SL GREEN REALTY CORP
Form PRE 14A
April 21, 2017

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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.	
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2017 PROXY STATEMENT HIGHLIGHTS

Business Highlights

During 2016, our CEO and other executive officers led us to achieve strong operational and financial results, including the following:

Growth in FFO Per Share

Normalized Funds From Operations Per Share ($)[1]

56% overall growth in Normalized FFO per share since 2012

(1) Refer to Appendix A to this proxy statement for a reconciliation of Normalized FFO.

Combined Same-store Cash Net Operating Income[2]

Year-over-year (% growth)

6.0% growth in 2016, following 3.0%+ annual growth since 2012

(2) Refer to Appendix A to this proxy statement for a reconciliation of Combined Same-store Cash Net Operating Income.

Outstanding Leasing Results

3.2M square feet of Manhattan office leases signed at a mark-to-market of 27.6% and 638,000 square feet of suburban office leases signed at a mark-to-market of 6.1%

Record Monetization of Assets

Over $3.9 billion of real estate dispositions, generating $1.1 billion of cash proceeds and resulting in liquidity in excess of $2.0 billion as of December 31, 2016

Major progress on One Vanderbilt, including securing a $1.5 billion construction loan and $525 million in JV equity, and breaking ground on the project

Continued superior long-term total return to stockholders, or TRS
+921% TRS
from IPO through December 31, 2016

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2017 PROXY STATEMENT HIGHLIGHTS

Executive Compensation Highlights

Stockholder Engagement and Support

We have reached out to at least 65% of stockholders each of the past three years:

Say-on-pay approved every year since it was first introduced in 2011

Our responses to stockholder concerns:

- Peer Group removed NYC-based asset managers
- Annual Cash Bonus Program 100% formulaic in 2016 for CEO, Chairman and President
- Employment Agreement Equity Awards 100% performance-based for CEO; raised performance hurdles
- Outperformance Plans relative TRS component incorporated; robust performance hurdles used; no single trigger acceleration
- Executive Chairman Compensation reduced 2016 compensation by 50% compared to 2015, reflecting our Executive Chairman s evolving role

Focus on Variable Pay Linked to Performance

CEO total direct compensation for 2016:

CEO stock ownership guideline of 8x base salary

Aggressive performance requirements for annual bonus and OPP align management compensation with outstanding shareholder returns

2014 OPP - Robust Hurdles

Reduction in Annual Bonuses for 2016 Second Consecutive Year of Reduced Bonuses

2016 Annual Cash Bonus Program

Annual Cash Bonus Program earned at only

61% of maximum for 2016 demonstrating rigor of performance targets

Low G&A in Relative and Absolute Terms

We have consistently maintained low G&A expenses, with G&A expense as a percentage of total assets and revenues among the lowest of our office REIT peers

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Corporate Governance Highlights

Declassified Board Proposal

In this proxy statement, we have proposed to declassify our Board. With stockholder approval, we will phase out board classes, so that beginning in 2018 directors whose terms are expiring will be elected for one-year terms. By our 2020 annual meeting, our Board of Directors will be fully declassified.

Proxy Access

Since 2016, our bylaws permit:

A stockholder (or a group of up to 20 stockholders)	**3% / 3-years** Owning 3% or more of our outstanding common stock continuously for at least three years	**2 candidates / 20%** To nominate and include in our proxy materials director candidates constituting up to the greater of two individuals or 20% of the Board, if the nominee(s) satisfy the requirements specified in our bylaws

Director Succession Planning

We remain focused on refreshing the membership of the Board.

Independent directors recently added to our Board:	Increased diversity and reduced average age and tenure of independent directors:
Craig Hatkoff, 2011	33% of independent board members are women
Betsy Atkins, 2015	Age: 73.5 => 64.5
Lauren Dillard, 2016	Tenure: 20 => 11

Sustainability

Our industry leadership has been widely recognized.

REIT of the Year Sustainability (2017)	Real Estate & Investment Finance
Ranked as one of the greenest businesses in the United States for three consecutive years (2014-2016)	Newsweek
ENERGY STAR Partner of the Year (2015 and 2016)	United States Environmental Protection Agency
Sustainability Report (2014-2016)	GRI Compliant

Our sustainability strategy, achievements and reports are available on our website at http://www.slgreen.com/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 2017 annual meeting of stockholders of SL Green Realty Corp., a Maryland corporation, which will be held on Thursday, June 1, 2017 at 10:00 a.m., local time, at the Grand Hyatt New York, 109 East 42nd Street, New York, New York, 10017. The annual meeting will be held for the following purposes:

1. To elect the three Class II director nominees named in the proxy statement to serve on the Board of Directors for a three-year term and until their successors are duly elected and qualify;
2. To hold an advisory vote on executive compensation;
3. To vote on the amendment of our Articles of Restatement to effect the declassification of our Board of Directors;
4. To ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2017;
5. To hold an advisory vote on whether an advisory vote on executive compensation should be held every one, two or three years; and
6. To consider and act upon a stockholder proposal regarding setting target amounts for CEO compensation.

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 31, 2017 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
May , 2017

Voting

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

Visit 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 June 1, 2017.

This proxy statement and our 2016 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 s to 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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References in this proxy statement to we, us, our, ours, and the Company refer to SL Green Realty Corp., unless the context otherwise requires. This proxy statement and a form of proxy have been made available to our stockholders on the Internet, and will be mailed to stockholders, on or about May , 2017.

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OUR BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

We are committed to operating our business under strong and accountable corporate governance practices. You are encouraged to visit the Investors Corporate Governance section of our corporate website at http://www.slgreen.com to view or obtain copies of our committee charters, Code of Ethics, Governance Principles and director independence standards. The information found on, or accessible through, our website is not incorporated into, and does not form a part of, this proxy statement or any other report or document we file with, or furnish to, the SEC. You also may obtain, free of charge, a copy of the respective charters of our committees, Code of Ethics, Governance Principles and director independence standards by directing your request in writing to SL Green Realty Corp., 420 Lexington Avenue, New York, New York 10170-1881, Attention: Investor Relations. Additional information relating to the corporate governance of the Company also is included in other sections of this proxy statement.

Proposal 1: Election of Directors

The Board, upon the recommendation of the Nominating and Corporate Governance Committee, has nominated Betsy Atkins, Marc Holliday and John S. Levy for election to serve as its Class II directors. If elected, each Class II director will serve until the 2020 annual meeting and until their successors are duly elected and qualify. Ms. Atkins and Messrs. Holliday and Levy currently are serving as Class II directors. Each of Ms. Atkins and Messrs. Holliday and Levy has consented to being named in this proxy statement and to serve as a director if elected. However, if any of Ms. Atkins and Messrs. Holliday and Levy is unable to accept election, proxies voted in favor of such nominee will be voted for the election of such other person as the Board nominates.

Majority Voting Standard

A majority of all the votes cast with respect to a nominee s election is required for such nominee to be elected to serve on the Board. This means that the number of votes cast for a nominee must exceed the number of votes cast against such nominee, with abstentions and broker non-votes not counted as a vote cast either for or against a nominee. For more information on the operation of our majority voting standard in director elections, see the section entitled Our Board of Directors and Corporate Governance Corporate Governance Majority Voting Standard and Director Resignation Policy.

The Board unanimously recommends a vote FOR the election of Ms. Atkins and Messrs. Holliday and Levy.

Information Regarding the Nominees and the Continuing Directors

The following table and biographical descriptions set forth certain information with respect to the nominees for election as Class II directors at the 2017 annual meeting and the continuing Class I and Class III directors whose terms expire at the annual meetings of stockholders in 2019 and 2018, respectively, based upon information furnished by each director. We have proposed to declassify our board. Subject to stockholder approval, we will phase out board classes, and directors whose terms are expiring will be elected for one-year terms. If our proposal to declassify is approved, then our Board of Directors will be fully declassified by our 2020 annual meeting.

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Name	Age	Director Since
Class II Nominees (terms will expire in 2020)		
Betsy Atkins*	63	2015
Marc Holliday	50	2001
John S. Levy*	81	1997
Class I Continuing Directors (terms will expire in 2019)		
Edwin Thomas Burton, III*	74	1997
Craig M. Hatkoff*	63	2011
Andrew W. Mathias	43	2014
Class III Continuing Directors (terms will expire in 2018)		
John H. Alschuler*	69	1997
Lauren B. Dillard*	41	2016
Stephen L. Green	79	1997

* Independent Director

Class II Nominees Terms Will Expire in 2020

Betsy Atkins

Director Since: **April 2015** Age: **63 Independent**

Ms. Atkins has served as the Chief Executive Officer of Baja Corp, an independent venture capital firm focused on technology, renewable energy and life sciences industries, since 1994. Ms. Atkins served as Chief Executive Officer and Chairman of the Board of Directors of Clear Standards, Inc., a provider of enterprise carbon management and sustainability solutions, from February 2009 until August 2009 when Clear Standards was acquired by SAP AG, a business software company. Previously, Ms. Atkins served as Chairman and Chief Executive Officer of NCI, Inc., a functional food/nutraceutical company, from 1991 through 1993. Ms. Atkins was a co-founder of Ascend Communications, Inc. in 1989 and a member of its Board of Directors, and served as its Executive Vice President of sales, marketing, professional services and international operations prior to its acquisition by Lucent Technologies. Ms. Atkins served on the boards of directors of Polycom, Inc. from 1999 to 2016, SunPower Corporation from October 2005 to August 2012 and Chico s FAS, Inc. from January 2004 to July 2013, Ciber, Inc. from July 2014 to October 2014, Darden Restaurants, Inc. from October 2014 to September 2015, and has served on the boards of directors of Schneider Electric, SA since April 2011, HD Supply, Inc. since September 2013, Cognizant Technology Solutions Corporation since April 2017, as well as the boards of a number of private companies. Ms. Atkins is also an advisor to SAP, was formerly an advisor to British Telecom and was a presidential-appointee to the Pension Benefit Guaranty Corporation advisory committee. Ms. Atkins holds a B.A. from the University of Massachusetts. Ms. Atkins has deep expertise in many areas, including executive leadership and operational experience in various technology, durable goods, energy efficiency infrastructure and retail industries, as well as significant public board experience, which gives her broad experience and thought leadership in corporate governance matters generally, including executive compensation and evolving best practices in sustainability and enterprise risk management.

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OUR BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Marc Holliday **Chief Executive Officer** Since **January 2004** Director Since: **December 2001** Age**: 50**

In addition to serving as our Chief Executive Officer and as a member of our Board, Mr. Holliday also serves as a member of our Executive Committee. Mr. Holliday stepped down as our President in April 2007, when Andrew Mathias, our current President, was promoted to that position. Mr. Holliday joined the Company as Chief Investment Officer in July 1998. In October 2008, Mr. Holliday stepped down from his positions of President and Chief Executive Officer of Gramercy Property Trust, Inc. f/k/a Gramercy Capital Corp., or Gramercy, positions he had held since August 2004. Mr. Holliday also served as a director of Gramercy from 2004 until September 2014. Prior to joining the Company, Mr. Holliday was Managing Director and Head of Direct Originations for New York-based Capital Trust Inc., a mezzanine finance company, where he was in charge of originating direct principal investments for the firm, consisting of mezzanine debt, preferred equity and first mortgages. From 1991 to 1997, Mr. Holliday served in various management positions, including Senior Vice President, at Capital Trust, Inc. s predecessor, Victor Capital Group, L.P. Mr. Holliday serves as a member of the Board of Directors of NYRA and Columbia University and is also an executive officer and sits on the Board of the Real Estate Board of New York. Mr. Holliday received a B.S. degree in Business and Finance from Lehigh University in 1988 and an M. S. degree in Real Estate Development from Columbia University in 1990. Mr. Holliday s extensive experience and skills in real estate and finance, as well as his role as Chief Executive Officer of the Company, provide him with valuable knowledge of and expertise in our business and industry. Furthermore, Mr. Holliday s presence on the Board facilitates communication between the Board and the Company s senior management.

