees, customers, governmental units, creditors and the general public, and to act in the interests of all stockholders; and
 - Nominees should not have, nor appear to have, a conflict of interest that would impair the nominee's ability to represent the interests of all the Company's stockholders and to fulfill the responsibilities of a director.
- Our Corporate Governance Committee does not have a policy with respect to diversity, but believes that our Board, taken as a whole, should embody a diverse set of skills, experiences and backgrounds. Our Board currently is comprised of ten directors, two of whom are women and another of whom is South Asian. The Corporate Governance Committee intends to be mindful of diversity, with respect to gender, race and national origin, in connection with future nominations of directors not presently serving on the Board. In addition, our Corporate Governance Committee's charter provides that nominees shall not be discriminated against on the basis of race, religion, national origin, sex, sexual orientation, disability or any other basis proscribed by law.

Application of Criteria to Existing Directors

The re-nomination of existing directors is not viewed as automatic, but is based on continuing qualification under the criteria listed above. The Corporate Governance Committee uses its best judgment and discretion in applying the criteria to the existing directors keeping in mind the interest of the Company.

In addition, the Corporate Governance Committee considers the existing directors' performance on the Board and any committee, including consideration of the extent to which the directors undertook continuing director education. The backgrounds and qualifications of the directors considered as a group provide a significant breadth of experience, knowledge and abilities in order to assist the Board in fulfilling its responsibilities. The rationale for the Company's determination that each director is well suited to serve on the Board is specified with his or her respective biographical entry under the "Members of the Board of Directors" section of this proxy statement.

Table of Contents

COMMUNICATIONS WITH THE BOARD OF DIRECTORS

The Board believes that the Chief Executive Officer and her designees, as well as the Chairman of the Board and Vice Chairman and Lead Director, speak for the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies who are involved with the Company. It is, however, expected that Board members would do so with the knowledge of and, absent unusual circumstances or as contemplated by the committee charters, only at the request of the Company's senior executives or the Board.

The Board will give appropriate attention to written communications that are submitted by stockholders and other interested parties, and will respond if and as appropriate. Absent unusual circumstances or as contemplated by the committee charters, the Vice Chairman and Lead Director shall, subject to advice and assistance from the General Counsel, (1) be primarily responsible for monitoring communications from stockholders and other interested parties, and (2) provide copies or summaries of such communications to the other directors as he considers appropriate.

If you wish to communicate with the Board or the independent members of the Board, you may send your communication in writing to:

Independent Director Communication

WEX Inc.

Attention: Corporate Secretary

97 Darling Avenue

South Portland, ME 04106

You should include your name and address in the written communication and indicate whether you are a stockholder.

Governance Disclosures on Our Website

Complete copies of our corporate governance guidelines, committee charters and code of conduct are available on the Corporate Governance section of our website, at www.wexinc.com. In accordance with NYSE rules, we may also make disclosure of the following on our website:

• the identity of the Lead Director at meetings of independent directors;

• the method for interested parties to communicate directly with the Lead Director or with the independent directors as a group;

• the identity of any member of our Audit Committee who also serves on the audit committees of more than three public companies and a determination by our Board that such simultaneous service will not impair the ability of such member to effectively serve on our Audit Committee; and

• contributions by us to a tax exempt organization in which any independent director serves as an executive officer if, within the preceding three years, contributions in any single fiscal year exceeded the greater of \$1 million or 2% of such tax exempt organization's consolidated gross revenues.

