

SL GREEN REALTY CORP  
Form DEF 14A  
April 25, 2019  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 14A

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

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 Rule 14a-12

**SL Green Realty Corp.**

(Name of Registrant as Specified In Its Charter)  
(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

PAYMENT OF FILING FEE (CHECK THE APPROPRIATE BOX):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- 1) Title of each class of securities to which transaction applies:
- 2) Aggregate number of securities to which transaction applies:
- 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
- 4) Proposed maximum aggregate value of transaction:
- 5) Total fee paid:

Fee paid previously with preliminary materials:

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

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

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**2019**  
Proxy  
Statement  
April 25, 2019



**Table of Contents****2019 PROXY STATEMENT HIGHLIGHTS****Logistics****Date & Time**

Thursday, May 30, 2019 at 10:00 a.m.,  
local time

**Location**

Convene (The Club Room), 237 Park Avenue, New York,  
New York, 10017

**Record  
Date**

March 29,  
2019

**Roadmap of Voting Matters**

You are being asked to vote on the following matters:

		<b>Board Recommendation</b>	<b>See Page</b>
<b>1</b>	<p><b>Proposal</b> <b>Election of Directors</b></p> <p>The Board unanimously recommends a vote for each of John H. Alschuler, Edwin T. Burton, III, Lauren B. Dillard, Stephen L. Green, Craig M. Hatkoff and Andrew W. Mathias to serve as directors until the 2020 annual meeting of stockholders and until their successors are duly elected and qualify.</p>	<b>FOR</b> Each Nominee	8
<b>2</b>	<p><b>Advisory Approval of Executive Compensation</b></p> <p>The Company seeks non-binding stockholder approval of the compensation of the company's named executive officers, as described in the Compensation Discussion and Analysis section and compensation tables included in this proxy statement.</p>	<b>FOR</b>	27
<b>3</b>	<p><b>Ratification of Independent Registered Public Accounting Firm</b></p> <p>The Audit Committee and the Board believe that the continued appointment of Ernst &amp; Young LLP to serve as our independent registered public accounting firm for the fiscal year ending December 31, 2019 is in the best interest of the Company and its stockholders.</p> <p>In addition, stockholders may be asked to consider and vote upon any other matters that may properly be brought before the annual meeting and at any adjournments or postponements thereof.</p>	<b>FOR</b>	59

**Your Vote is Important—Vote Now**

Your vote is very important to us. Please vote as soon as possible by one of the methods shown below:

**By Internet**

Visit [www.proxyvote.com](http://www.proxyvote.com)

**By Tablet or Smartphone**

Scan this QR code to vote with your mobile device

**By  
Telephone**

Call  
1-800-454-8683  
24h/7

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2019 PROXY STATEMENT HIGHLIGHTS

**Business Overview and Highlights**

**Our Mission** We are a fully integrated REIT focused on maximizing total return to stockholders through strategically acquiring, redeveloping, repositioning and managing commercial properties, located primarily in Manhattan, in order to generate cash flow and create value.

**Who We Are<sup>1</sup>**      **Combined Revenues**      **Owner of Office Property in Manhattan**      **Total Square Feet<sup>2</sup>**      **Enterprise Value**  
We differentiate ourselves from our peers and competitors in three key ways:

**Active and Engaged Business Strategy**

SLG does not subscribe to a traditional “buy and hold” strategy and is a very active transaction-oriented company  
In any given year, we execute more transactions than many of our competitors do over a much longer, multi-year period  
Accordingly, we frequently capitalize on opportunities in the market, maximizing returns

**Operations on Multiple Platforms**

Buy and sell properties independently and collaborate with other organizations through joint ventures when advantageous  
Invest in redeveloping existing assets (e.g. 609 Fifth Avenue) and developing projects from the ground up (e.g. One Vanderbilt)  
Provide financing for other real estate related entities through our debt and preferred equity platform – a unique business that we operate at a scale unmatched by our peers and that provides us a diversified source of revenue and market intelligence

**NYC-Focused Business Model**

Singularly focused on New York City real estate – one of the most liquid and resilient markets through business cycles, and also one of the most complex and competitive  
Presence and operations in this complex and highly competitive market necessitate a top level of talent in our executive ranks  
Our leadership team allows us to be very efficient, with an employee base much smaller than other fully-integrated “gateway city” real estate companies that transact far less business than SLG

**Growth in FFO Per Share**

**growth in normalized FFO per share since 2014**      Normalized FFO Per Share<sup>(3)</sup>

**Superior Long-Term TSR**  
SLG TSR % vs. MSCI U.S. REIT Index Total Return<sup>(4)</sup>

<sup>1</sup> Data as of 12/31/2018  
<sup>2</sup> Includes debt and preferred equity investments and suburban properties  
<sup>3</sup> Refer to Appendix A to this proxy statement for a reconciliation of Normalized FFO  
<sup>4</sup> Source: Bloomberg (data as of 12/31/2008 – 12/31/2018)  
<sup>2</sup> SL Green Realty Corp.

