

DUKE REALTY CORP
Form DEF 14A
March 14, 2018
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

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

Filed by the Registrant x
Filed by a Party other than the Registrant o

Check the appropriate box:

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

Duke Realty Corporation

(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):

- x No fee required.
- o 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:

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2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

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600 East 96th Street
Suite 100
Indianapolis, Indiana 46240
(317) 808-6000

March 14, 2018

Dear Shareholder:

The Board of Directors and officers of Duke Realty Corporation join me in extending to you a cordial invitation to attend our Annual Meeting of shareholders. This meeting will be held on Wednesday, April 25, 2018, at 3:00 p.m. local time, at the Conrad Indianapolis, 50 West Washington Street, Indianapolis, Indiana 46204. To reserve your seat at the Annual Meeting, please call 317-808-6005 or send an e-mail to ir@dukerealty.com. As in past years, we believe that both the shareholders and management of Duke Realty Corporation can gain much through participation at this meeting. Our objective is to make it as informative and interesting as possible.

This year we again are pleased to take advantage of the Securities and Exchange Commission rule allowing companies to furnish proxy materials to their shareholders over the Internet. We believe that this e-proxy process will expedite shareholders' receipt of proxy materials, while lowering the costs of delivery and reducing the environmental impact of our Annual Meeting. On or about March 14, 2018, we mailed to a majority of our shareholders a notice containing instructions on how to access our proxy statement and 2017 Annual Report to shareholders and how to vote. All other shareholders will receive these materials by mail. The proxy statement contains instructions on how you can

(i) receive a paper copy of the proxy statement and 2017 Annual Report, if you only received a notice by mail, or (ii) elect to receive future proxy statements and annual reports over the Internet, if you received them by mail this year.

Whether or not you plan to attend the Annual Meeting, we urge you to vote promptly by mail, by telephone or on the Internet to ensure that we record your votes on the business matters presented at the Annual Meeting.

We look forward to seeing you on April 25th.

Sincerely,

/s/ JAMES B. CONNOR

James B. Connor
Chairman and Chief Executive Officer

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600 East 96th Street
Suite 100
Indianapolis, Indiana 46240
(317) 808-6000

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To be held April 25, 2018

Notice is hereby given that the 2018 Annual Meeting of Shareholders, or the Annual Meeting, of Duke Realty Corporation, or the Company, will be held at the Conrad Indianapolis, 50 West Washington Street, Indianapolis, Indiana 46204, on Wednesday, April 25, 2018, at 3:00 p.m. local time. At the Annual Meeting, the shareholders will be asked to act on the following:

1. To elect thirteen directors to serve on the Company's Board of Directors for a one-year term ending at the 2019 Annual Meeting of Shareholders;
2. To vote on an advisory basis to approve the compensation of the Company's named executive officers as set forth in this proxy statement;
3. To ratify the reappointment of KPMG LLP as the Company's independent registered public accountants for the fiscal year 2018; and
4. To transact such other business as may properly come before the Annual Meeting and any adjournment or postponement thereof.

Only shareholders of record at the close of business on February 23, 2018 are entitled to notice of and to vote at the Annual Meeting or at any adjournments or postponements thereof. At least a majority of the outstanding shares of common stock of the Company entitled to vote at the Annual Meeting present in person or by proxy is required for a quorum.

YOUR VOTE IS IMPORTANT!

Submitting your proxy does not affect your right to vote in person if you attend the Annual Meeting. Instead, it benefits the Company by reducing the expenses of additional proxy solicitation. Therefore, you are urged to submit your proxy as soon as possible, regardless of whether or not you expect to attend the Annual Meeting. You may revoke your proxy at any time before its exercise by (i) delivering written notice of revocation to the Company's Corporate Secretary, Ann C. Dee, at the above address, (ii) submitting to the Company a duly executed proxy card bearing a later date, (iii) voting via the Internet or by telephone at a later date, or (iv) appearing at the Annual Meeting and voting in person; provided, however, that no such revocation under clause (i) or (ii) shall be effective until written notice of revocation or a later dated proxy card is received by the Company's Corporate Secretary at or before the Annual Meeting, and no such revocation under clause (iii) shall be effective unless received on or before 11:59 p.m., Indianapolis local time, on April 24, 2018.

When you submit your proxy, you authorize James B. Connor and Ann C. Dee or either one of them, each with full power of substitution, to vote your shares at the Annual Meeting in accordance with your instructions or, if no instructions are given, to vote for the election of the director nominees, for approval, on an advisory basis, of the compensation of the Company's named executive officers, for ratification of the appointment of the independent auditors for 2018, and to vote in their discretion on any other business that may properly come before the Annual Meeting and any adjournments or postponements of the Annual Meeting.

Important Notice Regarding the Availability of Proxy Materials for the
Annual Meeting to be Held on April 25, 2018

The Company's proxy statement, proxy card and 2017 Annual Report are available at <http://www.proxyvote.com>.

By order of the Board of Directors,

/s/ ANN C. DEE

Indianapolis, Indiana Ann C. Dee

Executive Vice President, General Counsel and Corporate Secretary

March 14, 2018

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2018 PROXY 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 this entire proxy statement carefully before voting.

General

The Board of Directors of Duke Realty Corporation, or the Company, is soliciting proxies to be voted at the Company's 2018 Annual Meeting of Shareholders, or the Annual Meeting. This proxy statement provides the information shareholders need to know to vote by proxy or in person at the Annual Meeting. Shareholders do not need to attend the Annual Meeting in person in order to vote. Voting instructions are below.

Annual Meeting of Shareholders

• Time and Date 3:00 p.m. local time, April 25, 2018

• Place The Conrad Indianapolis, 50 West Washington Street, Indianapolis, Indiana 46204

• Record Date February 23, 2018

• Voting All shareholders of record as of the close of business on the Record Date are entitled to vote at the Annual Meeting. Each share of common stock outstanding on the Record Date is entitled to one vote on each item submitted for consideration.

In order for any business to be conducted, the holders of a majority of the shares of common stock entitled to vote at the Annual Meeting must be present, either in person or represented by proxy. For the purpose of determining the presence of a quorum, abstentions and broker non-votes (which occur when shares held by brokers or nominees for beneficial owners are voted on some matters but not on others) generally will be counted as present. As of the Record Date, 356,990,530 shares of common stock were issued and outstanding.

Meeting Agenda

• Election of thirteen directors

• Advisory vote to approve the compensation of named executive officers

• Ratification of KPMG as auditors for 2018

• Transaction of other business that may properly come before the meeting

Voting

Listed below are the alternative methods for casting votes at the Annual Meeting.

Vote, sign, and date your proxy card and mail it in the enclosed postage-paid envelope.

Vote in person at the Annual Meeting. For driving directions to the Annual Meeting, please call 317-808-6005.

Call toll-free 1-800-690-6903 and follow the instructions. You will be prompted for certain information that can be found on your proxy card.

Log on to <http://www.proxyvote.com> and follow the on-screen instructions. You will be prompted to enter certain information that can be found on your proxy card.

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Note: Please refer to the specific instructions set forth on the Notice Regarding the Availability of Proxy Materials for the Annual Meeting, or the Notice, or printed proxy materials.

If you have shares held by a broker, you may instruct your broker to vote your shares by following the instructions that the broker provides to you. Most brokers offer voting by mail, telephone and on the Internet.

When you return a properly executed proxy card, the Company will vote the shares that the proxy card represents in accordance with your directions. If you return the signed proxy card with no direction on a proposal, the Company will vote your proxy “FOR” each director nominee in Proposal One, “FOR” Proposal Two, and “FOR” Proposal Three, and in accordance with the proxy holder’s discretion on any other matter that may properly come before the Annual Meeting including any adjournments or postponements thereof.

You may revoke your proxy at any time before its exercise by:

- (i) delivering written notice of revocation to the Company’s Corporate Secretary, Ms. Ann C. Dee, at 600 East 9th Street, Suite 100, Indianapolis, Indiana 46240;
- (ii) submitting to the Company a duly executed proxy card bearing a later date;
- (iii) voting via the Internet or by telephone at a later date; or
- (iv) appearing at the Annual Meeting and voting in person;

provided, however, that no such revocation under clause (i) or (ii) shall be effective until written notice of revocation or a later dated proxy card is received by the Company’s Corporate Secretary at or before the Annual Meeting, and no such revocation under clause (iii) shall be effective unless received on or before 11:59 p.m., Indianapolis local time, on April 24, 2018.

Voting Matters

	Board Vote Recommendation	Page Reference (for more detail)
Election of Thirteen Directors	FOR EACH DIRECTOR NOMINEE	6
Advisory Vote to Approve the Compensation of Named Executive Officers	FOR	25
Ratification of KPMG as Auditors for 2018	FOR	61

Board of Directors Nominees

We are asking shareholders to elect thirteen directors to serve for a one-year term that will expire at the Company’s 2019 Annual Meeting or until their successors have been elected and qualified. The biographical information of each director nominee begins on page 7. Each director nominee is elected annually by the affirmative vote of at least a majority of the shareholders present in person or represented by proxy and entitled to vote for the election of directors. An abstention will result in a nominee receiving fewer affirmative votes and therefore will have the same effect as a vote against the nominee. Brokers are not entitled to vote uninstructed shares on director elections; therefore, broker non-votes are not considered entitled to vote and will not have an impact on the election of directors.

Advisory Vote on the Compensation of Named Executive Officers

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We are asking shareholders to approve, on an advisory basis, the compensation of the named executive officers as discussed and disclosed in this proxy statement, including the Compensation Discussion and Analysis beginning on page 26 and the tables and narratives that follow under Executive Compensation beginning on page 44. The proposal to

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approve, on an advisory basis, the compensation of the Company's named executive officers will be approved if the votes cast in favor of the proposal exceed the votes cast against the proposal. Abstentions and broker non-votes will not be treated as votes cast and therefore will not have an impact on the vote to approve the compensation.

We have designed our executive compensation program to attract and retain the highest quality executive officers, directly link their pay to the Company's performance, and build value for our shareholders. Our program provides total compensation opportunities at levels that are competitive in our industry, ties a significant portion of each executive's compensation to achieving our key business objectives, and closely aligns the interests of our executives with the interests of our shareholders. In sum, our compensation is designed to reward executives when the Company achieves strong financial and operational results, and likewise to provide reduced pay when financial and operating results are not as strong. We believe the compensation of the named executive officers is reflective of and consistent with that intent.

Auditors

We are asking shareholders to ratify the reappointment of KPMG LLP as the Company's independent registered public accountants for the 2018 fiscal year. In order to ratify the selection of KPMG, the votes cast in favor of the proposal must exceed the votes cast against the proposal. Abstentions will not be treated as votes cast and therefore will not have an impact on the ratification of KPMG as our independent registered public accountants. The ratification of the selection of KPMG as the Company's independent registered public accountants for 2018 will be deemed to be a discretionary matter and brokers will be permitted to vote uninstructed shares as to such matter. Set forth below is summary information with respect to KPMG's fees for services provided in 2017 and 2016.

Audit Fees: \$1,498,250 for 2017 and \$1,354,220 for 2016.

Audit-Related Fees: \$51,500 for 2017 and \$43,000 for 2016. These fees include employee benefit plan audits and other accounting related consultation.

Tax Fees: \$43,382 for 2017 and \$169,847 for 2016. These fees are for services for various tax consulting matters and include \$16,762 and \$148,338 in 2017 and 2016, respectively, approved by the Audit Committee for special projects.

All Other Fees: None.

Other

Your proxy gives discretionary authority to Mr. James B. Connor and Ms. Ann C. Dee with respect to any other matters that might be brought before the Annual Meeting. If you are a record owner and you sign a proxy card but do not provide instructions with respect to any proposal on such card, the proxy holder will vote in accordance with the Board of Director's recommendations for such proposal. If you are a beneficial owner (i.e., you hold your shares through a broker or other nominee) and you sign voting instructions but do not provide instructions with respect to any proposal, the broker will vote on your behalf only on such proposals over which it has discretionary authority (Proposal Three), and for all other proposals (Proposals One and Two), your instructions will be counted as broker non-votes.

Shareholder Proposals and Nominations for 2019 Annual Meeting

The deadline for shareholder proposals to be included in our proxy statement for the 2019 annual meeting of shareholders pursuant to applicable Securities and Exchange Commission, or SEC, rules is November 14, 2018. For notice of director nominations by shareholders to be included in our proxy materials for the 2019 annual meeting of

shareholders pursuant to the Company's proxy access bylaw provision to be considered timely, notice must be received no earlier than October 15, 2018 and no later than November 14, 2018.

If a shareholder wishes to present a proposal or nomination at the 2019 annual meeting, even if the proposal is not intended to be included in the Company's 2019 proxy materials, the Company's bylaws require that the shareholder give advance written notice to the Company's Corporate Secretary at least 120 days prior to the one year anniversary of the

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date when the proxy statement was released to shareholders in connection with the previous year's annual meeting, which for the 2019 annual meeting will also be November 14, 2018.

Shareholder proposals and nominations should be submitted in writing to the Company (Attention: Ms. Ann C. Dee, Corporate Secretary). Any such proposals and nominations must comply with all applicable SEC rules and the applicable requirements set forth in the Company's bylaws.

Mailing Date/Internet Availability of Proxy Materials

This proxy statement, the enclosed proxy card, and our 2017 Annual Report or a Notice Regarding the Availability of Proxy Materials were mailed or e-mailed to shareholders beginning on or about March 14, 2018. The Notice contains instructions on how to access the proxy materials online. Shareholders who received the Notice by mail or e-mail will not receive a printed copy of the proxy materials in the mail unless they request a copy in the manner described in the Notice. All shareholders will be able to access the proxy materials on the website referred to in the Notice and this proxy statement and will be able to request to receive a printed set of the proxy materials by mail or electronically, in either case, free of charge.

