

GRIFFIN INDUSTRIAL REALTY, INC.
Form DEF 14A
April 09, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Rule 14a-101

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

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

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

GRIFFIN INDUSTRIAL REALTY, INC.
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

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

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

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

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

GRIFFIN INDUSTRIAL REALTY, INC.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To be Held on May 15, 2018

PLEASE TAKE NOTICE that the Annual Meeting of Stockholders of Griffin Industrial Realty, Inc. (“Griffin”) will be held in the DoubleTree by Hilton Hotel, 569 Lexington Avenue, New York, NY 10022, on the 15th day of May 2018, at 2:00 p.m., local time, to consider and act upon:

1. The election of David R. Bechtel, Edgar M. Cullman, Jr., Frederick M. Danziger, Michael S. Gamzon, Thomas C. Israel, Jonathan P. May and Albert H. Small, Jr. as directors of Griffin;
2. The ratification of the selection of RSM US LLP as Griffin’s independent registered public accountants for fiscal 2018;
3. The approval, on an advisory (non-binding) basis, of the compensation of Griffin’s named executive officers as presented in Griffin’s Proxy Statement; and
4. Such other business as may properly be brought before the Annual Meeting or any postponement, continuation or adjournment thereof.

WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, PLEASE COMPLETE, DATE AND SIGN THE ENCLOSED PROXY CARD AND RETURN IT IN THE ENCLOSED ENVELOPE.

Only stockholders of record at the close of business on March 28, 2018 are entitled to notice of, and to vote at, the Annual Meeting.

3

ANTHONY J. GALICI
Secretary

Dated: April 9, 2018

GRIFFIN INDUSTRIAL REALTY, INC.

641 LEXINGTON AVENUE

26TH FLOOR

NEW YORK, NEW YORK 10022

PROXY STATEMENT

This Proxy Statement is furnished to the stockholders of Griffin Industrial Realty, Inc. (“Griffin”) in connection with the solicitation by its Board of Directors (the “Board”) of proxies for the Annual Meeting of Stockholders to be held at 2:00 p.m. on May 15, 2018 in the DoubleTree by Hilton Hotel at 569 Lexington Avenue, New York, NY 10022, for the purposes set forth in the accompanying notice of meeting (the “Annual Meeting”). Griffin anticipates that the Proxy Statement and proxy card will be distributed to stockholders on or about April 9, 2018.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS

FOR THE STOCKHOLDERS MEETING TO BE HELD ON MAY 15, 2018

Griffin’s Proxy Statement and Annual Report are available at

<http://materials.proxyvote.com/398231>

The following proxy materials are available for review at <http://materials.proxyvote.com/398231>:

Griffin’s 2018 Proxy Statement;

Griffin’s Annual Report for the fiscal year ended November 30, 2017; and

any supplements or amendments to the foregoing materials that are required to be furnished to stockholders.

You may obtain directions to attend the Annual Meeting, where you may vote in person, by calling Griffin’s corporate headquarters at (212) 218 7910.

At the Annual Meeting, stockholders will be asked to consider and act upon the following proposals:

1. The election of David R. Bechtel, Edgar M. Cullman, Jr., Frederick M. Danziger, Michael S. Gamzon, Thomas C. Israel, Jonathan P. May and Albert H. Small, Jr. as directors;
2. The ratification of the selection of RSM US LLP (“RSM US”) as Griffin’s independent registered public accountants for fiscal 2018;
3. The approval, on an advisory (non binding) basis, of the compensation of Griffin’s named executive officers as presented in this Proxy Statement; and
4. Such other business as may properly be brought before the Annual Meeting or any postponement, continuation or adjournment thereof.

The Board recommends a vote “FOR” David R. Bechtel, Edgar M. Cullman, Jr., Frederick M. Danziger, Michael S. Gamzon, Thomas C. Israel, Jonathan P. May and Albert H. Small, Jr. as directors, “FOR” the ratification of the selection of RSM US as Griffin’s independent registered public accountants for fiscal 2018 and “FOR” the approval, on an

advisory (non binding) basis, of the compensation of Griffin's named executive officers.

1

HOW DO I VOTE?

Griffin recommends that stockholders vote by proxy even if they plan to attend the Annual Meeting and vote in person. If you are a stockholder of record, there are three ways to vote by proxy:

- by Internet—You can vote over the Internet at www.proxyvote.com by following the instructions on the proxy card;
 - by Telephone—You can vote by telephone by calling 1-800-690-6903 and following the instructions on the proxy card; or
 - by Mail—You can vote by mail by signing, dating and mailing the proxy card, which you may have received by mail.
- Internet and telephone voting facilities for stockholders of record will be available 24 hours a day and will close at 11:59 p.m., Eastern Time, on May 14, 2018.

If your shares are held in street name through a bank or broker, you will receive instructions on how to vote from the bank or broker. You must follow their instructions in order for your shares to be voted. Internet and telephone voting also may be offered to stockholders owning shares through certain banks and brokers. If your shares are not registered in your own name and you would like to vote your shares in person at the Annual Meeting, you should contact your bank or broker to obtain a legal proxy and bring it to the Annual Meeting in order to vote.

GENERAL

This solicitation is being made on behalf of the Board of Directors of Griffin. Any proxy received in the accompanying form may be revoked by the person executing it at any time before the authority thereby granted is exercised. A proxy may be revoked by attending the meeting and voting in person, by giving written notice of revocation to Griffin's Secretary prior to or at the meeting, by granting a subsequent proxy through the Internet or telephone, or by delivering a duly executed proxy bearing a later date to Griffin's Secretary. Proxies received by the Company in such form will be voted at the meeting or any postponement, continuation or adjournment thereof as specified therein by the person giving the proxy; if no specification is made, the shares represented by such proxy will be voted:

- i. For the election of David R. Bechtel, Edgar M. Cullman, Jr., Frederick M. Danziger, Michael S. Gamzon, Thomas C. Israel, Jonathan P. May and Albert H. Small, Jr. as directors as described in this Proxy Statement;
- ii. For ratification of the selection of RSM US as Griffin's independent registered public accountants for fiscal 2018; and
- iii. For the approval, on an advisory (non binding) basis, of the compensation of Griffin's named executive officers as presented in this Proxy Statement.

Directors will be elected by a plurality of the votes cast. This means that the seven directors receiving the highest number of "FOR" votes will be elected as directors. Votes withheld and broker "non votes" will have no effect on the election of directors. The ratification of the selection of RSM US as Griffin's independent registered public accountants requires the affirmative vote of a majority of shares present or represented by proxy at the Annual Meeting and entitled to vote on the proposal. Abstentions will have the same effect as votes against the proposal. Because brokers have discretionary authority to vote on the ratification of the selection of RSM US, Griffin does not expect any broker non votes in connection with the ratification. The advisory (non binding) vote for the approval of the compensation of Griffin's named executive officers requires the affirmative vote of a majority of shares present or represented by proxy at the Annual Meeting and entitled to vote on the proposal. Abstentions will have the same effect as votes against the compensation of Griffin's named executive officers. Broker "non votes" will be treated as though they are not entitled to vote and will have no effect on the outcome of this vote.

Management knows of no matters that may be brought before the Annual Meeting or any postponement, continuation or adjournment thereof other than those described in the accompanying notice of meeting and routine matters incidental to the conduct of the meeting. However, if any other matter should come before the meeting or any

postponement, continuation or adjournment thereof, it is the intention of the persons named in the accompanying proxy card or their substitutes to vote the proxy in accordance with their judgment on such matters.

The cost of solicitation of proxies by the Board of Directors will be borne by Griffin. Such solicitation will be made by mail and, in addition, may be made by officers and employees of Griffin personally or by telephone, facsimile or electronic mail. Proxies and proxy material will also be distributed through brokers, custodians and other similar parties, and Griffin will reimburse such parties for their reasonable expenses. The solicitation and recording of proxies is being done by Broadridge Financial Solutions, Inc., and will cost approximately \$15,000.

Each holder of a share of Common Stock of Griffin, par value \$0.01 per share (the "Common Stock"), will be entitled to one vote for each share held of record by such person at the close of business on March 28, 2018 (the "Record Date"), which is the Record Date fixed by the Board of Directors for the determination of stockholders entitled to notice of, and to vote at, the Annual Meeting or any postponement, continuation or adjournment thereof. As of such date, Griffin had 5,001,006 shares of Common Stock outstanding. A majority of these shares present in person or represented by proxy will constitute a quorum at the Annual Meeting. A total of 2,278,018 shares of Common Stock, representing approximately 45.6% of the outstanding shares of Common Stock, are held by members of the Cullman and Ernst Group (see Security Ownership of Certain Beneficial Owners and Management and Principal Holders for more information).

STOCKHOLDER PROPOSALS FOR THE 2019 ANNUAL MEETING

Proposals by stockholders for Griffin's 2019 Annual Meeting of Stockholders pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), must be received by Griffin no later than December 10, 2018 if such proposal is to be considered for inclusion in the 2019 proxy materials of Griffin.

Stockholders intending to present a proposal at the 2019 Annual Meeting of Stockholders, but not to include the proposal in Griffin's proxy statement, or to nominate a person for election as a director, must comply with the requirements set forth in Griffin's Amended and Restated Bylaws. Griffin's Amended and Restated Bylaws require, among other things, that Griffin's Secretary receive written notice from the stockholder of record of their intent to present such proposal or nomination not earlier than 120 days and not later than 90 days prior to the first anniversary of the preceding year's annual meeting. Therefore, Griffin must receive notice of such a proposal or nomination for the 2019 Annual Meeting of Stockholders no earlier than January 15, 2019 and no later than February 14, 2019. The notice must contain the information required by the Amended and Restated Bylaws, a copy of which is available upon request to Griffin's Secretary. In the event that the date of the 2019 Annual Meeting of Stockholders is more than 30 days before or more than 60 days after May 15, 2019, then Griffin's Secretary must receive such written notice not earlier than the 120th day prior to the 2019 Annual Meeting and not later than the 90th day prior to the 2019 Annual Meeting or, if later, the 10th day following the day on which public disclosure of the date of such meeting is first made by Griffin. Griffin reserves the right to reject, rule out of order, or take other appropriate action with respect to any proposal that does not comply with these or other applicable requirements.

