

SIMON PROPERTY GROUP INC /DE/  
Form DEF 14A  
April 01, 2016

Table of Contents

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 §240.14a-12

**Simon Property Group, Inc.**

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(Name of Registrant as Specified In Its Charter)

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

Table of Contents





Table of Contents

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April 1, 2016

Dear Fellow Stockholders:

Please join me and the Board of Directors at our 2016 Annual Meeting of Stockholders on May 11, 2016 at our headquarters in Indianapolis, Indiana. The business to be conducted at the meeting is explained in the attached Notice of Annual Meeting and Proxy Statement. We are pleased to furnish proxy materials to our stockholders over the Internet. We believe that this e-proxy process expedites stockholders' receipt of proxy materials, while also lowering the costs and reducing the environmental impact of our Annual Meeting.

2015 was an excellent year for Simon Property Group, and I would like to thank our employees for their hard work and dedication and our stockholders for their continued interest and support of our Company.

Whether or not you plan to attend the meeting in person, please read the Proxy Statement and vote your shares. Instructions for Internet and telephone voting are included in your Notice of Internet Availability of Proxy Materials or proxy card (if you receive your materials by mail). We hope that after you have reviewed the Proxy Statement you will vote at the meeting in accordance with the Board's recommendations. Your vote is important to us and our business.

Sincerely,

**David Simon**

*Chairman of the Board and Chief Executive Officer*

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# NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

**MAY 11, 2016**

**8:30 A.M. (EDT)**

Simon Property Group Headquarters  
225 West Washington Street, Indianapolis, Indiana 46204

## ITEMS OF BUSINESS

1. Elect the eleven directors named in this Proxy Statement, including three directors to be elected by the voting trustees who vote the Class B common stock;
2. Advisory vote to approve executive compensation;
3. Ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2016; and
4. Other business as may properly come before the meeting or any adjournments or postponements of the meeting.

## RECORD DATE

You can vote if you are a stockholder of record on March 14, 2016 (the "Record Date").

## ANNUAL REPORT

Our 2015 Annual Report to Stockholders accompanies, but is not part of or incorporated into, these proxy materials.

## PROXY VOTING

On or about April 1, 2016, a Notice of Internet Availability of Proxy Materials and Notice of Annual Meeting of Stockholders (the "Notice") is first being mailed to our stockholders of record as of the Record Date and our proxy materials are first being posted on the website referenced in the Notice ([www.proxyvote.com](http://www.proxyvote.com)). As more fully described in the Notice, all stockholders may choose to access our proxy materials on the website referred to in the Notice or may request a printed set of our proxy materials. In addition, the Notice and website provide information regarding how you may request to receive proxy materials in printed form by mail or electronically by email on an ongoing basis. For those stockholders who previously requested to receive proxy materials in printed form by mail or electronically by email on an ongoing basis, you will receive those materials as you requested.

Stockholders as of the Record Date are invited to attend the Annual Meeting, but if you cannot attend in person, please vote in advance of the meeting by using one of the methods described in the Proxy Statement. Stockholders may vote their shares (1) in person at the Annual Meeting, (2) by telephone, (3) through the Internet or (4) by completing and mailing a proxy card if you receive your proxy materials by mail. Specific instructions for voting by telephone or through the Internet are included in the Notice. If you attend and vote at the meeting, your vote at the

meeting will replace any earlier vote you cast.

