

**GRAMERCY PROPERTY TRUST**  
**CORPORATE GOVERNANCE GUIDELINES**

**I. Role of the Board and Management**

The business and affairs of Gramercy Property Trust (the “**Company**”) shall be conducted by its officers and employees, under the direction of the Chief Executive Officer (the “**CEO**”) and the oversight of the Company’s Board of Trustees (the “**Board**”). The Board, which is elected by the Company’s shareholders, shall oversee management and act in a manner that helps assure that the long-term interests of the shareholders are being served.

**II. Composition of the Board**

The size of the Board shall be determined from time to time by a majority vote of the Board in accordance with the Company’s Third Amended and Restated Bylaws, as amended from time to time (the “**Bylaws**”). The number of trustees serving on the Board is currently set at ten members.

The Company’s Bylaws provide that the Chairman of the Board shall be an independent trustee. The Board believes this policy has served it well in the past and continues to serve it well at present.

**III. Functions and Responsibilities of the Board**

The Board shall have a minimum of four regularly scheduled meetings per year, generally one per calendar quarter, at which it shall meet to review and discuss reports requested by the Board and furnished by management on the performance of the Company, its plans and prospects, as well as other issues facing the Company. The Board shall meet at such other times, as necessary, in person or by telephone, as requested by any member of the Board. Actions of the Board may also take the form of unanimous written consent, as necessary and appropriate from time to time.

It is the policy of the Board to encourage and promote the attendance by each trustee at all scheduled meetings of the Board and all meetings of the Company’s shareholders. In the event that trustees are unable to make at least 75% of regular or special meetings (together with the meetings of committees on which such trustee serves), the Company will be required to disclose that fact in its annual proxy statement. Each trustee is expected to review, before attending meetings of the Board, all materials provided by the Company relating to the matters to be considered at the meetings so that they may participate in a productive fashion. Trustees who are not employees of the Company or its affiliates shall meet in executive session at the conclusion of each of the Board’s regularly scheduled meetings, and additionally as needed, without the presence of any trustees or other persons who are part of the Company’s management. If any non-management trustee does not qualify as an independent trustee, then at least once per year, an executive session with only independent trustees present shall be held. The trustee who presides at these meetings will be chosen by the non-management trustees or independent trustees, as the case may be, and his or her name, or the process by which he or she is selected, will be disclosed in the annual proxy statement or, if the Company does not file an annual proxy statement, in the Company’s Annual Report on Form 10-K filed with the Securities and Exchange Commission. In order that interested parties may be able to make their concerns known to the non-management trustees, the Company will also disclose a method for such parties to communicate directly and confidentially with the presiding trustee or with the non-management trustees as a group.

In addition to the general oversight of management, the Board, either itself or through its committees, shall also perform a number of specific functions, including:

- reviewing, approving and monitoring the Company's fundamental financial and business strategies and major corporate actions;
- assessing the major risks facing the Company and reviewing options for the mitigation of such risks;
- selecting, evaluating and compensating the Company's officers, including the CEO;
- providing counsel and oversight on, to the extent applicable, the selection, evaluation, development, retention and compensation of senior management of the Company;
- overseeing succession planning for the CEO and, to the extent applicable, senior management of the Company; and
- ensuring that policies and procedures are in place for maintaining the integrity of the Company, including the integrity of the financial statements, the integrity of compliance with laws and ethics and the integrity of business relationships with investors, counterparties and others.

The Board will also periodically review the Company's portfolio of assets and all proposed investments. In addition, in conducting periodic reviews, the Board may rely primarily on information provided to the Board by senior management of the Company.

#### **IV. Committees of the Board**

The Board has established the following standing committees to assist it in discharging its responsibilities: Audit Committee, Compensation Committee, Investment Committee and Nominating and Corporate Governance Committee. The charters of the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee are published on the Company's website. These committees shall meet regularly, typically in conjunction with regular scheduled meetings of the Board, or otherwise as necessary, to carry out their functions and responsibilities. Each trustee is expected to attend all the meetings of each committee on which the trustee serves. The committee chairs shall report the highlights of their committee meetings to the full Board.

In accordance with their respective charters, the Audit Committee, the Compensation Committee, the Investment Committee and the Nominating and Corporate Governance Committee shall be comprised entirely of "independent" trustees.

The Board may from time to time establish additional committees as necessary or appropriate.

#### **V. Trustee Qualification Standards**

The Board shall consider and approve from time to time the criteria that it deems necessary or advisable for prospective trustee candidates. The Board shall have full authority to modify such criteria from time to time as it deems necessary or advisable.