Table of Contents

COMPENSATION

EXECUTIVE OFFICERS

Non-Director Members of the Executive Team

David Cooper Age 51 Chief Technology Officer	David Cooper joined WEX in December 2016 as our Senior Vice President and Chief Technology Officer. Prior to joining WEX, he held several senior technology positions, including head of global operations at GlobeOne, a financial services company, from June to December 2016, CTO at Advisor Software from November 2015 until June 2016, SVP of technology at Green Dot, a retail banking company, from March 2015 to November 2015, CTO and SVP of product development at both Fiserv, an information technology and services company, from September 2011 to February 2014 and CashEdge, a leading provider of Intelligent Money Movement from June 2005 to September 2011.
Joel A. Dearborn Age 39 President, Corporate Payments	Joel Dearborn joined WEX in January 2016 as Vice President, Strategy and brings over 15 years of experience of driving strategic growth, marketing and operational performance improvement. Mr. Dearborn served as Vice President, Strategy from January 2016 until December 2017. Since December 2017, Mr. Dearborn has served as WEX's President for corporate payments, and is responsible for WEX's virtual card and other payments solutions. Prior to joining WEX, he was a principal at McKinsey & Company, a management consulting firm, from January 2008 to January 2016, where he helped private and public organizations set their strategic direction, including technology deployment and process redesign to support long-term growth.
Kenneth W. Janosick Age 56 Chief Portfolio Risk & Operations Officer	Kenneth Janosick has served as the Chief Portfolio Risk and Operations Officer overseeing WEX Bank, fraud, credit risk and other areas of potential enterprise-wide risk since December 2017. Prior to that he served as Senior Vice President and General Manager, Global Fleet Direct from January 2014 to December 2017. He also served as the Senior Vice President, Small Business Solutions from December 2010 to December 2013. He joined WEX as Vice President, Product and Marketing in January 2009 and served in that role until December 2010. Before that, Mr. Janosick was a First Vice President at JP Morgan Chase bank from November 2006 until November 2009 with responsibility for Relationship Banking and Investments and the Small Business Division.
Nicola S. Morris Age 52 Chief Corporate Development Officer	Nicola Morris has served as the Chief Corporate Development Officer since December 2017. Prior to that she served as the Senior Vice President, Corporate Development from February 2014 to December 2017. She is responsible for managing corporate development and strategic planning, directing corporate marketing, and overseeing early stage product development. Prior to joining WEX, she worked for Verizon Communications, a global communications and technology company, from January 2006 through January 2014, where she served as the Vice President, Global Corporate Strategy from November 2011 to January 2014. Prior to that role, she held the positions of Vice President and Chief Marketing Officer from October 2010 to November 2011 and also that of Vice President, Strategy and Business Development, both with the Verizon Business unit from January 2006 to October 2010. Before Verizon, she held positions with MCI, Incorporated and Digex, Incorporated.
Scott Phillips Age 48 President, Global Fleet	Scott Phillips has served as the President, Global Fleet, since December 2017. He joined the Company as Senior Vice President and General Manager, Electronic Funds Source ("EFS") on July 1, 2016, when the Company acquired EFS to expand its large and mid-sized over-the-road ("OTR") and corporate payments business. Mr. Phillips had been the President and CEO of EFS since September 2011, responsible for over-the-road, or OTR, fleet activities along with the EFS Corporate Payments business. Prior to joining EFS, he was Executive Vice President and General Manager of the Corporate Payments Divisions at Comdata Corporation, a payment processor and issuer of fleet fuel cards.

Hilary A.
Rapkin
Age 51
Chief Legal
Officer

Hilary Rapkin has served as our Chief Legal Officer since December 2017. Prior to that she served as the Senior Vice President, General Counsel and Corporate Secretary since February 2005. She also served, as the Head of Human Resources from February 2013 until February 2018. From January 1996 to February 2005, Ms. Rapkin held various positions of increasing responsibilities with the Company. Ms. Rapkin is a member of the American Bar Association, the Maine State Bar Association, the Association of Corporate Counsel, the Society of Corporate Secretaries and Governance Professionals, the Society for Human Resources and Management and the New England Legal Foundation.