In addition to the solicitation of proxies by use of the mail, officers and regular employees of the Company may solicit proxies by telephone, facsimile, e-mail, or personal interviews without additional compensation. It is also contemplated that brokerage houses will forward the proxy materials to shareholders at the request of the Company. Receipt of more than one proxy card or voting instruction form indicates that a shareholder has multiple accounts at the transfer agent or with stockbrokers. Shareholders should complete and return all proxy cards and voting instruction forms received to ensure that all of their shares are voted.

Shareholders of record that desire to receive future proxy statements and annual reports electronically should log on to <http://www.proxyvote.com> and follow the instructions to vote using the Internet and, when prompted, indicate that they agree to receive or access proxy materials electronically in future years. Shareholders will need to refer to the Company number and control number found on the proxy card. Shareholders may cancel this electronic enrollment if they later wish to receive proxy statements and annual reports by regular mail.

Proxy Solicitation

The solicitation is being made by the Company, and the Company will bear the cost of preparing, printing, assembling, and mailing the Notice, proxy statement, proxy card, and other materials that may be sent to shareholders in connection with this solicitation. The Company also may reimburse brokerage houses and other custodians, nominees, and fiduciaries for their expenses incurred in forwarding solicitation materials to the beneficial owners of shares held of record by such persons.

Information about Communications with Duke Realty Corporation and Our Board of Directors

The Company provides a procedure for the Board of Directors to accept communications from shareholders of the Company that are reasonably related to protecting or promoting legitimate shareholder interests. Such procedure can be found on the Investor Relations/Corporate Governance section of the Company's website at <http://www.dukerealty.com>.

You may also contact the Board of Directors by writing to:

Board of Directors
c/o the Corporate Secretary

600 East 96th Street, Suite 100
Indianapolis, Indiana 46240

You may contact the independent directors by writing to:

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Independent Directors
c/o Corporate Secretary
600 East 96th Street, Suite 100
Indianapolis, Indiana 46240

You may also contact the Company's Lead Director by emailing him at leaddirector@dukerealty.com.

In addition, as required by the listing standards established by the New York Stock Exchange, or NYSE, the Company provides a method for shareholders and other interested parties to communicate with the non-management directors and/or the entire Board of Directors. Such communications should be directed to the non-management directors by writing to:

Non-Management Directors
c/o Corporate Secretary
600 East 96th Street, Suite 100
Indianapolis, Indiana 46240

Shareholders and other interested parties may communicate with the entire Board of Directors by writing to the address set forth above.

The Company's Corporate Secretary may be contacted by sending correspondence to: 600 East 96th Street, Suite 100, Indianapolis, Indiana 46240, Attn: Corporate Secretary.

Additional Information

The Company's website is located at <http://www.dukerealty.com>. Although the information contained on the Company's website is not part of this proxy statement, you can view additional information on the website, such as the Company's Code of Conduct, corporate governance guidelines, charters of the committees of the Board of Directors and reports that the Company files and furnishes with the SEC. A copy of the Company's Code of Conduct, corporate governance guidelines and charters of the committees of the Board of Directors also may be obtained by written request addressed to Duke Realty Corporation, 600 East 96th Street, Suite 100, Indianapolis, Indiana 46240, Attention: Investor Relations.

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**PROPOSAL ONE: ELECTION OF THIRTEEN DIRECTORS TO SERVE
ON THE COMPANY'S BOARD OF DIRECTORS FOR A ONE-YEAR TERM
ENDING ON THE DATE OF THE COMPANY'S 2019 ANNUAL MEETING**

The Board of Directors currently consists of fourteen members. On January 31, 2018, based on the recommendation of the Corporate Governance Committee, the Board of Directors nominated each of the existing directors, with the exception of Mr. Jack R. Shaw, for re-election to serve for a one-year term that will expire at the Company's 2019 Annual Meeting or when their successors have been elected and qualified. Mr. Shaw is not standing for re-election at the Annual Meeting, and as a result, the Board of Directors reduced the size of the Board of Directors to be thirteen members effective as of the day of the Annual Meeting.

Each nominee has agreed to be named in this proxy statement and to serve if elected. The Board of Directors believes that all of the nominees for director will be available for election. However, if a nominee is unavailable for election, the proxy holders may vote for another nominee proposed by the Board of Directors. If the Board of Directors does not propose another director nominee prior to or at the Annual Meeting, the Board of Directors, by resolution, may reduce the number of directors to be elected at the Annual Meeting.

The election of each director requires the affirmative vote of at least a majority of the shareholders present in person or represented by proxy and entitled to vote for the election of directors. An abstention will result in a nominee receiving fewer votes and therefore will have the same effect as a vote against the nominee. Brokers are not entitled to vote uninstructed shares in director elections; therefore, broker non-votes are not considered entitled to vote and will not have an impact on the election of directors.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE ELECTION OF ALL OF
THE DIRECTOR NOMINEES NAMED ON THE FOLLOWING PAGES.**

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NOMINEES FOR ELECTION AS DIRECTORS

The following paragraphs give the name and age of each director nominee; the tenure of each director nominee on the Board of Directors; the committees of the Board of Directors on which each director nominee serves; the particular experience, skills, and qualifications that were instrumental in the Corporate Governance Committee's determination that each director nominee should serve as a director of the Company; each director nominee's business experience over the last five years or more; and the public company boards of directors on which each director nominee has served over the last five years.

John P. Case,

Age 54

Director Since:

2018

Board

Committee:

N/A

Qualifications:

Mr. Case brings real estate industry, public company, finance, and executive management expertise to the Board of Directors.

Mr. Case is

Chief

Executive

Officer and

Director of

Realty Income

Corporation, an

S&P 500

company that

invests

primarily in net

lease

single-tenant

retail assets in

the United

States, a

position he has

held since

2013. Mr. Case

joined Realty

Income

Corporation in

2010 as Executive Vice President, Chief Investment Officer and served in this capacity until 2013, when he was promoted to President, Chief Investment Officer. Prior to joining Realty Income Corporation, Mr. Case served for 19 years as a New York-based real estate investment banker. He began his investment banking career at Merrill Lynch, where he worked for 14 years, and was named a Managing Director in 2000. Following his tenure at Merrill Lynch, Mr. Case was co-head of Americas Real Estate Investment Banking at UBS and later the co-head of Real Estate Investment Banking for RBC Capital Markets, where he also served

on the firm's
Global
Investment
Banking
Management
Committee. Mr.
Case currently
serves as a
member of the
Board of
Trustees of
Washington
and Lee
University. In
addition, Mr.
Case is
extensively
involved in the
broader real
estate industry,
serving on the
Executive
Board of the
National
Association of
Real Estate
Investment
Trusts
(NAREIT), The
President's
Council of the
Real Estate
Roundtable,
and as a
member of the
International
Council of
Shopping
Centers (ICSC).
William
Cavanaugh III,
Age 79
Director Since:
1999; Lead
Director
Board
Committee:
Corporate
Governance,
Chairperson

Qualifications:

Mr. Cavanaugh, who served as the Chief Executive Officer of Progress Energy, Inc., a publicly-traded energy company, for eight years, brings corporate finance, operations, nuclear energy industry, public company, and executive leadership expertise to the Board of Directors.

Mr. Cavanaugh served as the Chairman of the World Association of Nuclear Operators (WANO) from 2004 until 2009. He retired as Chairman and Chief Executive Officer of Progress Energy, Inc. in 2004, posts he had held since 1999 and 1996, respectively. Mr. Cavanaugh currently is a professor emeritus at the

Institute for
Advanced
Discovery &
Innovation at
the University
of South
Florida.

Alan H.

Cohen, Age 71

Director

Since: 2011

Board

Committee: Executive

Compensation,

Chairperson

Qualifications: As

an attorney and

co-founder of

The Finish

Line, Inc., a

publicly-traded

athletic wear

retailer where

he served in

various

executive

positions

including Chief

Executive

Officer and

President, Mr.

Cohen brings

consumer

goods industry,

corporate

operations,

legal, and

executive

leadership

expertise to the

Board of

Directors.

Mr. Cohen is

the co-founder

of The Finish

Line, Inc. and

served as its

President from

1982 to 2003

and Chief

Executive Officer from 1982 to 2008. He served as Chairman of the Board of Directors of The Finish Line, Inc. from 1992 to 2010 and as one of its directors from 1976 to 2010. Mr. Cohen is an attorney and practiced law from 1973 to 1981.

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James B.
Connor, Age 59
Director
Since: 2015
Board
Committee: N/A
Qualifications:
Mr. Connor, who
joined the
Company in
1998, brings real
estate industry,
finance,
operations,
development, and
executive
leadership
expertise to the
Board of
Directors.

Mr. Connor was
named the
Company's
Chairman and
Chief Executive
Officer,
commencing
April 26, 2017,
and joined the
Company's Board
of Directors in
2015. Prior to
being named
Chairman and
Chief Executive
Officer, Mr.
Connor held
various senior
management
positions with the
Company,
including
President and
CEO of the
Company from
January 1, 2016
to April 26,
2017, Senior

Executive Vice President and Chief Operating Officer of the Company from 2013 to 2015, Senior Regional Executive Vice President of the Company from 2011 to 2013, and Executive Vice President of the Company's Midwest region from 2003 to 2010. Prior to joining the Company in 1998, Mr. Connor held numerous executive and brokerage positions with Cushman & Wakefield, most recently serving as Senior Managing Director for the Midwest area. Mr. Connor serves on the Advisory Board of the Marshall Bennett Institute of Real Estate at Roosevelt University in Chicago. Mr. Connor is also a member of the Board of Governors of the National Association of Real Estate Investment Trusts and the Real Estate

Roundtable and serves as a director of the Central Indiana Corporate Partnership. Ngairé E. Cuneo, Age 67
Director Since: 1995
Board
Committees: Audit and Finance
Qualifications: Ms. Cuneo brings finance, accounting, consulting, venture capital, corporate development, insurance industry, financial services industry, and executive management expertise to the Board of Directors.

Ms. Cuneo is an Executive Vice President of Silac, LLC, a private insurance company, a position she has held since July 2016. Ms. Cuneo has also served on the Board of Directors of Sterling Life Insurance Company, a private insurance company, since July 2016. In addition, Ms. Cuneo has

been a partner of Red Associates, LLC, a venture capital firm in the financial services sector, since 2002.

Ms. Cuneo also served as an Executive Vice President of Forethought Financial Group, an insurance holding company, from 2006 until 2010.

From 1992 through 2001, Ms. Cuneo was an Executive Vice President of Conseco, Inc., an owner, operator and provider of services to companies in the financial services industry. The

Board of Directors has determined that Ms. Cuneo qualifies as an “audit committee financial expert” as defined under the applicable rules established by the SEC.

Charles R. Eitel, Age 68
Director Since:
1999

Board
Committee:
Corporate
Governance

Qualifications:
Mr. Eitel brings consulting,

business
administration,
finance,
operations,
manufacturing
industry, and
executive
leadership
expertise to the
Board of
Directors.

Mr. Eitel is the
former Chief
Executive
Officer and
Chairman of the
Board of WS
Packaging
Group, Inc., a
privately owned
producer of
printed, packaged
goods. Mr. Eitel
served in those
positions
between 2015
and February
2018. Between
2009 and 2014,
Mr. Eitel was a
partner of Eitel &
Armstrong, LLC,
which is now
North Inlet
Partners, a
consulting
practice that
provides
hands-on
operating and
financial
guidance to
middle market
companies. Prior
to forming Eitel
& Armstrong in
2009, Mr. Eitel
served as Vice
Chairman of the
Board of

Directors of the
Simmons
Bedding
Company, an
Atlanta-based
manufacturer of
mattresses, from
2008 to 2009.

Mr. Eitel served
as Chairman and
Chief Executive
Officer of the
Simmons
Bedding
Company from
2000 until his
appointment to
Vice Chairman in
2008. On

November 16,
2009, the
Simmons
Bedding

Company filed
for protection
under Chapter 11
of the federal
bankruptcy laws,
from which it
emerged on
January 21, 2010.

Mr. Eitel serves
on the Board of
Directors of
American
Fidelity
Assurance
Corporation, a
provider of
supplemental
health insurance
benefits and
financial services
to education
employees, auto
dealerships,
health care
providers and
municipal
workers across
the United States.

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Norman K. Jenkins,
Age 55
Director Since: 2017
Board Committee:
N/A
Qualifications: Mr.
Jenkins brings real
estate industry, asset
management,
finance, accounting,
and executive
management
expertise to the
Board of Directors.

Mr. Jenkins is
President and Chief
Executive Officer of
Capstone
Development, LLC,
a privately-held
developer of
institutional-quality
lodging assets. Prior
to founding Capstone
Development, LLC
in 2009, Mr. Jenkins
served in various
roles for Marriott
International, Inc.
between 1992 and
2008, including most
recently as Senior
Vice President,
North American
Lodging
Development. Mr.
Jenkins began his
career with
McDonald's
Corporation holding
finance and
operating roles
between 1986 and
1992. Mr. Jenkins
currently serves on
the Board of Trustees
of Howard
University,

Developer
Roundtable of
Washington, DC,
and Suburban
Hospital.
Melanie R.
Sabelhaus, Age 69
Director Since: 2012
Board Committee:
Executive
Compensation
Qualifications: With
business experience
in both the private
and public sectors,
Ms. Sabelhaus brings
public company,
corporate
governance, real
estate industry,
healthcare industry,
and executive
leadership expertise
to the Board of
Directors.