PROPOSAL I. ELECTION OF DIRECTORS

At the 2018 Annual Meeting of Stockholders, seven directors (which will comprise the entire Board) are to be elected. The Board of Directors proposed the nominees listed below, all of whom are current directors of Griffin, for election as directors to serve until the 2019 Annual Meeting of Stockholders and until their successors are duly elected and qualified. The directors must be elected by a plurality of the votes cast in person or by proxy by stockholders entitled to vote at the meeting. If any nominee named below becomes unable to serve or for good cause will not serve, the proxy holders listed on Griffin's proxy card will vote for such substitute nominee or nominees as may be designated by the Board of Directors, or the Board may elect to reduce the size of the Board.

Griffin's Director Nominees

Griffin's nominees for election as director are the following:

Name (letters refer to Committee memberships, Identified below)	(Age) and Date Since Which Has Continuously Served as a Director of Griffin	Principal Occupation and Business Experience During the Past Five Years (1)	Also Has Served as a Director of the Following Corporations During The Past Five Years
David R. Bechtel (a) (c)	(50) 2016	Principal of Barrow Street Holdings LLC since September 2012; founder and managing member of Outpost Capital Management LLC since 2001; and founder and manager of GP Management LLC since January 2011.	
Edgar M. Cullman, Jr. (3)	(72) 2015	Managing member of Culbro LLC since 2005; President and Chief Executive Officer of General Cigar Holdings from 1996 through April 2005.	
		Mr. Cullman, Jr. has many years of general business experience and expertise as an executive of a public company. Mr. Cullman, Jr. is familiar with Griffin's real estate business from his experience as President and Chief Executive Officer of Culbro Corporation ("Culbro") when Griffin's real estate operations were part of	

Culbro prior to the spin off
of Griffin from Culbro in
1997.

Frederick M. Danziger (2) (3)	(78)	1997	Executive Chairman of the Board of Directors of Griffin since 2016; Chairman of the Board of Directors and Chief Executive Officer of Griffin from May 2012 through December 2015; President and Chief Executive Officer of Griffin from April 1997 through May 2012.	Monro, Inc.; Bloomingdale Properties, Inc.
----------------------------------	------	------	---	---

Name (letters refer to Committee memberships, Identified below)	(Age) and Date Since Which Has Served as a Director of Griffin	Principal Occupation and Business Experience During the Past Five Years (1) Mr. Danziger's background as a lawyer and his extensive experience and knowledge with respect to real estate and real estate financing provides a unique perspective to the Board.	Also Has Served as a Director of the Following Corporations During The Past Five Years
Michael S. Gamzon (2)	(48) 2016	<p>Director, President and Chief Executive Officer of Griffin since January 2016; President and Chief Operating Officer of Griffin from May 2012 through December 2015; Chief Operating Officer of Griffin from September 2010 to January 2016; Executive Vice President of Griffin from September 2010 to May 2012; Vice President of Griffin from January 2008 through August 2010.</p> <p>Mr. Gamzon's experience and knowledge, with respect to real estate activities in his capacity as an executive of Griffin, including leading Griffin's efforts in expanding its real estate business into markets outside of Connecticut, provides a unique perspective to the Board.</p>	
Thomas C. Israel (a) (b) (c)	(74) 2000	<p>Chairman of A.C. Israel Enterprises, Inc. since 1966.</p> <p>Mr. Israel has significant experience as a member of Griffin's Board of Directors, many years of general business experience, finance experience, and expertise as an executive and board member of publicly held companies.</p>	

Name (letters refer to Committee memberships, Identified below)	(Age) and Date Since Which Has Continuously Served as a Director of Griffin (51) 2012	Principal Occupation and Business Experience During the Past Five Years (1) Founder and co-managing partner of Floresta Ventures, LLC since March 2016; Executive Director of Natural Capital Partners (formerly known as The CarbonNeutral Company) since September 2015; Chief Operating Officer and Chief Financial Officer and a Director of The CarbonNeutral Company from 2008 through September 2015; Founder and Managing Director of Catalytic Capital, LLC from 2004 2008.	Also Has Served as a Director of the Following Corporations During The Past Five Years
Jonathan P. May (a) (b) (c)			

Mr. May has significant general business experience, finance experience, and expertise as an executive.

Albert H. Small, Jr. (b) (c)	(61) 2009	Presently active in the development and management of several commercial and office developments in Washington D.C.; President of WCI Communities Mid Atlantic Division from March 2005 through March 2008; President of Renaissance Housing Corporation from 1984 through March 2005.	
------------------------------	-----------	--	--

Mr. Small, Jr. has significant experience in real estate development and management which gives him unique insights into Griffin's challenges, opportunities and operations.

Member of the (a) Audit Committee; (b) Compensation Committee; and (c) Nominating Committee.

1. Except as otherwise indicated, each director has had the same principal occupation during the past five years.
2. Michael S. Gamzon is the son in law of Frederick M. Danziger.

3. Edgar M. Cullman, Jr. and Frederick M. Danziger are brothers in law.

The Board of Directors held six meetings during fiscal 2017. Griffin's Board of Directors has an Audit Committee, a Compensation Committee and a Nominating Committee. Committee memberships of the Board of Directors are indicated in the above table. All directors attended at least 97% of all board and committee meetings (of committees of which they were members) during fiscal 2017.

Griffin encourages, but does not require, Board members to attend the Annual Meeting of Stockholders. In 2017, all of the Board members attended the Annual Meeting of Stockholders.

6

Board Independence

Under Nasdaq rules, an “independent director” of a company means a person who is not an officer or employee of the company or its subsidiaries and, in the opinion of the company’s board of directors, does not have a relationship with the company that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. The Board has determined that Messrs. Bechtel, Israel, May and Small, Jr. qualify as independent directors under Nasdaq rules. All of the members of the Audit, Compensation and Nominating Committees are independent directors under the applicable Nasdaq and U.S. Securities and Exchange Commission (“SEC”) rules.

Executive Officers who are not Directors

Name	Age	Principal Occupation During the Past Five Years
Scott Bosco	52	Vice President of Construction of Griffin Industrial, LLC, a subsidiary of Griffin, since July 2005.
Anthony J. Galici	60	Vice President, Chief Financial Officer and Secretary of Griffin since 1997.
Thomas M. Lescalleet	55	Senior Vice President of Griffin Industrial, LLC, a subsidiary of Griffin, since March 2002.

Audit Committee

Griffin’s Audit Committee consists of David R. Bechtel, Thomas C. Israel and Jonathan P. May, with Mr. Israel serving as Chairman. The Audit Committee meets the Nasdaq composition requirements, including the requirements regarding financial literacy. The Board has determined that each member of the Audit Committee is independent under the listing standards of Nasdaq and the rules of the SEC regarding audit committee membership. In addition, Mr. Israel qualifies as a financially sophisticated Audit Committee member under the Nasdaq rules based on his employment experience in finance. None of the members of the Audit Committee are considered a financial expert as defined by Item 407(d)(5) of Regulation S K of the Exchange Act (an “audit committee financial expert”). Griffin does not have an audit committee financial expert because it believes the members of its Audit Committee have sufficient financial expertise and experience to provide effective oversight of Griffin’s accounting and financial reporting processes and the audits of Griffin’s financial statements in accordance with generally accepted accounting principles and Nasdaq rules. In addition, since January 31, 2012, the Audit Committee has engaged directly a former audit partner in a public accounting firm who is a certified public accountant with extensive experience in auditing the financial statements of public and private companies. The Audit Committee had previously engaged the public accounting firm of which he was a partner as an advisor to the Audit Committee. The Audit Committee believes that this engagement provides it with additional expertise comparable to what would be provided by an audit committee financial expert.

The Audit Committee approves all auditing and non auditing services, reviews audit reports and the scope of audit by Griffin’s independent registered public accountants and related matters pertaining to the preparation and examination of Griffin’s financial statements. From time to time, the Audit Committee makes recommendations to the Board of Directors with respect to the foregoing matters. The Audit Committee held four meetings in fiscal 2017.

Board of Directors’ Role in Oversight of Risk

Management is responsible for Griffin’s day to day risk management activities, and the Board’s role is to engage in informed risk oversight. In fulfilling this oversight role, Griffin’s Board of Directors focuses on understanding the nature of Griffin’s enterprise risks, including operations and strategic direction, as well as the adequacy of Griffin’s overall risk management system. There are a number of ways the Board performs this function, including the following:

- at its regularly scheduled meetings, the Board receives management updates on Griffin's business operations, financial results and strategy, and discusses risks related to its businesses;
- the Audit Committee assists the Board in its oversight of risk management by discussing with management, particularly the Chief Executive Officer and the Chief Financial Officer, Griffin's major risk exposures and the steps management has taken to monitor and control such exposures; and

· through management updates and committee reports, the Board monitors Griffin's risk management activities, including the risk management process, risks relating to Griffin's compensation programs, and financial and operational risks being managed by Griffin.

The Board does not believe that its role in the oversight of Griffin's risk affects the Board's leadership structure.

Compensation Risk

The Compensation Committee reviews compensation policies and practices affecting employees in addition to those applicable to executive officers. The Compensation Committee has determined that it is not reasonably likely that Griffin's compensation policies and practices for its employees would have a material adverse effect on Griffin.

Nominating Committee

Griffin's Nominating Committee consists of David R. Bechtel, Thomas C. Israel, Jonathan P. May and Albert H. Small, Jr., with Mr. May serving as Chairman. All four members of the Nominating Committee are independent directors. The Nominating Committee reviews candidates for appointment to the Griffin Board of Directors. In searching for qualified director candidates, the Board may solicit current directors and ask them to pursue their own business contacts for the names of potentially qualified candidates. The Nominating Committee may consult with outside advisors or retain search firms to assist in the search for qualified candidates. The Nominating Committee will also consider suggestions from stockholders for nominees for election as directors. The Nominating Committee does not have a policy on the consideration of board nominees recommended by stockholders. The Board believes such a policy is unnecessary, as the Nominating Committee will consider a nominee based on his or her qualifications, regardless of whether the nominee is recommended by stockholders. Any stockholder who wishes to recommend a candidate to the Nominating Committee for consideration as a director nominee should submit the recommendation in writing to the Secretary of Griffin in accordance with the procedures in Griffin's Amended and Restated By Laws for stockholder nominations of directors to permit the Nominating Committee to complete its review in a timely fashion. The Nominating Committee operates under a written charter, which is publicly available in the "Corporate Governance" section of the "Investors" section of Griffin's website located at www.griffinindustrial.com. The Nominating Committee held one meeting in fiscal 2017.

