

W. P. Carey Inc.
Form DEF 14A
April 04, 2019

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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 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to § 240.14a-12

W. P. Carey 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.
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 - (1) Title of each class of securities to which transaction applies:
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 - (4) Proposed maximum aggregate value of transaction:
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- o Fee paid previously with preliminary materials.
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 - (1) Amount Previously Paid:
 - (2) Form, Schedule or Registration Statement No.:
 - (3) Filing Party:
 - (4) Date Filed:
-

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Notice of Annual Meeting of Stockholders

April 4, 2019

Date and Time

Thursday, June 13, 2019

1:30 p.m.

Location

DLA Piper LLP (US)

1251 Avenue of the Americas, 27th Floor

New York, NY 10020

Items of Business

Elect ten Directors for 2019;

Consider an advisory vote on executive compensation;

Ratify the appointment of PricewaterhouseCoopers LLP as Independent Registered Public Accounting Firm for 2019; and

Transact such other business as may properly come before the meeting and any adjournment or postponement thereof.

Only shareholders who owned stock at the close of business on April 2, 2019 are entitled to vote at the meeting. W. P. Carey Inc. mailed the attached Proxy Statement, proxy card and its Annual Report to shareholders on or about April 9, 2019.

By Order of the Board of Directors

Susan C. Hyde

Chief Administrative Officer and
Corporate Secretary
W. P. Carey Inc.
50 Rockefeller Plaza

New York, NY 10020

How to Vote

INTERNET

PHONE

MAIL

IN PERSON

Whether or not you attend, it is important that your shares be represented and voted at the Annual Meeting.

You may vote your shares by using the telephone or through the Internet, as described on the enclosed proxy card. You may also vote your shares by marking your votes on the enclosed proxy card, signing and dating it and mailing it in the business reply envelope provided. If you attend the Annual Meeting, you may withdraw your previously submitted proxy and vote in person.

Additional questions are answered in the Users' Guide on page 61.

Important Notice Regarding Availability of Proxy Materials For the 2019 Annual Meeting of Stockholders to Be Held on June 13, 2019:

This Proxy Statement and the Annual Report to Shareholders are available at www.proxyvote.com.

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Letter from Our Chairman and Chief Executive Officer

Dear Fellow Shareholders,

On behalf of the W. P. Carey Inc. Board of Directors, we are pleased to present you with our 2019 Proxy Statement.

We are proud of our achievements over the past year, most notably our merger with CPA:17, which was a shared accomplishment throughout our organization and essentially completed our evolution to a pure-play net-lease REIT. Today, W. P. Carey is an even stronger company with a well-defined strategy of owning a diversified portfolio of high-quality net lease assets supported by proactive asset management and a strong and flexible balance sheet. We also now rank as one of the largest REITs in the MSCI US REIT Index, with increased prominence, additional liquidity in our stock and an improved cost of capital.

Benjamin H. Griswold, IV
Non-Executive Chairman
Board of Directors

We take a long-term view with respect to both investing and our performance, and we were pleased to have outperformed the MSCI US REIT Index over the most recent 1-, 3- and 10-year periods. We have also generated higher AFFO and Real Estate AFFO per share, enabling us to provide our investors with stable and increasing dividends over time. Although we will no longer earn fees from managing CPA:17, we believe the strategic benefits of the merger have better positioned us for long-term growth in AFFO per share.

Our Board is actively engaged in W. P. Carey's strategy and is comprised of Directors who have the diverse skillset and extensive experience necessary to support our business over the long-term. We believe that having a mix of tenured and newer directors, men and women, each with different backgrounds, provides the varied viewpoints and robust discussion that result in better outcomes.

Our governance continues to reflect today's best practices, and we regularly evaluate ways to further enhance our policies and disclosures to insure that our investors are familiar with our corporate culture and what we believe is our best-in-class governance profile. Our new annual cash bonus plan, described later in this Proxy Statement, is an example of a change over the last year and is designed to provide greater transparency to investors and employees alike regarding our compensation practices and decisions.

Jason E. Fox
Chief Executive Officer
Board of Directors

We recognize that our most important assets are our employees, and we believe our culture reflects that view. Our ability to attract the best and the brightest at all levels of our organization is supported by our culture, as well as by our compensation philosophy, our comprehensive benefits program and our career development opportunities. We invest in the financial, physical and overall well-being of our employees to enhance their lives in and out of the office as they progress and grow with the company. In that regard, we are pleased to report a diverse employee base in which women represent 46% of our global workforce and 43% of management. We believe that our success over the long run has been the result of the diverse backgrounds and perspectives of our employees and our directors alike.

Being a good corporate citizen has been part of the fabric of W. P. Carey since our founding in 1973. Our culture was built on the concept of *Doing Good While Doing Well* and challenges the company and our employees to consider the impact of our business on society and to give back to our communities. Our Carey Forward volunteer program has enabled our employees to support many organizations with both time and funding that creates a positive impact.