John S. Levy Director Since: **1997** Age: **81 Independent**

Mr. Levy retired from Lehman Brothers Inc. in 1995. From 1983 until 1995, at Lehman Brothers (or its predecessors), he served as Managing Director and Chief Administrative Officer of the Financial Services Division, Senior Executive Vice President and Co-Director of the International Division and Managing Partner of the Equity Securities Division. Mr. Levy was associated with A.G. Becker Incorporated (or its predecessors) from 1960 until 1983, where he served as Managing Director of the Execution Services Division, Vice President-Manager of Institutional and Retail Sales, Manager of the Institutional Sales Division, Manager of the New York Retail Office and a Registered Representative. Mr. Levy received a B.A. degree from Dartmouth College. Mr. Levy s extensive skills, experience and sophistication in corporate governance, financial, compensation, legal and commercial matters, including his corporate finance expertise developed at Lehman Brothers, allow him to provide valuable insights into the Company s business and finances.

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Class I Continuing Directors Terms Will Expire in 2019

Edwin Thomas Burton, III

Director Since: **1997** Age: **74 Independent**

Mr. Burton is a Professor of Economics at the University of Virginia, and has held teaching positions at York College, Rice University and Cornell University, and has written and lectured extensively in the field of Economics. Mr. Burton has also served as a member of the Board of Trustees of the Virginia Retirement System for state and local employees of the Commonwealth of Virginia from 1994 to 2001 and then again from 2004 to 2014, and served as its Chairman from 1997 until March 2001. Mr. Burton also serves as a consultant to numerous companies on investment strategy and investment banking. From 1994 until 1995, Mr. Burton served as Senior Vice President, Managing Director and director of Interstate Johnson Lane, Incorporated, an investment banking firm, where he was in charge of the Corporate Finance and Public Finance Divisions. From 1987 to 1994, Mr. Burton served as President of Rothschild Financial Services, Incorporated (a subsidiary of Rothschild, Inc. of North America), an investment banking company headquartered in New York City that is involved in proprietary trading, securities lending and other investment activities. Mr. Burton also served as a consultant to the American Stock Exchange from 1985 until 1986 and a senior vice president with Smith Barney (or its corporate predecessor) from 1976 until 1984. Since 2004, Mr. Burton has served as a member of the Board of Directors of Chase Investors, a privately-held registered investment advisor. Mr. Burton also has served as a member of the Board of Directors of Capstar Hotel Company, a publicly-traded hotel company, Virginia National Bank, a publicly-traded commercial bank, and SNL Securities, a private securities data company. Mr. Burton received a B.A. degree in Economics from Rice University and a Ph.D. degree in Economics from Northwestern University. In addition to his experience in academia as a seasoned professor of economics, Mr. Burton s extensive skills and experience in corporate governance, financial, compensation and legal matters allow him to provide valuable financial expertise and insights into the Company s business.

Craig M. Hatkoff

Director Since: **2011** Age: **63 Independent**

Mr. Hatkoff served as Vice Chairman of Capital Trust, Inc., a real estate investment management company that was listed on the New York Stock Exchange, or NYSE, and one of the largest dedicated real estate mezzanine lenders, from 1997 to 2000, and served on the Board of Directors from 1997 to 2010. From 2002 to 2005, Mr. Hatkoff was a trustee of the New York City School Construction Authority, the agency responsible for the construction of all public schools in New York City. Mr. Hatkoff was a founder and a managing partner of Victor Capital Group, L.P., from 1989 until its acquisition in 1997 by Capital Trust, Inc. Previously, he spent 11 years at Chemical Bank, including as co-head of the real estate investment banking unit, where he was a pioneer in commercial mortgage securitization. Mr. Hatkoff is a co-founder of the Tribeca Film Festival. Mr. Hatkoff is also Chairman of Turtle Pond Publications LLC, which is active in children s publishing and entertainment and is a private investor in other entrepreneurial ventures. Mr. Hatkoff has been a director of Taubman Centers, Inc. since 2004. Mr. Hatkoff is an Adjunct Professor at Columbia Business School, where he teaches courses on entrepreneurship and innovation.

Mr. Hatkoff has in-depth expertise and knowledge of real estate, capital markets, finance, private investing, entrepreneurship and executive management through his work with Chemical Bank, Victor Capital Group and Capital Trust. As a result of the foregoing, Mr. Hatkoff provides a unique insight into the financial markets generally, valuation analysis, strategic planning, and unique financing structures and alternatives. He also possesses entrepreneurial, brand marketing, social media, technology and innovation, and senior leadership experience through his private investments and service on the Boards of numerous educational and charitable organizations. Mr. Hatkoff also has extensive Board and Board committee experience at other public companies, including his current service at Taubman Centers, Inc. and his long-standing service to Capital Trust, Inc., which enables him to provide significant insight as to governance and compliance-related matters particular to real estate companies.

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OUR BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Andrew W. Mathias

President since: **April 2007** Director Since: **June 2014** Age: **43**

Mr. Mathias joined the Company in March 1999 as Vice President and was promoted to Director of Investments in 2002, a position he held until his promotion to Chief Investment Officer in January 2004, a position he held until January 2011. In October 2008, Mr. Mathias stepped down from his position as Chief Investment Officer of Gramercy, a position he had held since August 2004. Prior to joining the Company, Mr. Mathias worked at Capital Trust, Inc. and its predecessor, Victor Capital Group, L.P. Mr. Mathias also worked on the high yield and restructuring desk at Bear Stearns and Co. He currently serves on the Board of Directors for the Regional Plan Association, which works to improve the prosperity, infrastructure, sustainability and quality of life of the New York-New Jersey-Connecticut metropolitan region. Mr. Mathias received a B.S. degree in Economics from the Wharton School at the University of Pennsylvania.

Class III Continuing Directors Terms Will Expire in 2018

John H. Alschuler

Lead Independent Director Director Since: **1997** Age: **69 Independent**

Since 2008, Mr. Alschuler has been the Chairman of HR&A Advisors Inc., an economic development, real-estate and public policy consulting organization. Mr. Alschuler also is an Adjunct Associate Professor at Columbia University, where he teaches real estate development at the Graduate School of Architecture, Planning & Preservation. Mr. Alschuler currently serves on the Board of Directors of Xenia Hotels and Resorts, The Macerich Company, the Center for an Urban Future, a Section 501(c)(3) tax-exempt organization, and Friends of the High Line Inc., a Section 501(c)(3) tax-exempt organization. Mr. Alschuler received a B.A. degree from Wesleyan University and an Ed.D. degree from the University of Massachusetts at Amherst. Mr. Alschuler s achievements in academia and business, as well as his extensive knowledge of commercial real estate, New York City s economy, commercial and other markets in New York City and national and international markets for real estate, and his expertise in inter-governmental relations, allow him to assess the real estate market and the Company s business from a knowledgeable and informed perspective, from which he provides valuable insights into the Company s business.

Stephen L. Green

Chairman and Director Since **1997** Age**: 79**

Mr. Green serves as an executive officer, working in conjunction with our Chief Executive Officer, overseeing our long-term strategic direction. Mr. Green formerly served as our Chief Executive Officer. Mr. Green founded our predecessor, S.L. Green Properties, Inc., in 1980. Prior to our initial public offering in 1997, Mr. Green had been involved in the acquisition of over 50 Manhattan office buildings containing in excess of 10.0 million square feet. Mr. Green also served as Chairman of the Board of Gramercy from August 2004 through June 2009. Mr. Green is an at-large member of the Executive Committee of the Board of Governors of the Real Estate Board of New York and previously has served as Chairman of the Real Estate Board of New York s Tax Committee. Mr. Green also served as a member of the Board of Directors of Stemedica Cell Technologies, Inc. from August 2007 through April 2009. Mr. Green currently serves as a member of the Board of Directors of Streetsquash, Inc., a Section 501(c)(3) tax-exempt organization. Mr. Green also served as a member of the board of trustees of the NYU Langone Medical Center. Mr. Green received a B.A. degree from Hartwick College and a J.D. degree from Boston College Law School. In addition to his industry-wide reputation, Mr. Green s extensive skills and experience in real estate, including founding our predecessor, provide him with invaluable knowledge of and expertise in our business and industry. This experience, particularly his experience having led our predecessor and the Company, contributes depth and context to the Board s discussions of the Company s business.

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Lauren B. Dillard

Director Since: **2016** Age: **41 Independent**

Ms. Dillard has been a Managing Director for the Carlyle Group, a global alternative asset manager, since 2011 and Head of Carlyle s Investment Solutions Group since December 2015, where she also served as Chief Operating Officer and Chief Financial Officer from 2013 until December 2015. Since joining the Carlyle Group in 2002, Ms. Dillard has held a series of positions including Head of Global Tax Department and Head of Global Equity Programs. Ms. Dillard was a member of Carlyle s Transaction Team where she played a significant role in transactions, including Carlyle s initial public offering. Ms. Dillard currently serves on Carlyle s Management Committee and is a board member of AlpInvest Partners. Prior to 2002, Ms. Dillard served in the Real Estate and Financial Services Group of the Tax Practice of Arthur Andersen, LLP. Ms. Dillard is active in a range of leadership, philanthropic, and internal and external mentoring efforts to advance the role of women in private equity, including: founder and leader of Carlyle s Women s Employee Resource Group, member of the Private Equity Women Investor Network (PEWIN) and other industry initiatives. She is also the recipient of the prestigious One Carlyle Award in recognition of her contributions to and support of the firm s collaborative culture. Ms. Dillard received her B.S. in business administration from the University of Richmond. Ms. Dillard s sophisticated understanding of tax, real estate and global equity and investment programs, together with her considerable operational expertise, provides the Board and the Company with deep and practical insight on a broad range of matters.

Board Refreshment

Led by our Nominating and Corporate Governance Committee, the Board engages in ongoing director succession planning, including a focus on refreshing the Board and enhancing the level of diversity. We believe that we have achieved much in this regard; we have added three new independent directors since 2011, including two women Betsy Atkins, who joined our Board in 2015, and Lauren Dillard, who joined our Board in 2016. Together with the addition of Craig Hatkoff in 2011, these additions reduce the average age and tenure of our independent directors by approximately nine years.

Thanks to the efforts of the Board, we believe that, taken as a whole, the Board has the desired mix of expertise, experience, reputation and diversity necessary for us to continue to deliver superior performance in a highly competitive marketplace, as well as the knowledge, ability and independence to continue to deliver the high standard of governance expected by our investors.

Diversity	Experience	Leadership
Our Board represents diversity in its broader sense. This means diversity of knowledge, skills, and education, as well as diversity of age, gender, and outlook	Our Board members have broad experience serving on public boards in industries relevant to the Company	Our Board members have strong corporate leadership backgrounds such as being a CEO, CFO or holding other Executive positions
33% of our independent Board members are women	**78%** of our Board have served on the Boards of other publicly traded companies	**89%** of our Board have served as CEO or in senior leadership positions

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OUR BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Identification of Director Candidates

Our Nominating and Corporate Governance Committee assists the Board in identifying and reviewing director candidates to determine whether they qualify for membership on the Board and recommends director nominees to the Board to be considered for election at our annual meeting of stockholders. Our Nominating and Corporate Governance Committee adopted a written policy on the criteria and process of identifying and reviewing director candidates.

Each director candidate must have (1) education and experience that provides knowledge of business, financial, governmental or legal matters that are relevant to the Company s business or to its status as a publicly owned company, (2) an unblemished reputation for integrity, (3) a reputation for exercising good business judgment and (4) sufficient available time to be able to fulfill his or her responsibilities as a member of the Board and of any committees to which he or she may be appointed.

In making recommendations to the Board, our Nominating and Corporate Governance Committee considers such factors as it deems appropriate. These factors may include judgment, skill, diversity (including diversity of knowledge, skills, professional experience, education, expertise and representation in industries relevant to the Company), ability to bring new perspectives and add to Board discussion and consideration, experience with businesses and other organizations comparable to the Company (including experience managing public companies, marketing experience or experience determining compensation of officers of public companies), the interplay of the candidate s experience with the experience of other Board members, the candidate s industry knowledge and experience, the ability of a nominee to devote sufficient time to the affairs of the Company, any actual or potential conflicts of interest and whether the candidate meets the NYSE independence criteria, the extent to which the candidate generally would be a desirable addition to the Board and any committees of the Board, qualifications to serve on appropriate Board committees (including financial acumen), technological literacy, strategic insight, familiarity with desired markets or regions, ability to make independent and analytical judgments, ability to introduce the Company to business or other opportunities, reputation in the corporate governance community, personal rapport with senior officers of the Company, risk management skills and effective communication skills. Such matters are considered in light of the skills, qualifications and diversity of the other members of the Board.