Ms. Sabelhaus has
over 30 years of
small business,
corporate and federal
government
experience. Since
2005, Ms. Sabelhaus
has been devoting
her time to
supporting non-profit
organizations. Ms.
Sabelhaus currently
serves as a Senior
Principal of Jerold
Panas, Linzy &
Partners, a consulting
firm that provides
philanthropic
organizations with
fundraising advice.
Ms. Sabelhaus also
serves as a trustee of
Johns Hopkins
Health System. Ms.
Sabelhaus was

appointed by President Bush as Deputy Administrator of the U.S. Small Business Administration from 2002 to 2005, where she was responsible for policy development and program supervision. From 1998 until 2018, Ms. Sabelhaus dedicated her time to community fundraising and women's business issues. In 1986, Ms. Sabelhaus founded Exclusive Interim Properties (EIP), a real estate company that specialized in short-term, furnished housing. Ms. Sabelhaus served as Chief Executive Officer of EIP from 1986 until the company merged with four similar firms in 1997 taking the company public and renaming it Bridgestreet Accommodations World Wide. From 1997 until 1998, Ms. Sabelhaus served as Vice President for Global Sales of Bridgestreet Accommodations World Wide. From 1972 to 1986, Ms. Sabelhaus worked at International Business Machine (IBM), during which time she aided in the launch of IBM's

consumer retail program. Ms. Sabelhaus co-founded the United Way's Women United, raising \$1.5 billion over the last 15 years.

Peter M. Scott, III,
Age 68

Director Since: 2011

Board Committees:

Audit and Finance;
Chairman of the
Audit Committee

Qualifications:

Having held various management positions with Progress Energy, Inc. including Chief Financial Officer, Mr. Scott brings energy and telecommunications industry, public company finance, accounting, auditing, and executive leadership expertise to the Board of Directors.

Mr. Scott was Chief Financial Officer of Progress Energy, Inc. from 2000 to 2003 and from 2005 until his retirement in 2008. From 2004 to 2008, Mr. Scott was also President and Chief Executive Officer of Progress Energy Service Company LLC and had responsibility for all financial and administrative functions of Progress

Energy, Inc.
Mr. Scott also held various other management positions with Progress Energy, Inc. or its subsidiaries between 2000 and 2008, including responsibilities for its telecommunications and competitive energy subsidiaries. Before joining Progress Energy, Inc. in 2000, Mr. Scott was the President of Scott, Madden & Associates, Inc., a general management consulting firm that he founded in 1983. The firm served clients in a number of industries, including energy and telecommunications. From 1981 until 1983, Mr. Scott served as the Assistant to the Executive Vice President of Carolina Power & Light Company, Inc., a predecessor of Progress Energy, Inc. Prior to that, Mr. Scott was a principal and partner in Theodore Barry & Associates, Inc., a Los Angeles-based consulting firm, between 1977 and 1981. Mr. Scott serves as Chairman of the Board of Governors at Research Triangle

International, a not-for-profit organization that provides research and technical services. The Board of Directors has determined that Mr. Scott qualifies as an “audit committee financial expert” as defined under the applicable rules established by the SEC.

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David P. Stockert, Age 55

Director Since: 2018

Board Committee: N/A

Qualifications: Mr. Stockert brings real estate industry, public company, accounting, and executive management expertise to the Board of Directors.

Mr. Stockert served as Chief Executive Officer and President of Post Properties, Inc. from 2002 to 2016 and as President and Chief Operating Officer from 2001 to 2002. Prior to joining Post Properties, Inc., Mr. Stockert served as Executive Vice President of Duke Realty Corporation from 1999 to 2000, and as Senior Vice President and Chief Financial Officer of Weeks Corporation from 1995 to 1999. Prior to joining Weeks Corporation, Mr. Stockert was an investment banker and a certified public accountant. Mr. Stockert currently serves on the Board of Directors of Mid-America Apartment Communities, Inc. as well as on multiple civic and charitable boards in the Atlanta area, chairing or serving on various committees.

Chris Sultemeier, Age 55

Director Since: 2018

Board Committee: N/A

Qualifications: Mr. Sultemeier brings supply chain and logistics, public company, and leadership expertise to the Board of Directors.

Mr. Sultemeier served as Executive Vice President Logistics of Walmart Stores, Inc. and President/Chief Executive Officer of Wal-mart Transportation LLC between 2012 and 2017. Prior to that, Mr. Sultemeier held various roles in logistics and merchandising for Walmart Stores, Inc., which he joined in 1989. Mr. Sultemeier served as a U.S. Army Captain between 1984 and 1989. Mr. Sultemeier currently serves on the U.S. Congressional Medal of Honor Foundation Board of Directors and teaches at M.I.T. in its Supply Chain/Transportation Masters Program.

Michael E. Szymanczyk, Age 69

Director Since: 2014

Board Committees: Audit and Finance; Chairperson of the Finance Committee

Qualifications: As the former Chief Executive Officer of a Fortune 500 company, Mr. Szymanczyk brings leadership, management, and analytic skills as well as expertise in addressing governmental and regulatory matters to the Board of Directors.

Mr. Szymanczyk was the Chairman of the Board and Chief Executive Officer of Altria Group, Inc. from 2008 until 2012. From 2002 through 2008, Mr. Szymanczyk served as Chairman, President and Chief Executive Officer of Philip Morris USA Inc. Prior to that, he served in various sales and marketing roles at Proctor & Gamble, Inc. and Kraft, Inc. Mr. Szymanczyk currently serves as Chief Executive Officer of Endurance Capital LLC, a family-owned real estate investment venture. Mr. Szymanczyk also serves on the Finance and Risk Oversight Committee and the Audit Committee of the Board of Directors of Dominion Resources, Inc., a publicly-traded provider of electricity, natural gas and related services to customers primarily in the eastern and western regions of the U.S. The Board of Directors has determined that Mr. Szymanczyk qualifies as an “audit committee financial expert” as defined under the applicable rules established by the SEC.

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Lynn C.
Thurber, Age
71
Director Since:
2008
Board
Committee:
Executive
Compensation
Qualifications:
Ms. Thurber
brings
international
business, asset
management,
investment
management,
finance,
accounting, real
estate industry,
financial
services
industry, and
executive
management
expertise to the
Board of
Directors.

Ms. Thurber
served as the
non-executive
Chairman of
LaSalle
Investment
Management, a
subsidiary of
Jones Lang
LaSalle Inc.
and a global
real estate
money
management
firm that
invests in
private real
estate as well as
publicly-traded
real estate

companies on behalf of institutional and individual investors from 2006 until 2017. Prior to becoming Chairman, Ms. Thurber was the Chief Executive Officer of LaSalle Investment Management from 2000 to 2006.

Ms. Thurber is the Chairman of the Board of Directors of Jones Lang LaSalle Income Property Trust, Inc., a non-listed REIT that owns and manages a diversified portfolio of office, retail, industrial, and apartment properties, and is a trustee of Acadia Realty Trust, a real estate investment trust that primarily invests in retail properties. Ms. Thurber is a Trustee of the Urban Land Institute, a non-profit organization that provides leadership in

the responsible
use of land and
in creating and
sustaining
thriving
communities
worldwide.

The Structure of the Board of Directors and the Lead Director

The Board of Directors views the selection of the Chairman and Chief Executive Officer, or CEO, as one of its most important responsibilities. As a result, the Board of Directors believes that it should remain free to determine whether these positions should be combined or separated based on circumstances of the Company and the composition of the Board of Directors at any given time. The Board of Directors has determined that a combined Chairman and CEO is in the best interests of the Company and has chosen Mr. James B. Connor, who is our CEO, to serve also as the Chairman of the Board.

The Board of Directors believes that having the same person serve as Board Chairman and CEO is in the best interests of our shareholders because it demonstrates for our employees, vendors, tenants, and other stakeholders that the Company is under strong leadership, with a single person setting the tone and having primary responsibility for managing our operations. In order to ensure that the appropriate balance of power exists between our unaffiliated directors and the CEO, the Board of Directors established the Lead Director position. The independent members of the Board of Directors have chosen Mr. William Cavanaugh III, the Chairperson of our Corporate Governance Committee, to serve as Lead Director. As set forth in our corporate governance guidelines, the Lead Director chairs the executive sessions of the independent directors, which are held at least quarterly. The Lead Director also serves as a liaison between the CEO and the independent directors, approves information sent to the Board of Directors and approves meeting agendas and schedules to assure that there is sufficient time for discussion of all agenda items.

We firmly believe that our board structure allows for appropriate oversight by the Board of Directors in fulfilling its duties to our Company and to our shareholders.

Board Oversight of Risk Management

The Board of Directors is primarily responsible for overseeing the Company's risk management processes. A portion of this responsibility has been delegated by the Board of Directors to each of the committees of the Board of Directors with respect to the assessment of the Company's risks and risk management in its respective areas of oversight. These committees and the full Board of Directors focus on the most significant risks facing the Company and the Company's general risk management strategy, and also ensure that risks undertaken by the Company are consistent with the Board of Directors' appetite for risk. While the Board of Directors oversees the Company's risk management, Company management is responsible for day-to-day risk management processes. We believe this division of responsibilities is the most effective approach for addressing the risks facing the Company and that the leadership structure of the Board of Directors supports this approach.

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Independent Directors

Under the Company's articles of incorporation, at least three-fourths of the directors must be persons who are "unaffiliated directors," which means only those persons who are not officers or employees of the Company or any of its affiliates. Because none of Mr. John P. Case, Mr. William Cavanaugh III, Mr. Alan H. Cohen, Ms. Ngaire E. Cuneo, Mr. Charles R. Eitel, Mr. Norman K. Jenkins, Ms. Melanie R. Sabelhaus, Mr. Peter M. Scott, III, Mr. David P. Stockert, Mr. Chris Sultemeier, Mr. Michael E. Szymanczyk, or Ms. Lynn C. Thurber is currently an officer or employee of the Company or any of its affiliates, 92% of the director nominees are unaffiliated directors.

In addition, under the enhanced corporate governance listing standards of the NYSE, at least a majority of the Company's directors, and all of the members of the Company's Audit Committee, Executive Compensation Committee and Corporate Governance Committee, must meet the test of "independence" as defined under the listing standards of the NYSE. The NYSE listing standards provide that to qualify as an "independent" director, in addition to satisfying certain bright-line criteria, the Board of Directors must affirmatively determine that a director 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 would compromise such director's independence. In January 2018, the Board of Directors undertook a review of director independence. During this review, the Board of Directors considered, among other things, relationships and transactions during the past three years between each director or any member of his or her immediate family, on the one hand, and the Company and its subsidiaries and affiliates, on the other hand. The purpose of the review was to determine whether any such relationships or transactions were inconsistent with a determination that the director is independent as defined under the NYSE listing standards. Based on the review, the Board of Directors has determined that all of the unaffiliated director nominees, as well as Mr. Shaw, are independent under the listing standards of the NYSE.

Further to the independence standard discussed above, members of the Audit Committee also must satisfy additional independence requirements established by the SEC and the NYSE. Specifically, members of the Audit Committee may not accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the Company or any of its subsidiaries other than their directors' compensation and they may not be affiliated with the Company or any of its subsidiaries.

Finally, in affirmatively determining the independence of any director who will serve on the Executive Compensation Committee, the Board of Directors must consider all factors specifically relevant to determining whether a director has a relationship to the Company that is material to that director's ability to be independent from management in connection with the duties of a member of the Executive Compensation Committee, including (1) the source of compensation of the director, including any consulting, advisory, or other compensatory fee paid by the Company to such director; and (2) whether the director is affiliated with the Company, its subsidiaries, or its affiliates.

Majority Voting Policy for Director Elections

The Company's articles of incorporation provide that the election of directors at an annual meeting shall be by the affirmative vote of at least a majority of the shareholders present in person or by proxy and entitled to vote at such meeting. In addition, the Company's corporate governance guidelines provide for a majority voting policy for the election of directors. Pursuant to this policy, in any non-contested election of directors, any nominee for director who does not receive at least a majority of the votes entitled to vote thereon present in person or by proxy, or a "Majority Against Vote," shall promptly tender his or her resignation following certification of the shareholder vote. The Corporate Governance Committee shall consider the resignation offer and recommend to the Board of Directors the action to be taken with respect to such offer of resignation. Within 90 days following certification of the shareholder vote, the Board of Directors will act on the recommendation of the Corporate Governance Committee.

Any director who tenders his or her resignation pursuant to this provision shall not participate in the Corporate Governance Committee recommendation or Board of Directors action regarding whether to accept the resignation offer.

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If each member of the Corporate Governance Committee receives a Majority Against Vote in the same election, then the independent directors who did not receive a Majority Against Vote shall appoint a committee amongst themselves to consider the resignation offers and recommend to the Board of Directors whether to accept them.

If the only directors who do not receive a Majority Against Vote in the same election constitute three or fewer directors, all directors may participate in the action regarding whether to accept the resignation offers.

Proxy Access Policy

On October 25, 2017, the Board of Directors approved the amendment and restatement of the Company's bylaws to implement proxy access. The Company's bylaws, as amended, provide that whenever the Board of Directors solicits proxies with respect to the election of directors at an annual meeting of shareholders, subject to certain requirements, a shareholder, or a group of up to 20 shareholders, owning three percent or more of the Company's outstanding common stock continuously for at least three years can require the Company to include in its proxy materials for such annual meeting director nominations for up to the greater of (i) 20% of the number of directors up for election, rounding down to nearest whole number, or (ii) two directors. Shareholder requests to include shareholder nominees in the Company's proxy materials for the 2019 annual meeting of shareholders must be received by the Corporate Secretary no earlier than October 15, 2018 and no later than November 14, 2018 and must satisfy the requirements specified in the Company's bylaws.