Board Diversity; Selection and Evaluation of Director Candidates

The Board seeks to ensure that a majority of its members are independent within the Nasdaq listing standards. The Nominating Committee at its March 2018 meeting agreed to revise its statement on the Selection and Evaluation of Director Candidates to reflect the Board's value of diversity, including profession, geography, gender, ethnicity, skills and experience. The Nominating Committee agreed that when it evaluates the desired skills and characteristics of prospective Board members, it will include diversity, in its broadest sense, within the context of the composition of the Board as a whole. The Nominating Committee shall select prospective Board members with personal and professional integrity, who have demonstrated appropriate ability and judgment and who the Nominating Committee believes will be effective, in conjunction with the other members of the Board, in collectively serving the long-term interests of Griffin and its stockholders. In addition, directors must be committed to devoting the time and effort necessary to be responsible and productive members of the Board.

Board Leadership Structure

The Board believes that there is no single, generally accepted approach to providing Board leadership, and that each of the possible leadership structures for a board must be considered in the context of the individuals involved and the specific circumstances facing a company at any given time. Accordingly, the optimal board leadership structure for Griffin may vary as circumstances change. Griffin's Board was led by a Non Executive Chairman through 2011, as separate individuals held the positions of Chairman of the Board and Chief Executive Officer, and the Chairman of the Board was not an employee. In May 2012, the Board appointed Frederick M. Danziger as Chairman of the Board.

Mr. Danziger had been Chief Executive Officer since 1997. In making that appointment, the Board concluded that Griffin and its stockholders were best served by having Mr. Danziger serve as Chairman of the Board and Chief Executive Officer. The Board believed that Mr. Danziger's combined role as Chairman of the Board and Chief Executive Officer promoted unified leadership and a single, clear focus and direction for management to execute Griffin's strategy and business plans. Effective January 1, 2016, the positions of Chairman of the Board and Chief Executive Officer have been held by separate individuals, Mr. Danziger and Mr. Gamzon, respectively. The Board determined that Mr. Danziger should continue to serve as Executive Chairman to continue to provide Board leadership continuity.

Communication with the Board or Nominating Committee

Stockholders who wish to communicate with the Board of Directors or the Nominating Committee should address their communications to Jonathan P. May, Chairman of the Nominating Committee, via first class mail, at Griffin Industrial Realty, Inc., 641 Lexington Avenue, 26th Floor, New York, New York, 10022. Such communication will be distributed to the specific director(s) requested by the stockholders, or if generally to the Board of Directors, to other members of the Board of Directors as may be appropriate depending on the material outlined in the stockholder communication.

Compensation Committee

Griffin's Compensation Committee consists of Thomas C. Israel, Jonathan P. May and Albert H. Small, Jr., with Mr. Small, Jr. serving as Chairman. All of the members of the Compensation Committee are independent directors and meet the heightened independence requirements for members of the compensation committee under Nasdaq rules. The Compensation Committee oversees Griffin's executive compensation programs, Griffin's 2009 Stock Option Plan, Griffin's 401(k) Savings Plan (the "Griffin 401(k) Savings Plan") and Griffin's non-qualified deferred compensation plan (the "Deferred Compensation Plan").

The Compensation Committee operates under a written charter, which is publicly available in the "Corporate Governance" section of the "Investors" section of Griffin's website located at www.griffinindustrial.com. Under its charter, the Compensation Committee has the authority to retain or obtain the advice of compensation consultants, legal counsel and other advisors to assist in carrying out its responsibilities. The Compensation Committee has the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it deems appropriate, including the authority to request any officer, employee or adviser of Griffin to meet with the Compensation Committee or any advisers engaged by the Compensation Committee. In addition to the foregoing and other authority expressly delegated to the Compensation Committee in the charter, the Compensation Committee may also exercise any other powers and carry out any other responsibilities consistent with the charter, the purposes of the Compensation Committee, Griffin's Amended and Restated By-laws and applicable rules of Nasdaq. The Compensation Committee may delegate its authority under its charter to a subcommittee as it deems appropriate from time to time.

The Compensation Committee held one meeting in fiscal 2017.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND
MANAGEMENT AND PRINCIPAL HOLDERS

The following table lists the number of shares and options to purchase shares of common stock of Griffin beneficially owned or held by: (i) each person known by Griffin to beneficially own more than 5% of the outstanding shares of common stock; (ii) each director; (iii) the Named Executive Officers (as defined in “Compensation Discussion and Analysis”); and (iv) all directors and executive officers of Griffin, collectively. Unless otherwise indicated, information is provided as of March 28, 2018.

Name and Address (1)	Shares Beneficially Owned (2)	Percent of Total
Cullman and Ernst Group (3)	2,364,966	46.5
Edgar M. Cullman, Jr. (3)	886,476	17.7
Frederick M. Danziger (3)	308,289	6.1
Michael S. Gamzon (3)	119,127	2.4
David R. Bechtel 4 Brookside Park Greenwich, CT 06831	3,387	*
Thomas C. Israel Ingleside Investors 12 East 49th Street New York, NY 10017	36,898	*
Jonathan P. May 116 East 95th Street New York, NY 10128	7,447	*
Albert H. Small, Jr. 7311 Arrowood Road Bethesda, MD 20817	13,251	*
Anthony J. Galici Griffin Industrial Realty, Inc. 204 West Newberry Road Bloomfield, CT 06002	41,023	*
Thomas M. Lescalleet Griffin Industrial, LLC 204 West Newberry Road Bloomfield, CT 06002	20,000	*
Scott Bosco Griffin Industrial, LLC 204 West Newberry Road Bloomfield, CT 06002	10,000	*
Gabelli Funds, LLC et al (4) Gabelli Funds, LLC One Corporate Center Rye, NY 10580	1,678,401	33.6
All directors and executive officers collectively, consisting of 10 persons (5)	1,445,898	28.0

*Less than 1%

Edgar Filing: GRIFFIN INDUSTRIAL REALTY, INC. - Form DEF 14A

- (1) Unless otherwise indicated, the address of each person named in the table is 641 Lexington Avenue, New York, NY 10022.
- (2) This information reflects the definition of beneficial ownership adopted by the SEC. Beneficial ownership reflects sole investment and voting power, unless otherwise indicated in the footnotes to this table. Where more than one person shares investment and voting power in the same shares, such shares may be shown more than once. Such shares are reflected only once, however, in the total for all directors and executive officers. Includes stock options granted pursuant to the 2009 Stock Option Plan, as amended, that are exercisable within 60 days of March 28, 2018 as follows:

Name	Options Exercisable Within 60 Days of March 28, 2018
Edgar M. Cullman, Jr.	3,441
Frederick M. Danziger	40,000
Michael S. Gamzon	32,500
David R. Bechtel	2,293
Thomas C. Israel	12,678
Jonathan P. May	7,447
Albert H. Small, Jr.	13,251
Anthony J. Galici	20,000
Thomas M. Lescalleet	20,000
Scott Bosco	10,000

- (3) Based on Schedule 13D/A filed with the SEC on April 27, 2017 on behalf of the Cullman and Ernst Group and Griffin's records. Included in the shares held by the Cullman and Ernst Group are the following:

Name	Shares Beneficially Owned	Shares with Sole Voting and Dispositive Power	Shares with Shared Voting and Dispositive Power
Cullman Jr., Edgar M.	886,476	61,277	825,199
Cullman, Susan R.	785,121	42,760	742,361
Danziger, Lucy C.	584,103	85,286	498,817
Danziger, David M.	507,659	59,402	448,257
Gamzon, Rebecca D.	426,283	10,550	415,733
Ernst, John L.	380,955	7,349	373,606
Sicher, Carolyn B.	344,029	21,422	322,607
Cullman, Georgina D.	340,149	9,550	330,599
Cullman, Elissa F.	325,449	14,850	310,599
Cullman, Samuel B.	324,193	13,594	310,599
Cullman III, Edgar M.	321,858	11,259	310,599
Danziger, Frederick M.	308,289	103,534	204,755
B Bros. Realty LLC (a)	233,792	233,792	—
Kirby, John J.	152,223	4,730	147,493
Gamzon, Michael S.	119,127	69,127	50,000
Fabrici, Carolyn S.	116,037	—	116,037
Ernst, Alexandra	94,428	1,748	92,680
Danziger, Sheena S.	50,000	—	50,000
Kerns, Jessica P.	45,134	1,250	43,884
Estate of Louise B. Cullman (b)	39,548	39,548	—

Edgar Filing: GRIFFIN INDUSTRIAL REALTY, INC. - Form DEF 14A

Ernst, Margot P.	21,777	—	21,777
Ernst, Matthew L.	5,176	1,650	3,526

(a) Susan R. Cullman and John L. Ernst are managing members.

(b) Edgar M. Cullman, Jr., Susan R. Cullman and Lucy C. Danziger are executors.

The Schedule 13D/A states that there is no formal agreement governing the Cullman and Ernst Group's holding and voting of shares held by members of the Cullman and Ernst Group but that there is an informal understanding that

the persons and entities included in the group will hold and vote together with respect to shares owned by each of them in each case subject to any applicable fiduciary responsibilities. Under Griffin's Insider Trading Policy, purchases of Griffin common stock on margin, pledging of Griffin's common stock or hedging transactions, involving Griffin common stock by directors, officers and employees of Griffin, including entities controlled by such persons, is prohibited. None of the common stock held by members of the Cullman and Ernst Group is pledged.