The Board has delegated to the Nominating and Corporate Governance Committee the responsibility for developing and recommending to the Board for its consideration and approval such criteria for prospective trustee candidates as the Nominating and Corporate Governance Committee deems necessary or advisable. The Nominating and Corporate Governance Committee will recommend to the Board from time to time such criteria for its consideration and approval. The Board may, however, rescind this delegation to the Nominating and Corporate Governance Committee and thereafter the Board shall have

the responsibility for developing and approving from time to time such criteria for prospective trustee candidates as it deems necessary or advisable.

The Company's trustees shall be nominated in accordance with the procedures set forth in the charter of the Nominating and Corporate Governance Committee. In identifying prospective trustee candidates, the Nominating and Corporate Governance Committee may consider all facts and circumstances that it deems appropriate or advisable, including, among other things, the skills of the prospective trustee candidate, his or her depth and breadth of business experience, education or other background characteristics, his or her independence, the needs of the Board, his or her personal and professional ethics, integrity, values and business judgment and his or her commitment to representing the long-term interests of the Company and its shareholders.

Trustees must be willing to devote sufficient time and effort to carrying out their duties and responsibilities effectively and should be committed to serve on the Board for an extended period of time. Trustees who also serve as chief executive officers or hold equivalent positions at other companies should not serve on more than two other boards of public companies in addition to the Board, and other trustees should not serve on more than four other boards of public companies in addition to the Board. Current positions in excess of these limits may be maintained, unless the Board determines that doing so would impair the quality of the trustee's service to the Board.

A majority of the trustees serving on the Board shall, in the business judgment of the Board, meet the independence requirements set forth in the rules of the New York Stock Exchange. The Board shall undertake an annual review of the independence of all non-employee trustees and, in accordance with the independence criteria established by the Board from time to time, shall make an affirmative determination that each "independent" trustee has no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company) that might signal a potential conflict of interest or otherwise interfere with such trustee's ability to satisfy his or her duties and responsibilities as an independent trustee.

The Board does not believe that arbitrary term limits on trustees' service are appropriate nor does it believe that trustees should expect to be nominated for re-election until they reach a mandatory retirement age. The Board self-evaluation process, together with the procedures set forth in the charter of the Nominating and Corporate Governance Committee, shall be an important determinant for Board tenure.

The Nominating and Corporate Governance Committee shall be responsible for developing succession plans for the Board as appropriate in light of relevant facts and circumstances.

## **VI. Access to Management and Independent Advisors**

In carrying out its responsibilities, the Board, and each committee thereof, shall be entitled to rely on the advice and information that it receives from management and such experts, advisors and professionals with whom the Board, or any such committee thereof, may consult. The Board, and each committee thereof, shall have the authority to request that any officer or employee of the Company, the Company's outside legal counsel, the Company's independent auditor or any other professional retained by the Company to render advice to the Company, attend a meeting of the Board, or such committee thereof, or meet with any members of or advisors to the Board. In addition, the Board and its committees have the right to consult with and retain independent legal, financial or other advisors, as necessary and appropriate from time to time.

## **VII. Trustee Compensation**

The form and amount of trustee compensation will be reviewed periodically, but at least annually, by the Board. In fixing the compensation to be paid to non-employee trustees of the Company for serving on the Board and its committees, the Board may consider the following, among other factors it deems appropriate:

- the compensation that is paid to trustees of other companies that are comparable to the Company;
- the amount of time it is likely trustees will be required to devote to preparing for, and attending meetings of, the Board and the committees on which they serve;
- the success of the Company (which may be reflected in compensation related to the price of the Company's shares);
- if a trustee is a chairperson of one of the Board's committees and the time commitment related thereto;
- if a committee on which a trustee serves undertakes a special assignment, the importance of that special assignment to the Company and its shareholders; and
- the risks involved in serving as a trustee of the Board or a member of its committees.

Trustees serving on the Board who are employed by the Company shall not be separately compensated for serving on the Board or any of its committees. All trustees shall be reimbursed for expenses related to their attendance at Board and committee meetings.

#### **VIII. Management Succession**

As part of their role in directing the management of the business and affairs of the Company, the trustees shall be responsible for selecting, evaluating and compensating the CEO and overseeing the Company's succession planning activities. The Board may delegate elements of this responsibility to one or more of its committees or to senior management. In carrying out this function, the Board shall endeavor to ensure that the Company's management has the capabilities to cause the Company to operate in an efficient and business-like fashion in the event of a vacancy in senior management, either anticipated or sudden. The Board shall oversee the development, as and when necessary, of relevant policies and procedures to address management succession issues.