BOARD COMMITTEES

The Board of Directors has four standing committees, with each committee described below. The members of each committee are also listed below. The committees consist solely of independent directors.

Audit Committee

The Board of Directors has established the Audit Committee in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended, or the Exchange Act. The Audit Committee provides assistance to the Board of Directors in fulfilling its responsibility to the shareholders relating to corporate accounting, reporting practices, the quality and integrity of the financial reports, and other operating controls of the Company. The Audit Committee also is responsible for the selection of the independent auditors and engagement partner and oversees the auditors' activities. The selection of the independent auditor is made in the best interests of the Company and its shareholders. In addition, the committee has responsibility for directly overseeing the Company's enterprise and risk management and for supervising and assessing the performance of the Company's internal audit department.

Each member of the Audit Committee satisfies the enhanced independence requirements for audit committee members as defined in the listing standards of the NYSE and the rules of the SEC. The Audit Committee operates under a written charter which is available on the Investor Relations/Corporate Governance section of the Company's website at <http://www.dukerealty.com>. In addition, the Investor Relations/Corporate Governance section of the Company's website contains information regarding procedures established by the Audit Committee for the submission of complaints or concerns about the Company's accounting, internal accounting controls or auditing matters.

The Board of Directors requires that at least one member of the Board of Directors meet the criteria for an "audit committee financial expert" as defined under the rules of the SEC. The Board of Directors has determined that each of Ms. Cuneo, Mr. Scott, and Mr. Szymanczyk is an "audit committee financial expert" as defined under the applicable rules of the SEC.



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Corporate Governance Committee

The purpose of the Corporate Governance Committee is to make recommendations to the Board of Directors regarding corporate governance policies and practices; oversee succession planning for senior management and the Board of Directors; recommend criteria for membership on the Board of Directors; nominate members for election to the Board of Directors; and make recommendations to the Board of Directors concerning the members, size, and responsibilities of each of the committees.

In determining appropriate candidates to nominate for election to the Board of Directors and in considering shareholder nominees, the Corporate Governance Committee generally considers the age, expertise, business experience, character, and other board memberships of the candidate. The Corporate Governance Committee considers director candidates with a view to bringing to the Board of Directors a variety of experience and backgrounds, including geographic, ethnic, and gender diversity. Directors should have familiarity with the Company's business and industry, a high level of managerial experience in a relatively complex organization, and/or be accustomed to addressing complex issues. The committee seeks candidates of the highest character and integrity, and who have experience at or demonstrated understanding of strategy/policy setting and a reputation for working collegially. In addition, candidates should have sufficient time available to devote to the Company in order to carry out their duties as directors. The Corporate Governance Committee may employ a search firm to identify director candidates.

Diversity is an important strategic initiative at the Company and has relevance with respect to our employees, our suppliers, and our shareholders. Accordingly, the Corporate Governance Committee also recognizes the importance of diversity in identifying its director nominees and has a Board Diversity Policy, which is available on the Investor Relations/Corporate Governance section of the Company's website at <http://www.dukerealty.com>.

In nominating members for election to the Board of Directors, the Corporate Governance Committee will consider nominees recommended by shareholders if such recommendations are made in writing to the committee. The Company's bylaws state that the committee must consider such nominees so long as the recommendation is submitted to the Company's Corporate Secretary at least 120 calendar days before the first anniversary of the date that the Company's proxy statement was released to shareholders in connection with the previous year's annual meeting of shareholders. However, if no annual meeting of shareholders was held in the previous year or if the date of the annual meeting of shareholders changed by more than 30 calendar days from the date contemplated at the time of the previous year's proxy statement, the notice must be received by the Company's Corporate Secretary not fewer than the later of (i) 150 calendar days prior to the date of the contemplated annual meeting or (ii) the date which is 10 calendar days after the date of the first public announcement or other notification to the shareholders of the date of the contemplated annual meeting. The Corporate Governance Committee screens all potential candidates in the same manner regardless of the source of recommendation. However, the Corporate Governance Committee may, in its sole discretion, reject any such recommendation for any reason. Shareholder nominations should contain a brief biographical sketch of the candidate, a document indicating the candidate's willingness to be named in the proxy statement as a nominee and to serve if elected, and evidence of the nominating person's share ownership. The complete set of requirements for any such nomination is included in the Company's bylaws. The Board of Directors has also adopted a proxy access bylaw, which allows certain eligible shareholders to nominate director candidates and require the Company to include such candidates in its proxy materials for an annual meeting of shareholders that involves the election of directors. For more information about the eligibility and other requirements to submit director nominees pursuant to the Company's proxy access bylaw, see "Nominees for Election as Directors-Proxy Access Policy" and "Shareholder Proposals and Nominations for 2019 Annual Meeting."

The Corporate Governance Committee operates under a written charter, which is available on the Investor Relations/Corporate Governance section of the Company's website at <http://www.dukerealty.com>.



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Executive Compensation Committee

The Executive Compensation Committee reviews and approves the compensation of the Board of Directors, CEO, and other executive officers of the Company and its affiliates (as designated by the Board of Directors from time to time). In addition, it oversees the Company's compensation strategies, programs, plans, and policies to assure that the Board of Directors, CEO, other executive officers, and key management employees of the Company and its affiliates are compensated effectively and in a manner consistent with the stated compensation strategy of the Company. It also oversees the administration of all Company benefit plans. In addition, the committee reviews and approves the individual elements of compensation for the executive officers and directors of the Company. The Executive Compensation Committee may delegate authority to sub-committees as appropriate.

Each member of the Executive Compensation Committee satisfies the enhanced independence standards for compensation committee members as defined in the listing standards of the NYSE and the rules of the SEC. The Executive Compensation Committee operates under a written charter, which is available on the Investor Relations/Corporate Governance section of the Company's website at <http://www.dukerealty.com>.

The Executive Compensation Committee regularly uses independent compensation advisers to provide advice regarding our executive compensation program. For additional information regarding the role of the Executive Compensation Committee and its advisers, see "Compensation Discussion and Analysis—Our Executive Compensation Practices" and "—How We Make Compensation Decisions" later in this proxy statement.

Finance Committee

The Finance Committee reviews and evaluates the financial policies, plans, and structure of the Company, its subsidiaries and affiliates. In this role, the Finance Committee reviews the capital structure, investment decisions, financial commitments, and relationships with external sources of financing and rating agencies. The committee also reviews and authorizes asset acquisitions, asset dispositions, and development transactions exceeding certain threshold amounts established by the Board of Directors. The Finance Committee operates under a written charter, which is available on the Investor Relations/Corporate Governance section of the Company's website at <http://www.dukerealty.com>.

2017 BOARD COMMITTEE MEMBERSHIP AND MEETINGS

The following table provides membership and meeting information for each of the committees of the Board of Directors during 2017.

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	Board	Audit	Executive Compensation	Finance	Corporate Governance
Thomas J. Baltimore, Jr.(1)	Former Member				Member
William Cavanaugh III	Lead Director				Chairperson
Alan H. Cohen	Member		Chairperson		
James B. Connor(2)	Chairman				
Ngairé E. Cuneo	Member	Member		Member	
Charles R. Eitel	Member				Member
Norman K. Jenkins(3)	Member				
Dennis D. Oklak(2)	Former Chairman				
Melanie R. Sabelhaus	Member		Member		
Peter M. Scott, III(4)	Member	Chairman		Member	
Jack R. Shaw(4)	Member				Member
David P. Stockert(3)	Member				
Michael E. Szymanczyk	Member	Member		Chairperson	
Lynn C. Thurber	Member		Member		
Number of 2017 Meetings	8	7	4	10	6

(1) Mr. Baltimore served as a director until the annual meeting of shareholders held on April 26, 2017, when he did not stand for re-election to the Board of Directors.

Mr. Oklak served as Chairman of the Board until the annual meeting of shareholders held on April 26, 2017, when (2) he did not stand for re-election to the Board of Directors. Mr. Connor has been serving as Chairman of the Board since that time.

(3) Messrs. Jenkins and Stockert were elected to the Board of Directors on July 26, 2017 and October 25, 2017, respectively. They did not serve on any committees of the Board of Directors during 2017.

(4) Mr. Scott was appointed Chairman of the Audit Committee, effective May 1, 2017. Mr. Shaw served as Chairman of the Audit Committee and as a member of the Finance Committee until May 1, 2017.

The independent directors met separately in executive sessions four times in 2017, in addition to the committee meetings noted above. As Lead Director, Mr. Cavanaugh presided over each of these executive sessions.

Attendance at Board Meetings and the Annual Meeting

All of our directors attended at least 75% of the meetings of the Board of Directors in 2017 during the term of their tenure, including meetings of the committees of which they were members. The Company encourages all of its directors to attend the annual meeting and, in 2017, all directors attended such meeting with the exception of Mr. Eitel.

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DIRECTOR COMPENSATION

The Company does not pay additional compensation to directors who are also employees of the Company. The non-employee directors received the following compensation in 2017:

- an annual retainer of \$100,000, payable in cash unless otherwise elected to be paid in shares of our common stock.

- an annual supplemental retainer for the directors serving in the roles indicated in the following table:

Service Description	Annual Amount
Lead Director/Corporate Governance Committee Chairperson(1)	\$30,000
Audit Committee Chairman	\$20,000
Executive Compensation Committee Chairperson	\$15,000
Finance Committee Chairperson	\$15,000
Director on more than one committee	\$5,000

(1) The positions of Lead Director and Corporate Governance Committee Chairperson are currently held by the same individual, who received one supplemental annual retainer in the amount of \$30,000 for 2017.

an annual grant of restricted stock units, or RSUs, pursuant to the Duke Realty Corporation 2015 Non-Employee Directors' Compensation Plan, or the 2015 Directors' Plan. These RSUs were granted on February 10, 2017, and vested in full on the first anniversary of the grant date. The number of RSUs awarded was determined by dividing the grant value of \$125,000 by the closing stock price on the grant date.

Newly appointed non-employee directors are entitled to a one-time grant of RSUs valued at \$50,000. These awards vest in full on the second anniversary of the date of grant.

On an annual basis, the Executive Compensation Committee of the Board of Directors conducts a competitive review of our non-employee director compensation program using the same peer group of similarly-sized REITs that are used for executive compensation comparisons. Based on these reviews, the Executive Compensation Committee may recommend changes to the non-employee director compensation program for the upcoming year for the Board of Director's consideration. The last such review was conducted in September 2017 and indicated that our non-employee director compensation levels approximate the peer group median and that our program design and structure are consistent with market and "best" practices. Therefore, the Executive Compensation Committee recommended to the Board of Directors that the 2017 program be continued for 2018.

The directors are also reimbursed for reasonable travel expenses incurred in connection with attendance at meetings of the Board of Directors and its committees or other Company functions at which the Chairman of the Board of Directors and CEO request the non-employee directors to participate. In addition, the Company matches dollar for dollar, donations made by eligible associates and directors, up to \$1,000 per associate/director per calendar year, to the eligible nonprofit organization of their choice. The Company does not provide any perquisites or other personal benefits or property to directors for which the aggregate value would exceed \$10,000 per director.

Non-employee directors may elect to defer receipt of all or a portion of their director compensation payable in cash, stock, or RSUs pursuant to the Directors' Deferred Compensation Plan. The deferred compensation and earnings thereon are to be paid to the directors after they cease to be members of the Board of Directors. Deferred compensation that is otherwise payable in shares of common stock is invested in a "deferred stock account" under the Directors' Deferred

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Compensation Plan. Deferred compensation that is payable in cash may be invested in either a deferred stock account or an “interest account” under such plan. Each of these types of deferral accounts is described below.

Deferred Stock Account. This account allows the director, in effect, to invest his or her deferred compensation in shares of the Company’s common stock. Funds in this account are credited as hypothetical shares of the Company’s common stock based on the market price at the time the compensation would otherwise have been paid. Dividends on these hypothetical shares are deemed to be reinvested in additional hypothetical shares based upon the market price of the Company’s common stock on the date dividends are paid. Actual shares are issued only when a director ends his or her service on the Board of Directors.

Interest Account. Through December 31, 2017, amounts in this account earned interest at a rate equal to 120% of the long-term applicable federal rate, as published by the Internal Revenue Service.

Stock Ownership Policies

Pursuant to the Company’s Director and Executive Stock Ownership Guidelines, or the Stock Ownership Guidelines, a stock ownership goal for each director is determined on an individual basis, first in dollars equal to five times the director’s annual retainer, and then by converting that amount to a fixed number of shares. Each director has five years to attain the target number of shares. A copy of these Stock Ownership Guidelines can be found on the Investor Relations/Corporate Governance section of the Company’s website at <http://www.dukerealty.com>.

Stock Retention Requirements. Until directors reach their targeted share ownership, they are required to retain any shares that they owned on the date they became subject to the Stock Ownership Guidelines and at least 75% of “net shares” delivered through the Company’s director compensation programs. For this purpose, “net shares” means the number of shares obtained by exercising stock options or through the vesting of awards, less the number of shares the director sells or trades to pay for any exercise costs. If the director transfers an award to a family member who resides in the same household, the transferee will be subject to the same retention requirements and the shares will still be counted toward satisfaction of the ownership requirements.

The following table sets forth compensation information for all of the Company’s non-employee directors for the fiscal year ended December 31, 2017.