The Nominating and Corporate Governance Committee ensures that the potential nominee is not an employee or agent of and does not serve on the board of directors or similar managing body of any of our competitors and determines whether the potential nominee has an interest in any transactions to which we are a party.

Prior to a vote as to whether a potential nominee is recommended to the Board of Directors, each member of the Nominating and Corporate Governance Committee is provided access to such potential nominee. Such access includes an opportunity to interview such potential nominee in person or by telephone and to submit questions to such potential candidate. In addition, each potential nominee provides the Nominating and Corporate Governance Committee with a written detailed biography and other requested information.

Our Nominating and Corporate Governance Committee solicits and considers suggestions of our directors or management regarding possible nominees. Our Nominating and Corporate Governance Committee also may procure the services of outside sources or third parties to assist in the identification of director candidates.

Our Nominating and Corporate Governance Committee may consider director candidates recommended by our stockholders. Our Nominating and Corporate Governance Committee will apply the same standards in considering candidates submitted by stockholders as it does in evaluating candidates submitted by members of the Board. Any recommendations by stockholders are to follow the procedures outlined under Other Information Other Matters Stockholder Proposals and Nominations in this proxy statement and should provide the reasons supporting a candidate s recommendation, the candidate s qualifications and the candidate s written consent to being considered as a director nominee.

In connection with the identification and review of director candidates and related matters, FTI Consulting, Inc., or FTI Consulting, provides services to us that include actively working with the Chairman of the Board, the Lead Independent Director and our Chief Executive Officer in reviewing governance issues, specific board member roles and responsibilities and committee assignments. FTI Consulting also assists us in the initial search, screening, interviewing and vetting of potential new directors and worked closely with our Nominating and Corporate Governance Committee in connection with the recent additions of Craig Hatkoff in 2011, Betsy

Atkins in 2015 (who was initially recommended for consideration by our Chief Executive Officer and has been nominated for re-election at the annual meeting) and Lauren Dillard in 2016.

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Board Structure and Independence

Board Structure

The Board currently consists of nine members and is divided into three classes. Directors in each class serve for a term of three years and until their successors are duly elected and qualify. The term of directors of one class expires at each annual meeting of stockholders.

Board Leadership Structure; Lead Independent Director

As noted above, the Board currently is comprised of six independent and three employee directors. Mr. Green has served as Chairman of the Board since 1997 and serves as an executive officer. The Board has appointed Mr. Alschuler, one of the independent directors, as Lead Independent Director. We believe that the number of independent, experienced directors that make up the Board, along with the independent oversight of our Lead Independent Director, benefits the Company and its stockholders.

We recognize that different board leadership structures may be appropriate for companies in different situations, and that no one structure is suitable for all companies. Our current Board leadership structure is optimal for us because it demonstrates to our employees and other stakeholders that the Company is under strong leadership, coordinated closely between a separate Chief Executive Officer and Chairman of the Board. In our judgment, the Company, like many companies, has been well-served by this leadership structure.

To facilitate the role of the independent directors, the Board determined that it is appropriate for the independent directors to appoint one independent director to serve as Lead Independent Director. In addition to presiding at executive sessions of independent directors, the Lead Independent Director has the responsibility to: (1) consult with the Chief Executive Officer as to an appropriate schedule and agenda for each Board meeting, seeking to ensure that the independent directors can perform their duties effectively and responsibly, (2) ensure the independent directors have adequate resources, especially by way of full, timely and relevant information to support their decision making, (3) advise the Chief Executive Officer as to the quality, quantity and timeliness of the information submitted by the Company s management that is necessary or appropriate for the independent directors to effectively and responsibly perform their duties, (4) recommend to the Board and the Board Committees the retention of advisers and consultants who report directly to the Board, (5) ensure that independent directors have adequate opportunities to meet and discuss issues in sessions of the independent directors without management present and, as appropriate, call meetings of the Independent Directors, (6) serve as Chairman of the sessions of the independent directors, (7) serve as principal liaison between the independent directors and the Chief Executive Officer of the Company and between the independent directors and senior management, (8) communicate to management, as appropriate, the results of private discussions among independent directors, (9) chair the meetings of the Board when the Chairman is not present, (10) with respect to questions and comments directed to the Lead Independent Director or to the independent directors as a group, determine the appropriate means of response, with such consultation with the Chief Executive Officer and other directors as the Lead Independent Director may deem appropriate and (11) perform such other duties as the Board from time to time may delegate. Mr. Alschuler serves as the Lead Independent Director.

Throughout the year, the Board discusses corporate governance practices with stockholders and third party advisers to ensure that the Board and its committees follow practices that are optimal for the Company and its stockholders while also delivering superior total return. As part of this process, the Board conducts an annual evaluation in order to determine whether it and its committees function effectively, with independent directors meeting separately with outside counsel. The discussion with stockholders, as well as the evaluations, are the basis for the Board s annual review of possible changes to the Company s corporate governance practices. Our Governance Principles provide the flexibility for the Board to modify our leadership structure as the Board deems appropriate.

Director Independence

Our Governance Principles provide that a majority of our directors serving on the Board must be independent as required by the listing standards of the NYSE and the applicable rules promulgated by the SEC. In addition, the Board adopted director independence standards that assist the Board in making its determinations with respect to the independence of directors. The Board determined affirmatively, based upon its review of all relevant facts and circumstances and after considering all applicable relationships of which the Board had knowledge, between or among the directors and the Company or our management (some of such relationships are described in the section of this proxy statement entitled Certain Relationships and Related Party Transactions), that each of the following directors and director nominees has no direct or indirect material relationship with us and is independent under the listing standards of the NYSE, the applicable rules promulgated by the SEC and our director independence

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standards: Mses. Betsy Atkins and Lauren B. Dillard and Messrs. Edwin T. Burton, III, John H. Alschuler, John S. Levy and Craig M. Hatkoff. The Board has determined that Messrs. Steven L. Green, Marc Holliday and Andrew W. Mathias, our three other directors, are not independent because they are also executive officers of the Company.

Executive Sessions of Non-Management Directors

Our Governance Principles require the non-management directors serving on the Board to meet in an executive session at least annually without the presence of any directors or other persons who are part of our management. In accordance with such requirement, the independent directors, who currently comprise all of the non-management directors, meet in executive sessions from time to time on such a basis. The executive sessions are regularly chaired by our Lead Independent Director.

Communications with the Board

We have a process by which stockholders and/or other parties may communicate with the Board, individual directors (including the independent directors) or independent directors as a group. Any such communications may be sent to the Board or any named individual director (including the independent directors), by U.S. mail or overnight delivery and should be directed to Andrew S. Levine, Secretary, at SL Green Realty Corp., 420 Lexington Avenue, New York, New York 10170-1881. Mr. Levine forwards all such communications to the intended recipient or recipients. Any such communications may be made anonymously.

Director Attendance

The Board held six meetings and all directors attended 75% or more of the board of directors meetings and meetings of the committees on which they served during the periods they served during fiscal year 2016.

We encourage each member of the Board to attend each annual meeting of stockholders. Four of our directors attended the annual meeting of stockholders held on June 2, 2016.

Board Committees

The Board has four standing committees: an Audit Committee, a Compensation Committee, a Nominating and Corporate Governance Committee and an Executive Committee. The current charters for each of the Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee are available on our corporate website at www.slgreen.com under the Investors Corporate Governance section. Further, we will provide a copy of these charters without charge to each stockholder upon written request. Requests for copies should be addressed to Andrew S. Levine, Secretary, at SL Green Realty Corp., 420 Lexington Avenue, New York, New York 10170-1881. From time to time, the Board also may create additional committees for such purposes as the Board may determine.

Audit Committee

Our Audit Committee consists of Edwin Thomas Burton, III (Chairman), Lauren B. Dillard and Craig M. Hatkoff, each of whom is independent within the meaning of the rules of the NYSE and the SEC and each of whom meets the financial literacy standard required by the rules of the NYSE. Our Audit Committee s primary purpose is to select and appoint our independent registered public accounting firm and to assist the Board in its oversight of the integrity of the Company s financial statements; the Company s compliance with legal and regulatory requirements; the qualifications and independence of the registered public accounting firm employed by the Company for the audit of the Company s financial statements; the performance of the people responsible for the Company s internal audit function; and the performance of the Company s independent registered public accounting firm. Our Audit Committee also prepares the report that the rules of the SEC require be included in this proxy statement and provides an open avenue of communication among the Company s independent registered public accounting firm, its internal auditors, its management and the Board. Our management is responsible for the preparation, presentation and integrity of our financial statements and for the effectiveness of internal control over financial reporting. Management is responsible for maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures that provide for compliance with accounting standards and applicable laws and regulations. Our independent registered public accounting firm is responsible for planning and carrying out a proper audit of our annual financial statements prior to the filing of our Annual Report on Form 10-K, reviewing our quarterly financial statements prior to the filing of each Quarterly Report on Form 10-Q and annually auditing the effectiveness of our internal control over financial reporting and other procedures. Our Audit Committee held 12 meetings during fiscal year 2016. Additional information regarding the functions performed by our Audit Committee is set forth in the Audit Committee Report included in this annual proxy statement.

Audit Committee Financial Expert

The Board determined that Edwin T. Burton, III qualifies as an audit committee financial expert, as defined in Item 401(h) of SEC Regulation S-K.

Compensation Committee

Our Compensation Committee consists of John H. Alschuler (Chairman), Edwin Thomas Burton, III and John S. Levy, each of whom is independent within the meaning of the rules of the NYSE. Our Compensation Committee s primary purposes are to determine how the Company s Chief Executive Officer should be compensated; to administer the Company s employee benefit plans and executive compensation programs; to determine compensation of our executive officers other than our Chief Executive Officer; and to produce the report on executive compensation that is required to be included in this proxy statement. With respect to the compensation of our executive officers, our Compensation Committee solicits recommendations from our Chief Executive Officer regarding total compensation for all executive officers other than the Chief Executive Officer and reviews his recommendations in terms of total compensation and the allocation of such compensation among base salary, annual bonus amounts and other long-term incentive compensation as well as the allocation of such items between cash and equity compensation. Our Compensation Committee retained Gressle & McGinley LLC as its independent outside compensation consulting firm and engaged Gressle & McGinley LLC to provide our Compensation Committee with relevant data concerning the marketplace, our peer group and its own independent analysis and recommendations concerning executive compensation. Gressle & McGinley LLC regularly participates in Compensation Committee meetings. See Executive Compensation Compensation Discussion and Analysis. Our Compensation Committee held two meetings during fiscal year 2016.

Nominating and Corporate Governance Committee

Our Nominating and Corporate Governance Committee consists of John H. Alschuler, Betsy Atkins, Craig M. Hatkoff and John S. Levy (Chairman), each of whom is independent within the meaning of the rules of the NYSE. Our Nominating and Corporate Governance Committee s primary purposes are to identify individuals qualified to fill vacancies or newly-created positions on the Board; to recommend to the Board the persons it should nominate for election as directors at annual meetings of the Company s stockholders; to recommend directors to serve on all committees of the Board; and to develop and recommend to the Board governance principles applicable to the Company. Our Nominating and Corporate Governance Committee held one meeting during fiscal year 2016.

Executive Committee

Subject to the supervision and oversight of the Board, our Executive Committee, which consists of Stephen L. Green (Chairman), Marc Holliday and John H. Alschuler, is responsible for, among other things, the approval of our acquisition, disposition and financing of investments; the authorization of the execution of certain contracts and agreements, including those relating to our borrowing of money; and the exercise, in general, of all other powers of the Board, except for such powers that require action by all directors or the independent directors under our articles of incorporation or bylaws or under applicable law. Our Executive Committee did not hold any meetings and did not take any actions by written consent during fiscal year 2016, as all matters within its authority were approved by the Board.

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OUR BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Corporate Governance

Stockholder Outreach

The Board and our Lead Independent Director believe that engaging in stockholder outreach is an essential element of strong corporate governance. We strive for a collaborative approach to issues of importance to investors and continually seek to better understand the views of our investors on key topics affecting our business. In 2016 and 2017, our Lead Independent Director and members of our senior management team engaged with many of our largest institutional investors, representing ownership of approximately 74% of our outstanding common stock. We then shared the feedback received during our outreach process with the Board and its committees to make meaningful changes to our corporate governance practices and launch new initiatives.

