

ALEXANDRIA REAL ESTATE EQUITIES INC

Form DEFR14A

April 22, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No. 1)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

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

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under §240.14a-12

Alexandria Real Estate Equities, 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:

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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

EXPLANATORY NOTE

This revised proxy statement of Alexandria Real Estate Equities, Inc. for the 2016 Annual Meeting amends the proxy statement as originally filed on April 13, 2016 to attach the full text of the Company's Amended and Restated 1997 Stock Award and Incentive Plan as Appendix I. The terms of the Company's Amended and Restated 1997 Stock Award and Incentive Plan are described in Proposal 2, beginning on page 19.

Notice of
2016 Annual
Meeting of
Stockholders
and Proxy
Statement

April 12, 2016

Dear Stockholder:

You are invited to attend the 2016 Annual Meeting of Stockholders of Alexandria Real Estate Equities, Inc., a Maryland corporation (the “Company”), to be held on Thursday, May 12, 2016, at The Langham Huntington Hotel, 1401 South Oak Knoll Avenue, Pasadena, California 91106, at 11:00 a.m., Pacific Daylight Time (the “2016 Annual Meeting”).

At the 2016 Annual Meeting you will be asked to elect seven directors; vote upon the amendment and restatement of our Amended and Restated 1997 Stock Award and Incentive Plan (the “1997 Incentive Plan”); vote upon, on a non-binding, advisory basis, a resolution to approve the compensation of our named executive officers; and vote upon the ratification of the appointment by the Audit Committee of our Board of Directors of Ernst & Young LLP to serve as our independent registered public accountants for our fiscal year ending December 31, 2016. The accompanying Notice of Annual Meeting of Stockholders and Proxy Statement describe these matters. We urge you to read this information carefully.

Your Board of Directors unanimously believes that election of its nominees as directors; approval of the amendment and restatement of the 1997 Incentive Plan; approval, on a non-binding, advisory basis, of the compensation of our named executive officers; and ratification of the appointment of our independent registered public accountants are in the best interests of the Company and, accordingly, recommends a vote FOR the election of all the nominees as directors; FOR the approval of the amendment and restatement of the 1997 Incentive Plan; FOR the approval, on a non-binding, advisory basis, of the compensation of our named executive officers; and FOR the ratification of the appointment of Ernst & Young LLP to serve as our independent registered public accountants.

In addition to the formal business to be transacted at the meeting, management will report on the progress of our business and respond to comments and questions of general interest to stockholders.

We sincerely hope that you will be able to attend and participate in the meeting. Whether or not you plan to come to the meeting, however, it is important that your shares be represented and voted. You may authorize a proxy to vote your shares by completing the accompanying proxy card or by giving your proxy authorization via telephone or the Internet. Please read the instructions on the accompanying proxy card for details on giving your proxy authorization via telephone or the Internet.

BY COMPLETING AND RETURNING THE ACCOMPANYING PROXY CARD OR BY AUTHORIZING A PROXY VIA TELEPHONE OR THE INTERNET, YOU AUTHORIZE THE PROXY HOLDERS TO REPRESENT YOU AND VOTE YOUR SHARES ACCORDING TO YOUR INSTRUCTIONS. SUBMITTING YOUR PROXY NOW WILL NOT PREVENT YOU FROM VOTING IN PERSON AT THE 2016 ANNUAL MEETING, BUT WILL ENSURE THAT YOUR VOTE IS COUNTED IF YOUR PLANS CHANGE AND YOU ARE UNABLE TO ATTEND.

Sincerely,
Joel S. Marcus
Chairman of the Board,
Chief Executive Officer, and Founder

PERFORMANCE HIGHLIGHTS

Net Asset Value ⁽¹⁾

Per Share

39%

Growth

Funds From Operations ⁽¹⁾

Per Share

19%

Growth

Dividends Declared

Per Share of Common Stock

17%

Growth

(1) Refer to page 34 for definitions and information on the reconciliation of non-GAAP measures to their most comparable GAAP measures.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS OF
ALEXANDRIA REAL ESTATE EQUITIES, INC.

Date and Time: Thursday, May 12, 2016, at 11:00 a.m. Pacific Daylight Time

Place: The Langham Huntington Hotel, 1401 South Oak Knoll Avenue, Pasadena, California 91106

Items of Business: 1. To elect the following seven nominees: Joel S. Marcus, Steven R. Hash, John L. Atkins, III, Ambassador James P. Cain, Maria S. Freire, Ph.D., Richard H. Klein, and James H. Richardson to serve until the next annual meeting of stockholders of Alexandria Real Estate Equities, Inc., a Maryland corporation (the "Company"), and until their successors are duly elected and qualify.

2. To vote upon the amendment and restatement of the Company's Amended and Restated 1997 Stock Award and Incentive Plan.

3. To vote upon, on a non-binding, advisory basis, a resolution to approve the compensation of the Company's named executive officers, as described in the Proxy Statement for the 2016 Annual Meeting.

4. To vote upon the ratification of the appointment of Ernst & Young LLP to serve as the Company's independent registered public accountants for the fiscal year ending December 31, 2016.

5. To transact such other business as may properly come before the 2016 Annual Meeting or any postponement or adjournment thereof.

Record Date: The Board of Directors of the Company (the "Board of Directors") has fixed the close of business on March 31, 2016, as the record date for the determination of stockholders entitled to notice of and to vote at the 2016 Annual Meeting and any postponement or adjournment thereof.