- (4) Based on Schedules 13G as filed with the SEC on February 13, 2018 by Teton Westwood Funds - TETON Westwood Mighty Mites Fund ("Teton Funds") and by Gabelli Equity Series Funds, Inc. - The Gabelli Small Cap Growth Fund ("Gabelli SCGF"), reporting ownership of shares as of December 31, 2017, and Schedule 13D/A as filed with the SEC by Gabelli Funds, LLC et al, reporting ownership of shares as of December 6, 2017. Gabelli Funds, LLC reports sole dispositive power with respect to 573,150 shares, GAMCO Asset Management Inc. ("GAMCO") reports sole voting power with respect to 794,059 of these shares and sole dispositive power with respect to 849,604 of these shares, Gabelli SCGF reports sole voting power with respect to 268,000 of these shares, and Teton Advisors, Inc. ("Teton Advisors") reports sole dispositive power, and Teton Funds reports sole voting power, with respect to 255,647 of these shares. The securities have been acquired by GGCP, Inc. ("GGCP"), and certain of its direct and indirect subsidiaries, including GAMCO Investors, Inc. ("GBL"), on behalf of their investment advisory clients. Mario Gabelli, as the controlling stockholder, Chief Executive Officer and a director of GGCP, Chairman and Chief Executive Officer of GBL, and the controlling shareholder of Teton Advisors, is deemed to have beneficial ownership of the shares owned beneficially by Gabelli Funds, LLC, GAMCO and Teton Advisors. GBL and GGCP are deemed to have beneficial ownership of the shares beneficially owned by each of the foregoing persons other than Mario Gabelli and the Gabelli Foundation, Inc. For the shares indirectly held by Gabelli Funds, LLC, with respect to the 45,000 shares held by the Gabelli Capital Asset Fund, the 56,000 shares held by the Gabelli Equity Trust, the 104,000 shares held by the Gabelli Asset Fund, the 63,600 shares held by the Gabelli Value 25 Fund, Inc., the 268,000 shares held by the Gabelli SCGF, the 10,049 shares held by the Gabelli Equity Income Fund, the 15,500 shares held by the Gabelli Go Anywhere Fund, and the 11,001 shares held by the Gabelli Global Small and Mid Cap Value Trust, the proxy voting committee of each such fund has taken and exercises in its sole discretion the entire voting power with respect to the shares held by such funds.
- (5) Excluding shares held by certain charitable foundations, the officers and/or directors of which include certain officers and directors of Griffin.

INTERESTS IN CERTAIN TRANSACTIONS

Griffin reviews any relationships and transactions in which Griffin and its directors and executive officers or their immediate family members are participants to determine whether such persons have a direct or indirect material interest. Griffin's corporate staff is primarily responsible for the development and implementation of processes and controls to obtain information from the directors and executive officers with respect to related person transactions and then determining, based on the facts and circumstances, whether a related person has a direct or indirect material interest in the transaction. In accordance with its charter, the Audit Committee is responsible for reviewing and approving all related person transactions. As required under SEC rules, transactions that are determined to be directly or indirectly material to a related person are disclosed in Griffin's Annual Report on Form 10-K and proxy statement.

On November 24, 2015, the Audit Committee approved a proposed transaction whereby Griffin entered into a ten year sublease of approximately 1,920 square feet of office space for its New York City corporate headquarters from Bloomingdale Properties, Inc. ("Bloomingdale Properties"), an entity controlled by certain members of the Cullman and Ernst Group (see "Security Ownership of Certain Beneficial Owners and Management and Principal Holders"), for rent starting at \$121,000 per year, with annual increases of 1.5%, except for an increase of \$9,600 at the start of the sixth year of the sublease. The sublease with Bloomingdale Properties was at market rates for such space at the time the lease was signed and enables either Griffin or Bloomingdale Properties to terminate the sublease agreement upon a change in control (as defined) of either Griffin or Bloomingdale Properties. The sublease of office space from Bloomingdale Properties reduced the occupancy costs for Griffin's corporate headquarters.

The information given in this Proxy Statement with respect to the five year business experience of each director and officer, beneficial ownership of stock, interlocks and the respective interests of persons in transactions to which Griffin or any of its subsidiaries was a party (other than as appears from the records of Griffin), is based upon statements furnished to Griffin by its directors and officers.

COMPENSATION DISCUSSION AND ANALYSIS

COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis describes the material elements of compensation awarded to, earned by, or paid to each of Griffin's named executive officers (the "Named Executive Officers") during the last completed fiscal year. The Named Executive Officers for the fiscal year ended November 30, 2017 were as follows:

Frederick M. Danziger	Executive Chairman of the Board ("Executive Chairman") of Griffin
Michael S. Gamzon	Director, President and Chief Executive Officer ("CEO") of Griffin
Anthony J. Galici	Vice President, Chief Financial Officer and Secretary of Griffin
Thomas M. Lescalleet	Senior Vice President, Griffin Industrial, LLC
Scott Bosco	Vice President of Construction, Griffin Industrial, LLC

Compensation Philosophy and Overview

Griffin's compensation programs are designed to attract, motivate and retain the management talent that Griffin believes is necessary to achieve its financial and strategic goals. Griffin's Compensation Committee strives to pay for performance by rewarding each of its Named Executive Officers for team results and their individual contributions to

Griffin's success. In this way, Griffin believes that the interests of its executives align with the interests of its stockholders.

Design and Implementation

With these objectives in mind, Griffin's Compensation Committee has built an executive compensation program that consists of three principal elements:

1. Base Salary

13

2. Annual Incentive Compensation Programs

3. Long Term Incentive Program

Griffin also contributes to a 401(k) savings plan and a non-qualified deferred compensation plan on behalf of its Named Executive Officers. These contributions, however, comprise a relatively minor portion of Griffin's Named Executive Officers' compensation packages. Griffin's Compensation Committee reviews the Named Executive Officers' compensation packages each year and makes decisions on each component thereof in order to better align them with its compensation philosophy.

Elements of Compensation

Base Salary

Griffin pays base salaries to its Named Executive Officers in order to provide a consistent, minimum level of pay that sustained individual performance warrants. Griffin also believes that a competitive annual base salary is important to attract and retain an appropriate caliber of talent for each position over time.

The annual base salaries of Griffin's Named Executive Officers are determined by the Executive Chairman and the CEO (except with regard to their salaries) and approved annually by the Compensation Committee. The annual base salaries of the Executive Chairman and the CEO are determined by the Compensation Committee. All salary decisions are based on each Named Executive Officer's level of responsibility, experience and recent and past performance, as determined by the Executive Chairman, the CEO and the Compensation Committee, as applicable. Griffin does not benchmark its base salaries in any way, nor does Griffin employ the services of a compensation consultant.

Annual Incentive Compensation Programs

Griffin's annual incentive programs are designed to recognize short-term performance against established annual performance goals, as explained below. These performance goals and target amounts for fiscal 2017 were developed by the Executive Chairman and the CEO and approved or modified, as necessary, by the Compensation Committee. Additionally, the Compensation Committee retains the discretion to adjust any awards made to Griffin's executives, including making awards in the absence of the attainment of any of the performance goals under Griffin's annual incentive compensation plans. Griffin makes annual incentive payments, if any, in the year following the year in which they are earned.

Griffin Incentive Plan

Under the Griffin Industrial Realty, Inc. Incentive Compensation Plan for fiscal year 2017 (the "Griffin Incentive Plan"), incentive compensation was awarded based on certain defined components as described below:

Incentive Compensation Component

(i) Achieving Adjusted Funds from Operations (“FFO”) targets (as defined in the Griffin Incentive Plan). Target FFO reflects operating income excluding revenue and costs from property sales, depreciation and amortization expense, incentive compensation expense, noncash rental revenue, certain noncash general and administrative expenses (stock option expense, expenses related to the non-qualified deferred compensation plan, write-off of debt issuance costs and write-offs of certain project costs), acquisition expenses and operating income related to building acquisitions during the fiscal year.

(ii) Property Sales (as defined in the Griffin Incentive Plan)

(iii) Build-to-Suit Projects

a. for build-to-suit projects in Connecticut completed in fiscal 2017

Incentive Compensation Pool Eligibility

\$125,000 to \$562,500 of incentive compensation will be accrued into this incentive compensation pool if FFO is between 90% and 105% of the FFO target, which equaled \$12,000,000. For every 1% below the FFO target, the incentive compensation under this component will decrease by 7.5% from the target component bonus of \$500,000. For every 1% above the FFO target, the incentive compensation under this component will increase by 2.5% from the target component bonus, with a maximum component bonus of \$562,500.

Property sales are segregated into three groups:

1) Property sales where Griffin has done subdivision work, invested in infrastructure or other development activities to enable the property to be sold (excluding property sales that would be in Group 3 below). 10% of the pretax gain from property sales in this group shall be accrued into this incentive compensation pool.

2) Property sales of land where no improvements have been made or no development activities have taken place (excluding property sales that would be in Group 3 below). 5% of the pretax gain from property sales in this group shall be accrued into this incentive compensation pool.

3) Large property sales (“Group 3 Property Sales”). A portion of gain from such large property sales as determined by Griffin senior management and the Compensation Committee.

A maximum of \$250,000 in total of incentive compensation for Group 1 and Group 2 property sales may be accrued into this pool; however, no more than \$100,000 of incentive compensation may be accrued into this pool from any one transaction.

Incentive compensation for Group 3 Property Sales are not subject to the \$250,000 cap that applies to the incentive compensation for Group 1 and Group 2 property sales.

10% of the incremental net present value created, as defined in the Griffin Incentive Plan, shall be accrued into this incentive compensation pool with a maximum of \$125,000 of incentive compensation that may be accrued under this component.

- b.for build-to-suit projects outside Connecticut completed in fiscal 2017 10% of the incremental net present value created, as defined in the Griffin Incentive Plan, shall be accrued into this incentive compensation pool with a maximum of \$125,000 of incentive compensation that may be accrued under this component.
- (iv)Buildings Built on Speculation
- a.for buildings built on speculation in Connecticut 10% of the incremental net present value created, as defined in the Griffin Incentive Plan, shall be accrued into this incentive compensation pool with a maximum of \$125,000 of incentive compensation that may accrued under this component.
- b.for buildings built on speculation outside Connecticut 10% of the incremental net present value created, as defined in the Griffin Incentive Plan, shall be accrued into this incentive compensation pool with a maximum of \$125,000 of incentive compensation that may be accrued under this component.

- (v)Leasing
- a.leasing of vacant space in Connecticut 4% of the net present value related to new leases, as defined in the Griffin Incentive Plan, shall be accrued into this incentive compensation pool with a maximum of \$150,000 of incentive compensation that may be accrued under this component.
- b.lease renewal or extension 2.5% of the net present value related to lease renewals or extensions, shall be accrued into this incentive compensation pool as defined in the Griffin Incentive Plan, with a maximum of \$75,000 of incentive compensation that may be accrued under this component.
- (vi)Acquisitions (as defined in the Griffin Incentive Plan) 10% of the incremental net present value created, as defined in the Griffin Incentive Plan, shall be accrued into this incentive compensation pool with a maximum of \$150,000 of incentive compensation that may be accrued under this component.

Each Named Executive Officer is entitled to a specific percentage of each incentive compensation pool under the Griffin Incentive Plan based upon their responsibilities as determined by senior management and approved by the Compensation Committee.