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Since the 2018 annual meeting, we have reached out to over 70% of stockholders. In response to feedback from our engagement efforts, our Board reduced director compensation, and the Compensation Committee fundamentally redesigned our executive compensation program to implement the following changes:

Element	Stockholder Feedback (“What We Heard”)	Action (“What We Did”)	Executive	Effective	Impact
<b>Fixed Pay</b>	Base salary and deferred compensation provide overlapping fixed pay elements	Reduced base salary Eliminated deferred compensation	CEO - Holliday CEO - Holliday President - Mathias	Retroactive to 1/18/2018 2019 onward	Reduces fixed pay Reduces target cash bonus Eliminates multiple fixed pay elements
	Annual incentive should focus on metrics within executives’ control	Eliminated TSR, added G&A expense, increased weighting of dividend growth metric	CEO - Holliday President - Mathias	2018 onward	Strengthens link to operational metrics
<b>Annual Incentive</b>	Discretionary annual equity bonus process not clear	Eliminated discretionary equity bonus	CEO - Holliday President - Mathias	2019 onward	Eliminates discretion, improves transparency into total compensation
	Retesting feature allows for multiple vesting opportunities	Eliminated retesting	CEO - Holliday President - Mathias CLO & GC - Levine	2019 onward	Strengthens rigor of performance-based equity
<b>Long-Term Incentive</b>	Performance period for performance units should be longer than one year	50% LTIP units earned based on annual operating goals, subject to 3 year absolute TSR	CEO - Holliday President - Mathias CLO & GC - Levine	2019 onward	Strengthens pay-for-performance link Improves long-term alignment of executives’ interests
	Contracts guarantee equity grants on multi-year basis	New contracts replace contractual guarantees with target equity grants	CEO - Holliday President - Mathias CLO & GC - Levine	2019 onward	Eliminates contractual guarantees
	Compensation program is complicated	Reduced elements of compensation from 7 to 4	CEO - Holliday President - Mathias	2019 onward	Improves transparency to assess pay-for-performance linkage
<b>Overall</b>	Reduce Executive Chairman compensation	Stephen L. Green transition to Chairman Emeritus; no longer employee of the Company	Stephen L. Green	Jan 17, 2019	No longer compensated as executive of company
	Director compensation is high relative to peers	Reduced Director Compensation by approx. \$50,000	All Non-Executive Directors	2019 onwards	Strengthens alignment of director pay relative to peers

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2019 PROXY STATEMENT HIGHLIGHTS

**Corporate Governance Highlights**

**Diversity**

Our Board has a diversity of knowledge, skills and education, as well as diversity of age, gender and outlook

**33%** of our independent Board members are women

**Experience**

Our Board members have broad experience serving on public boards in industries relevant to the Company

**78%** of our Board currently serve or have served on the Boards of other publicly traded companies

**Leadership**

Our Board members have strong corporate leadership backgrounds such as being a CEO, CFO or holding other Executive positions

**89%** of our Board currently serve or have served as CEO or in senior leadership positions

**Board Refreshment**

We remain focused on refreshing the membership and leadership of the Board and its Committees.

**Chairman transition:**

**Stephen L. Green**

**Marc Holliday**

**Mr.  
Green**

**Committee chair rotations:**

**Lauren Dillard  
John  
Alschuler**

**Craig Hatkoff  
John  
Levy**

**Stockholder Amendments to Bylaws**

In December 2018, we amended our bylaws to  
by a majority vote  
without any ownership or holding period limitations.

**Declassified Board**

**Proxy Access**

Our bylaws permit:

**A stockholder  
(or a group of up**

**Owning 3% or  
more of our**

**To nominate and include in our proxy materials director  
candidates constituting up to the greater of two**

to )                      **outstanding  
common stock  
continuously for  
at least three  
years**                      **individuals or 20% of the Board, if the nominee(s) satisfy  
the requirements specified in our bylaws**

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**ESG Highlights**

We are committed to corporate social responsibility initiatives that deliver efficiency, value and health for our business, tenants and community. Highlights of these initiatives are set forth below. Our Global Reporting Initiative (GRI) compliant sustainability reports and other information relating to these initiatives are available on our website at <http://www.slgreen.com/sustainability>.

**ESG Awards**

**Environmental Initiatives**

**Social Initiatives**

**Governance Initiatives - Sustainability**





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**SL GREEN REALTY CORP.**

420 Lexington Avenue  
New York, New York 10170-1881

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

Dear Stockholder:

You are invited to attend the 2019 annual meeting of stockholders of SL Green Realty Corp., a Maryland corporation, which will be held on Thursday, May 30, 2019 at 10:00 a.m., local time, at Convene (The Club Room), 237 Park Avenue, New York, New York, 10017. The annual meeting will be held for the following purposes:

- To elect the six director nominees named in the proxy statement to serve on the Board of Directors for a one-year term and until
1. their successors are duly elected and qualify;
  2. To hold an advisory vote on executive compensation; and
  3. To ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2019.

In addition, stockholders may be asked to consider and vote upon any other matters that may properly be brought before the annual meeting and at any adjournments or postponements thereof.

Any action may be taken on the foregoing matters at the annual meeting on the date specified above, or on any date or dates to which the annual meeting may be adjourned, or to which the annual meeting may be postponed.

The Board of Directors has fixed the close of business on March 29, 2019 as the record date for determining the stockholders entitled to notice of, and to vote at, the annual meeting and at any adjournments or postponements thereof.

By Order of the Board of Directors,

**Andrew S. Levine**  
Secretary

New York, New York  
April 25, 2019

**Voting**

You may authorize your proxy via the Internet or by telephone:

Visit [www.proxyvote.com](http://www.proxyvote.com)

Scan this QR code to vote with your mobile device

Call 1-800-454-8683

24h/7

**Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to be Held on May 30, 2019.**

**This proxy statement and our 2018 Annual Report to Stockholders are available at <http://www.proxyvote.com>**

***Whether or not you plan to attend the annual meeting, please complete, sign, date and promptly return the enclosed proxy card in the post-prepaid envelope provided or authorize your proxy by telephone or the Internet by following the instructions on your proxy card. For specific instructions on voting, please see the instructions on the proxy card or the information forwarded by your broker, bank or other holder of record. If you attend the annual meeting, you may vote in person if you wish, even if you previously have signed and returned your proxy card. Please note that if your shares are held of record by a bank, broker or other nominee and you wish to vote in person at the annual meeting, you must obtain a proxy issued in your name from such bank, broker or other nominee.***

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