Table of Contents

Roberto Simon Age 43 Chief Financial Officer	Roberto Simon joined WEX as the Chief Financial Officer in February 2016. Previously, Mr. Simon served as the Executive Vice President and Chief Financial Officer of Revlon, Inc., a global color cosmetics, hair color, beauty tools, fragrances, skincare, anti-perspirant / deodorants and beauty care products company, from October 2014 until February 2016. Prior to that, he was the Revlon Senior Vice President, Global Finance from October 2013 to September 2014 and served as Revlon’s Global Business Process Owner, SAP, from February 2014 until September 2014. Prior to joining Revlon as a result of Revlon’s acquisition of The Colomer Group Participations, S.L. (“The Colomer Group”), a Spain-based salon and professional beauty business, Mr. Simon served in various senior finance positions of increasing responsibility at The Colomer Group since 2002, including most recently serving as The Colomer Group’s Chief Financial Officer from October 2011 to October 2014. Prior to that, he served as The Colomer Group’s Vice President of Finance for America and Africa from January 2008 until September 2011.
Melanie J. Tinto Age 46 Chief Human Resources Officer	Melanie Tinto joined WEX as the Chief Human Resources Officer in February 2018, bringing an almost 20-year track record of leading global talent acquisition, talent management, leadership development and organizational development for large, multi-billion dollar corporations. Previously, Ms. Tinto served as the Vice President, Talent Acquisition at Medtronic, a global leader in medical technology, services and solutions, from April 2015 to February 2018. Prior to joining Medtronic, Ms. Tinto served as the Vice President, Executive Development and Organizational Development of Hewlett Packard, an information technology company, from April 2013 to March 2015.
Jeffrey Young Age 52 President, Health	Jeffrey Young joined WEX in July 2014, when the Company acquired WEX Health (formerly, Evolution1) to expand its healthcare payments business. He served as the CEO of WEX Health, then known as Evolution1, from November 2008 to July 2014. Prior to WEX Health, Mr. Young was the vice president of business applications at Microsoft Corporation, multinational technology company, in the United States from May 2001 to October 2008. Previously, he helped to lead Great Plains Software through its successful IPO and eventual sale to Microsoft for more than \$1 billion, as an Executive Vice President of Sales and Marketing from 1989 to 2001.

Table of Contents

ITEM 2. **ADVISORY (NON-BINDING) VOTE ON THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS**

We are providing you with the opportunity to vote to approve, on an advisory, non-binding basis, the compensation of the executive officers named in the Summary Compensation Table under "Executive Compensation," whom we refer to as our "named executive officers" or "NEOs," as disclosed in this proxy statement in accordance with the SEC's rules. This proposal, which is commonly referred to as "say-on-pay," is required by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, which added Section 14A to the Securities Exchange Act of 1934, or Exchange Act.

Our executive compensation programs are designed to attract, motivate, and retain our executive officers, who are critical to our success. The "Executive Compensation" section of this proxy statement, including the "Compensation Discussion and Analysis," describes in detail our executive compensation programs and the decisions made by the Compensation Committee with respect to the fiscal year ended December 31, 2017.

WEX's philosophy regarding executive compensation is straightforward: reward our executives for their contributions to the Company's annual and long-term performance by tying a significant portion of their total compensation to key drivers of increased stockholder value. Reflecting our pay-for-performance philosophy, a significant portion of executive compensation is performance-based, subject to increase when results exceed corporate targets, reduction when results fall below target and elimination if results do not achieve threshold levels of performance. Stockholders are urged to read the Compensation Discussion and Analysis section of this Proxy Statement, which more thoroughly discusses how our compensation policies and procedures implement our compensation philosophy and objectives.

Our Board is asking stockholders to approve a non-binding advisory vote on the following resolution: **RESOLVED**, that the compensation paid to WEX Inc.'s named executive officers, as disclosed in accordance with the Securities and Exchange Commission's compensation disclosure rules, including the Compensation Discussion and Analysis, the compensation tables and any related material disclosed in this proxy statement, is hereby approved.

As an advisory vote, this proposal is not binding. The outcome of this advisory vote will not overrule any decision by the Company or the Board (or any committee of the Board), or create or imply any change or addition to the fiduciary duties of the Company or the Board (or any committee of the Board). However, our Compensation Committee and Board value the opinions expressed by our stockholders in their vote on this proposal and will consider the outcome of the vote when making future compensation decisions for named executive officers. The Board has decided that the Company will hold an annual advisory vote on the compensation of our named executive officers.

We recommend a vote FOR approval of the compensation of our named executive officers.

Table of Contents

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis, or CD&A, describes our compensation objectives and programs for our "named executive officers" or "NEOs." This CD&A also describes the specific decisions, and the processes supporting those decisions, which were made with respect to 2017 for the NEOs.