By Order of the Board of Directors

Jennifer J. Banks
Secretary
Pasadena, California
April 12, 2016

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ALEXANDRIA REAL ESTATE EQUITIES, INC.
385 East Colorado Boulevard, Suite 299
Pasadena, California 91101

PROXY STATEMENT SUMMARY

This summary highlights information contained elsewhere in this Proxy Statement. This summary does not contain all of the information that you should consider, and you should read the entire Proxy Statement carefully before voting or authorizing your proxy to vote for you. This Proxy Statement and the enclosed form of proxy are first being mailed to stockholders of Alexandria Real Estate Equities, Inc., a Maryland corporation (the "Company," "we," "our," "us," or "Alexandria"), on or about April 12, 2016.

2016 Annual Meeting

Date and Time: Thursday, May 12, 2016, at 11:00 a.m. Pacific Daylight Time

Place: The Langham Huntington Hotel, 1401 South Oak Knoll Avenue, Pasadena, California 91106

Only holders of record of the Company's common stock, \$0.01 par value per share (the "Common Stock"), as of Voting: the close of business on March 31, 2016, the record date, will be entitled to notice of and entitled to vote at the 2016 Annual Meeting. Each share of Common Stock entitles its holder to one vote.

Proposals and Board Recommendations

Proposal	Board Recommendation	For More Information
1. Election of Directors	"FOR" all nominees	Page <u>6</u>
2. Amendment and restatement of the 1997 Incentive Plan	"FOR"	Page <u>19</u>
3. A resolution to approve, on a non-binding, advisory basis, the compensation of the Company's named executive officers	"FOR"	Page <u>31</u>
4. Ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accountants for the fiscal year ending December 31, 2016	"FOR"	Page <u>68</u>

How to Cast Your Vote

You may vote by any of the following methods:

Internet

until 11:59 p.m. EDT on May
11, 2016

Beneficial Owners
www.proxyvote.com

Mail

Sign, date, and mail your proxy card or voting instructions card in the envelope provided as soon as possible

Registered Stockholders
www.voteproxy.com

Phone

until 11:59 p.m. EDT on May
11, 2016

In Person

Beneficial Owners

Admission is based on proof of ownership, such as a recent brokerage statement, and voting requires a valid "legal proxy" signed by the holder of record.

Beneficial Owners
800-454-8683

Registered Stockholders
Attend and vote your shares in person

Registered Stockholders
800-776-9437

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2016 PROXY STATEMENT SUMMARY (continued)

Overview

Over 21 years ago in 1994, the Company's founder and CEO, Joel S. Marcus, led the formation, financing, development, personnel recruitment, and operations of this highly sophisticated niche real estate company. During this time, under Mr. Marcus's leadership and vision, the Company's strategy has focused on developing and implementing its unique and successful business model, and has generated long-term value and growth in net asset value, as well as strong long-term results. Alexandria is an urban office real estate investment trust ("REIT") uniquely focused on collaborative science and technology campuses in AAA innovation cluster locations, with a total market capitalization of \$10.9 billion, and an asset base of 32.0 million square feet as of December 31, 2015. The asset base includes 20.1 million rentable square feet of operating properties and development and redevelopment projects (under construction or pre-construction), as well as an additional 11.9 million square feet of future ground-up development projects. Alexandria pioneered this niche in 1994 as a garage startup with a business plan and \$19 million of seed capital and has since established the premier brand and franchise with a dominant market presence in key locations, including Greater Boston, San Francisco, New York City, San Diego, Seattle, Maryland, and Research Triangle Park. Alexandria is known for its high-quality and diverse investment-grade tenant base. Alexandria has a long-standing and proven track record of developing Class A assets clustered in urban science and technology campuses that provide its innovative tenants with highly dynamic and collaborative environments that enhance their ability to successfully recruit and retain world-class talent and to inspire productivity, efficiency, creativity, and success. We believe these advantages result in higher occupancy levels, longer lease terms, higher rental income, higher returns, and greater long-term asset value.

Board Nominees (page 6)

The following table provides information about the seven candidates who have been nominated for election to our Board of Directors.

Name	Age	Director Since	Director Independence	Occupation	Committee Memberships			
			Status ⁽¹⁾		AC	CC	NG	ST
Joel S. Marcus	68	1994	No (Employed by the Company)	Chairman of the Board, Chief Executive Officer, and Founder of the Company	—	—	—	M
Steven R. Hash ⁽²⁾	51	2013	Yes	President and Chief Operating Officer of Renaissance Macro Research, LLC	M,X	C	M	—
John L. Atkins, III	72	2007	Yes	Chairman and Chief Executive Officer of O'Brien/Atkins Associates, PA	—	M	C	—
James P. Cain	58	2015	Yes	Managing partner of Cain Global Partners, LLC	—	—	M	M
Maria C. Freire, Ph.D.	62	2012	Yes	President and Executive Director of the Foundation for National Institutes of Health	M	—	M	C
Richard H. Klein	60	2003	Yes	Chief Financial Officer of Industrial Realty Group, LLC	C,X	M	M	—
James H. Richardson	56	1999	No (Former President of the Company)	Senior Management Consultant to the Company	—	—	—	M

⁽¹⁾ Independence is determined by the Board of Directors in accordance with the applicable New York Stock Exchange listing standards.

⁽²⁾ Lead Director of the Company.

AC Audit Committee C