By order of the Board of Directors,

**James M. Barkley**

*Secretary*

April 1, 2016

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## TABLE OF CONTENTS

<b><u>PLEASE VOTE</u></b>	<b><u>2</u></b>
<b><u>PROXY SUMMARY</u></b>	<b><u>3</u></b>
<b><u>PROXY STATEMENT</u></b>	<b><u>5</u></b>
<b><u>CORPORATE GOVERNANCE OF THE COMPANY</u></b>	<b><u>5</u></b>
<u>Board Leadership Structure</u>	<u>5</u>
<u>Board's Role in Oversight of Risk Management</u>	<u>6</u>
<u>Director Independence</u>	<u>6</u>
<u>Policies on Corporate Governance</u>	<u>6</u>
<u>Majority Vote Standard for Election of Directors</u>	<u>7</u>
<u>Nominations for Directors</u>	<u>7</u>
<u>Communications with the Board</u>	<u>7</u>
<u>Stockholder Engagement and Outreach</u>	<u>8</u>
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	<u>8</u>
<u>Transactions With Related Persons</u>	<u>8</u>
<b><u>PROPOSAL 1: Election of Directors</u></b>	<b><u>9</u></b>
<u>Nominees for Director to Be Elected by Holders of Voting Shares</u>	<u>9</u>
<u>Nominees for Director to Be Elected by the Voting Trustees Who Vote the Class B Common Stock</u>	<u>12</u>
<u>Meetings and Committees of the Board</u>	<u>13</u>
<u>Committee Function and Membership</u>	<u>14</u>
<u>Director Compensation</u>	<u>15</u>
<u>Ownership of Equity Securities of the Company</u>	<u>17</u>
<b><u>PROPOSAL 2: Advisory Vote to Approve Executive Compensation</u></b>	<b><u>19</u></b>
<b><u>COMPENSATION COMMITTEE REPORT</u></b>	<b><u>19</u></b>
<b><u>COMPENSATION DISCUSSION AND ANALYSIS</u></b>	<b><u>20</u></b>
<u>Executive Summary</u>	<u>20</u>
<u>Summary Compensation Table</u>	<u>33</u>
<u>Grants of Plan-Based Awards in 2015</u>	<u>33</u>
<u>Outstanding Equity Awards At 2015 Fiscal Year-End</u>	<u>34</u>
<u>Option Exercises and Stock Vested in 2015</u>	<u>35</u>
<u>Nonqualified Deferred Compensation in 2015</u>	<u>35</u>
<u>Role of the Independent Compensation Consultant</u>	<u>41</u>
<b><u>PROPOSAL 3: Ratification of Independent Registered Public Accounting Firm</u></b>	<b><u>42</u></b>
<b><u>REPORT OF THE AUDIT COMMITTEE</u></b>	<b><u>42</u></b>
<b><u>ADDITIONAL INFORMATION</u></b>	<b><u>44</u></b>
<b><u>FREQUENTLY ASKED QUESTIONS AND ANSWERS</u></b>	<b><u>45</u></b>



Table of Contents**PLEASE VOTE**

It is very important that you vote to play a part in the future of your Company. New York Stock Exchange ("NYSE") rules provide that if your shares are held through a broker, bank or other nominee, they cannot vote on your behalf on non-discretionary matters without your instruction.

**PROPOSALS WHICH REQUIRE YOUR VOTE**

<b>PROPOSAL</b>	<b>MORE INFORMATION</b>	<b>BOARD RECOMMENDATION</b>	<b>BROKER NON-VOTES</b>	<b>ABSTENTIONS</b>	<b>VOTES REQUIRED FOR APPROVAL</b>	
<b>1</b>	Elect the eleven directors named in this Proxy Statement, including three directors to be elected by the voting trustees who vote the Class B common stock	Page 9	<b>FOR</b> all nominees	Do not impact outcome	Do not impact outcome	More votes <b>FOR</b> than <b>AGAINST</b> . Under our By-Laws, a nominee who receives more <b>AGAINST</b> votes than <b>FOR</b> votes will be required to tender his or her resignation. Majority of votes cast.
<b>2</b>	Advisory vote to approve executive compensation	Page 19	<b>FOR</b>	Do not impact outcome	Do not impact outcome	Majority of votes cast.
<b>3</b>	Ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2016	Page 42	<b>FOR</b>	N/A	Do not impact outcome	Majority of votes cast.

**BY INTERNET USING A COMPUTER****BY TELEPHONE****BY MAIL**

Vote 24/7  
[www.proxyvote.com](http://www.proxyvote.com)

Dial toll-free 24/7  
**1-800-690-6903**

**Cast your ballot, sign your  
proxy card**  
and send by pre-paid mail

**PLEASE VISIT OUR ANNUAL MEETING WEBSITE:** [annualmeeting.simon.com](http://annualmeeting.simon.com)

Review and download easy to read versions of our Proxy Statement and Annual Report on Form 10-K for the fiscal year ended December 31, 2015 (the "Annual Report").