For 2017, our NEOs were:

- Melissa D. Smith, Chief Executive Officer ("CEO") and President
- Roberto Simon, Chief Financial Officer ("CFO")
- Kenneth Janosick, Chief Portfolio Risk and Operations Officer
- Scott Phillips, President, Global Fleet
- Jeffrey Young, President, Health

CD&A Table of Contents

To assist in finding important information, we call your attention to the following sections of our CD&A:

<u>Executive Summary</u>	<u>22</u>
<u>Process for Determining Executive Compensation</u>	<u>27</u>
<u>Total Compensation - Objectives and Philosophy</u>	<u>28</u>
<u>2017 Total Direct Compensation</u>	<u>28</u>
<u>Peer Group</u>	<u>32</u>
<u>Strong Say on Pay Support and Stockholder Engagement</u>	<u>33</u>
<u>Changes for 2018</u>	<u>34</u>
<u>Other Compensation Program and Governance Features</u>	<u>34</u>

Executive Summary

Summary of WEX's Business. WEX Inc. is a leading multi-channel provider of corporate payment solutions that operates in three business segments: Fleet Solutions, Travel and Corporate Solutions and Health and Employee Benefit Solutions. During 2017, Fleet Solutions revenue represented approximately 66% of our total revenue, Travel and Corporate Solutions revenue represented approximately 18% of our total revenue, and Health and Employee Benefit Solutions revenue represented approximately 16% of our total revenue. The Fleet Solutions segment provides customers with fleet vehicle payment processing services specifically designed for the needs of commercial and government fleets, through a closed-loop network that offers complete control of the transaction life cycle. Our Travel and Corporate Solutions segment is comprised of our virtual and prepaid products that we use to provide innovative corporate purchasing and payment capabilities that can be integrated with our customers' internal systems to streamline their corporate payments, accounts payable and reconciliation processes. Our Health and Employee Benefit Solutions segment is comprised of our healthcare payment products and SaaS platforms that we use to provide simplified payment capabilities in a complex healthcare market. The Health and Employee Benefit Solutions segment also includes payroll related benefit products to customers in Brazil.

Our opportunities for growth include the fleet fuel, travel and corporate and healthcare payments markets. Our strategic approach to entering new markets is focused on three steps:

- Identify complicated markets facing complex payment challenges and inefficiencies,
- Develop products and services that address these unmet market needs, and,
- Operate with systemic efficiency through scale and cost management.

We have a proven model in the fleet space where we have developed a leading market position and a strong margin profile. We have done the same in the online travel industry where we have become a leader in global virtual payments and continue to grow the business and create scale on a global basis. WEX Health has continued to expand

into the consumer directed healthcare payments market.

Table of Contents

2017 Company Performance Highlights. The Company's 2017 revenue grew 23%, adjusted net income attributable to shareholders, a non-GAAP measure, grew 23% and annualized total stockholder return (TSR) was up 27%, as shown in the charts below. We have designed our performance-based annual and long-term incentive awards for executives to, among other things, align compensation with performance against the metrics discussed above and shown below. 2017 was a strong year operationally for WEX. We continued to execute against our strategy to grow organically and through strategic investments, further globalize our business, and drive scale across the organization. Selected highlights of our achievements during 2017 in furtherance of our strategy included:

Please note that the reconciliations of the non-GAAP financial measures discussed in this proxy statement are located in Appendix A.

Table of Contents

w Contributions from all three of our segments resulted in the Company surpassing \$1.2 billion in annual revenues in 2017, 23% growth relative to the prior year.

w Our Travel and Corporate Solutions purchase volume grew to \$30.3 billion in 2017, a 27% increase from 2016. This increase is primarily driven by worldwide organic growth, most notably in the U.S. and Europe.

w Average number of vehicles serviced increased 9% from 2016 to approximately 10.9 million for 2017, primarily related to growth in our worldwide customer base. As of December 31, 2017, vehicles serviced totaled 11.4 million.

w Total fleet transactions processed increased 14% from 2016 to 516.8 million in 2017.

w Health and Employee Benefit revenue grew to \$203.5 million in 2017, a 26% increase from 2016. This increase is driven by strong growth across the segment with the US Healthcare business growing at more than 20% and the Brazilian benefits business increasing 51%.