Griffin Incentive Plan Results

The foregoing objectives are designed to reward management for increasing Griffin's operating cash flow and increase in value of Griffin's real estate assets. Over the past three years, achievement of the components of the Griffin Incentive Plan has been as follows:

Incentive Plan Component	Fiscal 2017	Fiscal 2016	Fiscal 2015
Adjusted Funds From Operations	Achieved	Achieved	Achieved
Profit from property sales	Achieved	Achieved	Achieved
Value generated from build-to-suit projects	Not Achieved	Not Achieved	Not Achieved
Value generated from buildings built on speculation	Not Achieved	Achieved	Achieved
Leasing	Achieved	Achieved	Achieved
Acquisitions	Achieved	Not Applicable	Not Applicable

Amounts earned under each objective are accrued into the Griffin Incentive Plan up to a maximum incentive compensation amount, which in fiscal 2017 was \$1,687,500 (excluding any amount related to Group 3 Property Sales for which there was no maximum). The maximum compensation amounts and amounts accrued under each objective for fiscal 2017, based on the level of achievement of each incentive plan component for Griffin is shown in the following table. The amounts in the table below reflect performance against each incentive plan component, calculated pursuant to the formulas described above, and Griffin's Compensation Committee did not exercise any discretion to modify bonuses from the formulaic results under each incentive plan component (except with respect to Group 3 Property Sales for which there was no specific formula).

Griffin Incentive Compensation Plan

Maximum	Amount Accrued
---------	-------------------

Incentive Plan Component	Compensation Amount		Based on Level of Achievement
(i) Adjusted Funds from Operations	\$ 562,500		\$ 537,604
(ii) Property Sales			
a. Group 1 and 2 Property Sales	250,000	(1)	117,857
b. Group 3 Property Sales	—	(2)	200,000
(iii) Build-to-Suit Projects			

16

a. Connecticut Properties	125,000	—
b. Non-CT Properties	125,000	—
(iv) Buildings Built on Speculation		
a. Connecticut Properties	125,000	—
b. Non-CT Properties	125,000	—
(v) Leasing		
a. Leasing of Vacant Space	150,000	105,714
b. Lease Renewal or Extension	75,000	75,000
(vi) Acquisitions	150,000	138,048
	\$ 1,687,500	\$ 1,174,223

(1) Amount reflects the aggregate maximum compensation amount with respect to Group 1 and Group 2 property sales.

(2) There is no maximum compensation amount for purposes of Group 3 Property Sales.

Long Term Incentive Program—Equity Awards

Griffin believes that equity ownership in Griffin is important to provide its Named Executive Officers with long term incentives to build value for Griffin’s stockholders. In addition, the equity program is designed to attract and retain the executive management team. The Griffin equity program consists entirely of stock option awards. Stock options have value only if the stock price increases over time and, therefore, provide executives with an incentive to build Griffin’s value. This characteristic ensures that the Named Executive Officers may have a meaningful portion of their compensation tied to future stock price increases. If Griffin’s stock price increases, stock options have the potential to provide high returns to its executives, thus helping Griffin to attract and retain management. However, the realizable value of the stock options can fall to zero if the stock price is lower than the exercise price established on the date of grant.

Stock option awards to Named Executive Officers are entirely discretionary. The Executive Chairman and the CEO recommend whether and how many stock options should be awarded to the other Named Executive Officers or others, and the Compensation Committee approves or, if necessary, modifies their recommendations. The Compensation Committee solely determines whether and how many stock options should be awarded to the Executive Chairman and the CEO. In making stock option award determinations, the Executive Chairman and the CEO and the Compensation Committee consider the prior contribution of participants and their expected future contributions to the growth of Griffin. In fiscal 2017, no stock options were awarded to any of the Named Executive Officers.

The Griffin Industrial Realty, Inc. 2009 Stock Option Plan (the “2009 Stock Option Plan”) makes available options to purchase 386,926 shares of Griffin common stock, plus any additional shares subject to the forfeited options under Griffin’s prior stock option plan. The Compensation Committee of Griffin’s Board of Directors or, with respect to awards to non employee directors, the Board of Directors, administers the 2009 Stock Option Plan. Options granted under the 2009 Stock Option Plan may be either incentive stock options or non qualified stock options issued at the fair market value of a share of common stock on the date the award is approved by Griffin’s Compensation Committee. Vesting of all of Griffin’s previously issued stock options is solely based upon service requirements and does not contain market or performance conditions.

Stock options granted expire no later than ten years from the grant date. In accordance with the 2009 Stock Option Plan, stock options granted to non employee directors upon their initial election to the board of directors are fully exercisable immediately upon the date of the option grant. Stock options granted to non employee directors upon their reelection to the board of directors vest on the second anniversary from the date of grant. Stock options granted to employees vest in equal installments on the third, fourth and fifth anniversaries from the date of grant.

Of the shares of common stock reserved for issuance under the 2009 Stock Option Plan, as of November 30, 2017, 254,661 shares were subject to outstanding options and 159,318 shares were available for future awards (which includes certain shares that again became available following the forfeiture of outstanding options). In addition to options outstanding under the 2009 Stock Option Plan, as of November 30, 2017, 79,101 shares remain subject to outstanding options granted under Griffin's prior stock option plan. For more information on stock options, see the

Summary Compensation Table, the Grants of Plan Based Awards Table, and the Outstanding Equity Awards Table and their footnotes.

Perquisites and Other Benefits

Griffin's Named Executive Officers are eligible for the same health and welfare programs and benefits as the rest of its employees. In addition, Griffin's Vice President, Chief Financial Officer and Secretary receives an automobile allowance of \$8,000 per year and Griffin Industrial, LLC's Senior Vice President receives a medical insurance allowance of \$3,300 per year.

Griffin's Named Executive Officers are entitled to participate in and receive employer contributions to Griffin's 401(k) Savings Plan. In addition, Griffin has established a non-qualified deferred compensation plan (the "Deferred Compensation Plan") that allows eligible participants, including the Named Executive Officers, to defer portions of their annual base salary, as well as receive employer matching contributions with respect to deferrals, that would exceed IRS limits under the Griffin 401(k) Savings Plan. For more information on employer contributions to the Griffin 401(k) Savings Plan and the Deferred Compensation Plan, see the Summary Compensation Table and its footnotes.

Analysis

Base Salary

The following table presents the base salaries for Griffin's Named Executive Officers in 2017 and the percentage increase over their 2016 base salaries.

	Annual Salary	% Increase	
Mr. Danziger	\$ 350,000	—	%
Mr. Gamzon	\$ 510,000	2	%
Mr. Galici	\$ 302,000	2	%
Mr. Lescalleet	\$ 264,198	2	%
Mr. Bosco	\$ 171,666	2	%

Annual Incentive Compensation Program

The Griffin Incentive Plan for 2017 was designed to reward Griffin's employees, including Griffin's Named Executive Officers, based on the results of Griffin's operations, consistent with Griffin's goal to award for performance through team results. Each Named Executive Officer is entitled to a specific percentage of each incentive compensation pool under the Griffin Incentive Plan as described above. The amounts earned by Griffin's employees under the incentive compensation pools of the Griffin Incentive Plan may, however, be adjusted at the discretion of the Compensation Committee.

As a result of the achievement of certain of the incentive plan components noted above, and in accordance with the Griffin Incentive Plan, the total incentive compensation accrued for fiscal 2017 was \$1,174,223, which included \$200,000 added to the Group 3 Property Sales incentive compensation pool for a large property sale.

The following table presents the total annual incentive payments made to the Named Executive Officers for fiscal 2017, which consisted solely of amounts of annual incentive compensation awarded under the Griffin Incentive Plan (allocated as described above). No discretionary payments outside of the Griffin Incentive Plan were awarded to the Named Executive Officers in fiscal 2017.

	Incentive Plan Payments	Discretionary Bonus Payments	Total Annual Incentive Payments
Mr. Danziger	\$ 77,600	—	\$ 77,600
Mr. Gamzon	\$ 174,863	—	\$ 174,863
Mr. Galici	\$ 84,502	—	\$ 84,502
Mr. Lescalleet	\$ 217,136	—	\$ 217,136
Mr. Bosco	\$ 97,102	—	\$ 97,102

The Compensation Committee did not exercise its discretion to alter the amounts earned by each Named Executive Officer from their respective allocation of incentive compensation accruals under the Griffin Incentive Plan. The Named Executive Officers received no additional discretionary allocation from the Compensation Committee.

Long-Term Incentive Program – Equity Awards Compensation Plan

During fiscal 2017, no stock options were granted to any of the Named Executive Officers.

Shareholder Say on Pay Votes

At Griffin's 2017 annual meeting of stockholders, Griffin's stockholders were given the opportunity to cast an advisory vote on Griffin's executive compensation. Approximately 99.7% of the votes cast on this "2017 say on pay vote" were voted in favor of the proposal. Griffin has considered the 2017 say on pay vote and believes that the support for the 2017 say on pay vote proposal indicates that Griffin's stockholders casting votes are supportive of the approach to executive compensation. Thus, Griffin did not make changes to its executive compensation arrangements in response to the 2017 say on pay vote. In the future, Griffin will continue to consider the outcome of the say on pay votes when making compensation decisions regarding its Named Executive Officers.

Accounting and Tax Considerations

Section 162(m) of the Internal Revenue Code (the "Code") generally disallows a tax deduction to public corporations for compensation over \$1,000,000 paid for any fiscal year to certain executive officers. The Tax Cuts and Jobs Act ("TCJA"), which was signed into law on December 22, 2017, has limited the "performance-based compensation" exception to the \$1,000,000 deduction cap of Section 162(m) of the Code and may adversely affect the tax deductibility of certain compensation paid to Griffin's executive officers. However, Griffin does not believe it need now adopt any policy with respect to the \$1,000,000 deduction cap of Section 162(m) of the Code. While the Compensation Committee will give due consideration to the deductibility of compensation payments on compensation arrangements with Griffin's executive officers (including with respect to the TCJA), the Compensation Committee will make its compensation decisions based on an overall determination of what it believes to be in the best interests of Griffin and its stockholders, and deductibility will be only one among a number of factors used by the Compensation Committee in making its compensation decisions.

Section 4999 and Section 280G of the Code provide that certain executives could be subject to significant excise taxes if they receive payments or benefits that exceed certain limits in connection with a change in ownership or change in effective control of Griffin and that Griffin or its successors could lose an income tax deduction with respect to the payments subject to the excise tax. Griffin has not entered into any agreements with any executives that provide for a tax "gross up" or other reimbursement for taxes the executive might be required to pay pursuant to Section 4999 of the Code.