Sign up for future electronic delivery to reduce the impact on the environment.

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**2 SIMON PROPERTY GROUP 2016 PROXY STATEMENT**

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Table of Contents**PROXY SUMMARY**

*This proxy summary highlights information which may be contained elsewhere in this Proxy Statement. This summary does not contain all of the information that you should consider, and you should read the entire Proxy Statement carefully before voting. Page references are supplied to help you find further information in this Proxy Statement.*

**ELIGIBILITY TO VOTE (page 45)**

You can vote if you were a stockholder of record at the close of business on March 14, 2016.

**HOW TO CAST YOUR VOTE (page 2)**

You can vote by any of the following methods:

Internet: [www.proxyvote.com](http://www.proxyvote.com) until 11:59 P.M. EDT on May 10, 2016;

Telephone: 1-800-690-6903 until 11:59 P.M. EDT on May 10, 2016; or

Mail: Completing, signing and returning your proxy or voting instruction card.

**GOVERNANCE OF THE COMPANY (page 5)**

We pride ourselves on continuing to observe and implement best practices in our corporate governance.

**BOARD NOMINEES (page 9)**

<b>NAME OF INDEPENDENT DIRECTOR</b>	<b>AGE</b>	<b>OCCUPATION</b>	<b>COMMITTEE MEMBERSHIPS</b>
Glyn F. Aeppel	57	President and CEO of Glencove Capital	To be determined
Larry C. Glasscock	68	Retired Chairman of WellPoint, Inc. (now Anthem, Inc.)	Lead Independent Director, Audit, Governance and Nominating
Karen N. Horn, Ph.D.	72	Retired President, Global Private Client Services and Managing Director, Marsh, Inc.	Governance and Nominating (Chair)
Allan Hubbard	68	Co-Founder, Chairman and Chief Executive Officer of E&A Industries, Inc.	Compensation, Governance and Nominating
Reuben S. Leibowitz	68	Managing Member of JEN Partners	Compensation (Chair), Audit
Gary M. Rodkin	64	Retired Chief Executive Officer and Director of ConAgra Foods, Inc.	To be determined
Daniel C. Smith, Ph.D.	58	Professor of Marketing at the Kelley School of Business, Indiana University, and President and CEO of the Indiana University Foundation	Compensation, Governance and Nominating
J. Albert Smith, Jr.	75		Audit (Chair), Compensation

Chairman, Chase Bank in Central  
Indiana and Managing Director of  
J.P. Morgan Private Bank

<b>NAME OF DIRECTOR</b>	<b>AGE</b>	<b>OCCUPATION</b>	<b>COMMITTEE MEMBERSHIPS</b>
David Simon	54	Chairman of the Board and Chief Executive Officer of the Company	None
Richard S. Sokolov	66	President and Chief Operating Officer of the Company	None
Herbert Simon	81	Chairman Emeritus of the Board of the Company	None

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**SIMON PROPERTY GROUP 2016 PROXY STATEMENT 3**

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**Table of Contents**

**PROXY SUMMARY**

**COMPENSATION DISCUSSION AND ANALYSIS (page 20)**

2015 was an exceptional year for our Company, and we continue to have strong alignment between our executive compensation and the interests of our stockholders. Our outstanding one-year total stockholder return ("TSR") performance in 2015 reinforced our compensation decisions and programs for our Named Executive Officers ("NEOs"). The amount of LTIP awards that were earned under the 2013-2015 LTIP program was less than the target amount because our three-year TSR performance did not meet or exceed the rigorous performance measures for one component of the LTIP program.