w Effective July 3, the Company repriced the secured term loans under the Credit Agreement, entered into on July 1, 2016 by and among the Company and certain of its subsidiaries, as borrowers, WEX Card Holding Australia Pty Ltd., as designated borrower, and Bank of America, N.A., as administrative agent on behalf of the lenders, which reduced the applicable interest rate margin at current borrowing levels for both LIBOR borrowings and base rate borrowings for the Company's tranche A term loans and tranche B term loans, 50 basis points and 75 basis points, respectively.

w Effective October 18, 2017, we acquired certain assets and assumed certain liabilities of AOC Solutions ("AOC"), a provider of commercial payments technology. This acquisition will broaden our capabilities, increase our pool of employees with payments platform experience and allow us to evolve with the needs of our customers and partners through the use of AOC's payments processing technology platforms.

Summary of WEX's 2017 Executive Compensation Program. A summary of our executive compensation program during 2017 is provided below.

- Generally, we target total direct compensation (salary/annual bonus/long-term incentives) within a competitive range of the market median.

- Pay will vary above or below target based primarily on corporate and business unit and, to a lesser degree individual, quantitative performance outcomes.

Table of Contents

Compensation Element	2017 Element
Base Salary	
Fixed rate of pay	Increases reflect market-based adjustments.
Short-Term Incentive Plan (“STIP”)	
Payout can range from 0-200% of target based on, financial goals:	
1. Compensation Adjusted Operating Income (60%) and	STIP funding was 139% of target, on an overall corporate basis, based on objective performance against pre-defined enterprise-wide quantitative goals.
2. Net Revenue (40%)	
For executives leading a business unit, corporate goals are weighted 40% and business unit goals are weighted 60%.	No individual modifiers (\pm) were applied to NEO STIP payments for 2017.
The funded payout may be adjusted for each NEO through an individual performance modifier, down to 75% or up to 125%, with no payout greater than 200% of target. The adjustment is made based on an assessment of performance versus pre-defined, often quantitative individual goals. The modifier, across our executive leadership team, is intended to generally function within the “pool” of STIP-funded dollars (0-200% of target) that is determined based on the two financial metrics listed above. The Committee has further discretion to eliminate any funded bonus payout at its discretion, should circumstance warrant.	
Long-Term Incentive Plan (“LTIP”)	
Our target mix for our NEOs (excluding our CEO) during 2017 was: 60% Performance Stock Units (PSUs).	For PSUs with a two-year performance period ending December 31, 2017, PSU funding was 192% of target, based on objective performance against pre-defined enterprise-wide quantitative goals, with a portion subject to an additional time-based vesting requirement.
• Payout can range from 0-200% of target with cliff vesting on third anniversary of grant	
• 3-year performance period based on cumulative corporate financial goals	
1. Compensation Adjusted Net Income Earnings Per Share (60%), and	The Non-Fuel Price Sensitive Revenue metric recognizes the importance of revenue diversification for our business, given the impact that volatile fuel prices may have on our business results.
2. Non-Fuel Price Sensitive Revenue (40%)	
20% Stock Options (options).	
• 3-year ratable vesting requirement	One-time special awards were also granted in 2017 (Bridge Grants and Performance Contingent Stock Options); described below.
• Reward long-term stockholder value creation	
20% Restricted Stock Units (RSUs).	
• 3-year ratable vesting requirement	

- Reward long-term stockholder value creation and encourage retention

The target mix for our CEO was: 60% PSUs, 25% stock options, and 15% RSUs, to further emphasize the importance of long-term stockholder value creation.

25

Table of Contents

Pay Mix. The majority of CEO compensation is variable (“at risk”). For 2017, 85% of target total direct compensation was variable for our CEO in her core compensation program. This directly ties pay to Company performance outcomes, including financial results, strategic initiatives, and stock price performance.

2017 CEO Target Total Compensation Mix 2017 CEO Long-term Incentive Mix

Note: Charts above exclude one-time, special incentive awards granted in 2017, as described in 2017 Total Direct Compensation (i.e. Bridge Grant and Performance Contingent Stock Options).

The majority of the compensation for the remaining NEOs is also variable and tied directly to Company performance outcomes, as described above.

Key Compensation Practices. Key executive compensation practices are summarized below. We believe these practices promote alignment with the interests of our stockholders.