Section 409A of the Code imposes significant additional taxes and interest on underpayments of taxes in the event an employee or other service provider defers compensation under a plan or agreement that does not meet the requirements of Section 409A of the Code. Griffin has generally structured its programs and individual arrangements in a manner intended to be exempt from or comply with the requirements of Section 409A of the Code.

COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed and discussed with management Griffin's Compensation Discussion and Analysis, and based upon this review and discussion, has recommended to the Board of Directors that the Compensation Discussion and Analysis be included in Griffin's Form 10 K and this Proxy Statement for its 2018

Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission.

Albert H. Small, Jr. (Chairman)
Thomas C. Israel
Jonathan P. May

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table presents information regarding compensation of each of Griffin's Named Executive Officers for services rendered during fiscal years 2017, 2016 and 2015:

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Option	Non-Equity		Total (\$)
				Awards (1) (\$)	Incentive Plan Compensation (\$)	All Other Compensation (\$)	
Frederick M. Danziger Executive Chairman of Griffin	2017	\$ 350,000	\$ —	\$ —	\$ 77,600	\$ 137 (2)	\$ 427,737
	2016	\$ 369,308	\$ —	\$ —	\$ 58,207	\$ 2,893	\$ 430,408
	2015	\$ 549,762	\$ —	\$ —	\$ 81,500	\$ 17,546	\$ 648,808
Michael S. Gamzon President and Chief Executive Officer of Griffin	2017	\$ 509,039	\$ —	\$ —	\$ 174,863	\$ 15,437 (3)	\$ 699,339
	2016	\$ 485,760	\$ —	\$ 640,750	\$ 116,413	\$ 13,781	\$ 1,256,704
	2015	\$ 351,237	\$ —	\$ —	\$ 100,000	\$ 11,725	\$ 462,962
Anthony J. Galici Vice President, Chief Financial Officer and Secretary of Griffin	2017	\$ 301,423	\$ —	\$ —	\$ 84,502	\$ 17,399 (4)	\$ 403,324
	2016	\$ 295,442	\$ —	\$ 135,375	\$ 58,207	\$ 16,948	\$ 505,972
	2015	\$ 289,652	\$ —	\$ —	\$ 40,750	\$ 17,942	\$ 348,344
Thomas M. Lescalleet Senior Vice President, Griffin Industrial, LLC	2017	\$ 263,700	\$ —	\$ —	\$ 217,136	\$ 11,440 (5)	\$ 492,276
	2016	\$ 258,530	\$ —	\$ 135,375	\$ 133,175	\$ 12,213	\$ 539,293
	2015	\$ 253,460	\$ —	\$ —	\$ 118,400	\$ 10,671	\$ 382,531
Scott Bosco Vice President of Construction, Griffin Industrial, LLC	2017	\$ 171,342	\$ —	\$ —	\$ 97,102	\$ 5,333 (6)	\$ 273,777
	2016	\$ 167,983	\$ —	\$ 75,810	\$ 65,490	\$ 5,819	\$ 315,102
	2015	\$ 162,870	\$ —	\$ —	\$ 59,350	\$ 4,889	\$ 227,109

- (1) The amounts shown for Option Awards reflect the grant date fair value of options granted in fiscal 2016. For a discussion of the assumptions and methodologies used to calculate the amounts referred to above, please see the discussion of stock option awards contained in Note 7 of the Notes to Consolidated Financial Statements in Part II, Item 8, "Financial Statements and Supplementary Data" of Griffin's Form 10-K.
- (2) Represents life insurance premium.
- (3) Represents life insurance premium of \$228, matching contributions related to the Griffin 401(k) Savings Plan of \$7,187 and matching contributions related to the Deferred Compensation Plan of \$8,022.
- (4) Represents life insurance premium of \$401, matching contributions related to the Griffin 401(k) Savings Plan of \$6,725, matching contributions related to the Deferred Compensation Plan of \$2,273 and an automobile allowance of \$8,000.
- (5) Represents life insurance premium of \$228, matching contributions related to the Griffin 401(k) Savings Plan of \$7,912 and a medical insurance allowance of \$3,300.
- (6) Represents life insurance premium of \$228, matching contributions related to the Griffin 401(k) Savings Plan of \$5,082 and matching contributions related to the Deferred Compensation Plan of \$23.

Grants of Plan Based Awards

The following table presents information regarding the incentive awards granted to Griffin's Named Executive Officers for fiscal 2017:

Name	Grant Date	Approval Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards		Option Awards:	Exercise Price of Option Awards (\$/sh)	Grant Date Fair Value of Stock and Option Awards (\$)
			Target (\$ (1))	Maximum (\$ (2))	Number of Securities Underlying Options (#)		
Frederick M. Danziger	—	—	\$ 77,600	\$ 90,000	—	—	—
Michael S. Gamzon	—	—	\$ 174,863	\$ 267,500	—	—	—
Anthony J. Galici	—	—	\$ 84,502	\$ 125,625	—	—	—
Thomas M. Lescalleet	—	—	\$ 217,136	\$ 398,750	—	—	—
Scott Bosco	—	—	\$ 97,102	\$ 177,813	—	—	—

- (1) The Griffin Incentive Plan has no threshold or target levels; however, there is an aggregate maximum amount payable to the Named Executive Officers under the Griffin Incentive Plan (excluding the incentive compensation component corresponding to Group 3 Property Sales, which is not subject to a maximum). The amounts shown for the Named Executive Officers in the Target column reflect the actual amounts payable to the Named Executive Officers under the Griffin Incentive Plan (including the incentive compensation component corresponding to Group 3 Property Sales) based on Griffin's performance in fiscal 2017. The Compensation Committee did not exercise its discretion to award the Named Executive Officers any additional incentive compensation outside of the Griffin Incentive Plan for fiscal 2017.
- (2) The maximum amount payable to Messrs. Danziger, Gamzon, Galici, Lescalleet and Bosco under the Griffin Incentive Plan (excluding the incentive compensation component corresponding to Group 3 Property Sales, which is not subject to a maximum) equaled \$75,000, \$242,500, \$110,625, \$338,750 and \$162,813, respectively, calculated assuming all incentive compensation components of the Griffin Incentive Plan are met at the maximum level of each, which would result in an accrual of \$1,687,500 into the Griffin Incentive Plan (excluding in any accruals with respect to the incentive compensation component corresponding to Group 3 Property Sales). The amounts shown for the Named Executive Officers in the Maximum column reflect the sum of (a) the maximums for all incentive compensation components (other than Group 3 Property Sales) assuming all such incentive compensation components are met at the maximum level of each, and (b) the actual amounts paid with respect to the incentive compensation component corresponding to Group 3 Property Sales. The actual amounts paid with respect to incentive compensation component corresponding to Group 3 Property Sales equaled \$25,000 and \$60,000 for Messrs. Gamzon and Lescalleet, respectively, and \$15,000 each to Messrs. Danziger, Galici and Bosco.

Outstanding Equity Awards at Fiscal Year End

The following table presents information with respect to each unexercised stock option held by Griffin's Named Executive Officers as of November 30, 2017. There are no restricted stock awards.

Name	Option Awards (1)		Option Exercise Price (\$)	Option Expiration Date	Value of	Value of
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable			Unexercised In-the-Money Options at Fiscal Year End (2) (\$)	Unexercised In-the-Money Options at Fiscal Year End (2) (\$)
Frederick M. Danziger	15,000	—	\$ 33.07	1/20/2019	\$ 51,450	\$ —
	25,000	—	\$ 28.77	1/19/2021	\$ 193,250	\$ —
	40,000	—			\$ 244,700	\$ —
Michael S. Gamzon	25,000	—	\$ 34.04	1/9/2018	\$ 61,500	\$ —
	7,500	—	\$ 33.07	1/20/2019	\$ 25,725	\$ —
	25,000	—	\$ 28.77	1/19/2021	\$ 193,250	\$ —
	—	55,000	\$ 26.89	5/13/2026	\$ —	\$ 528,550
	57,500	55,000			\$ 280,475	\$ 528,550
Anthony J. Galici	7,500	—	\$ 33.07	1/20/2019	\$ 25,725	\$ —
	12,500	—	\$ 28.77	1/19/2021	\$ 96,625	\$ —
	—	12,500	\$ 26.89	5/13/2026	\$ —	\$ 120,125
	20,000	12,500			\$ 122,350	\$ 120,125
Thomas M. Lescalleet	7,500	—	\$ 33.07	1/20/2019	\$ 25,725	\$ —
	12,500	—	\$ 28.77	1/19/2021	\$ 96,625	\$ —
	—	12,500	\$ 26.89	5/13/2026	\$ —	\$ 120,125
	20,000	12,500			\$ 122,350	\$ 120,125
Scott Bosco	5,000	—	\$ 33.07	1/20/2019	\$ 17,150	\$ —
	5,000	—	\$ 28.77	1/19/2021	\$ 38,650	\$ —
	—	7,000	\$ 26.89	5/13/2026	\$ —	\$ 67,270
	10,000	7,000			\$ 55,800	\$ 67,270

- (1) Stock options issued to employees vest in equal installments on the third, fourth and fifth anniversaries from the date of grant (which is ten years prior to the applicable option expiration date).
- (2) The amounts presented in these columns have been calculated based upon the difference between the fair market value of \$36.50 per share (the closing price of Griffin's common stock on November 30, 2017) and the exercise price of each stock option.

Non Qualified Deferred Compensation

Griffin maintains a Deferred Compensation Plan for certain of its employees who, due to Internal Revenue Service regulations, cannot take full advantage of the Griffin 401(k) Savings Plan. A portion of an eligible employee's salary may be deferred under the Deferred Compensation Plan. The investment options in the Deferred Compensation Plan currently mirror those of the Griffin 401(k) Savings Plan. The Deferred Compensation Plan is unfunded, with benefits to be paid from Griffin's assets. Performance results of an employee's balance in the Deferred Compensation Plan are based on the returns of the mutual funds and one common collective trust fund that may be selected by the employee as if the amounts deferred were invested in the selected mutual funds and the common collective trust fund. Distributions from the Deferred Compensation Plan generally may occur at termination of employment, change in control and/or at the time of qualifying hardship events. The following table presents information with respect to the Deferred Compensation Plan for Griffin's Named Executive Officers as of November 30, 2017:

Name	Executive Contributions for FYE 11/30/2017	Griffin Contributions for FYE 11/30/2017	Aggregate Earnings in FYE 11/30/2017	Aggregate Balance as of FYE 11/30/2017
Frederick M. Danziger	\$ —	\$ —	\$ 138,898	\$ 1,870,027
Michael S. Gamzon	\$ 31,126	\$ 8,022	\$ 69,239	\$ 412,237
Anthony J. Galici	\$ 46,344	\$ 2,273	\$ 168,804	\$ 1,095,355
Thomas M. Lescalleet	\$ —	\$ —	\$ 23,282	\$ 140,721
Scott Bosco	\$ 2,458	\$ 23	\$ 18,618	\$ 103,230

(1) Griffin's contributions to the Deferred Compensation Plan are included in the "All Other Compensation" column of the Summary Compensation Table. No earnings from the Deferred Compensation Plan are included in the "All Other Compensation" column of the Summary Compensation Table.