As you will see in the COMPENSATION DISCUSSION AND ANALYSIS section included in this Proxy Statement, our Compensation Committee continues to consider the input received during our ongoing stockholder engagement. The Compensation Committee believes that appropriate actions have been taken to address the interests of our stockholders and ensure strong alignment of interests between our stockholders and our executive compensation program. The Compensation Committee is confident that our executive compensation program is appropriately designed to incent strong performance over the longer term. The Compensation Committee will continue to consider stockholder feedback in its ongoing review of our executive compensation program.

**SAY ON PAY (page 19)**

**RATIFICATION OF OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM (page 42)**

**VOTING  
PROPOSALS**

**BOARD OF DIRECTORS'  
RECOMMENDATIONS**

<b>Proposal 1</b>	Elect the eleven directors named in this Proxy Statement, including three directors to be elected by the voting trustees who vote the Class B common stock	<b>FOR</b> All nominees (page 9)
<b>Proposal 2</b>	Advisory vote to approve executive compensation	<b>FOR</b> (page 19)
<b>Proposal 3</b>	Ratify the appointment of Ernst & Young, LLP as our independent registered public accounting firm for 2016	<b>FOR</b> (page 42)

## **PROXY STATEMENT**

This Proxy Statement and accompanying proxy are being made available to stockholders on or about April 1, 2016 in connection with the solicitation by the Board of Directors (the "Board") of Simon Property Group, Inc. ("Simon", "SPG", "we", "us", "our" or the "Company") of proxies to be voted at the 2016 Annual Meeting of Stockholders to be held at the corporate headquarters of the Company located at 225 West Washington Street, Indianapolis, Indiana 46204 on May 11, 2016 at 8:30 a.m. (EDT). As required by rules adopted by the U.S. Securities and Exchange Commission (the "SEC"), the Company is making this Proxy Statement and its Annual Report available to stockholders electronically via the Internet. In addition, SPG is using the SEC's "Notice and Access" rules to provide stockholders with more options for receipt of these materials. Accordingly, on April 1, 2016, the Company will begin mailing the Notice to stockholders containing instructions on how to access this Proxy Statement and the Company's Annual Report via the Internet, how to vote online or by telephone, and how to receive paper copies of the documents and a proxy card.

## **CORPORATE GOVERNANCE OF THE COMPANY**

### **BOARD LEADERSHIP STRUCTURE**

Our Governance Principles provide for a strong Lead Independent Director role.

The Lead Independent Director presides over all meetings of the Board at which the Chairman is not present, including the regularly conducted executive sessions of the independent directors, sets Board agendas and facilitates interactions between the independent directors and the senior management team.

In March of 2014 Larry C. Glasscock was appointed by our independent directors to serve as our Lead Independent Director. David Simon has served since 2007 as the Chairman of the Board of Directors and Chief Executive Officer. The Board of Directors continues to believe that having David Simon fill these two leadership roles is an appropriate and efficient leadership structure. Together, our Lead Independent Director and the Chairman and Chief Executive Officer, facilitate clear leadership, responsibility and accountability, effective decision-making and a cohesive corporate strategy.

8 of our director nominees are independent under the requirements set forth in the NYSE Listed Company Manual.

All of the members of the Audit Committee, Governance and Nominating Committee, and Compensation Committee are independent directors under the listing requirements and rules of the NYSE and other applicable laws, rules and regulations.

Effective as of the 2016 Annual Meeting of Stockholders, Melvyn E. Bergstein, one of our independent directors, will retire from the Board. The Board of Directors has nominated Glyn F. Aepfel for election to the Board seat that will be vacant upon Mr. Bergstein's retirement. Mr. Rodkin and Ms. Aepfel were nominated for election to the Board of Directors upon the recommendation of the Governance and Nominating Committee who in 2014 retained an internationally recognized search firm to assist the Committee in its efforts to source high quality candidates for election to the Board. That search firm sourced both Ms. Aepfel and Mr. Rodkin as candidates for Board membership.

### **SUMMARY OF BOARD EXPERIENCE**



**G. L. K. A. R. G. A. D. D. R. H.**  
**AEPPEL GLASSCOCK HORN HUBBARD LEIBOWITZ RODKIN SMITH SMITH SIMON SOKOLOV SIMON**