What We Do

- ü Directly link pay to performance outcomes, operational results and stockholder returns
- ü Target total direct compensation (base / cash bonus / long-term incentives) within a competitive range of the market median
- ü Maintain a cap on CEO incentive compensation payouts (200% of target)
- ü Have stock ownership guidelines for NEOs, including a retention requirement until stock ownership guideline is achieved
- ü Double-trigger change-in-control severance benefits
- ü Review share utilization annually
- ü Offer executives the same health and welfare benefits as other salaried employees
- ü Devote time to management succession and leadership development efforts
- ü Design incentive compensation plans to optimize tax deductibility
- ü Utilize an independent compensation consultant
- ü
- ü Anti-hedging policy
- ü
- ü Anti-pledging policy
- ü
- ü Clawback policy

What We Don't Do

- X No payment of dividends or dividend equivalents on unearned RSUs or PSUs
- X No excise tax gross-ups upon a change-in-control
- X No re-pricing of underwater stock options without stockholder approval
- X No excessive severance or change-in-control benefits
- X No perks are presently offered

Table of Contents

Process for Determining Executive Compensation

Compensation Committee. The Compensation Committee, composed solely of independent directors and referred to in this CD&A as the Committee, is responsible for our executive officer compensation decisions. The Committee works closely with its independent consultant and management to examine pay and performance matters throughout the year. The Committee held 6 meetings over the course of 2017, all of which included an executive session without management present. The Committee charter may be accessed through the “Governance” link found on our website at: <http://ir.wexinc.com/phoenix.zhtml?c=186699&p=irol-govhighlights>.

In the first quarter of each fiscal year, the Chair of the Committee reviews the Board’s assessment of the CEO’s performance with the CEO and reviews the Company’s results for the prior year. In addition, the Committee approves the following, as explained below:

- changes to executive base salaries and incentive targets, if any, for the current year;
- STIP payout, if any, for the previous fiscal year;
- STIP design and targets for the current fiscal year;
- vesting of performance-based restricted stock units granted under the LTIP, if any, for previous years; and
- LTIP metrics, targets and grants for the current fiscal year.

Agenda items for the second quarter vary each year but always include a review of Company performance and progress toward the achievement of incentive plan targets. Typically, this also includes a retrospective assessment of the senior executive pay versus performance relationship.

The Committee generally conducts its annual review of executive compensation in the third or fourth quarter of each year. The Committee is provided a report from its independent compensation consultant comparing the compensation of Company executives to a peer group of companies and survey data.

In the final quarter of each fiscal year, management generally presents the Committee with recommended executive compensation changes for each element of compensation.

The design of the STIP and LTIP is typically discussed over multiple meetings prior to the actual approval of the plans in the first quarter of each year. The discussions generally focus on the metrics to be utilized, the difficulty of the performance goals and the weightings for each metric. Other items that are addressed on an annual basis include a review of the Committee’s charter, compliance with stock ownership guidelines and an update on market trends related to executive compensation.

Executive Management. Our Chief Legal Officer, acting under the supervision of the CEO and worked with members of our Human Resources, Legal and Finance departments, was responsible for coordinating and overseeing the implementation of executive compensation, and discussing significant proposals or topics impacting executive compensation at WEX with the Committee. This included development of compensation recommendations, in accordance with the compensation philosophy and policies more fully described elsewhere in this CD&A. The following members of management are generally invited to and attend Committee meetings: the CEO; CFO; Chief Human Resources Officer; Chief Legal Officer; and, VP, Corporate Securities Counsel. With the appointment of a dedicated Chief Human Resources Officer in February 2018, the responsibilities for overseeing the coordination of the executive compensation programs transitioned from the Chief Legal Officer to the Chief Human Resources Officer.

The Committee has authority for approving the compensation of the CEO and the other NEOs. The CEO meets with the Committee and the compensation consultant to discuss company and individual performance objectives and outcomes, and review compensation recommendations for executive officers directly reporting to her, including the other NEOs. Thereafter, the Committee meets privately with its independent compensation consultant to review and determine compensation of our CEO. In addition, the Committee sets the targets each year for compensation plan

performance for our officers; management provides input and recommendations with respect to such targets, as well as information and analyses, as requested by the Committee.