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Director Compensation Table for 2017

Name	Fees Earned or Paid in Cash (1)	Stock Awards (2)(3)	All Other Compensation (4)	Total
Thomas J. Baltimore, Jr.(5)	\$72,500	\$125,000	-	\$197,500
William Cavanaugh III	\$126,250	\$125,000	-	\$251,250
Alan H. Cohen	\$111,875	\$125,000	-	\$236,875
Ngairé E. Cuneo	\$102,500	\$125,000	-	\$227,500
Charles R. Eitel	\$97,500	\$125,000	\$1,000	\$223,500
Norman K. Jenkins	\$25,000	\$50,000	-	\$75,000
Dennis D. Oklak	\$50,000	\$125,000	-	\$175,000
Melanie R. Sabelhaus	\$97,500	\$125,000	\$1,000	\$223,500
Peter M. Scott, III	\$112,500	\$125,000	-	\$237,500
Jack R. Shaw	\$116,250	\$125,000	-	\$241,250
David P. Stockert	-	\$50,000	\$1,000	\$51,000
Michael E. Szymanczyk	\$116,875	\$125,000	-	\$241,875
Lynn C. Thurber	\$97,500	\$125,000	\$1,000	\$223,500

Because we pay director fees in arrears on a quarterly basis, a portion of the cash fees paid to directors in 2017 was based on the prior year's annual retainer amount. Messrs. Baltimore, Cavanaugh, and Cohen, and Mses. Cuneo and Thurber each elected to receive payment of their annual cash retainer in shares of common stock as indicated in the (1) following table. Furthermore, Mr. Cavanaugh and Ms. Cuneo elected to defer receipt of their shares for their annual retainer and any supplemental retainer pursuant to the Directors' Deferred Compensation Plan. The number of shares was determined by dividing the amount of the applicable retainer by the closing stock price on the date the retainer was earned.

Name	Total Number of Shares Received in 2017 for Annual Cash Retainer
Thomas J. Baltimore, Jr.	2,693
William Cavanaugh III	4,608
Alan H. Cohen	847
Ngairé E. Cuneo	3,743
Lynn C. Thurber	3,560

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Represents the aggregate grant date fair value of stock awards granted by the Company as computed under FASB (2)ASC Topic 718. The fair value of the stock awards was equal to the stock price on the date of grant. Compensation in the form of stock awards includes RSUs granted in 2017.

No options were granted to directors in 2017, and there were no outstanding options held by the Company's (3)non-employee directors as of December 31, 2017. The following table sets forth the aggregate number of outstanding stock awards held by the Company's non-employee directors as of December 31, 2017:

Name	Number of RSUs
Thomas J. Baltimore, Jr.	-
William Cavanaugh III	5,242
Alan H. Cohen	5,242
Ngairé E. Cuneo	5,242
Charles R. Eitel	5,242
Norman K. Jenkins	1,837
Dennis D. Oklak	-
Melanie R. Sabelhaus	5,242
Peter M. Scott, III	5,242
Jack R. Shaw	5,242
David P. Stockert	1,802
Michael E. Szymanczyk	5,242
Lynn C. Thurber	5,242

(4) Represents the amount of matching charitable contributions provided under the Duke Realty Matching Gifts program.

(5)Mr. Baltimore forfeited his 2017 stock award upon his retirement from the Board of Directors on April 26, 2017.

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AUDIT COMMITTEE REPORT

The Audit Committee of the Board of Directors, or the Audit Committee, is composed of three directors, each of whom is independent under Securities and Exchange Commission, or SEC, Rule 10A-3 and the listing standards of the New York Stock Exchange. The duties and responsibilities of the Audit Committee are set forth in a written Audit Committee Charter which is available on the Investor Relations/Corporate Governance section of the Company's website at <http://www.dukerealty.com>. The Board of Directors has determined that each of Ms. Cuneo, Mr. Scott, and Mr. Szymanczyk is an "audit committee financial expert" as defined by the rules of the SEC.

Management is responsible for the Company's internal controls, financial reporting process, and compliance with laws and regulations and ethical business standards. KPMG LLP, or KPMG, the Company's independent registered public accounting firm, is responsible for auditing the consolidated financial statements and expressing an opinion on the financial statements and the effectiveness of internal controls over financial reporting in accordance with the standards of the Public Company Accounting Oversight Board (United States). The Audit Committee's responsibility is to monitor and oversee these processes.

In connection with these responsibilities, the Audit Committee meets separately at most regular committee meetings with management, the Internal Audit Department, and KPMG. The Audit Committee met with management and KPMG to review and discuss the Company's 2017 consolidated financial statements. The Audit Committee also discussed with KPMG the matters required by PCAOB Auditing Standard No. 16 (Communication with Audit Committees). Management and KPMG also made presentations to the Audit Committee throughout the year on specific topics of interest, including: (i) current developments and best practices for audit committees; (ii) updates on the substantive requirements of the Sarbanes-Oxley Act of 2002, including management's responsibility for assessing the effectiveness of internal control over financial reporting; (iii) the Company's critical accounting policies; (iv) the applicability of several new and proposed accounting releases; and (v) numerous SEC initiatives. The Audit Committee has received the written disclosures and the letter from KPMG in accordance with applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence, and the Audit Committee discussed with KPMG that firm's independence. The Audit Committee pre-approved all audit, audit-related, and permitted non-audit services provided by KPMG to the Company and the related fees for such services, and has concluded that such services are compatible with KPMG's independence.

Based upon the Audit Committee's discussions with management and KPMG, and the Audit Committee's review of the representations of management and KPMG, the Audit Committee recommended that the Board of Directors include the audited consolidated financial statements in the Company's Annual Report on Form 10-K for the year ended December 31, 2017, to be filed with the SEC.

Audit Committee
Peter M. Scott, III, Chairman
Ngairé E. Cuneo
Michael E. Szymanczyk

The information contained in the Audit Committee Report shall not be deemed to be “soliciting material” or to be “filed” with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933, as amended, except to the extent that we specifically incorporate it by reference in such filing.

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FEES PAID TO INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS

The Company incurred the following fees for services rendered by KPMG, the Company's independent registered public accountants, during 2017 and 2016:

Audit Fees: \$1,498,250 for 2017 and \$1,354,220 for 2016.

Audit-Related Fees: \$51,500 for 2017 and \$43,000 for 2016. These fees include employee benefit plan audits and other accounting related consultation.

Tax Fees: \$43,382 for 2017 and \$169,847 for 2016. These fees are for services for various tax consulting matters and include \$16,762 and \$148,338 in 2017 and 2016, respectively, approved by the Audit Committee for special projects.

All Other Fees: None.

Audit Committee Pre-Approval Policies

The Audit Committee has adopted a policy that requires the pre-approval of all fees paid to KPMG for audit and non-audit services. Under that policy, the committee pre-approved the following services, including the amount of fees payable for such services:

• Tax consulting services;

• Audit services associated with SEC filings;

• Consultations regarding the appropriate accounting or disclosure treatment of specific transactions or events;

• Audits of the Company's employee benefit plans; and

• Accounting and compensation consulting services.

Any fees in excess of the pre-approved amounts, or any services not described above, require the pre-approval of the Audit Committee chairman, with a review by the Audit Committee at its next scheduled meeting. All non-audit services provided by KPMG in 2016 and 2017 were approved in accordance with this pre-approval policy.

Audit Committee Review

The Company's Audit Committee has reviewed the services rendered and the fees billed by KPMG for the fiscal year ended December 31, 2017. The Audit Committee has determined that the services rendered and the fees billed last year that were not related directly to the audit of the Company's financial statements were compatible with the maintenance of independence of KPMG as the Company's independent registered public accountants.

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REPORT OF THE EXECUTIVE COMPENSATION COMMITTEE

Each member of our Executive Compensation Committee is independent, as determined by the Board of Directors and based on the NYSE listing standards. As members of the Executive Compensation Committee, we have primary responsibility for setting the compensation of the Company's senior executive officers in a manner that is effective and consistent with the compensation strategy for the Company. As part of that responsibility, we have reviewed and discussed with management the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K. Based upon such reviews and discussions, we recommended that the Board of Directors include the Compensation Discussion and Analysis in this proxy statement.

Executive Compensation Committee

Alan H. Cohen, Chairperson

Melanie R. Sabelhaus

Lynn C. Thurber

The information contained in the Report of the Executive Compensation Committee shall not be deemed to be "soliciting material" or to be "filed" with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933, as amended, except to the extent that we specifically incorporate it by reference in such filing.

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COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

As noted above, the Executive Compensation Committee consists of three independent directors: Mr. Cohen, Ms. Sabelhaus, and Ms. Thurber. No member of the Executive Compensation Committee is or was formerly an officer or an employee of the Company. No executive officer of the Company serves as a member of the Board of Directors or compensation committee of any entity that has one or more executive officers serving as a member of the Company's Board of Directors, nor has such interlocking relationship existed in the past.

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PROPOSAL TWO: ADVISORY VOTE TO APPROVE THE COMPENSATION OF NAMED EXECUTIVE OFFICERS

In accordance with the requirements of Section 14A of the Exchange Act and the related SEC rules, we are asking our shareholders to vote to approve, on an advisory (nonbinding) basis, the compensation of our named executive officers, as disclosed in this proxy statement.

As discussed in the Compensation Discussion and Analysis beginning on page 26, we have designed our executive compensation program to attract and retain the highest quality executive officers, directly link pay to our performance, and build value for our shareholders. Our program provides total compensation opportunities at levels that are competitive in our industry, ties a significant portion of each executive's compensation to achieving our key business objectives, and closely aligns the interests of our executives with the interests of our shareholders. In sum, our compensation is designed to reward executives when the Company achieves strong financial and operational results, and likewise to provide reduced pay when financial and operating results are not as strong. We believe the compensation of our named executive officers is reflective of and consistent with that intent.

This proposal, commonly known as a "say-on-pay" proposal, gives our shareholders the opportunity to express their views on our named executive officers' compensation. This vote is not intended to address any specific item of compensation, but rather the overall compensation of our named executive officers described in this proxy statement.

At the annual meeting of shareholders on April 26, 2017, over 94% of the shares voted were voted in support of the compensation of our named executive officers, as discussed and disclosed in the 2017 proxy statement. The Executive Compensation Committee appreciates and values the views of our shareholders. In considering the results of last year's advisory vote to approve executive compensation, the Executive Compensation Committee concluded that the compensation paid to our named executive officers and the Company's overall pay practices enjoy strong shareholder support. No significant changes were made to our executive compensation program for 2017 as a result of the advisory vote.

The Board of Directors invites you to review carefully the Compensation Discussion and Analysis beginning on page 26 and the tabular and other disclosures on compensation under Executive Compensation beginning on page 44, and encourages you to cast a vote to approve the Company's executive compensation programs through the following resolution:

"Resolved, that shareholders approve the compensation of the Company's named executive officers as discussed and disclosed in the Compensation Discussion and Analysis, the executive compensation tables, and any narrative executive compensation disclosure contained in this proxy statement."

The say-on-pay vote is advisory, and therefore not binding on the Company, the Executive Compensation Committee, or the Board of Directors. The shareholders' advisory vote will not overrule any decision made by the Board of Directors or the Executive Compensation Committee or create or imply any additional fiduciary duty by our directors. However, if there is a significant vote against the named executive officer compensation as disclosed in this proxy statement, we will consider our shareholders' concerns and the Executive Compensation Committee will evaluate whether any actions are necessary to address those concerns. Currently say-on-pay votes are held by the Company annually, and we expect the next say-on-pay vote after this Annual Meeting to occur at the 2019 annual meeting of shareholders.

The proposal to approve, on an advisory basis, the compensation of the Company's named executive officers will be approved if the votes cast in favor of the proposal exceed the votes cast against the proposal. Abstentions and broker non-votes will not be treated as votes cast and therefore will not affect the outcome.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE “FOR” APPROVAL OF PROPOSAL TWO.

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COMPENSATION DISCUSSION AND ANALYSIS

Introduction

In the paragraphs that follow, we provide an overview and analysis of our compensation program and policies, the material compensation decisions we have made under those programs and policies with respect to our top executive officers, and the material factors that we considered in making those decisions. Following this Compensation Discussion and Analysis, or CD&A, under the heading “Executive Compensation,” is a series of tables containing specific data about the compensation earned in 2017 by the following individuals, whom we refer to as our named executive officers:

- our Chairman and Chief Executive Officer, Mr. James B. Connor;
- our Executive Vice President and Chief Financial Officer, Mr. Mark A. Denien;
- our Executive Vice President, General Counsel and Corporate Secretary, Ms. Ann C. Dee;
- our Executive Vice President, Construction, Mr. Peter D. Harrington; and
- our Executive Vice President, Chief Investment Officer, Mr. Nicholas C. Anthony.

As a matter of convenience, throughout this CD&A we refer to the Board of Directors of the Company as the “Board” and to the Executive Compensation Committee as the “Committee.”

2017 Performance Highlights

2017 was a year of milestones and accomplishments for Duke Realty. We proudly celebrated our 45th year in business, earned inclusion in the S&P 500, and completed the final step in our portfolio repositioning strategy to shift our investment focus to the higher growth industrial real estate asset class. We achieved outstanding operational results, continued to grow our portfolio through strategic development and quality acquisitions, and further strengthened our already sound balance sheet. Our efforts have positioned Duke Realty as the leading pure-play, domestic-only industrial REIT in the U.S.