Declassified Board

As a result of our stockholder engagement efforts and our commitment to corporate governance, we have proposed to declassify our Board of Directors. With stockholder approval, we will phase out board classes, so that beginning in 2018 directors whose terms are expiring will be elected for one-year terms. By our 2020 annual meeting, our Board of Directors will be fully declassified. For more information regarding the declassification of our Board, see Proposal 3: Charter Amendment to Declassify Board of Directors in this proxy statement.

Proxy Access

As a result of our stockholder engagement efforts and our commitment to corporate governance, in March 2016 we adopted a proxy access bylaw, enabling our stockholders to include their own director nominees in our proxy materials along with candidates nominated by the Board, so long as stockholder-nominees meet certain requirements, as set forth in our bylaws. For more information on our proxy access bylaw, see the section entitled Other Matters Stockholder Proposals and Nominations.

Majority Voting Standard and Director Resignation Policy

As a result of our stockholder engagement efforts and our commitment to corporate governance, in March 2016 the Board implemented a majority voting standard for director elections. In an uncontested election (as is the case for this annual meeting), our bylaws provide that a majority of all the votes cast with respect to a nominee s election is required for such nominee to be elected to serve on the Board. This means that the number of votes cast for a nominee must exceed the number of votes cast against such nominee, with abstentions and broker non-votes not counted as a vote cast either for or against a nominee. With respect to a contested election, a plurality of all of the votes cast is sufficient for the election of directors. For this purpose, a contested election is deemed to occur at any meeting of stockholders for which the Secretary determines that the number of nominees or proposed nominees exceeds the number of directors to be elected at such meeting as of the seventh day preceding the date the Company files its definitive proxy statement for such meeting with the Securities and Exchange Commission (regardless of whether or not thereafter revised or supplemented).

If a nominee who currently is serving as a director receives a greater number of votes against his or her election than votes for such election in an uncontested election, Maryland law provides that the director would continue to serve on the Board as a holdover director. However, under our Governance Principles, any nominee for election as a director in an uncontested election who receives a greater number of votes against his or her election than votes for such election must, within ten business days following the certification of the stockholder vote, tender his or her written resignation to the Chairman of the Board for consideration by the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee will consider the resignation and, within 60 days following the date of the stockholders meeting at which the election occurred, will make a recommendation to the Board concerning the acceptance or rejection of the resignation.

The Board will then take formal action on the recommendation no later than 90 days following the date of the stockholders meeting at which the election occurred. In considering the recommendation, the Board will consider the information, factors and alternatives considered by the Nominating and Corporate Governance Committee and such additional factors, information and alternatives as the Board deems relevant. We will publicly disclose, in a Form 8-K filed with the SEC, the Board s decision within four business days after the decision is made. The Board also will provide, if applicable, the Board s reason or reasons for rejecting the tendered resignation.

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Sustainability

The Board shares our commitment to environmentally sustainable initiatives and innovation that deliver efficiency, value and health for our business, tenants and community. Structured around the three key areas of efficiency, tenant experience and industry leadership, our sustainability program integrates market-leading initiatives to address energy usage, natural resource consumption, air quality, recycling, transportation and education.

Our commitment toward efficiency is evidenced by portfolio-wide investments. By implementing cutting edge technologies and modernizing obsolete building systems, we continue to optimize building performance, reduce maintenance costs and provide tenants with a Class A experience. We have installed more than 35,000 LED bulbs, monitor energy consumption through a real-time energy platform and track our portfolio s sustainability performance through a web based environmental management system. Currently, we are exploring the deployment of cogeneration, photovoltaic solar panels, fuel cells and steam reduction technologies to provide healthier and more reliable forms of energy throughout our portfolio.

Key to our program is active tenant engagement. We partner with tenant sustainability teams in a number of ways, including LEED-CI certifications, Earth Day events, annual community service days, quarterly tenant educational webinars on sustainability topics, Urban Green Council award nominations and participation in the NYC Mayor s Zero Waste Challenge.

Our industry leadership has been widely recognized. During 2015 and 2016, we were recognized by the United States Environmental Protection Agency as an ENERGY STAR Partner of the Year for our efforts to strategically manage and improve energy efficiency across our Manhattan and suburban portfolios. In addition to releasing a compliant GRI report for the past 3 consecutive years, we have been recognized by Newsweek as one of the greenest companies in the United States and as REIT of the Year Sustainability by Real Estate & Investment Finance in its 2017 award ceremonies. Additionally, we have been included in the MSCI Sustainability Index since 2015. Our sustainability strategy, achievements and reports are available on our website at http://www.slgreen.com/sustainability.

Risk Oversight

The Board is responsible for overseeing the Company s risk management process. The Board focuses on the Company s general risk management strategy and the most significant risks facing the Company, and ensures that appropriate risk mitigation strategies are implemented by management. The Board also is apprised of particular risk management matters in connection with its general oversight and approval of corporate matters. In particular, the Board focuses on overseeing risks relating to the structure and amount of our debt, including overall aggregate principal balance, variable rate versus fixed rate debt, maturity schedules and balance of secured and unsecured debt.

The Board delegated to the Audit Committee oversight of the Company s risk management process. Among its duties, the Audit Committee reviews with management (a) the Company policies with respect to risk assessment and management of risks that may be material to the Company, (b) the Company s system of disclosure controls and system of internal controls over financial reporting and (c) the Company s compliance with legal and regulatory requirements. The Audit Committee also is responsible for reviewing major legislative and regulatory developments that could have a material impact on the Company s contingent liabilities and risks. Our other Board committees also consider and address risk as they perform their respective committee responsibilities. All committees report to the full Board as appropriate, including when a matter rises to the level of a material or enterprise level risk.

In addition, our Compensation Committee considers the risks to the Company s stockholders and to the achievement of our goals that may be inherent in the Company s executive compensation program.

The Company s management is responsible for day-to-day risk management, including the primary monitoring and testing function for company-wide policies and procedures, and management of the day-to-day oversight of the risk management strategy for the ongoing business of the Company. This oversight includes identifying, evaluating, and addressing potential risks that may exist at the enterprise, strategic, financial, operational, and compliance and reporting levels.

We believe the division of risk management responsibilities described above is an effective approach for addressing the risks facing the Company and that the Board leadership structure supports this approach.

Governance Principles

The Board adopted Governance Principles that address significant issues of corporate governance and set forth procedures by which the Board carries out its responsibilities. Among the areas addressed by the Governance Principles are director qualification standards, director responsibilities, director access to management and independent advisors, director compensation, director orientation and continuing education, management

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OUR BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

succession, annual performance evaluation of the Board and management responsibilities. Our Nominating and Corporate Governance Committee is responsible for, among other things, assessing and periodically reviewing the adequacy of the Governance Principles and will recommend, as appropriate, proposed changes to the Board.

Code of Ethics

The Board adopted a Code of Ethics that applies to our directors, executive officers and employees. The Code of Ethics is designed to assist our directors, executive officers and employees in complying with the law and in resolving moral and ethical issues that may arise and in complying with our policies and procedures. Among the areas addressed by the Code of Ethics are compliance with applicable laws, conflicts of interest, use and protection of the Company s assets, confidentiality, communications with the public, accounting matters, records retention, fair dealing, discrimination, harassment and health and safety. We intend to disclose on our corporate website any amendment to, or waiver of, any provisions of this Code applicable to our directors and executive officers that would otherwise be required to be disclosed under the rules of the SEC or the NYSE.

Whistleblowing and Whistleblower Protection Policy

Our Audit Committee established procedures for (1) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and (2) the confidential and anonymous submission by our employees of concerns regarding questionable accounting or auditing matters. If you wish to contact our Audit Committee to report complaints or concerns relating to the financial reporting of the Company, you may do so in writing to the Chairman of our Audit Committee, c/o Andrew S. Levine, Secretary, SL Green Realty Corp., 420 Lexington Avenue, New York, New York 10170-1881. Any such communications may be made anonymously.

Director Compensation

Directors of the Company who are also employees receive no additional compensation for their services as directors. The following table sets forth information regarding the compensation paid to our non-employee directors during the fiscal year ended December 31, 2016.

Name	Fees Earned or Paid in Cash(1) ($)	Stock Awards(2) ($)	Option Awards(3) ($)	Total ($)
Edwin T. Burton, III	$ 90,000	$ 300,000		$ 390,000
John H. Alschuler	$ 192,000	$ 300,000		$ 492,000
John S. Levy	$ 85,000	$ 300,000		$ 385,000
Craig M. Hatkoff	$ 77,000	$ 300,000		$ 377,000
Betsy Atkins	$ 77,000	$ 300,000		$ 377,000
Lauren B. Dillard(4)				

(1) Mr. Levy deferred all of his 2016 cash compensation and Mr. Alschuler deferred $67,500 of his 2016 cash compensation pursuant to our Non-Employee Directors Deferral Program. Mr. Burton elected to receive all of his 2016 cash compensation and Mr. Hatkoff elected to receive $25,000 of his 2016 cash compensation in the form of shares of our common stock. Accordingly, our non-employee directors received the following shares of our common stock or phantom stock units with respect to the portion of their 2016 cash compensation that they elected to defer or receive in stock, as applicable: Mr. Burton received 865 shares, Mr. Alschuler received 648 units, Mr. Levy received 817 units and Mr. Hatkoff received 240 shares.

(2) Amounts shown reflect the full grant date fair value on the date of grant of shares of our common stock or phantom stock units granted to the directors in 2016, excluding shares of our common stock and phantom stock units credited in lieu of annual fees and meeting fees.

(3) There were no stock options granted to members of the Board in 2016. At December 31, 2016, the aggregate number of option awards held by our non-employee directors was as follows: Mr. Burton 6,000; Mr. Alschuler 26,500; and Mr. Levy 38,500.

(4) Ms. Dillard was appointed to the Board effective December 31, 2016, and did not receive any compensation during the fiscal year ended December 31, 2016.

Only non-employee Directors are compensated for service on the Board. During the fiscal year ended December 31, 2016, the fees for non-employee Directors were:

Annual cash retainers		
Cash retainer	$	50,000
Additional cash retainer if serving as the Lead Independent Director	$	85,000
Additional cash retainer if serving as a chair of the Audit Committee	$	10,000
Additional cash retainer if serving as a chair of the Compensation Committee	$	7,500
Additional cash retainer if serving as a chair of the Corporate Governance Committee	$	5,000
Meeting fees		
For each meeting of the Board or a committee of the Board	$	1,500
For each special meeting of the Audit Committee held independently of Board meetings	$	4,000
Stock grant		
Valued at the grant date with shares fully vested on such grant date.	$	300,000

The annual fees and meeting fees generally are payable quarterly in cash. Each director may elect to receive some or all of these fees in stock and, as noted below, may elect to defer some or all of these fees.

Under our Non-Employee Directors Deferral Program, our non-employee directors were entitled to elect to defer up to 100% of their annual fees, meeting fees and annual stock grant. At each director s election, cash fees deferred under the program could be credited in the form of either phantom stock units, account credits that accrue earnings or losses based on the 30-day LIBOR rate at the beginning of each month plus 2% (or based on such other rate or the performance of such investments as may be determined in advance by the Board) or measurement fund credits that track the performance of one or more open-ended mutual funds selected by the director. Stock grants deferred under the program are credited in the form of phantom stock units. Subject to limitations contained in the program, on a fixed date each quarter, a director may convert phantom stock units into account credits or measurement fund credits or vice versa or change the mutual funds that some or all of the director s measurement fund credits track. All cash fees credited as, and conversions of or into, phantom stock units or measurement fund credits are based on the fair market value of our common stock or the applicable mutual fund on the date the cash fees otherwise would have been paid or the date of the conversion, as applicable. Unless otherwise elected by a director, a director s phantom stock units, account credits and measurement fund credits are payable on the earlier of the January 1st coincident with or next following the director s termination of service from the Board, or a change in control of the Company, as defined by the program. Phantom stock units are payable in an equal number of shares of our common stock; provided that we may elect to instead settle a director s phantom stock units by paying the director cash in an amount equal to the value of such shares of common stock. Account credits and measurement fund credits are payable in cash. Under the program, each director is entitled to receive dividend equivalents that are paid currently on the director s phantom stock units, unless the director elected to defer payment of such dividend equivalents and have them concurrently reinvested into additional phantom stock units.