Independent Compensation Consultant. The Committee has the authority to retain and terminate a compensation consultant, and to approve the consultant's fees and all other terms of such engagement. During 2017, the Committee continued to directly retain Compensation Advisory Partners LLC ("CAP") as its independent compensation consultant. The scope of the work done by CAP for the Committee at its direction included:

Table of Contents

- Preparing analyses and recommendations to inform the Committee's decisions related to executive and director compensation;
- Providing updates on market trends and the regulatory environment, as they relate to executive and director compensation;
- Reviewing and commenting on management proposals presented to the Committee;
- Providing a report comparing the compensation of Company executives to a peer group of companies and survey data; and
- Working with the Committee to validate the pay-for-performance relationship, and support alignment with stockholders.

The Committee assessed the independence of CAP pursuant to SEC and NYSE rules, and concluded that no conflict of interest exists that would prevent CAP from providing independent advice to the Committee. CAP will not perform other services for WEX without the consent of the Chair of the Committee. CAP meets with the Committee Chair and the Committee outside the presence of management. In addition, CAP participates in all of the Committee's meetings and, when requested by the Committee Chair, in preparatory meetings and executive sessions.

Total Compensation - Objectives and Philosophy

Objectives. Our compensation programs are designed and administered to balance the achievement of near-term operational results and long-term growth goals with the ultimate objective of increasing long-term stockholder value. The principal elements of an executive's total compensation consist of: base salary, annual cash bonus and long-term incentives.

Compensation Philosophy. Generally, we target total direct compensation (salary, annual bonus and long-term incentives) within a competitive range of the market median. Sustained performance may be recognized in individual pay components. Pay may vary above or below target based on actual performance outcomes. Variations in total direct compensation among the NEOs reflect differences in competitive pay for their respective positions as well as the size and complexity of the business units or functions they oversee, the performance of those business units or functions, key competencies and individual performance.

2017 Total Direct Compensation

We structure NEO total direct compensation so that the majority is delivered in the form of equity awards, in order to provide incentives to work towards long-term top and bottom-line growth that will enhance stockholder returns and to align our NEOs' compensation directly with our stockholders' interests. We also structure NEOs' cash compensation so that a significant portion is at risk under the company's short-term incentive plan, payable primarily based on enterprise and business unit results, and to a lesser degree based on individual performance. We further detail each component of total direct compensation below.

Base Salary. We review base salaries annually, but we do not necessarily award salary increases each year. In determining base salary levels for executive officers, the Committee considers the following qualitative and quantitative factors: job level and responsibilities, relevant experience, individual performance, recent corporate and business unit performance, internal equity, and our objective of paying competitive total direct compensation if performance is met. From time to time base salaries may be adjusted other than as a result of an annual review, in order to address competitive pressures or in connection with a promotion. Year-end NEO salaries were as follows:

Table of Contents

Name	NEOs Base Salary			Rationale for Increase
	2016	2017	% Increase (2016-2017)	
Melissa Smith CEO & President	\$700,000	\$700,000	—%	n/a
Roberto Simon CFO	\$500,000	\$500,000	—%	n/a
Kenneth Janosick Chief Portfolio Risk and Operations Officer	\$325,000	\$365,000	12%	Market-based adjustment
Scott Phillips President, Global Fleet	\$—	\$475,000	—%	Not a NEO in 2016
Jeffrey Young President, Health	\$450,000	\$450,000	—%	n/a

Short-Term Incentive Plan ("STIP"). Our Annual Incentive Plan, structured under the 2015 Section 162(m) Performance Incentive Plan ("PIP"), is designed to motivate our NEOs to drive profitable Company growth, while diversifying Company revenues, by measuring the NEOs performance against our plans at the corporate and business unit level, with the potential for individual adjustment for NEOs as described below. The PIP was approved by our stockholders in 2015 and was designed to give us flexibility to potentially maximize the tax deductibility of certain incentives as performance-based awards under Section 162(m) of the Internal Revenue Code of 1986, as amended ("Section 162(m)"), as further described below under the "Tax and Accounting Considerations" section, and prior to the amendments to Section 162(m) made by the Tax Cuts and Jobs Act, signed into law on December 22, 2017 (the "Tax Act"), which, among other things eliminated the performance-based compensation exception to 162(m) for tax years beginning on or after January 1, 2018.