As always, we would like to take this opportunity to highlight that we value your input and welcome an open dialogue with our investors. We provide information in this Proxy Statement on how you can contact us at any time.

We are proud of our performance and believe that our current Board and management team will build on our more than 45-year heritage, focused on providing our fellow shareholders with stable growth of both dividends and Real Estate AFFO over the long-term. We value your investment in W. P. Carey, your input and your

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support. On behalf of the entire Board of Directors, we thank you for your continued confidence in us.

Benjamin H. Griswold, IV
Non-Executive Chairman
Board of Directors

Jason E. Fox
Chief Executive Officer
Board of Directors

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Proxy Summary

This summary highlights information contained in this proxy statement. The summary does not contain all of the information you should consider, and you should read the entire proxy statement carefully before voting.

2019 Annual Meeting of Stockholders

Date and Time

Thursday, June 13, 2019, 1:30 p.m.

Location

DLA Piper LLP US, 1251 Avenue of the Americas, 27th Floor, New York, NY 10020

Voting

Stockholders as of the record date, April 2, 2019, are entitled to vote; each share of common stock is entitled to one vote for each director nominee and one vote for each of the other proposals.

Voting Matters and Board Recommendations

Proposal		Board Recommendation	Page
1	Election of ten Directors named in this proxy statement for 2019	FOR each Nominee	8
2	Consideration of an advisory vote on executive compensation on executive compensation	FOR	33
3	Ratification of the appointment of PricewaterhouseCoopers LLP as Independent Registered Public Accounting Firm for 2019	FOR	56

Performance Highlights

We are proud of our accomplishments over the past year, most notably our merger with CPA:17, which essentially completed our evolution to a pure-play net-lease REIT. We take a long-term view with respect to both investing and our performance, and we were pleased to have executed well on behalf of our shareholders.

Proxy Summary

Governance and Board Highlights

Because we believe that a company's tone is set at the top, we are proud to report on our Corporate and Board-level governance provisions, many of which are recognized as best practices. Critical components of our governance profile include:

Director Independence and Compliance

All directors, other than our CEO, are independent

No related-party transactions

Our Board reviews the independence of its members annually

Led by an Independent Chairman, separate from our CEO

All directors attended 75% or more of the Board or Board Committee meetings in 2018

All directors are in compliance with our stock ownership guidelines (5x annual cash retainer)

A limitation on over-boarding by our directors

Strong Shareholder Rights

Shareholder proxy access with a "3/3/20/20" market standard

Irrevocably opted out of Maryland staggered board provisions; All directors elected annually

Majority voting for directors

Shareholders can amend bylaws with a majority vote

No poison pill

Our Approach to Compensation

In 2018, we introduced annual cash bonus plan for all employees designed to provide greater transparency We design our compensation plans within a set of strong compensation governance provisions. These include:

What We Do

Deliver a significant percentage of annual compensation in the form of variable compensation tied to multi-year performance through our new annual cash incentive plan

Deliver half of the long-term incentive plan value at grant through PSUs measuring 3-year performance

Provide total compensation opportunities that approximates the market median

Compare executive compensation levels and practices against a relevant peer group of similarly-sized REITs

Engage an independent compensation consultant that reports directly to the Compensation Committee and provides no other services to the Company

Require meaningful levels of stock ownership among our executive officers and non-employee directors

Maintain a clawback policy

Conduct annual compensation risk review

What We Don't Do

Do not provide excise tax gross-ups

Do not have employment agreements

Do not have executive perquisites

Do not have excessive severance benefits

Do not allow current dividends to be paid on unearned PSUs or unvested RSUs.

Do not allow hedging or short sales of our securities, and have meaningful limits on pledging

Do not provide enhanced retirement benefits or other supplemental executive retirement plans, known as SERPs

Do not allow for any single-trigger cash severance benefits upon a change-in-control

Proxy Summary

Director Nominees and Diversity

Our Board comprises our CEO and nine independent directors, and benefits from a mix of tenured and newer directors, men and women, each with different backgrounds. We believe this diversity provides the varied viewpoints and robust discussion that result in better outcomes for our shareholders.

Committee Memberships

Name	Age	Director Since	Primary Occupation	Independent	Audit	Compensation	Executive	Investment	Nominating & Corporate Governance
Mark A. Alexander	60	2016	Managing Member Landmark Property Group LLC						
Peter J. Farrell	58	2016	Partner and Co-founder CityInterests, LLC and PADC Realty Investors						
Robert J. Flanagan	62	2018	President, Clark Enterprises, Inc. and Trustee, A. James & Alice B. Clark Foundation						
Jason E. Fox	46	2018	Chief Executive Officer, W. P. Carey Inc.						
Benjamin H. Griswold, IV Non-Executive Chairman of the Board	78	2006	Partner and Chairman, Brown Advisory, Inc.						
Axel K.A. Hansing	76	2011	Senior Partner Coller Capital, Ltd.						