#### **IX. Trustee Orientation and Continuing Education**

The Company encourages trustees and committee chairpersons to participate in orientation and continuing education programs that will enhance their ability to effectively discharge their duties as members of the Board. Each new trustee shall, within six months of election to the Board, endeavor to spend time at the Company's offices for a personal briefing by senior management regarding the Company's business, strategic plans, asset portfolio, financial statements and key policies and procedures. All trustees shall be given an opportunity to discuss the Company and its business with senior management and be informed of the Company's policies that affect trustees, including these Corporate Governance Guidelines. Management of the Company will also make available to trustees materials or briefing sessions regarding trustee duties and responsibilities and other matters related to the trustees' service on the Board.

#### **X. Policy on Majority Voting**

The Company's policy requiring majority voting in uncontested elections of trustees ("**Majority Voting Policy**") is as follows:

- In an uncontested election of trustees, any nominee who receives a greater number of votes “withheld” from his or her election than votes “for” his or her election (a “**Majority Withheld Vote**”) will, within 10 business days following the certification of the shareholder vote, tender his or her written resignation to the Board for consideration by the Nominating and Corporate Governance Committee (the “**Nominating Committee**”). For Majority Voting Policy purposes, an “uncontested election of trustees” is an election in which the only nominees are persons nominated by the Board.
- The Nominating Committee will consider such tendered resignation taking into account any factors or other information it considers appropriate and relevant, including the circumstances that led to the Majority Withheld Vote, if known and, within 60 days following the date of the shareholders’ meeting at which the election occurred, will make a recommendation to the Board concerning the acceptance or rejection of such resignation.
- The Board will take formal action on the Nominating Committee’s recommendation no later than 90 days following the date of the shareholders’ meeting at which the election occurred. In considering the Nominating Committee’s recommendation, the Board will consider the information, factors and alternatives considered by the Nominating Committee and such additional factors, information and alternatives as the Board deems relevant.
- Following the Board’s decision on the Nominating Committee’s recommendation, the Company, within four business days after such decision is made, will publicly disclose, in a Form 8-K filed with the Securities and Exchange Commission, the Board’s decision, and, if applicable, the Board’s reasons for rejecting the tendered resignation.
- No trustee who, in accordance the Company’s Majority Voting Policy, is required to tender his or her resignation, shall participate in the Nominating Committee’s deliberations or recommendation, or in the Board’s deliberations or determination, with respect to accepting or rejecting his or her resignation as a trustee.
- If a majority of the members of the Nominating Committee received a Majority Withheld Vote, then the independent trustees then serving on the Board who did not receive a Majority Withheld Vote will appoint an ad hoc Board committee from amongst themselves (the “**Ad Hoc Committee**”), consisting of such number of trustees as they may determine to be appropriate, solely for the purpose of considering and making a recommendation to the Board with respect to the tendered resignations. The Ad Hoc Committee shall serve in place of the Nominating Committee and perform the Nominating Committee’s duties for purposes of the Majority Voting Policy.
- Notwithstanding the foregoing, if an Ad Hoc Committee would have been created but fewer than three trustees would be eligible to serve on it, then the entire Board (other than the trustee whose resignation is being considered) will make the determination to accept or reject the tendered resignation without any recommendation from the Nominating Committee and without the creation of an Ad Hoc Committee.
- A trustee whose resignation is accepted by the Board after a Majority Withheld Vote shall not be re-appointed to the Board to fill the vacancy created by his or her resignation.
- The Majority Voting Policy will be summarized or included in the Company’s proxy statement for each meeting of shareholders (annual or special) at which trustees are to be elected.

## **XI. Annual Performance Evaluation of the Board**

The Board shall conduct an annual review and evaluation of its performance based upon, among other things, an assessment of (i) the Board's composition and independence, (ii) the Board's access to and review of information from management and the quality of such management, (iii) the Board's responsiveness to shareholder concerns, (iv) the Board's maintenance and implementation of these Corporate Governance Guidelines, and (v) the general effectiveness of the Board and its committees. The review shall seek to identify specific areas, if any, that need improvement or strengthening in order to increase the effectiveness of the Board as a whole and its committees. The Nominating Committee will oversee this evaluation process.

## **XII. Miscellaneous**

The Board believes that the management of the Company should be responsible for communications with the press, media and other outside parties made on behalf of the Company, though individual Board members may, at the request of management or the Board, communicate with outside parties on behalf of the Company.

These guidelines are not intended to modify, extinguish or in any other manner limit the indemnification, exculpation and similar rights available to the trustees of the Company under applicable law and/or the Company's declaration of trust and/or its Bylaws.

Although these Corporate Governance Guidelines have been approved by the Board, it is expected that these guidelines will evolve over time as customary practice and legal requirements change. In particular, guidelines that encompass legal, regulatory or exchange requirements as they currently exist will be deemed to be modified as and to the extent such legal, regulatory or exchange requirements are modified. In addition, the guidelines may also be amended by the Board at any time as it deems appropriate.

ADOPTED: FEBRUARY 25, 2016