For the fiscal year ending 2017, we increased the annual cash retainer for serving as chair of our Audit Committee from $10,000 to $25,000, but otherwise retained the same director compensation arrangements that were in place for 2016.

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OUR BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Executive Officers

The following sets forth biographical information regarding our executive officers who are not also directors.

Matthew J. DiLiberto

Matthew J. DiLiberto joined the Company in September 2004 and currently serves as the Company s Chief Financial Officer overseeing the finance, accounting, tax, investor relations and corporate capital markets functions of the organization. Mr. DiLiberto previously served as the Company s Chief Accounting Officer & Treasurer from 2007 to 2014. From June 2000 to September 2004, Mr. DiLiberto was with Roseland, New Jersey-based Chelsea Property Group, now a division of Simon Property Group, a REIT focused on the development and ownership of premium outlet centers, where he was a Controller and Director of Information Management. From August 1998 to June 2000, Mr. DiLiberto worked at New York-based Vornado Realty Trust, a diversified REIT with ownership interests in office, retail, and other property types, where he worked as a Senior Financial Analyst focusing on accounting and controls as well as the preparation of high level management reports and SEC filings. Prior to joining Vornado Realty Trust, Mr. DiLiberto worked as a Business Assurance Associate at Coopers and Lybrand, LLP (now PricewaterhouseCoopers LLP). Mr. DiLiberto currently serves on the National Association of Real Estate Investment Trust s Best Financial Practices Council and is a member of the Board of Directors of the FDNY Foundation. Mr. DiLiberto received a B.S. degree in Accounting from The University of Scranton. Mr. DiLiberto is 42 years old.

Andrew S. Levine

Andrew S. Levine has served as our Chief Legal Officer since April 2007 and as our General Counsel, Executive Vice President and Secretary since November 2000. Prior to joining the Company, Mr. Levine was a partner in the REIT and Real Estate Transactions and Business groups at the law firm of Pryor, Cashman, Sherman & Flynn, LLP. Prior to joining Pryor, Cashman, Sherman & Flynn, LLP, Mr. Levine was a partner at the law firm of Dreyer & Traub. Mr. Levine received a B.A. degree from the University of Vermont and a J.D. degree from Rutgers School of Law, where Mr. Levine was an Editor of the Law Review and he currently serves as a member of the Advisory Board of Rutgers Center for Corporate Law and Governance. Mr. Levine is 58 years old.

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EXECUTIVE COMPENSATION

Proposal 2: Advisory Vote on the Compensation of our Named Executive Officers

Section 14A(a)(1) of the Exchange Act generally requires each public company to include in its proxy statement a separate resolution subject to a non-binding stockholder vote to approve the compensation of the company s named executive officers, as disclosed in its proxy statement pursuant to Item 402 of Regulation S-K, not less frequently than once every three years. This is commonly known as, and is referred to herein as, a say-on-pay proposal or resolution.

At our 2011 annual stockholder meeting, our stockholders advised on a non-binding basis, by an affirmative vote of a majority of all votes cast, that the Company should hold non-binding advisory votes on executive compensation on an annual basis. On July 14, 2011, the Board determined that it would include future advisory votes on the compensation of our named executive officers in the Company s annual meeting proxy materials every year until the next advisory vote on the frequency of stockholder votes on executive compensation, which will occur at the Company s upcoming 2017 annual meeting of stockholders.

Accordingly, pursuant to Section 14A(a)(1) of the Exchange Act, the Company is providing stockholders with the opportunity to approve the following non-binding, advisory resolution:

RESOLVED, that the compensation paid to the Company s named executive officers, as disclosed in this proxy statement pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narrative discussion, is hereby APPROVED.

The Board unanimously recommends a vote FOR the above resolution regarding the compensation of our named executive officers, as disclosed in the Compensation Discussion and Analysis section and the accompanying compensation tables in this Proxy Statement.

The affirmative vote of a majority of all the votes cast with respect to this proposal will be required to approve this proposal.

The results of this advisory vote are not binding on the Compensation Committee, the Company or the Board. Nevertheless, we value input from our stockholders and will consider carefully the results of this vote when making future decisions concerning executive compensation.

Compensation Committee Report

The Compensation Committee of the Board of Directors of SL Green Realty Corp. has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management and, based on such review and discussions, our Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this annual proxy statement and incorporated by reference in the Company s Annual Report on Form 10-K for the year ended December 31, 2016.

Submitted by our Compensation Committee
John H. Alschuler (Chairman)
Edwin Thomas Burton, III
John S. Levy

Compensation Discussion and Analysis

This section of our proxy statement discusses the principles underlying our executive compensation policies and decisions and the most important factors relevant to an analysis of these policies and decisions. It provides qualitative and quantitative information regarding the manner and context in which compensation is awarded to, and earned by, our named executive officers and places in perspective the data presented in the tables and narrative that follow.

Throughout this proxy statement, the individuals who served as our Chief Executive Officer and Chief Financial Officer during our 2016 fiscal year, as well as the other individuals included in the Summary Compensation Table are referred to as the named executive officers or our executives.

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EXECUTIVE COMPENSATION

Executive Summary

Why You Should Vote for Our 2017 Say-On-Pay Proposal

Low G&A Expense

We consistently maintain low G&A expense through our prudent management structure, which ensures that shareholder returns are not unduly diluted by the costs of managing our assets. In 2016 our G&A expense as a percentage of total assets was the second lowest among our office REIT peers.

Stockholder Engagement and Support

We have engaged in significant stockholder outreach over the last several years regarding executive compensation and made numerous changes to our executive compensation programs in response to feedback we received. Since our 2016 annual meeting, we have conducted stockholder outreach with institutional stockholders owning approximately 74% of our outstanding common stock, resulting in the chairman of the Compensation Committee discussing our executive compensation programs with the owners of more than a majority of our outstanding common stock.

Our say-on-pay proposal was approved at our 2016 annual meeting, as it has been every year since it was first introduced in 2011.

Strong Operational Performance

As described below, we had strong year-over-year growth in funds from operations, or FFO, per share and cash same-store net operating income. In 2016, we signed 3.2 million square feet of Manhattan office leases at a mark-to-market of 27.6%, and we signed an additional 638,000 square feet of suburban office leases at a mark-to-market of 6.1%. Also during 2016, we executed $3.9 billion of real estate dispositions, generating $1.1 billion of cash, which resulted in liquidity of over $2.0 billion at year-end 2016. We also made major progress on our One Vanderbilt project, including breaking ground on the project and securing a $1.5 billion construction loan and over $500 million in joint venture equity.

We reduced our ratio of net debt to EBITDA by more than 30% during 2016 as compared to 2015, based on Fitch Ratings methodology. We have also achieved full investment grade corporate credit ratings from Moody s Investors Service, Standard and Poor s and Fitch Ratings and our corporate credit rating outlook was upgraded to Positive by Standard and Poor s and Fitch Ratings.

Superior Long-Term TRS Performance

Although our short-term TRS performance for 2016 was disappointing, our TRS has been consistently strong in the 19 years since our initial public offering, growing 921%, among the best of our office REIT peers.

Pay Linked to Performance

In response to our stockholder feedback, we increased the formulaic component of our annual cash bonus program from 60% in 2014 to 100% in 2016 for Messrs. Holliday, Green and Mathias, our top three executives.

The rigorous application of our pay-for-performance compensation principles resulted in the formulaic annual cash bonus program for our top three executives being earned at only 61%, and a reduction of our CEO s total annual bonus by $250,000 4% below 2015 and 16% below 2014. In addition, to reflect our Executive Chairman s evolving role and as a result of our 2016 TRS, we reduced our Executive Chairman s total compensation for 2016 by 50% compared to 2015.

Compensation Philosophy

As described below under Our Executive Compensation Philosophy, our executive compensation programs are designed to provide performance-based incentives that create strong alignment of management and stockholder interests and reward superior performance with superior compensation. We seek to attract and retain top talent in a highly competitive market, and we expect superior performance from our executives. Due to the efforts of the executives we attract, we achieve organizational efficiency (i.e., low relative and absolute G&A expense) as the efforts of our executives allow us to maintain a smaller organization overall, relative to the size and activities of the Company. We believe the results speak for themselves, as even in a year where REITs underperformed other sectors of the market, our long-term TRS remains among the best of our office REIT peers and our G&A expense as a percentage of total assets is the second lowest among our office REIT peers.

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2016 Performance and Executive Compensation

The information below summarizes our strong long-term TRS, our 2016 achievements and our 2016 CEO and other NEO compensation.

Normalized FFO Per Share[(1)]

Growth in Same Store Cash NOI[(1)]

Operating Success

Leasing Results

- 3.2 million square feet of Manhattan office leases at 27.6% mark-to-market and 638,000 square feet of suburban office leases at 6.1% mark-to-market
- 97.1% occupancy for the same store Manhattan office portfolio

Disposition Volume

- Executed $3.9 billion of real estate dispositions generating $1.1 billion of cash proceeds

Organizational Achievements

- Major progress on One Vanderbilt, including securing a $1.5 billion construction loan and $525 million in JV equity, and breaking ground on the project

Superior Long-Term TRS Performance

Despite disappointing TRS for 2016 of -2.06%, our longer term TRS performance remains strong, as set forth below:

Total Shareholder Return (as of 12/31/2016)

Low G&A Expense[(2)]

We have consistently maintained low G&A expenses, with G&A expense as a percentage of total assets and revenues among the lowest of our office REIT peers.

G&A expense as a Percentage of Total Assets[(2)]

G&A expense as a Percentage of Total Revenues[(2)]

2016 CEO Compensation

88.5% Variable Performance-Based; 75% Equity

Chief Executive Officer Pay Mix

2016 Other NEO Compensation

86.5% Variable Performance-Based; 70.0% Equity

Other Named Executive Officers Pay Mix

(1) Refer to Appendix A to this proxy statement for reconciliations of combined same-store cash net operating income and normalized FFO for the years ended December 31, 2016, 2015, 2014, 2013 and 2012 and information regarding our use of these financial measures.

(2) Percentages of total revenues and total assets are presented on a consolidated basis. Companies used for comparison in G&A expense analysis are: Alexandria Real Estate Equities, Inc., Boston Properties, Inc., Brandywine Realty Trust, Douglas Emmett, Inc., Empire State Realty Trust, Inc., Kilroy Realty Corporation, Mack-Cali Realty Corporation, Paramount Group, Inc. and Vornado Realty Trust. Office peer data obtained from Weekly Sector Scorecard, Office, dated February 17, 2017 published by Stifel, Nicolaus & Company, Incorporated.

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EXECUTIVE COMPENSATION

Stockholder Engagement; Executive Compensation Changes

Over the last several years, we have engaged in a formal stockholder outreach program focused on our executive compensation. Throughout each year, we are in contact with our large institutional stockholders, representing the owners of more than a majority of our outstanding common stock, to discuss our executive compensation programs, our business and our overall performance. Since our 2016 annual meeting, we contacted institutional stockholders owning approximately 74% of our outstanding common stock. These discussions are led by the chairman of our Compensation Committee, or the Committee, and Lead Independent Director or, in certain instances, members of senior management. We provide these stockholders with information regarding our executive compensation programs, our performance and the manner in which we believe our executive compensation programs contributed to our superior long-term performance. We also engage in discussions with these stockholders where we are able to clarify aspects of our executive compensation programs that they may not fully understand and receive direct feedback regarding specific aspects of our executive compensation programs.