Potential Payments Upon a Termination or Change in Control

As of November 30, 2017, Griffin was not a party to any employment, change in control or other agreement with any Named Executive Officers that was expected to obligate Griffin to provide for payments at, following, or in connection with a termination of employment, change in control or change in the Named Executive Officer's responsibilities. However, participants of Griffin's Deferred Compensation Plan may elect to have their balances paid out in lump sum or annual installments upon termination of employment or a change in control of Griffin. The deferred compensation balance for each such Named Executive Officer, as of November 30, 2017, is set forth in the "Non Qualified Deferred Compensation" table above. Additionally, pursuant to the 2009 Stock Option Plan, if option grants are assumed by a successor corporation (or a parent or subsidiary thereof) in connection with a change in control, the vesting of such grants will be accelerated upon termination of a Named Executive Officer's employment upon or within twelve months following such change in control. The closing market price of \$36.50 per share of Griffin common stock on November 30, 2017 exceeded the exercise price for 234,500 of the outstanding options held by Named Executive Officers. The aggregate value of such options (based on the excess of the November 30, 2017 closing price of Griffin's common stock over the exercise price) is \$1,661,745. The following table presents information regarding the

value of such options to each of Griffin’s Named Executive Officers following a termination of employment upon or within twelve months following such change in control (assuming such termination occurred on November 30, 2017):

Name	Estimated Value of In-the-Money Options Following Termination Upon or Within Twelve Months Following a Change In Control (1)
Frederick M. Danziger	\$ 244,700
Michael S. Gamzon	\$ 809,025
Anthony J. Galici	\$ 242,475
Thomas M. Lescalleet	\$ 242,475
Scott Bosco	\$ 123,070

(1) Stock option values are calculated based on the difference between \$36.50, the November 30, 2017 closing price of Griffin’s common stock, and the option exercise price, multiplied by the total number of stock options.

Director Compensation

The following table represents information regarding the compensation paid during fiscal 2017 to members of Griffin’s Board of Directors who are not also employees (the “Non Employee Directors”). The compensation paid to Messrs. Frederick M. Danziger and Michael S. Gamzon is presented above in the Summary Compensation Table and the related explanatory notes. Messrs. Frederick M. Danziger and Michael S. Gamzon did not receive compensation related to their activities as members of the Board of Directors.

Name	Fees Earned or Paid in Cash (\$)	Option Awards (\$)	Total (\$)
David R. Bechtel	\$ 51,500	\$ 17,726 (1)	\$ 69,226
Edgar M. Cullman, Jr.	\$ 39,000	\$ 17,726 (1)	\$ 56,726
Thomas C. Israel	\$ 61,000	\$ 17,726 (1)	\$ 78,726
Jonathan P. May	\$ 60,000	\$ 17,726 (1)	\$ 77,726
Albert H. Small, Jr.	\$ 52,000	\$ 17,726 (1)	\$ 69,726

(1) The amount shown for Option Awards reflects the grant date fair value of options granted in fiscal 2017. For a discussion of the assumptions and methodologies used to calculate the amounts referred to above, please see the discussion of stock option awards contained in Note 7 of the Notes to Consolidated Financial Statements in Part II, Item 8, “Financial Statements and Supplementary Data” of Griffin’s Form 10 K.

The following table represents the number of outstanding and unexercised stock option awards held by each of the Non Employee Directors as of November 30, 2017:

	Number of Shares Subject to Outstanding Options as of 11/30/17
Director	
David R. Bechtel	3,607
Edgar M. Cullman, Jr.	4,755
Thomas C. Israel	13,992
Jonathan P. May	8,761
Albert H. Small, Jr.	14,565

Members of the Board of Directors who are not employees of Griffin receive \$30,000 per year, \$1,500 for each board meeting they attend and \$1,000 for each committee meeting they attend. A non employee Chairman of the Board of Directors receives an annual fee of \$15,000. The Chairmen of the Audit and Compensation Committees each receive an annual fee of \$10,000 per year. The Nominating Committee Chairman receives an annual fee of \$5,000 per year. Audit and Compensation Committee members, excluding the Chairmen, each receive \$5,000 per year for their service on

those Committees. Members of the Nominating Committee, excluding the Chairman, each receive \$2,500 per year for their service on that Committee. Annual fees are paid in quarterly installments. Upon the initial election of a Non Employee Director to the Board of Directors, the Non Employee Director is granted options exercisable for shares of common stock at an exercise price that is the fair market value of a share of common stock at the time of the grant. The number of shares subject to options granted to Non Employee Directors at the time of initial election to the Board of Directors is equal to \$60,000 divided by the fair market value per share of Griffin common stock at the time of grant. Stock options granted to Non-Employee Directors upon their initial election to the Board vest immediately upon issuance. The 2009 Stock Option Plan also provides that Non Employee Directors annually receive options exercisable for shares of common stock at an exercise price that is the fair market value of a share of common stock at the time of grant. Under the 2009 Stock Option Plan, the number of shares, subject to options, granted to Non Employee Directors upon their reelection to the Board of Directors, is equal to \$40,000 divided by the fair market value per share of Griffin common stock at the time of grant. Stock options granted to Non-Employee Directors upon their re-election to the Board of Directors vest on the second anniversary of the date of grant. In 2017, Griffin granted each of the Non-Employee Directors an option exercisable for 1,314 shares of common stock upon their reelection to the Board of Directors.

Compensation Committee Interlocks and Insider Participation

During fiscal 2017, Messrs. Israel, May and Small, Jr. served as members of Griffin's Compensation Committee. No member of the Compensation Committee has been an officer or employee of Griffin. None of Griffin's executive officers have served as a director or member of the compensation committee of any entity whose executive officers served as a director of Griffin or as a member of Griffin's Compensation Committee.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires Griffin's officers and directors, and persons who own more than ten percent of its common stock, to file reports of ownership and changes in ownership with the Securities and Exchange Commission. Such persons are required by regulation to furnish Griffin with copies of all Section 16(a) forms they file. Based on its involvement in the preparation of certain such forms, and a review of copies of other such forms received by it, Griffin believes that with respect to fiscal 2017, all such Section 16(a) filing requirements were satisfied.

AUDIT COMMITTEE REPORT

Membership and Role of the Audit Committee

Griffin's Audit Committee is comprised of Mr. Bechtel, Mr. Israel, Chairman and Mr. May. All members of the Audit Committee meet the Nasdaq composition requirements, including the requirements regarding financial literacy, and the Board has determined that each member is independent under the listing standards of Nasdaq and the rules of the SEC, regarding audit committee membership. The Audit Committee operates under a written charter, which is publicly available in the "Corporate Governance" section of the "Investors" section of Griffin's website located at www.griffinindustrial.com.

The primary function of the Audit Committee is to assist Griffin's Board of Directors with its oversight responsibilities regarding: (i) the integrity of Griffin's financial statements; (ii) Griffin's compliance with legal and regulatory requirements; (iii) the independent registered public accountant's qualifications and independence; and (iv) the performance of the independent registered public accountants. The Committee prepared the report required by the rules of the SEC to be included in this Proxy Statement.

The Audit Committee's powers and responsibilities include: (1) the sole authority for the appointment, compensation, retention and oversight of the independent registered public accountants; (2) the pre approval of audit and non audit services by the independent registered public accountants; (3) the review of independence of the independent registered public accountants; (4) the ongoing review of all related party transactions; (5) the establishment of procedures for the receipt, retention and treatment of complaints received by Griffin regarding accounting, internal accounting controls or auditing matters; and (6) the regular reporting to the Board of any issues that arise with respect to the quality or integrity of Griffin's financial statements.

Review of Griffin's Audited Financial Statements for the Fiscal Year Ended November 30, 2017

The Audit Committee reviewed and discussed the audited consolidated financial statements of Griffin for the fiscal year ended November 30, 2017 with Griffin's management. The Audit Committee discussed with RSM US, Griffin's independent registered public accountants for the fiscal year ended November 30, 2017, the matters required to be discussed by Public Company Accounting Oversight Board ("PCAOB") Auditing Standard No. 1301 "Communications with Audit Committees."

The Audit Committee has also received the written disclosures and the letter from RSM US required by the applicable requirements of the PCAOB regarding communications with the Audit Committee concerning independence. The Audit Committee has discussed the independence of RSM US with that firm.

Based on the Audit Committee's review and discussions noted above, the Audit Committee recommended to the Board of Directors that Griffin's audited consolidated financial statements be included in Griffin's Annual Report on Form 10 K for the fiscal year ended November 30, 2017 for filing with the SEC.

Submitted By: Thomas C. Israel (Chairman)
David R. Bechtel
Jonathan P. May

The information under "Review of Griffin's Audited Financial Statements for the Fiscal Year Ended November 30, 2017" shall not be deemed to be incorporated by reference by any general statement incorporating by reference this

proxy statement into any filings under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that Griffin specifically incorporates this information by reference, and shall not otherwise be deemed filed under such Acts.

PROPOSAL II. RATIFICATION OF THE SELECTION OF INDEPENDENT REGISTERED PUBLIC

ACCOUNTANTS

The following is a summary of the fees incurred by Griffin for professional services rendered by RSM US LLP (“RSM US”) for fiscal 2017 and fiscal 2016:

	Fiscal 2017 Fees	Fiscal 2016 Fees
Audit fees	\$ 430,781	\$ 423,682
Audit-related fees	20,585	20,200
Tax fees	50,675	45,380
All other	—	—
	\$ 502,041	\$ 489,262

Audit fees consist of fees incurred for professional services rendered for the audit of Griffin’s consolidated financial statements and for the review of Griffin’s interim consolidated financial statements. Audit related fees include fees incurred for professional services rendered for the audit of the Griffin 401(k) Savings Plan by RSM US. Tax fees consist of fees incurred for professional services performed by RSM US relating to tax compliance, tax reporting and tax planning. There were no consulting fees paid to RSM US in fiscal 2017 or fiscal 2016.