As of December 31, 2017, our portfolio of industrial properties included 496 rental and development properties, including jointly controlled properties, encompassing 147.5 million rentable square feet and is leased by a diverse base of more than 1,000 tenants whose businesses include e-commerce, government service, manufacturing, retailing, wholesale trade, and distribution. As a fully integrated commercial real estate firm, we provide in-house leasing, management, development, and construction services. We also own, directly and through joint ventures, approximately 1,900 acres of land and control an additional 1,600 acres through purchase options.

Our 2017 business plan centered around a significant portfolio repositioning, as we disposed of our medical office product type, through a series of asset sales totaling \$2.9 billion, and sold nearly all of our remaining suburban office properties. We made significant progress in strategically redeploying the proceeds from these transactions to further improve our balance sheet as well as grow our industrial portfolio through value-creating development projects and the acquisition of quality, strategically-located industrial assets with high cash flow growth potential.

In addition to portfolio repositioning, we continued to execute on our operational and capital strategies in 2017. Highlights include:

Despite the temporary dilution due to the sale of more than \$3.0 billion of assets in 2017, our continued strong property operations resulted in an increase in both Adjusted Funds from Operations (AFFO) and Core Funds from Operations (Core FFO).

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Occupancy in our stabilized in-service portfolio stood at 98.5% at year-end 2017, up from 98.1% in 2016. Our average total in-service occupancy for the year was 96.9%, which was near the “stretch” goal level in our annual bonus plan. Even with the high occupancy level in our stabilized portfolio, we have ample opportunity to grow earnings and lease additional space in our unstabilized portfolio.

We recorded a 19.2% increase in rental rates for 2017, which contributed to strong same-property net operating income growth.

We improved our already strong balance sheet and overall financial position by utilizing proceeds from property dispositions to repay debt and opportunistically raise capital in the debt markets when rates and pricing were favorable, all while maintaining investment-grade credit ratings and improving the key metrics that drive such ratings.

Our operational and strategic success has translated into strong returns to our shareholders. Our total shareholder return was 54.0% and 143.0% over the past three and five fiscal years, respectively. This compared to total shareholder returns of 17% and 56.3% for the MSCI US REIT Index and 38.3% and 108.1% for the S&P 500 over the same time periods.

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Fiscal 2017 Pay and Performance Alignment

Fiscal Year 2017

Performance Measures and Results

Annual Incentive Awards

Corporate Goals (all named executive officers)

Annual cash incentive awards for all executives had the following corporate goals: AFFO/share, average total in-service lease up occupancy, and Core FFO/share (industrial only).

Fiscal Year 2017

Award Payouts/Vesting

The table below summarizes the overall bonus payouts which were based on the corporate, division (as applicable) and individual goals and weightings for each executive.

	Threshold (50%)	Target (100%)	Stretch (150%)	Superior (200%)	Actual		% of Target Earned	Annual Incentive Payout
AFFO/Share*	\$1.02	\$1.05	\$1.07	\$1.10	\$1.10	NEO		
Core FFO/Share*	\$1.13	\$1.17	\$1.19	\$1.22	\$1.24	Connor	185.00%	\$2,072,000
Average Total In-Service Lease Up Occupancy	95.00%	96.50%	97.00%	97.50%	96.90%	Denien	185.00%	\$1,063,750
						Dee	185.00%	\$864,880
						Harrington	156.90%	\$499,430
						Anthony	180.10%	\$851,800

Division Goals (Mr. Harrington and Mr. Anthony)

Awards for Mr. Harrington included the following financial and operational goals related to our Construction Division, plus various other metrics relating to project execution, overhead expenses, and diversity and inclusion.

(Dollar figures are in millions.)

	Threshold (50%)	Target (100%)	Stretch (150%)	Superior (200%)	Actual
Construction Volume	\$415.7	\$593.8	\$653.3	\$712.6	\$677.3
Construction Starts	\$367.5	\$525.0	\$577.5	\$630.0	\$733.7
Development Cost Variance	4.00%	2.00%	1.50%	1.00%	1.44%

Awards for Mr. Anthony included the following goals related to our Capital Transactions and Joint Venture Division, plus various other metrics relating to joint ventures and our executive mentoring program.

(Dollar figures are in millions.)

	Threshold (50%)	Target (100%)	Stretch (150%)	Superior (200%)	Actual
Healthcare Monetization Volume	\$2,315.2	\$2,420.4	\$2,535.2	\$2,662.5	\$2,874.0
Healthcare Monetization Yield	5.75%	5.50%	5.25%	5.00%	4.60%
Acquisitions Volume	\$150.0	\$250.0	\$300.0	\$400.0	\$994.0
Acquisitions Yield	4.50%	4.75%	4.90%	5.10%	4.54%
Dispositions Volume (excluding healthcare)	\$218.8	\$230.3	\$241.5	\$253.9	\$227.6
Dispositions Yield (excluding healthcare)	8.68%	8.43%	8.28%	8.13%	7.37%

Individual Goals (all named executive officers)

Awards for all executives included subjective, non-formulaic individual performance goals.

2017-2019 Performance Share Plan Awards ("PSP Awards")

PSP awards vest after three years, if and to the extent performance goals are met, and have two performance components: average annual growth in AFFO/Share and relative total shareholder return, based on a peer group of selected REITs and certain indices. Named executive officers have the opportunity to elect to receive LTIP Units with the same vesting schedule in lieu of PSP awards. The performance goals and resulting payout for the PSP Awards relating to fiscal years 2015-2017 are described on pages 39-41.

	Threshold (50%)	Target (100%)	Superior (200%)	
Average Annual Growth in AFFO/Share*	-5.70%	-2.70%	-0.70% or above	
	Threshold (50%)	Target (100%)	Superior (200%)	Outperformance (250%)
Annualized TSR Percentile Rank	≥25	≥50	≥75	≥75 & ≥15.00% Absolute TSR
Restricted Stock Units (RSUs)				

RSUs granted in 2017 vest in equal amounts on the first three anniversaries of the grant date, provided that the named executive officer remains employed on each such vesting date. Named executive officers have the opportunity to elect to receive LTIP Units with the same vesting schedule in lieu of RSUs.

*Reflects adjusted performance goals due to medical office disposition. See discussion on pages 35-38 for more information.

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Our Executive Compensation Practices

The Committee is mindful of evolving practices in executive compensation and corporate governance. The following table highlights our current executive compensation practices – both the practices we believe drive performance and mitigate risk and the practices we have not implemented or eliminated because we do not believe they would serve our shareholders’ long-term interests.

Executive Compensation Practices We Have Implemented:

- Provide balanced pay opportunities consisting of (1) cash and equity, (2) annual and longer-term incentives, and (3) fixed and variable pay
- Align pay and performance
- Use diverse performance measures
- Have appropriate caps on performance-based bonus payouts
- Provide perquisites that are limited and have sound business rationale
- Include “double-trigger” change in control provisions in equity awards
- Apply share ownership and retention guidelines for senior executive officers and directors
- Utilize an independent compensation adviser
- Mitigate undue risk in compensation programs
- Maintain a clawback policy
- Maintain an anti-hedging/pledging policy

Executive Compensation Practices We Have Not Implemented:

- No “liberal” change in control definition that would be activated on shareholder approval of a transaction
- No tax gross-ups on perquisites (except for certain relocation costs that are available to all associates)
- No tax gross-up protection for change in control excise taxes
- No repricing of options or SARs (directly or indirectly) without prior shareholder approval
- Generally do not utilize employment contracts though we do have severance agreements with certain officers

Consideration of Most Recent Say-on-Pay Vote

The Committee recognizes that executive pay practices and views of sound governance principles continue to evolve. Consequently, the Committee intends to continue paying close attention to the advice and counsel of its independent compensation adviser and invites our shareholders to communicate any concerns or opinions on executive pay directly to the Committee or the Board. Please refer to “Information about Communications with Duke Realty Corporation and Our Board of Directors” on pages 4 and 5 for information about communicating with the Board.

At the annual meeting of shareholders on April 26, 2017, over 94% of the shares voted were voted in support of the compensation of our named executive officers, as discussed and disclosed in the 2017 proxy statement. In considering the results of this most recent advisory vote to approve the compensation of named executive officers, the Committee concluded that the compensation paid to our named executive officers and the Company’s overall pay practices enjoy strong shareholder support. No significant changes were made to our executive compensation program for 2017 as a result of the advisory vote.

At the annual meeting of shareholders on April 26, 2017, our shareholders expressed a preference that advisory votes on executive compensation occur every year. Consistent with this preference, the Board of Directors determined to

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implement an advisory vote to approve executive compensation every year until the next required vote on the frequency of shareholder votes on the compensation of executives, which will occur at the 2023 annual meeting.

Overview of Executive Compensation Philosophy and Objectives

We have designed our executive compensation program, under the direction of the Committee, to attract and retain the highest quality executive officers, directly link pay to our performance, and build value for our shareholders. In order to do this effectively, our program is designed to:

- provide total compensation opportunities with a combination of compensation elements that are competitive;
- tie a significant portion of each executive’s compensation to achieving our key business objectives; and
- align shareholder interests and executive rewards by tying a significant portion of each executive’s compensation opportunity to pay for performance standards designed to increase long-term shareholder value.

Determining Individual Compensation Levels and Pay Mix

When setting compensation, the Committee seeks to achieve optimal balance between:

- fixed and variable pay;
- short-term and long-term pay; and
- cash and equity.

We believe that a significant percentage of our executives’ compensation should be at risk and subject to performance. In addition, we attempt to balance the short- and long-term focus of our executives and to align their interests with our shareholders by providing a meaningful portion of their compensation in the form of equity-based awards.

Our executive compensation program includes the following elements:

Compensation Element	Overview/Objectives
Base Salary	<ul style="list-style-type: none"> • Fixed portion of an executive’s annual compensation that is intended to recognize fundamental market value for skills and experience of the individual relative to the responsibilities of his or her position.
Annual Cash Incentive	<ul style="list-style-type: none"> • Annual cash incentives vary based on performance against pre-defined goals and are intended to reward short-term performance, including company, individual, and in some cases, division performance.
Long-term Incentive Awards (restricted stock units and performance share awards)	<ul style="list-style-type: none"> • Stock-based incentives vary based on stock price and, in the case of performance share awards, on the achievement of predefined goals. They are intended to reward performance over a multi-year period, link executives’ interests to those of shareholders, and encourage retention through a multi-year vesting schedule.

The following charts show the allocations of the fiscal year 2017 target total direct compensation for our CEO and the fiscal year 2017 average target total direct compensation for our other named executive officers, respectively. Base salary is the only fixed element of compensation, with the remainder being at risk. Base salary and annual bonus are paid in cash, while 100% of the long-term incentive opportunity (RSUs and performance shares) is paid in stock.



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Fiscal 2017 Targeted Total Direct Compensation
How We Make Compensation Decisions

The Committee has primary responsibility for determining the Company's compensation strategy and setting the compensation of the Company's senior executive officers. Information about the Committee and its composition and responsibilities can be found on page 15 of this proxy statement, under the caption "Board Committees—Executive Compensation Committee." To assist in evaluating the compensation practices at the Company, the Committee engaged Frederic W. Cook & Co., Inc., or FW Cook, as its independent executive compensation consultant in 2017. FW Cook reports directly to the Committee and provides no other services to the Company. The following table outlines the roles and responsibilities of the various parties in determining executive compensation.

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	Roles and Responsibilities
The Committee	<ul style="list-style-type: none"> •Determines the Company’s compensation strategy. •Oversees design, implementation, and administration of Company equity programs. •Approves incentive programs and sets performance goals for executive officers. •Reviews the performance of the CEO. <p>Determines appropriate levels of compensation for our executive officers, including the CEO, by</p> <ul style="list-style-type: none"> •assessing their individual performance in addition to the financial and operational results of the Company against annual objectives.
FW Cook	<p>Provides advice, research, and analytical services on a variety of subjects, including</p> <ul style="list-style-type: none"> •compensation philosophy, trends, and best practices, peer group selection, target competitive positioning, pay mix, and incentive program design.
CEO	<ul style="list-style-type: none"> •Develops an assessment of individual performance for each of his direct reports. •Provides recommendations to the Committee regarding individual compensation levels for such executives. •Provides recommendations to the Committee regarding metrics and goal levels for incentive plans for Company, division, and individual performance for himself and each of his direct reports.
Other Members of Management	<p>Our Chief Human Resources Officer provides data and information relating to our compensation</p> <ul style="list-style-type: none"> •programs to the Committee and FW Cook to help facilitate the Committee’s review of competitive compensation practices. •Our Chief Financial Officer provides the Committee with reports on financial performance as it relates to key business drivers and performance measures included in incentive program designs.