We establish a cash bonus target for each executive officer based upon their position within the Company, responsibility and competitive cash bonus opportunities for similar positions at other companies. Final actual payouts may range from 0% to 200% of the target bonus opportunity based on actual performance outcomes. The following tables describe 2017 NEO performance goals, results for each component of the bonus, and the actual cash bonus award for each NEO.

Table of Contents

Weighting by NEO					
Corporate Goals	M. Smith	R. Simon	K. Janosick	S. Phillips	J. Young
Corporate Financial Goals					
Compensation Adjusted Revenue	40%	40%	16%	16%	16%
Compensation Operating Income	60%	60%	24%	24%	24%
Business Unit Financial Goals					
Fleet Adjusted Revenue	—	—	24%	—	—
Fleet Operating Income	—	—	36%	—	—
Healthcare Adjusted Net Revenue	—	—	—	—	24%
Healthcare Adjusted Operating Income	—	—	—	—	36%
OTR Adjusted Revenue	—	—	—	24%	—
OTR Operating Income	—	—	—	36%	—
STIP payout as a percentage of target based on 2017 performance	139%	139%	92%	118%	153%

Corporate Goals	Strategic Objective Weight	Performance Goals			2017 Actual		Payout based on Actual 2017 Performance
		Threshold (50% payout)	Target Performance Goal (100% payout)	Maximum (200% payout)	Actual Performance	Actual % Performance	
Compensation Adjusted Revenue ⁽¹⁾	40%	\$1,124,800,000	\$1,184,000,000	\$1,225,400,000	\$1,228,400,000	200%	80%
Compensation Operating Income ⁽²⁾	60%	\$420,900,000	\$455,000,000	\$477,800,000	\$454,100,000	99%	59%
Weighted Average Payout							139%

⁽¹⁾ Compensation Adjusted Revenue means 2017 revenue as reported in the Form 10-K filing reporting the Company's results for the performance period adjusted for the difference between 2017 reported fuel prices and foreign exchange rates and Board-approved, budgeted 2017 fuel price and foreign exchange rate assumptions. The results were further adjusted for: acquisition and divestiture related items; unbudgeted pricing changes; and, unbudgeted accounting reclassifications.

⁽²⁾ Compensation Operating Income means 2017 operating income as reported in the Form 10-K filing reporting the Company's results for the performance period adjusted for: foreign exchange rate impacts compared to the BOD approved 2017 Budget; fuel price differences compared to the Board approved 2017 Budget; acquisition and divestiture-related items; stock-based compensation; restructuring and other costs; impairment charges and asset write-offs; gain on divestiture; debt restructuring and debt issuance cost amortization; and, unbudgeted accounting reclassifications.

Table of Contents

The funded STIP payout, based on the financial metrics and pre-set goals described above, may be adjusted for each NEO through an individual performance modifier, down to 75% or up to 125%, with no payout greater than 200% of target. The adjustment is made based on an assessment of performance versus pre-defined, often quantitative individual goals. The modifier, across our executive team, is intended to generally function within the “pool” of STIP-funded dollars (0-200% of target) that is determined based on the financial metrics listed above. Our CEO may make individual modifier recommendations to our Committee for all of the other NEOs, for consideration and approval by the Committee, and the Committee independently considers and approves the CEO individual modifier factor, if any. In addition to an evaluation of general leadership competencies, the pre-defined goals, which are generally quantitative, used to determine individual modifiers for the NEOs were based on the following criteria:

• Roberto Simon: Cost containment, interest rate reduction and financial system roadmap.

• Kenneth Janosick: Revenue volume growth, new fleet services, platform consolidation and cost containment.

• Scott Phillips: EFS integration, business unit revenue and platform consolidation.

• Jeff Young: Benaissance integration plan and performance and cost containment.

With respect to the 2017 payout, no individual STIP modifiers (\pm) were applied across any STIP payments to our NEOs.

Target Annual Incentive

Name	Base Salary (\$)	Eligible Award Salary (% of 2017 Base Salary)	Award Amount At Target	Payout based
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