Below are some common themes we discussed during this stockholder outreach and our responses over the last few years:

Area of Stockholder Concern	Our Response
	Removed NYC-based asset managers from our peer group and committed, on a going forward basis, to review compensation and performance based on an NYC-based REIT peer group and a national office REIT index.
	For 2016, we increased the formulaic component of our annual cash bonus program to 100%, an increase of 40% since 2014, and reduced the number of criteria used in our program.
	In 2016, our Chief Executive Officer and President received equity awards granted pursuant to their employment agreements with higher performance hurdles requiring the achievement of either an 8% per year increase in FFO per share, 8% TRS per year or relative TRS in the top 35% of MSCI US REIT Index companies.
	Provided only performance-based employment agreement equity awards for our Chief Executive Officer's 2016 employment agreement to further align pay for performance.
	The SL Green Realty Corp. 2014 Outperformance Plan, or our 2014 Outperformance Plan, includes performance metrics to incorporate a new relative TRS component for one-third of each award granted. The remainder of each award is subject to the achievement of absolute TRS performance metrics similar to those utilized for prior outperformance plans.
	There will be no payout under our 2014 Outperformance Plan unless total return exceeds $2.5 billion or relative TRS is at or above the 50th percentile of index companies. In order for participants to earn the full award under our 2014 Outperformance Plan, our TRS during the performance period must equal or exceed **50%**, which would represent total returns to stockholders in excess of **$5 billion**, and be in the **top 25%** of index companies. We would need to achieve TRS of **35.5%** from February 1, 2017 through August 31, 2017 in order for executives to earn the maximum absolute TRS amounts under our 2014 Outperformance Plan. In that case, the awards earned by participants in our 2014 Outperformance Plan would be less than 1.25% of the aggregate total return delivered to our stockholders.
	Under our 2014 Outperformance Plan, we adopted double trigger provisions for acceleration of vesting of equity awards granted to our named executive officers in the event of a change in control of the Company.

Reflecting our Executive Chairman s evolving role, we meaningfully reduced annual bonuses paid to our Executive Chairman for the second consecutive year. As a result, our Chairman s 2016 compensation was 50% less than his 2015 compensation. In addition, our Executive Chairman will not participate in any of our future outperformance plans.

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Compensation Practices

We believe that our executive compensation programs provide appropriate performance-based incentives to attract and retain leadership talent in the highly competitive New York City real estate market, to align management and stockholder interests and to continue to drive our long-term track record of superior return to stockholders. The following are key features of our executive compensation programs, which reflect the changes we have adopted following our extensive stockholder outreach in recent years:

WHAT WE DO

- Pay for performance and create alignment with stockholders
- 100% formulaic annual cash bonus program for our CEO, Chairman and President
- Include robust hurdles in our 2014 Outperformance Plan based on both absolute and relative TRS, with no payout unless total return exceeds $2.5 billion or relative TRS is at or above the 50th percentile of index companies
- Subject all future employment agreement equity awards for our CEO to performance-based hurdles
- Pay a majority of total compensation for our CEO and named executive officers in equity
- Follow robust stock ownership guidelines for our directors and named executive officers; in 2016, we increased the stock ownership guidelines for our directors from 3x to 5x the annual cash retainer
- Impose a clawback policy with respect to incentive payments
- Require a double trigger for cash severance and accelerated vesting in connection with a change in control

WHAT WE DON T DO

- No dividends or distributions paid on unearned equity awards subject to performance-based vesting
- No excise tax gross-up provisions
- Don t allow repricing of stock options
- No single trigger cash severance or accelerated vesting in connection with a change in control
- Don t allow directors or officers to hedge our securities

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EXECUTIVE COMPENSATION

Our Executive Compensation Philosophy

We adopted an executive compensation philosophy that rewards the achievement of annual and long-term goals of both the Company and individual executives. Our executive compensation programs are designed to achieve the following objectives:

- To provide performance-based incentives that create a strong alignment of management and stockholder interests
- To attract and retain top talent in a market that is highly competitive for New York City commercial real estate management
- To motivate our executives to achieve, and reward them for achieving, superior performance
- To achieve an appropriate balance between risk and reward in our compensation programs that does not create incentives for unnecessary or excessive risk taking
- To foster the dedication required to succeed against our competitors, while maintaining low overall general and administrative expense

In order to reach these goals, the Committee, in consultation with our Chief Executive Officer and the Committee s independent compensation consultant, adopted executive compensation practices that follow a pay-for-performance philosophy. Our primary business objective, of maximizing TRS through growth in FFO while seeking appreciation in the value of our investment properties, demands a long-term focus. Therefore, on both a current and historical basis, our executive compensation programs are based heavily on the achievement of both annual and multi-year performance measures.

Consideration of 2016 Say-on-Pay Vote

Our say-on-pay proposal was approved at our 2016 annual meeting, as it has been every year since it was first introduced in 2011. The Committee viewed this favorable vote by more than a majority of our stockholders as an indication that our stockholders are generally supportive of the structure of our executive compensation programs. Nevertheless, we continued to engage in stockholder outreach and implemented the additional changes described above based on the feedback we received.

Our Executive Compensation Programs

Our named executive officers compensation currently has three primary components, which are discussed in more detail below:

- annual base salary and deferred compensation
- annual incentive awards, which include cash and equity bonuses
- long-term equity incentive awards, which include stock options and full-value equity awards

Variable pay constitutes the vast majority of our executives compensation, which allows the Committee to reward superior performance and penalize poor performance, while the substantial long-term equity incentive portions of our compensation programs serve to align the interests of our named executive officers with our stockholders.

Annual Base Salary and Deferred Compensation

Base salaries are established at levels intended to reflect the scope of each executive s duties and responsibilities and further take into account the competitive market compensation paid by other companies for similar positions. However, they do not serve our objective of paying for performance, and therefore are intentionally structured to be a relatively low percentage of total compensation.

The following sets forth the annual base salaries for our named executive officers for 2015 and 2016, which reflect amounts agreed to in each executive s employment agreement:

Executive	2015 Base Salary	2016 Base Salary	% Change
Marc Holliday	$ 1,050,000	$ 1,350,000	28.6%
Stephen L. Green	$ 750,000	$ 750,000	
Andrew Mathias	$ 800,000	$ 800,000	
Matthew J. DiLiberto	$ 400,000	$ 400,000	
Andrew S. Levine	$ 500,000	$ 550,000	10.0%

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In addition to base salary, each of Messrs. Holliday, Green and Mathias also received a contribution of deferred notional stock units that are subject to vesting based on continued employment during a one-year period following the contribution and are only paid upon termination of employment or a change in control. The amount of deferred compensation that each of Messrs. Holliday, Green and Mathias received for 2016 was equal to the minimum amount that we had previously agreed to provide under the executive s employment agreement and associated deferred compensation agreement that was in effect for 2016. This deferred compensation is viewed similarly to annual base salary, in that fixed amounts are granted each year regardless of performance. However, because the value of this deferred compensation is tied to the value of our common stock and these executives will not receive this deferred compensation until the termination of their employment or a change in control, this deferred compensation program further establishes alignment of management and stockholder interests and helps ensure that the executives remain focused on long-term stockholder value creation. The following table sets forth the deferred compensation grants made to our executives in 2016:

Executive	Deferred Compensation Amount	Notional Stock Units(1)
Marc Holliday	$ 750,000	8,265
Stephen L. Green	$ 150,000	1,333
Andrew Mathias	$ 500,000	4,443

(1) Deferred compensation contributions were converted into notional stock units based on the market price of our common stock on the date of the contribution.

Annual Incentive Awards

We pay annual incentive awards in the form of annual cash and equity bonuses to focus and reward our named executive officers on achieving key corporate financial and operational objectives and individual goals. Based in part on the feedback we received in connection with our outreach efforts relating to executive compensation, the Committee decided to revise the structure of our annual incentive award program for our Chief Executive Officer, Executive Chairman and President. For 2016, we increased the formulaic component of our annual cash bonus program to 100% of the target opportunity (from 75% in 2015 and 60% in 2014) and we reduced the number of performance criteria. Otherwise, we maintained the same overall structure of our annual incentive award program. Also, in 2016, the entire amount of the annual cash bonuses paid to our top three named executive officers was determined pursuant to this annual cash bonus program, which is described in more detail below.

Annual Cash Bonus Program (Top Three Named Executive Officers)

As noted above, the annual cash bonuses paid to our top three named executive officers for 2016 were determined pursuant to our annual cash bonus program. Under this program, the Committee established specific threshold, target and maximum cash bonus amounts that each of our top three named executive officers could earn for 2016 and established specific performance criteria that were to be used in a formulaic manner to determine 100% of each of these executives cash bonuses. For 2016, each of Messrs. Holliday, Green and Mathias were eligible to earn the following percentages of his base salary (with linear interpolation used to determine the percentage earned for performance that falls between threshold, target and/ or maximum):

Executive	Threshold	Target	Maximum
Marc Holliday	100%	200%	300%
Stephen L. Green	100%	175%	250%
Andrew Mathias	100%	175%	250%

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EXECUTIVE COMPENSATION

One hundred percent of each executive s annual cash bonus was determined in a formulaic manner based on the level of our achievement of a number of performance criteria as compared to the level established in advance by the Committee. The following set forth the specific performance criteria selected for 2016, the relative weighting of each, the threshold, target and maximum performance levels established by the Committee in advance for each, and our actual 2016 results for each:

Performance criteria	2016 Weighting Levels	Threshold	Target	Maximum	2016 Actual Performance
FFO per share	25.0%	$ 6.75	$ 6.85	$ 6.95	$ 7.08[(2)]
Same-store cash NOI growth	25.0%	3.0%	4.0%	5.0%	6.0%
Dividend growth	20.0%	5.0%	9.0%	13.0%	7.6%
Relative TRS for 2016[(1)]	15.0%	40th	60th	80th	16th
Absolute TRS for 2016	15.0%	5.0%	7.0%	9.0%	-2.06%

(1) Relative TRS for 2016 was based on the percentile of our TRS relative to the TRS of the constituents of the SNL US REIT Office Index.

(2) Represents normalized FFO per share of $7.08, which adjusts actual FFO per share of $8.29 to exclude $1.21 per share attributable to the write-off of accounting related balances and the 2017 portion of the lease termination fee related to the sale of 388-390 Greenwich Street to Citigroup, Inc.

The following table reflects the 2016 cash bonuses awarded to Messrs. Holliday, Green and Mathias pursuant to our annual cash bonus program, presented based on the maximum percentages of each executive s base salary that can be earned:

Executive	Max Cash Bonus (%)	Actual Cash Bonus (%)[(1)]	Total ($)
Marc Holliday	300.00%	183.19%	$ 2,473,125
Stephen L. Green	250.00%	154.90%	$ 1,161,718
Andrew Mathias	250.00%	154.90%	$ 1,239,166

(1) Consistent with the timing of prior years annual cash bonus determinations, payouts and determinations under the annual cash bonus program were made in December 2016 based on a combination of actual results through that point in time and estimates of full year results.

As a result of the rigor of the performance targets established by the Committee for our annual cash bonus program, the amounts paid to Messrs. Holliday, Green and Mathias were significantly reduced for 2016 as compared to 2015, as set forth in the table below:

Executive	2015 Annual Cash Bonus	2016 Annual Cash Bonus	% Change[(1)]
Marc Holliday	$ 2,795,625	$ 2,473,125	-11.5%
Stephen L. Green	$ 1,671,093	$ 1,161,718	-30.5%
Andrew Mathias	$ 1,782,500	$ 1,239,166	-30.5%

(1) The decrease in annual cash bonus amount paid to Mr. Holliday was partially offset by the increase in total bonus opportunity resulting from the corresponding increase in Mr. Holliday s 2016 base salary.