Assessing the Competitive Marketplace

As part of its process of evaluating our compensation program, the Committee reviews peer compensation data to ensure that our executive officer compensation is competitive in the marketplace. In 2016, management engaged FPL Associates, or FPL, to provide market data on compensation structure and design practices from our peer group. The peer group, developed in consultation with FW Cook, consisted of 14 public REITs that were similar in size to the Company in terms of total capitalization (market value of common stock, preferred stock, operating partnership units, and balance sheet long-term debt) at that time. This group was used to assess competitive levels of compensation for our executive officers to help inform the Committee’s decisions on 2017 target total direct compensation opportunities. The total capitalization of companies in this peer group ranged from approximately \$9.1 billion to \$23.8 billion, with a median of \$12.2 billion (as of June 30, 2016). The Company’s total capitalization of approximately \$12.7 billion (also as of June 30, 2016) was consistent with the median of the peer group. The companies included in the REIT compensation peer group were as follows:

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Alexandria Real Estate Equities, Inc.	Digital Realty Trust	Kimco Realty Corporation	Taubman Centers, Inc.
Apartment Investment and Management Company	Douglas Emmett, Inc.	Liberty Property Trust	UDR, Inc.
Camden Property Trust	Federal Realty Investment Trust	The Macerich Company	
DDR Corp.	Host Hotels & Resorts, Inc.	Regency Centers Corporation	

How the Committee Uses Peer Group Data

The Committee's objective related to executive compensation is to provide a range of compensation opportunities with a combination of elements that are generally at competitive median opportunities. To do this, the Committee reviews the median compensation levels from the compensation peer group companies for each component of pay, including base salary, target annual incentive bonus, target total cash compensation (which includes both base salary and target annual incentive bonus), target long-term compensation, and target total direct compensation (which includes base salary, target annual incentive bonus, and the target value of long-term incentives) for each executive officer position at the Company. In setting individual executive target total direct compensation opportunities for 2017 within the range of these parameters, the Committee examined each component of pay on both a stand-alone basis and as a total. Decisions were based on the Committee's business judgment, informed by the comparative data, professional advice, and other considerations, including each executive's experience level and job performance; his or her duties and responsibilities at the Company compared to the duties and responsibilities of executive officers in similar positions at compensation peer group companies; the Company's performance; internal pay equity; and other circumstances unique to the Company.

Analysis of 2017 Compensation Decisions

Base Salaries

Base salaries paid to the Company's executive officers are the fixed portion of annual compensation and are intended to recognize the fundamental skills and experience of our executive officers. The Committee considers the executive's performance, role and responsibilities, internal equity considerations, and external competitive compensation data when determining the base salary for each executive officer. Base salaries for each of the named executive officers were increased at the beginning of 2017 to recognize performance and bring salaries more in line with competitive benchmarks as follows:

Name	2016	2017
James B. Connor	\$650,000	\$800,000
Mark A. Denien	\$460,000	\$500,000
Ann C. Dee	\$390,000	\$425,000
Peter D. Harrington	\$300,000	\$335,000
Nicholas C. Anthony	\$390,000	\$430,000

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Annual Cash Incentives

The Company pays annual incentive bonuses to reward executives for achieving or surpassing annual performance goals that are directly related to our key financial and operational objectives for the year and for execution of specific strategies of the Company. At the beginning of each year, the Committee establishes performance targets for the annual incentive program. These performance targets are developed using economic and industry factors, including the interest rate environment, general market conditions, overall Company leverage, annual capital recycling goals, the capital market environment, specific platform issues, and other considerations.

Each named executive officer has a target annual bonus potential, expressed as a percentage of base salary, that is based on his or her role and responsibilities, internal equity considerations, and external competitive compensation data as reviewed from time to time. Annual bonuses are paid in cash in February for the prior year's performance, and are based upon the Committee's assessment of the Company's overall performance against goals and each executive's individual (and, if applicable, division) performance against goals approved by the Committee.

The following table shows the target annual cash incentive for 2017 for each of our named executive officers and the actual award earned, in each case expressed as a percentage of base salary:

Name	Target Annual Bonus (as a % of Salary)	Actual Annual Bonus (as a % of Salary)
James B. Connor	140%	259%
Mark A. Denien	115%	213%
Ann C. Dee	110%	204%
Peter D. Harrington	95%	149%
Nicholas C. Anthony	110%	198%

For 2017, 75% of the annual bonus opportunity for Messrs. Connor and Denien and Ms. Dee and 35% of the annual bonus opportunity for Messrs. Harrington and Anthony were based on overall Company performance, as measured by three operational strategy goals: one that measured the Company's annual AFFO per share, one that measured the Company's annual Core FFO per share, and one that measured the average total in-service lease up occupancy of our real estate portfolio, each as described in more detail below. We selected these measures because they directly impact and are indicative of our success in achieving our primary financial and operational objectives for 2017: namely, increasing profitability by maximizing cash from operations.

▲AFFO and Core FFO are calculated by first computing FFO in accordance with standards established by the National Association of Real Estate Investment Trusts, or NAREIT. NAREIT defines FFO as net income (loss) excluding gains (losses) on sales of depreciable property, impairment charges related to depreciable real estate assets; plus real estate related depreciation and amortization, and after similar adjustments for unconsolidated joint ventures. Then, to determine Core FFO, FFO computed in accordance with NAREIT is adjusted for certain items that are generally non-cash in nature and that materially distort the comparative measurement of company performance over time. The adjustments include gains on sale of undeveloped land; impairment charges not related to depreciable real estate assets; tax expense or benefit related to (i) changes in deferred tax asset valuation allowances, (ii) changes in tax exposure accruals that were established as the result of the previous adoption of new accounting principles, or (iii) taxable income (loss) related to other items excluded from FFO or Core FFO (collectively referred to as "other income tax items"); gains (losses) on debt transactions; adjustments on the repurchase or redemption of preferred stock; gains (losses) on and related costs of acquisitions; gains on the sale of merchant buildings; promote income; and severance charges related to major overhead restructuring activities. Although our calculation of Core FFO differs from

NAREIT's definition of FFO and may not be comparable to

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that of other REITs and real estate companies, we believe it provides a meaningful supplemental measure of our operating performance. AFFO is Core FFO less recurring building improvements and total second generation capital expenditures (the leasing of vacant space that had previously been under lease by the company is referred to as second generation lease activity) related to leases commencing during the reporting period, and adjusted for certain non-cash items, including straight line rental income and expenses; non-cash components of interest expense and stock compensation expense; and after similar adjustments for unconsolidated partnerships and joint ventures.

Average Total In-Service Occupancy (Lease-Up Basis) is the average square footage represented by executed leases without regard to whether the leases have commenced, divided by the total average square footage of our in-service real estate portfolio, excluding the impact of any acquisitions during the year.

Forty percent of the annual bonus opportunity for Messrs. Harrington and Anthony in 2017 was based on performance goals for their respective divisions, which are described on page 36.

Twenty-five percent of the annual incentive bonus opportunity for each of our named executive officers in 2017 was directly tied to individual performance.

For purposes of the annual bonus program, individual performance in 2017 was evaluated in a subjective and non-formulaic manner, based on certain individual goals:

As the Company's Chairman and Chief Executive Officer, or CEO, Mr. Connor's individual goals for 2017 were based upon successfully completing the monetization of our healthcare platform, recruiting new board members, maintaining our overall leverage at BBB+ levels, further developing succession and leadership plans, and implementing the Company's 2017-2019 long-term strategy.

As the Company's Chief Financial Officer, or CFO, Mr. Denien's individual goals for 2017 focused on the successful monetization of our healthcare platform, developing and implementing tax strategies around capital recycling goals, achieving a fixed-charge coverage ratio of at least 3.7x and proforma debt to EBITDA of less than 6.0x, and the smooth transition of the Information Technology function to become part of his division.

As the Company's General Counsel, Ms. Dee's individual goals for 2017 included succession planning, the successful monetization of our healthcare platform, developing key personnel, providing leadership and oversight to Company initiatives regarding sustainability and cyber risk, and providing assistance and support to the Board and Corporate Governance Committee in her role as General Counsel and Corporate Secretary.

As the Company's Executive Vice President, Construction, Mr. Harrington's goals for 2017 focused on the construction group's organizational structure, succession planning and leadership development, operational metrics, risk management, processes, and management reports.

As the Executive Vice President, Chief Investment Officer, Mr. Anthony's goals included staff growth and development, the successful monetization of our healthcare platform, development of an ongoing target acquisition list and strategy, and cultivating relationships with brokers, industrial warehouse owners, investors and analysts.

The Committee established annual performance goals for 2017 annual incentive bonuses in January 2017. After the disposition of the medical office portfolio through a series of transactions closing in 2017, the Committee adjusted the Company operating performance goals to remove budgeted operating results for the medical office properties from the date of their sale through year end, to remove overhead related costs on the actual date of the related transactions, to exclude budgeted occupancy statistics for each property from the date of sale through year end, and to take into account

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the expected capital effects of the transaction and use of proceeds. The following tables summarize the goals before and after adjustment for the disposition:

AFFO/Share

	Threshold	Target	Stretch	Superior
Original	\$1.08	\$1.11	\$1.13	\$1.16
Adjusted	\$1.02	\$1.05	\$1.07	\$1.10

Core FFO/Share

	Threshold	Target	Stretch	Superior
Original	\$1.20	\$1.24	\$1.26	\$1.29
Adjusted	\$1.13	\$1.17	\$1.19	\$1.22

The following table shows the adjusted performance goals and weightings of the 2017 annual incentive bonus opportunities for the named executive officers.

	Weighting for James B. Connor, Mark A. Denien and Ann C. Dee	Weighting for Peter D. Harrington and Nicholas C. Anthony	2017 Annual Incentive Targets				
			Threshold	Target	Stretch	Superior	Actual
AFFO/Share(1)	25.00%	11.66%	\$1.02	\$1.05	\$1.07	\$1.10	\$1.10
Core FFO/Share(2)	25.00%	11.66%	\$1.13	\$1.17	\$1.19	\$1.22	\$1.24
Average Total In-Service Lease Up Occupancy	25.00%	11.66%	95.00%	96.50%	97.00%	97.50%	96.90%
Division Goals	0.00%	40.00%	<p>For Mr. Harrington: Assessment of achievement against a mix of financial and operational goals applicable to our Construction Division, including: construction volume (\$593.8 million target, \$677.3 million actual), construction starts (\$525.0 million target, \$733.7 million actual), development cost variance (2.00% target, 1.44% actual), and various project execution, overhead expense and diversity and inclusion metrics.</p> <p>For Mr. Anthony: Assessment of achievement against a mix of financial and operational goals applicable to our Capital Transactions and Joint Venture Division including: healthcare monetization volume (\$2.4 billion target, \$2.9 billion actual), healthcare monetization yield (5.50% target, 4.60% actual), acquisitions volume (\$250.0 million target, \$994.0 million actual), acquisitions yield (4.75% target, 4.54% actual), dispositions volume</p>				

			(excluding healthcare) (\$230.3 million target, \$227.6 million actual), and dispositions yield (excluding healthcare) (8.43% target, 7.37% actual). Subjective assessment of achievement of individual goals for 2017 as discussed above.
Individual Goals	25.00%	25.00%	
Total	100.00%	100.00%	

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(1) Reflects goals as adjusted in July 2017 for the medical office portfolio disposition. Original goals for threshold, target, stretch and superior levels were \$1.08, \$1.11, \$1.13, and \$1.16, respectively.

(2) Reflects goals as adjusted in July 2017 for the medical office portfolio disposition. Original goals for threshold, target, stretch and superior levels were \$1.20, \$1.24, \$1.26, and \$1.29, respectively.

Performance for the corporate goals is measured against four different levels established by the Committee - threshold, target, stretch, and superior. Achieving the target level of performance results in a payout at 100% of target for the relevant measure. Threshold performance results in a payout at 50% of target, and stretch and superior performance result in payouts at 150% and 200% of target, respectively. Payout amounts between performance levels are determined using interpolation. The Committee reviews the performance against the division goals relating to our Construction Division and Capital Transactions and Joint Ventures Division, which were used for Messrs. Harrington and Anthony, respectively, and the individual goals for named executive officers, and determines the payout for these elements in a partially formulaic and partially non-formulaic manner.

Financial component target levels set for our executive compensation program are used for that limited purpose and should not be understood to be statements of management’s expectations of our future results or other guidance.

Investors should not apply these targets in any other context.

Long-Term Incentive Awards

The objectives of the Company’s long-term incentive compensation program are to:

- reward achievement over a multi-year period;
- align the interests of the executives with those of our shareholders by focusing executives on the shareholder return performance of the Company; and
- provide a retention mechanism through multi-year vesting.

The Committee oversees grants of long-term incentives on an annual basis and at such other times as may be warranted. A target long-term incentive award value is established for each executive as a percentage of base salary. The Committee determines the target grant amounts using factors similar to those used in setting annual incentive targets, including the executive’s level of responsibility within the Company and internal and external equity considerations.

The following table shows the target long-term incentive award values for 2017 for each of our named executive officers, expressed as a percentage of base salary:

Name	Target Long-Term Incentive Award Value (as a % of Salary)
James B. Connor	400%
Mark A. Denien	220%
Ann C. Dee	170%
Peter D. Harrington	125%
Nicholas C. Anthony	205%

The long-term equity awards made to our named executive officers in February 2017 consisted of a combination of RSUs and performance share awards. In 2017, executive officers were permitted to elect to receive LTIP units in lieu of RSUs or performance share awards. The LTIP units are designed to qualify as profit interests in our operating partnership, Duke Realty Limited Partnership, for federal income tax purposes. To the extent the value of the LTIP units increase after the grant date, the LTIP units will become regular common units of ownership in the operating partnership upon

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vesting. Pursuant to the limited partnership agreement of the operating partnership, common units of ownership in the operating partnership may be redeemed for shares in the Company on a 1:1 basis.

RSUs. To support the retention of key talent and to manage the efficient use of shares in our stock plan, the Committee elected to make one-third of the long-term incentive grants in 2017 in the form of RSUs. RSUs are aligned with performance because they allow the holder to share in total shareholder return, both through share price appreciation (or depreciation) and dividends.

The RSUs granted in 2017 vest ratably over a three-year period, subject to the holder's continued employment with the Company. During the vesting period, RSUs accumulate dividend equivalents, which are deemed to be reinvested in additional vested RSUs based upon the closing price of the Company's common stock on the dividend payment date. When the original RSUs vest, the original RSUs and the RSUs acquired through corresponding dividend equivalents are converted to shares of the Company's common stock and paid to participants.