The Audit Committee’s policy is to pre approve all audit, audit related and tax services to be provided by the independent registered public accountants. During fiscal 2017, Griffin’s Audit Committee pre approved all audit, audit related and tax services. The Audit Committee has considered the non audit services provided by RSM US and determined that the services provided were compatible with maintaining the independence of RSM US.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR RATIFICATION OF THE

SELECTION OF RSM US LLP

While the submission of this proposal to a vote of stockholders is not legally required, the Audit Committee and management believe that stockholder ratification of Griffin’s selection of RSM US as its independent registered public accountants is desirable. In the event this selection is not ratified by the affirmative vote of a majority of shares of Griffin common stock present or represented by proxy and entitled to vote on the proposal, the Audit Committee will consider that fact when it selects the independent registered public accountants for the following year. The Audit Committee may, in its discretion, replace RSM US as independent registered public accountants at a later date without the approval of the stockholders.

A representative of RSM US is expected to be present at the Annual Meeting and will be given an opportunity to make a statement if so desired and to respond to appropriate questions.

PROPOSAL III. ADVISORY VOTE ON EXECUTIVE COMPENSATION

In accordance with Section 14A of the Exchange Act, as amended, Griffin is requesting stockholder approval, on an advisory (non binding) basis, of the compensation of Griffin’s Named Executive Officers as presented in the Compensation Discussion & Analysis beginning on page 13 and the compensation tables included in the discussion of Executive Compensation beginning on page 20 including the narrative disclosure thereto. Griffin has determined to hold a say on pay advisory vote every year, and the next say on pay advisory vote (following the advisory (non-binding) vote at this Annual Meeting) will occur at the 2019 Annual Meeting of Stockholders.

Griffin's executive compensation program has been designed to attract, motivate and retain the management talent Griffin believes is necessary to achieve its financial and strategic goals. Griffin's compensation programs reward each of its Named Executive Officers for team results and individual contributions.

Griffin's executive compensation programs consist of three principal elements:

1. Base Salary;
2. Annual Incentive Compensation Programs; and
3. Long Term Incentive Program.

27

Griffin's executive compensation programs consist of a mixture of base salary and incentive compensation that provides for a portion of executive compensation to be "at risk." Griffin's executive compensation programs balance the focus on both short and long term goals, encouraging executives to focus on the health of Griffin during the immediate fiscal year through annual incentive compensation programs, and for the future through the long term incentive program (i.e., equity awards). Griffin's executive compensation programs are consistently reviewed by the Compensation Committee, which consists solely of independent directors, to ensure that they provide Griffin's executives with competitive pay opportunities and reflect current practices.

As an advisory vote, this proposal is not binding upon the Board of Directors or Griffin in any way. However, the Compensation Committee, which is responsible for the design and administration of Griffin's executive compensation practices, values the opinions of Griffin's stockholders expressed through your vote on this proposal. The Compensation Committee will consider the outcome of this vote in making future compensation decisions for Griffin's Named Executive Officers.

Accordingly, Griffin will present the following resolution for vote at the 2018 Annual Meeting of Stockholders:

"RESOLVED, that the stockholders of Griffin Industrial Realty, Inc. ("Griffin") approve, on an advisory (non binding) basis, the compensation of Griffin's Named Executive Officers as described in the Compensation Discussion & Analysis and disclosed in the 2017 Summary Compensation Table and related compensation tables and narrative disclosure as set forth in this 2018 Proxy Statement."

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE

APPROVAL, ON AN ADVISORY (NON BINDING) BASIS, OF THE COMPENSATION OF GRIFFIN'S NAMED EXECUTIVE OFFICERS

AS PRESENTED IN THIS PROXY STATEMENT.

The proposal to approve the compensation of Griffin's Named Executive Officers, on an advisory (non binding) basis, requires an affirmative vote of the majority of the shares represented in person or by proxy at the Annual Meeting and entitled to vote on the proposal.

HOUSEHOLDING

The SEC's rules permit Griffin to deliver a single set of proxy materials to one address shared by two or more of its stockholders. This delivery method is referred to as "householding" and can result in significant cost savings. To take advantage of this opportunity, Griffin has delivered only one set of proxy materials to multiple stockholders who share an address, unless we received contrary instructions from the impacted stockholders prior to the mailing date. Griffin agrees to deliver promptly, upon written or oral request, a separate copy of proxy materials, as requested, to any stockholder at the shared address to which a single copy of those documents was delivered. If you prefer to receive separate copies of proxy materials, contact Broadridge Financial Solutions, Inc. by calling 1-866-540-7095 or in writing at 51 Mercedes Way, Edgewood, New York 11717, Attention: Householding Department.

If you are currently a stockholder sharing an address with another stockholder and wish to receive only one copy of future proxy materials for your household, you may notify your broker if your shares are held in a brokerage account or you may notify Griffin if you hold registered shares. Registered stockholders may notify Griffin by contacting Broadridge Financial Solutions, Inc. at the above telephone number or address.

Edgar Filing: GRIFFIN INDUSTRIAL REALTY, INC. - Form DEF 14A

A copy of Griffin's Annual Report on Form 10 K filed with the SEC, including the financial statements and the financial statement schedules thereto, is available to Griffin's stockholders without charge at Griffin's Web site (www.griffinindustrial.com), at the Web site maintained by the SEC (<http://www.sec.gov/>) and at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, DC 20549. In addition, a limited number of copies are available at Griffin's offices, without charge, and may be obtained upon written request to:

Griffin Industrial Realty, Inc.
641 Lexington Avenue
26th Floor
New York, New York 10022
Attention: Corporate Secretary

you can consent to receiving all future proxy statements, proxy cards and annual reports Use any touch-tone telephone to transmit your voting instructions up until 11:59 proxy card in hand when you call and then follow the instructions. John Sample 234567 VOTE BY MAIL 1234567 123,456,789,012.12345 TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS: KEEP THIS PORTION FOR YOUR RECORDS DETACH AND RETURN THIS PORTION ONLY THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED. For All Withhold All For All Except To withhold authority to vote for any individual nominee(s), mark "For All Except" and write the number(s) of the The Board of Directors recommends you vote FOR the following: nominee(s) on the line below. 0 0 0 1. Election of Directors Nominees 01 David R. Bechtel 06 Jonathan P. May 02 Edgar M. Cullman, Jr. 07 Albert H. Small, Jr. 03 Frederick M. Danziger 04 Michael S. Gamzon 05 Thomas C. Israel The Board of Directors recommends you vote FOR proposals 2 and 3 2Ratification of the selection of RSM US LLP as Griffin's independent registered public accountants for fiscal 2018. 3Approval, on an advisory (non-binding) basis, of the compensation of Griffin's named executive officers as presented in Griffin's Proxy Statement. NOTE: Such other business as may properly come before the meeting or any postponement, continuation, or adjournment thereof. For 0 0 Against 0 0 Abstain 0 0 John Sample attorney, executor, administrator, or other fiduciary, please give full ANY CITY, ON A1A 1A1 partnership name by authorized officer. Signature [PLEASE SIGN WITHIN BOX] Date Signature (Joint Owners) Date 02 0000000000 1 OF 1 1 2 0000373299_1 R1.0.1.17 Please sign exactly as your name(s) appear(s) hereon. When signing as title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or Investor Address Line 1 Investor Address Line 2 Investor Address Line 3 Investor Address Line 4 Investor Address Line 5 1234 ANYWHERE STREET SHARES CUSIP # JOB #SEQUENCE # VOTE BY INTERNET - www.proxyvote.com Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 P.M. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form. ELECTRONIC DELIVERY OF FUTURE PROXY MATERIALS If you would like to reduce the costs incurred by our company in mailing proxy materials, electronically via e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you agree to receive or access proxy materials electronically in future years. VOTE BY PHONE - 1-800-690-6903 P.M. Eastern Time the day before the cut-off date or meeting date. Have your 234567 1234567 Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717. NAME THE COMPANY NAME INC. - COMMON THE COMPANY NAME INC. - CLASS A THE COMPANY NAME INC. - CLASS B THE COMPANY NAME INC. - CLASS C THE COMPANY NAME INC. - CLASS D THE COMPANY NAME INC. - CLASS E THE COMPANY NAME INC. - CLASS F THE COMPAN Y NAME INC. - 401 K CONTROL # SHARES123,456,789,012.12345 123,456,789,012.12345 123,456,789,012.12345 123,456,789,012.12345 123,456,789,012.12345 123,456,789,012.12345 x PAGE1 OF 2 GRIFFIN INDUSTRIAL REALTY, INC. ATTN: ANTHONY GALICI, VP CHIEF FINANCIAL OFFICER AND SECRETARY 204 WEST NEWBERRY ROAD BLOOMFIELD, CT 06002 Investor Address Line 1 Investor Address Line 2 Investor Address Line 3 Investor Address Line 4 Investor Address Line 5 8 8 8 1 1234 ANYWHERE STREET ANY CITY, ON A1A 1A1 234567 234567 234567

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting: The Annual Report, Notice & Proxy Statement are available at www.proxyvote.com GRIFFIN INDUSTRIAL REALTY, INC. Annual Meeting of Stockholders May 15, 2018 2:00 PM ET This proxy is solicited by the Board of Directors The undersigned holder(s) of Common Stock of Griffin Industrial Realty, Inc. ("Griffin") hereby authorizes and appoints Frederick M. Danziger and Michael S. Gamzon, or either of them, as proxies with full power of substitution in each, to represent the undersigned and to vote, as designated on the reverse side of this proxy card, all of the shares of Common Stock of Griffin that the undersigned is/are entitled to vote at the Annual Meeting of Stockholders to be held at 2:00 PM local time, on May 15, 2018, at the DoubleTree by Hilton Hotel, 569 Lexington Avenue, New York, NY 10022 and any adjournment, continuation or postponement thereof. Such proxies are authorized to vote in their discretion (x) for the election of any person to the Board of Directors if any nominee named herein becomes unable to serve or for good cause will not serve, (y) on any matter that the Board of Directors did not know would be presented at the Annual Meeting by a reasonable time before the proxy solicitation was made, and (z) on such other business as may properly be brought before the meeting or any adjournment, continuation, or postponement thereof. This proxy, when properly executed, will be voted in the manner directed herein by the undersigned stockholder(s). If no such direction is made, this proxy will be voted in accordance with the Board of Directors' recommendations. Continued and to be signed on reverse side 0000373299_2 R1.0.1.17