Annual Equity Bonuses (Top Three Named Executive Officers)

We also maintain an equity bonus program for our top three named executive officers, which provides annual bonuses that are determined by the Committee, in its discretion, based on the short-term and long-term performance of our Company and the executive, the Committee s view of appropriate annual incentive awards in light of the executive s historical compensation, skill, experience and position, competitive market factors and such other factors as are determined appropriate by the Committee. In making these awards for 2016, the Committee sought to find a balance between (i) acknowledging the significant operational achievements attained during the year, as highlighted above, (ii) ensuring that annual incentive award and total compensation amounts were in line with the prevailing market and adequate to address recruitment and retention needs in the competitive New York City commercial real estate markets where we actively compete for business opportunities and executive talent with other publicly-traded REITs, private real estate operating companies, opportunity funds and sovereign wealth funds, among others, (iii) continuing to ensure our compensation programs create alignment of management and stockholder interests by appropriately rewarding our named executive officers for the attainment of performance achievements that drive long-term value creation and (iv) rewarding our continued superior

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long-term TRS performance as balanced against our disappointing short-term TRS performance. In addition, the Committee based its decisions on our performance as compared to specific company goals and objectives for 2016 that were presented at the 2015 investor day conference, which are repeated below:

2016 Goals and Objectives	2016 Results
2,600,000 square feet of Manhattan leases signed[(1)]	3.2 million sq. ft. signed
97% or greater same-store Manhattan portfolio leased occupancy	97.1%
13-16% mark-to-market on signed Manhattan office leases	27.6%
6.0% same-store cash NOI growth	6.0%
Increase growth portfolio NOI by $28 million	$28.7 million
$1 billion of office property acquisitions	None
$750 million of office property dispositions	$3 billion
$500 million of retail/residential property acquisitions	$29 million
$100 million of retail/residential property dispositions	$138 million
$150 million increase of debt and preferred equity balance	$180 million
$200 million of debt and preferred equity income	$234 million
$400 million of Federal Home Loan Bank borrowings	$251 million
Create more than $500 million of incremental retail value	$1.2 billion
Sign 200,000 square feet of leases at One Vanderbilt	2018 Action
Obtain $1 billion of construction financing for One Vanderbilt	$1.5 billion construction loan obtained
Dispose of more than $100 million of suburban assets	$82 million
Achieve 7.6x or better net debt to EBITDA (per Fitch)	Achieved
Dividend increase of 12.5% or more	7.6% increase
TRS greater than 10%	TRS of -2.1%
TRS in excess of MSCI US REIT Index by 250 basis points	-1,066 basis points

(1) Goal increased by management from 2,000,000 square feet to 2,600,000 square feet in July 2016.

The differences in compensation awarded to our named executive officers are generally a function of the executive s position and authority, as well as the competitive landscape for executives in similar positions. The table below sets forth the annual equity bonus awards that were granted to each of Messrs. Holliday, Green and Mathias for 2015 and 2016, as approved by the Committee:

Executive	2015 Equity Bonus	2016 Equity Bonus[(1)]	% Change
Marc Holliday	$ 4,204,375	$ 4,276,875	1.7%
Stephen L. Green	$ 2,228,907	$ 788,282	-64.6%
Andrew Mathias	$ 3,217,500	$ 3,560,834	10.7%
Total	**$ 9,650,782**	**$ 8,625,991**	**-10.6%**

(1) Excludes the value of 11,340 LTIP units granted to Mr. Mathias in June 2016, which were granted in recognition of performance since the beginning of 2014 as opposed to solely relating to 2016.

The amounts of the equity bonus awards for our executives in 2016 as compared to 2015 were primarily determined based on our strong operational achievements and, on an individual basis, the changing roles of each of our Chief Executive Officer, Executive Chairman and President, as balanced against our disappointing short-term TRS performance in 2016. In particular, reflecting our Executive Chairman s evolving role, we significantly reduced the equity bonus award paid to our Executive Chairman. As a result, the overall equity bonus awards for our top three executives were reduced by approximately 10.6%, in the aggregate, while the individual equity bonus awards reflect each executive s contributions to our strong business achievements in 2016. The 2016 equity bonuses paid to each of our top three named executive officers listed above were paid in early 2017 in the form of LTIP units that vested upon grant, but remain subject to a no-sell restriction until two years after their grant date. Our named executive officers received the following number of LTIP units for these equity bonuses: Mr. Holliday 40,329; Mr. Green—7,433; and Mr. Mathias—33,577.

During 2016, we also separately granted Mr. Mathias an equity bonus consisting of 11,340 LTIP units that were vested upon grant, but were subject to a no-sell restriction until two years after their grant. These LTIP units were granted as equity bonus in 2016, but were in recognition of performance since the beginning of 2014 as opposed to solely relating to 2016.

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Bonuses to Other Executives

Consistent with our historical practice, annual bonuses for Messrs. DiLiberto and Levine were determined by the Committee in its discretion in substantially the same manner as the equity bonuses for our top three named executive officers. The table below sets forth the annual bonus awards that were granted to Messrs. DiLiberto and Levine for 2015 and 2016, as approved by the Committee, to the extent paid in cash or LTIP units:

Executive	2015 Bonus	2016 Bonus	% Change
Matthew J. DiLiberto	$ 1,400,000	$ 1,700,000	21.4%
Andrew S. Levine	$ 1,100,000	$ 1,350,000	22.7%

Similar to the annual equity bonus awards that were granted to our top three named executive officers, these annual bonuses for Messrs. DiLiberto and Levine reflected our significant operational achievements for 2016, our continued superior long-term TRS performance and their evolving roles at our company, as balanced against our disappointing short-term TRS performance for 2016. These 2016 bonuses were paid to Messrs. DiLiberto and Levine in early 2017 in the form of cash and LTIP units that vested upon grant, but remain subject to no-sell restriction until two years after their grant date. Mr. DiLiberto received $1,400,000 in cash and 2,829 LTIP units and Mr. Levine received 12,730 LTIP units.

In addition to these bonuses paid to Messrs. DiLiberto and Levine for 2016, the Committee also determined to make bonus awards to each executive in the form of 30,000 Class O LTIP units, which are economically similar to stock options, and will only have value if our recent operational achievements translate into future returns for our stockholders. This decision reflects our commitment to our pay-for-performance compensation philosophy, and further aligns the interests of these executive officers with those of our stockholders.

Long-Term Equity Incentive Awards

Long-term equity incentives have been provided to our named executive officers through the grant of stock options, restricted stock, restricted stock units and/or LTIP units pursuant to our outperformance plans and in connection with new or extended employment agreements. The majority of these awards included performance-based vesting hurdles that must be met in order for recipients to earn them. The grant of equity awards links a named executive officer s compensation and net worth directly to the performance of our stock price as well as the achievement of other performance-based vesting hurdles in some cases, which we believe encourages our named executive officers to make decisions with an ownership mentality and provides alignment of interest with our stockholders. The Committee has made long-term equity incentive awards a central part of our executive compensation program due to these features.

Outperformance Plans

A main component of our long-term equity incentive award program is our outperformance plans. Our outperformance plans provide equity awards to our named executive officers and other employees that are subject to performance-based hurdles based on TRS or stock price appreciation over a multi-year period, and are eligible for potential acceleration in specific, limited circumstances. In addition to the performance-based vesting hurdles, all of these equity awards have additional time-based vesting provisions of four to five years in the aggregate with principally back-end vesting, based on continued employment, which act as a retention device and provide a strong incentive to the executives to increase stockholder value during the vesting period.

Our outperformance plans are designed to provide strong and direct alignment of our executive s interests with long-term stockholder interests. As a result, historically, we provided a meaningful percentage of our executives total compensation in the form of equity awards under our outperformance plans. We anticipate continuing to utilize these types of plans as a significant component of our executive compensation program.

To guarantee that our long-term equity incentive awards reward only exceptional returns, our outperformance plans incorporate challenging performance hurdles. During prior periods where stockholders did not realize superior returns, such as during 2008 and 2009, our outperformance plans did not provide payouts. Due to the variable, at-risk nature of our outperformance plans, our executives must truly drive our overall performance and TRS to earn awards. This feature is illustrated by the table below showing our

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strong TRS during the performance periods of our two previous outperformance plans and the awards earned by our executives pursuant to those plans, as compared to our performance through December 31, 2016 relative to the robust performance hurdles contained in our 2014 Outperformance Plan:

	2010 Notional Unit Long-Term Compensation Plan	2011 Outperformance Plan	2014 Outperformance Plan
Performance Period	Dec. 2009 Nov. 2012	Sept. 2011 Aug. 2014	Sept. 2014 Aug. 2017
Initial Stock Price	$42.37	$73.38	$109.36
Maximum Plan Award	$75.0 million	$85.0 million	610,000 LTIP units
Cumulative Absolute Hurdle Range	25% - 50%	25% - 38%	25% - 50%
Absolute Hurdle Achieved?	YES 85% TRS ($76.42 + $1.80 dividends)	YES 54% TRS ($109.36 + $3.92 dividends)	NOT YET 4.5% TRS for the 28 months ended 12/31/16 ($107.55 + $6.56 dividends)
Cumulative Relative Hurdle Range	N/A	N/A	50th percentile 75th percentile
Relative Hurdle Achieved?	N/A	N/A	NOT YET 24th percentile for the 28 months ended 12/31/16

2014 Outperformance Plan

In August 2014, the Committee approved the general terms of our 2014 Outperformance Plan. Under our 2014 Outperformance Plan, participants may earn awards based on our TRS on an absolute basis as well as on a relative basis compared to the constituents of the MSCI US REIT Index, or Index Companies, over a three-year performance period beginning on September 1, 2014 and continuing through August 31, 2017. Awards earned based on absolute TRS will be determined independently of awards earned based on relative TRS.

In order for participants to earn the full award under our 2014 Outperformance Plan, our TRS during the performance period must equal or exceed **50%**, which would represent total returns to stockholders in excess of **$5 billion**, and be in the **top 25%** of Index Companies.
Our 2014 Outperformance Plan was designed to be complementary to the SL Green Realty Corp. 2011 Long-Term Outperformance Plan, or our 2011 Outperformance Plan, as the baseline stock price for measuring performance under our 2014 Outperformance Plan exceeds the stock price at which maximum stock price appreciation would be achieved under our 2011 Outperformance Plan.

Awards that are earned under our 2014 Outperformance Plan will also be subject to vesting based on continued employment through August 31, 2018, with 50% of the awards earned vesting on August 31, 2017 and the remaining 50% vesting on August 31, 2018. The maximum number of LTIP units that may be earned under our 2014 Outperformance Plan will be 610,000 LTIP units.

Under the 2014 Outperformance Plan, two-thirds of the LTIP units may be earned based on our absolute TRS and one-third of the LTIP units may be earned based on our relative TRS compared to Index Companies. The table below reflects the minimum and maximum thresholds for both the absolute TRS and relative TRS components:

Absolute TRS	Percentage of Absolute TRS LTIP Units Earned (two-thirds of total)	Relative TRS	Percentage of Relative TRS LTIP Units Earned (one-third of total)
Less than 25%	0%	Below 50th percentile	0%
25%	37.5%	50th percentile	37.5%
50% or higher	100%	75th percentile or greater	100%

The number of LTIP units that are earned if performance is above the minimum thresholds, but below the maximum hurdles, will be determined based on linear interpolation between the percentages earned at the minimum and maximum thresholds.

In the event our performance reaches the maximum absolute TRS or relative TRS hurdle before the end of the three-year performance period, a pro-rata portion of the maximum award may be earned. For each component, if our performance reaches the maximum threshold during the second half of the performance period, participants will earn one-third of the maximum award. If our performance reaches the maximum threshold during the third year of the performance period for a component, participants will earn up to two-thirds of the maximum award that may be earned for that component. Except in the event of a change in control, no awards may be earned during the first half of the performance period and, with respect to the last one-third of the maximum award, no awards may be earned prior to the end of the performance period.

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Awards may be earned upon a change in control as follows, but any such awards remain subject to vesting based on continued employment, as set forth above, with acceleration only occurring for a named executive officer in the event of a termination of the executive s employment by us without cause or by the executive for good reason. In the event of a change in control during the first year of the performance period, participants will earn, for each component, the greater of (i) a prorated award based on the attainment of prorated performance hurdles or (ii) a non-prorated award based on attainment of the full, non-prorated performance hurdles, in each case, using the change in control as the end of the performance period. In the event a change in control occurs after the first year of the performance period, awards will be earned for each component based upon the attainment of prorated performance hurdles using the change in control as the end of the performance period.

The awards made to our named executive officers under our 2014 Outperformance Plan also provide that if that executive s employment is terminated by us without cause or by the executive officer for good reason, then the executive officer is treated under our 2014 Outperformance Plan as if he had remained employed by us for 12 months after the date of his termination. If the executive officer s employment terminates due to death or disability, then such termination will be treated in the same manner, for that award recipient, as if a change in control occurred on the date of such termination; provided that any LTIP units earned in connection with death or disability will vest in full as of the date on which they are earned.

Distributions are not payable unless and until awards are earned. If awards are earned under our 2014 Outperformance Plan, each participant will then be entitled to the distributions that would have been paid had the number of earned LTIP units been earned at the beginning of the performance period. Those distributions will be paid in cash or additional LTIP units as determined by the Committee. Thereafter, distributions will be paid currently with respect to all earned LTIP units, whether vested or unvested.

The following awards under our 2014 Outperformance Plan have been made pursuant to which our named executive officers have the opportunity to earn the following LTIP units:

	Award Opportunity (# of LTIP Units)(1)		
Executive	**Threshold**	**Maximum**	**Hypothetical Earning Based on Annualized Results through 12/31/2016(2)**
Marc Holliday	43,208	115,222	0
Stephen L. Green	14,045	37,455	0
Andrew Mathias	30,500	81,333	0
Matthew J. DiLiberto	6,621	17,657	0
Andrew S. Levine	7,725	20,600	0

Robust hurdles demonstrate strong pay for performance alignment. We would need to achieve TRS of **10.5**% and **35.5**% from February 1, 2017 through August 31, 2017 in order for executives to earn the threshold and maximum absolute TRS amounts, respectively, under our 2014 Outperformance Plan.

(1) Based on awards granted to date, for Messrs. Holliday, Green, Mathias and Levine, approximately 83.3% of the LTIP units may be earned based on our absolute TRS performance and approximately 16.7% of the LTIP units may be earned based on our relative TRS performance. For Mr. DiLiberto, approximately 66.7% of the LTIP units may be earned based on our absolute TRS performance and approximately 33.3% may be earned based on our relative TRS performance.

(2) Represents LTIP units that would have been earned based on our performance from the start of the performance period through December 31, 2016.

Pursuant to our employment agreements with Messrs. Holliday and Mathias, we agreed to allocate at least 22.67% and 16.00%, respectively, of the total awards under our 2014 Outperformance Plan to these executives. To date, we have allocated 18.9% and 13.3% to Messrs. Holliday and Mathias, respectively, of the total awards under our 2014 Outperformance Plan to which they are entitled, representing the full allocation of LTIP units that each may earn based on our absolute TRS performance and one-half of the allocation of LTIP units that each may earn based on our relative TRS performance.

Employment Agreement Awards

The second main component of our long-term equity incentive award program is equity awards granted for retention purposes or in connection with new or extended employment agreements. We typically enter into employment agreements with each of our named executive officers, other than Mr. Green, that have terms of three or four years. In connection with these agreements, we typically grant one or more types of equity awards to our named executive officers that have vesting periods aligned with the terms of these agreements. Vesting of these awards has been based on continued employment and, for a majority of these awards, the achievement of performance hurdles.

In connection with our employment agreements with our named executive officers, we granted equity awards to Messrs. Mathias, DiLiberto and Levine on the effective date of each such agreement. In addition, our employment agreements with Messrs. Holliday and Mathias provided for the granting of the stock options and LTIP units noted in the table below, which, collectively for each of Mr. Holliday and Mr. Mathias, are scheduled to vest over the three-year term of the agreement. These long-term equity incentive

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awards were not granted at the time these agreements were entered into. Instead, these agreements provided that the executives would be entitled to terminate their employment with us and receive severance payments and benefits if we did not make these grants on or before their scheduled vesting dates. These provisions were included instead of making long-term grants at the time the agreement was entered into, in part, to avoid the distortion in measuring annual compensation that otherwise might have occurred if these grants were all made in the year in which we entered into the agreements. Regardless of the ultimate grant dates, for purposes of evaluating our executive compensation, we believe these awards should be viewed collectively as long-term equity awards vesting over the three-year terms of these agreements (as opposed to three separate awards subject to short-term vesting), which is consistent with how the Committee viewed, and approved of, these awards.

The table below indicates the terms of the employments agreements with Messrs. Holliday, Mathias, DiLiberto and Levine that were in effect as of January 1, 2016 and summarizes the terms and grant dates of the long-term equity incentive awards made, or to be made, to our named executive officers pursuant to these employment agreements.

Messrs. Holliday and Mathias had amended their employment agreements in 2014 such that 100% of the future LTIP unit awards granted under these employment agreements were subject to performance-based vesting hurdles, with restructured hurdles that are more difficult to achieve than those originally established, as set forth in the table below.

MARC HOLLIDAY (JANUARY 18, 2013   JANUARY 17, 2016)

	Equity Award	# of Shares/ Units	Grant Date	Description[1]
	Stock options	200,000	2013	One-third vesting on 1/17/14, 1/17/15 and 1/17/16; 50% expires 5 years after grant; 50% expires 10 years after grant
	Performance-based and time-based LTIP units	87,870	2014	Vesting 1/17/14; 60% subject to performance-based vesting contingent upon achievement of either 7% increase in FFO, 7% TRS or TRS in the top 40% of the MSCI US REIT Index, for the prior year (or on a cumulative basis from 2013); two-year post-vesting no-sale
Three-Year vesting	Performance-based LTIP units	87,870	2015	Vesting 1/17/15 and 1/17/16, respectively; vesting contingent upon achievement of either 8% increase in FFO, 8% TRS or TRS in the top 35% of the MSCI US REIT Index, for the prior year (or on a cumulative basis from 2013); two-year post-vesting no-sale
	Performance-based LTIP units	87,870	2016	

ANDREW MATHIAS (JANUARY 1, 2014   DECEMBER 31, 2016)[2]

	Equity Award	# of Shares/ Units	Grant Date	Description[1]
	Stock options	130,000	2013	One-third vesting on 12/31/14, 12/31/15 and 12/31/16; 50% expires 5 years after grant; 50% expires 10 years after grant
	Performance-based and time-based LTIP units	58,666	2014	Vesting 12/31/14; 60% subject to performance-based vesting contingent upon achievement of either 7% increase in FFO, 7% TRS or TRS in the top 40% of the MSCI US REIT Index, for the prior year (or on a cumulative basis from 2014); two-year post-vesting no-sale
Three-Year vesting	Performance-based LTIP units	58,667	2015	Vesting 12/31/15 and 12/31/16, respectively; vesting contingent upon achievement of either 8% increase in FFO, 8% TRS or TRS in the top 35% of the MSCI US REIT Index, for the prior year (or on a cumulative basis from 2014); two-year post-vesting no-sale
	Performance-based LTIP units	58,667	2016	

MATTHEW J. DILIBERTO (JANUARY 1, 2015   JANUARY 1, 2018)

Equity Award	# of Shares/ Units	Grant Date	Description[1]
Time-based LTIP units	13,000	2014	6,000 LTIP units vesting 1/1/16 and 3,500 LTIP units vesting on each of 1/1/17 and 1/1/18
Performance-based LTIP units	7,000	2014	One-half vesting on each of 1/1/17 and 1/1/18; vesting contingent upon achievement of either 8% increase in FFO, 8% TRS or TRS in the top 35% of the MSCI US REIT Index, for the prior year (or on a cumulative basis from 2015)

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EXECUTIVE COMPENSATION

ANDREW S. LEVINE (JANUARY 1, 2016 JANUARY 1, 2019)

Equity Award	# of Shares/ Units	Grant Date	Description(1)
Time-based LTIP units	18,000	2016	One-third vesting on 1/1/17, 1/1/18 and 1/1/19
Performance-based LTIP units	18,000	2016	One-third vesting on 1/1/17, 1/1/18 and 1/1/19 contingent on achievement of performance hurdle; from 50-100% vesting based on achievement of either annual FFO growth or TRS of 5-8% per year or TRS in the top 35-50% of the MSCI US REIT Index, respectively, for the prior year (or on a cumulative basis from 2016 through such year or a subsequent quarter during the term); no vesting unless the 50% threshold performance criteria described above is met

(1) Performance-based LTIP units not earned in one year will vest on a subsequent vesting date occurring during the term of employment if the performance hurdle is met based on cumulative performance through a subsequent calendar quarter (for awards granted to Messrs. Holliday, Mathias and Levine) or year (for awards granted to Mr. DiLiberto) occurring prior to such vesting date.

(2) Excludes additional allocations of awards under our outperformance plans that were made to Mr. Mathias in connection with his employment agreement.

In 2016, we entered into a new employment agreement with Mr. Holliday following the expiration of his prior employment agreements. The structure of Mr. Holliday s new employment agreement was similar to his prior employment agreement in that the long-term equity incentive awards to be made to Mr. Holliday were not granted at the time this agreement was entered into and, instead, these agreements provided that Mr. Holliday would be entitled to terminate his employment with us and receive severance payments and benefits if we did not make these grants on or before their scheduled vesting dates. However, unlike Mr. Holliday s prior agreement, he is no longer entitled to receive ungranted performance-based LTIP units upon a termination for good reason or without cause, except where such termination also occurs in connection with a change in control. The table below indicates the terms of these employment agreements and summarizes the terms and grant dates of the long-term equity incentive awards made, or to be made, to Mr. Holliday pursuant to this employment agreement.

MARC HOLLIDAY (JANUARY 18, 2016 JANUARY 17, 2019)

Equity Award	# of Shares/Units	Grant Date	Description(1)
Stock options / Class O LTIP units	105,000	2016	Vesting one-year after grant date, which grant is to occur on or before 7/1/16; 50% expires 5 years after grant; 50% expires 10 years after grant
Stock options / Class O LTIP units	105,000	2017	Vesting one-year after grant date, which grant is to occur one year after the 2016 grant; 50% expires 5 years after grant; 50% expires 10 years after grant
Performance-based LTIP units Performance-based LTIP units Performance-based LTIP units	76,980 61,584 61,584	2017 2018 2019	Vesting 1/17/17, 1/17/18 and 1/17/19, respectively, contingent on achievement of performance hurdle; from 50-100% vesting based on achievement of either annual FFO growth or TRS of 5-8% per year or TRS in the top 35-50% of the MSCI US REIT Index, respectively, for the prior year (or on a cumulative basis from 2016 through such year or a subsequent quarter during the term); no vesting unless the 50% threshold performance criteria described above is met; two-year

post-vesting no-sale

(1) Performance-based LTIP units not earned in one year will vest on a subsequent vesting date occurring during the term of employment if the performance hurdle is met based on cumulative performance through a subsequent calendar quarter occurring prior to such vesting date.

Also in 2016, we entered into an amendment to our employment agreement with Mr. Mathias in connection with the one-year renewal of his employment agreement pursuant to its terms. In satisfaction of our obligations under the employment agreement amendment, we granted 54,545 LTIP units to Mr. Mathias on January 10, 2017, which LTIP units are scheduled to vest on December 31, 2017, subject to continued employment through such date. Once vested, the LTIP units will be subject to a two-year post-vesting no-sale restriction. Had we not made such grant to Mr. Mathias on or before January 31, 2017, and had Mr. Mathias subsequently opted to terminate his employment on or before February 28, 2017, then certain non-competition provisions of the employment agreement would have ceased to apply as of the effective date of termination.

We also entered into a new employment agreement with Mr. Levine, effective January 1, 2016, which is summarized above.

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Other Compensation Policies and Information

How We Determine Executive Compensation

The Committee determines compensation for our named executive officers and is comprised of three of our independent directors, John H. Alschuler (Chairman), Edwin Thomas Burton, III and John S. Levy.

Independent Compensation Consultant/Compensation Process

The Committee retained Gressle & McGinley LLC as its independent outside compensation consulting firm and engaged Gressle & McGinley LLC to provide the Committee with relevant data concerning the marketplace, our peer group and its own independent analysis and recommendations concerning executive compensation. Gressle & McGinley LLC regularly participates in Compensation Committee meetings. Gressle & McGinley LLC does not provide any additional services to the Committee and does not provide any services to the Company other than to the Committee. Its sole role is as an independent consulting firm to advise the Committee with respect to the compensation of our named executive officers. The ultimate determination of total compensation and the elements that comprise that total compensation is made solely by the Committee.

With respect to our named executive officers, the Committee solicits recommendations from our Chief Executive Officer regarding total compensation, the allocation of this compensation among base salary, annual bonus amounts and other long-term incentive compensation, as well as the portion of overall compensation to be provided in cash or equity. Our Chairman also advises the Committee on these matters as they pertain to the compensation of our Chief Executive Officer. FTI Consulting, Inc., or FTI Consulting, is retained by our management as a general business advisor and provides services to the Company in a number of areas, including compensation. FTI Consulting, which has relationships with certain officers of the Company, provides market data to our Chief Executive Officer and Chairman, which they review when considering their compensation recommendations. The recommendations with respect to compensation are formulated by our Chief Executive Officer and Chairman and are communicated to the Committee by them. The Committee is also provided with the market data compiled by FTI Consulting and its recommendations with respect to the compensation of our