LTIP units elected in lieu of RSUs have the same time-based vesting provisions as the RSUs. However, instead of accumulating dividend equivalents, holders of LTIP units issued in lieu of RSUs receive cash distributions from the operating partnership on each dividend payment date.

Performance Share Awards. The Performance Share Plan, or PSP, is designed to provide executive officers with long-term incentive opportunities directly related to financial performance objectives established by the Committee for each award. Performance share awards granted under the PSP represent the right to earn actual shares of the Company's common stock at the end of a performance cycle established for each PSP award. Executives may also elect to receive LTIP units in lieu of performance shares. The actual number of performance shares or LTIP units earned with respect to an award is based upon the target number of performance shares, multiplied by a "payout percentage" ranging from 0 to 225% and determined by the level of performance against pre-established performance goals. Performance shares also earn dividend equivalents only if they vest. LTIP units awarded in lieu of PSP awards receive cash distributions equal to ten percent of the regular partnership distributions during the vesting period, so the LTIP units continue to qualify as "profit interests" for tax purposes. The LTIP units accrue additional dividend equivalent LTIP units up to ninety percent of the regular partnership distributions. As with performance shares, full dividend equivalents are earned on LTIP units only if those LTIP units vest.

Impact of Medical Office Disposition on Performance Share Awards. As noted above, after our announcement of the medical office disposition, the Committee met in July 2017 to discuss the expected impact of the disposition on the Company's budget and operations. After considering the Company's restated budget and the expected change the transaction would have on AFFO per share for 2017 and future years (expected reduction by \$0.06, \$0.041, and \$0.041 in 2017, 2018, and 2019, respectively) the Committee adjusted the performance goals relating to growth in AFFO per share for all outstanding PSP awards. Goals related to total shareholder return remained unchanged.

Grant of Performance Share Awards in 2017. Two-thirds of the total grant date value of the long-term equity awards made to our named executive officers in February 2017 consists of performance shares under the PSP. These awards have two financial performance components, each weighted one-half of the 2017 PSP Award, that are measured over a three-year period beginning January 1, 2017 as shown in more detail on the following page. Shares and LTIP units granted under the PSP are issued under the Duke Realty Corporation 2015 Long-Term Incentive Plan, or the 2015 Incentive Plan. To the extent performance goals are achieved, the 2017 performance share awards will pay out after the end of the 2017-2019 performance period.

The first financial component measures the Company's average annual growth in AFFO per share. The following table shows the AFFO per-share growth goals and corresponding payout percentages of target shares for the 2017 PSP Awards, with payout for performance between levels linearly interpolated.



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2017-2019 Average Annual Growth in AFFO per share(1)

Performance Level	Targets	Payout Percentage
Superior	3.9% or above	200.0%
Target	1.8%	100.0%
Threshold	-1.3%	50.0%
	Less than -1.3%	0.0%

(1) Reflects goals as adjusted in July 2017 for the medical office portfolio disposition. Original goals for superior, target, and threshold levels were 5%, 3%, and 0%, respectively.

The second financial component measures our annualized total shareholder return (changes in stock price, inclusive of reinvested dividends) relative to a peer group. The following table shows the payout percentage for the 2017 PSP Awards at various levels of relative and absolute total shareholder return with payout for performance between levels linearly interpolated.

2017-2019 Relative Total Shareholder Return

Performance Level	Targets	Payout Percentage
Outperformance	≥ 7 th Percentile and ≥ 15.0% Absolute TSR	250.0%
Superior	≥ 7 th Percentile	200.0%
Target	≥ 5 th Percentile	100.0%
Threshold	≥ 2 th Percentile	50.0%
	< 25 th Percentile	0.0%

For purposes of relative total shareholder return comparisons, the Company selected REITs against which we most directly competed for business and/or capital as well as two REIT indices and one non-REIT index that were relevant performance benchmarks to our business at the time the PSP awards were granted, for inclusion in the performance peer group:

DCT Industrial Trust Inc.	First Industrial Realty Trust, Inc.	Prologis, Inc.	STAG Industrial, Inc.	NAREIT FTSE Industrials Index
EastGroup Properties, Inc.	Liberty Property Trust	MSCI US REIT Index	Terreno Realty Corporation	S&P MidCap 400 Index

Payout of Performance Share Awards Granted in 2015. In 2017, Messrs. Connor, Denien, and Anthony and Ms. Dee earned a payout of the performance shares granted under the PSP in 2015, or the 2015 PSP Awards. The 2015 PSP Awards had three financial performance components, each weighted one-third of the 2015 PSP Award, that were measured over a three-year period beginning January 1, 2015, as described in more detail below. For 2015, Messrs. Anthony and Denien each elected to receive LTIP Units in lieu of PSP awards.

The first financial component measured the Company's average annual growth in AFFO, the second component was a leverage metric, which included two equally-weighted measures including Fixed Charge Coverage Ratio and the ratio of Debt plus Preferred to EBITDA, and the third financial component measured the Company's annualized total shareholder return (changes in stock price, inclusive of reinvested dividends) relative to a peer group.

The following table shows the AFFO metric goals and corresponding payout percentages for the 2015 PSP Awards with payout for performance between levels linearly interpolated.

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2015-2017 Average Annual Growth in AFFO per share(1)

Performance Level	Targets	Payout Percentage
Superior	3.0% or above	200.0%
Target	1.0%	100.0%
Threshold	-2.1%	50.0%
	Less than -2.1%	0.0%

(1) Reflects goals as adjusted in July 2017 for the medical office portfolio disposition. Original goals for superior, target, and threshold levels were 5%, 3%, and 0%, respectively.

The following tables show the leverage metric goals and corresponding payout percentages of target levels for the 2015 PSP Awards with payout for performance between levels linearly interpolated.

Fixed Charge Coverage Ratio (Trailing 12 Months of 2017)

Performance Level	Targets	Payout Percentages
Superior	3.3 or above	200.0%
Target	3.0	100.0%
Threshold	2.5	50.0%
	Less than 2.5	0.0%

Debt Plus Preferred to EBITDA Ratio (Trailing 12 months of 2017)

Performance Level	Targets	Payout Percentages
Superior	6.00 or less	200.0%
Target	6.50	100.0%
Threshold	7.25	50.0%
	Greater than 7.25	0.0%

The following table shows the payout percentage for the 2015 PSP Awards at various levels of relative total shareholder return (changes in stock prices, inclusive of reinstated dividends). Payouts for the total shareholder return component for the 2015 PSP Awards are not interpolated.

2015-2017 Relative Total Shareholder Return

Performance Level	Targets	Payout Percentage
Superior	≥ 80 th Percentile	200.0%
Stretch	≥ 60 th Percentile and < 80 th Percentile	150.0%
Target	≥ 40 th Percentile and < 60 th Percentile	100.0%
Threshold	≥ 30 th Percentile and < 40 th Percentile	50.0%
	< 30 th Percentile	0.0%

Total shareholder return for the 2015-2017 performance period was measured versus the following REITs against which the Company most directly competed for business and/or capital at the start of the performance period:

Healthcare Realty Trust	EastGroup Properties, Inc.	Highwoods Properties, Inc.	Parkway Properties, Inc.(1)	Healthcare Trust of America, Inc.
DCT Industrial Trust, Inc.	First Industrial Realty Trust, Inc.	Liberty Property Trust	Prologis, Inc.	STAG Industrial, Inc.

(1) On October 6, 2016, Parkway Properties, Inc. merged with Cousins Properties Incorporated. Thus, its total shareholder return for the 2015-2017 performance period was excluded from the final computation.



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For purposes of the 2015 PSP Awards, our average annual growth in AFFO per share was 4.64%, resulting in a payout percentage of 200%; our fixed charge coverage ratio was 4.5x, resulting in a payout percentage of 200%; our debt plus preferred to EBITDA ratio was 4.5x, resulting in a payout percentage of 200%; and our relative total shareholder return ranking was at the 55.6th percentile, resulting in a payout percentage of 100%. The combined payout percentage was 166.67%, an average of the payout percentage for each metric. In addition, and with the exception of LTIP units, dividend equivalents accrued on the performance shares earned were paid out in shares of stock. Unpaid operating partnership distributions were paid out in additional LTIP units. Please see “Executive Compensation—Option Exercises and Stock Vested in 2017” for the number of shares of stock and LTIP units and values thereof received by our named executive officers in connection with the payout of the 2015 PSP Awards.

Special RSU Grant

As previously mentioned, 2017 marked the completion of our long-term strategic goal of becoming a pure-play industrial REIT after we sold our medical office portfolio through a series of asset sales totaling \$2.9 billion. Not only did the pricing of the disposition exceed what the experts expected by a significant margin, but the timing and execution were very successful. We made significant progress in strategically redeploying the proceeds from this transaction to further improve our balance sheet, as well as grow our industrial portfolio through value-creating development projects and the acquisition of quality, strategically-located industrial assets with high cash flow growth potential.

To reward management for the success of this momentous transaction, the Committee provided a special RSU grant to certain executives, including the named executive officers.

Name	Special RSU Grant Value
James B. Connor	\$352,500
Mark A. Denien	\$140,000
Ann C. Dee	\$92,000
Nicholas C. Anthony	\$109,000
Peter D. Harrington	\$55,000

Because these RSUs were granted in 2018, they will be included in certain compensation tables in the 2019 proxy statement, but they are not included in any of the compensation tables in this proxy statement.

Other Compensation and Benefits

The Company’s executive officers participate in benefit plans generally available to all other employees. The Company also provides certain benefits to its executive officers that are not available to all other employees, such as physical examinations that are outside the normal health care plan, financial advisory services, and automobile and cell phone allowances. For additional information on these benefits made available during fiscal 2017, please see the Summary Compensation Table under the section entitled “Executive Compensation.”

Compensation Guidelines and Policies

To help manage compensation-related risk, we have adopted guidelines to assure the independence of compensation advisers, a compensation recoupment policy and stock ownership and retention guidelines, all of which are described in more detail below.

Compensation Committee Advisers Independence Guidelines. The Committee has adopted guidelines with respect to the engagement of independent executive compensation advisers to advise it in fulfilling its responsibilities. These

guidelines, which can be found on the Investor Relations/Corporate Governance section of the Company's website at

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<http://www.dukerealty.com>, are designed to safeguard the independence of the Committee’s advisers from the Company and management. The Committee’s consultant, FW Cook, reports directly to the Committee Chair, and all work conducted by FW Cook with respect to the Company’s compensation programs is on behalf of the Committee. FW Cook provided no services to the Company other than executive and non-employee director compensation consulting services, and has no other direct or indirect business relationship with the Company or any of its affiliates. In addition, in its consulting agreement with the Committee, FW Cook agrees to advise the Chairperson of the Committee if any potential conflicts of interest arise that could cause FW Cook’s independence to be questioned and to undertake no projects for management except as approved in advance by the Committee Chairperson. No such conflicts of interest arose in 2017.

Compensation Recoupment Policy. The Company has adopted a compensation recoupment policy under which executive officers and the principal accounting officer could be required to return to the Company certain compensation (such as a bonus or other variable compensation) to the extent it was earned based on materially inaccurate financial statements that required a restatement, or it is determined that a metric taken into account in computing the executive officer or principal accounting officer’s short-term or long-term compensation has been materially incorrectly calculated, and the Committee determines that the officer has received an excess incentive on account of the restatement or correction of the incorrect calculation. In that case, the Committee may take such action, subject to approval by the Board and applicable law, as it determines appropriate, to recover the difference between the amount actually paid to the executive officer and the amount that would have been paid based on the correct financial results. Also, if the Committee determines that any employee’s intentional or knowingly fraudulent or illegal conduct caused damage to the Company, the Committee may take such action as it determines appropriate to cancel or reduce any outstanding equity compensation awards, incentive compensation awards, or other benefits to which the employee is actually or contingently entitled, in an amount up to the damage to the Company. The Company’s Recoupment Policy is incorporated into the Code of Conduct that can be found on the Investor Relations/Corporate Governance section of the Company’s website at <http://www.dukerealty.com>.

Stock Ownership and Retention Guidelines. The Company’s senior executive officers are required to hold shares of common stock with a value equal to specified multiples of base salary, as shown below. This program assists in focusing executives on long-term success and shareholder value by requiring executives to hold Company stock over the long term.

Position	Base Salary Multiple	Time to Attain
Chief Executive Officer	6x	5 years
Executive Vice Presidents	4x	5 years

The stock ownership goal for each person subject to the Company’s Stock Ownership Guidelines is determined on an individual basis, first in dollars equal to a multiple of the executive’s base salary, and then by converting that amount to a fixed number of shares. Until the senior executive officers reach their ownership guidelines, they are required to retain shares that are owned on the date they became subject to the Stock Ownership Guidelines and at least 75% of “net shares” delivered through the Company’s executive compensation plans. For this purpose, “net shares” means the number of shares, including limited partnership units in Duke Realty Limited Partnership, obtained by exercising stock options or through the vesting of awards, less the number of shares the executive sells or trades to cover the exercise costs or to pay withholding taxes. If the executive transfers an award to a family member who resides in the same household, the transferee will be subject to the same retention requirements and the shares will still be counted toward satisfaction of the ownership requirements. A copy of the Stock Ownership Guidelines can be found on the Investor Relations/Corporate Governance section of the Company’s website at <http://www.dukerealty.com>.

Equity Grant Policies Our annual equity grants, including equity grants to named executive officers, are awarded effective as of February 10 of each year, with the grant value of an RSU and the target value of a PSP award, as applicable, equal to the fair market value of our stock as of the grant date. Having a pre-determined grant date minimizes any concern that grant dates could be selectively chosen based upon market price at any given time. The Committee periodically

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approves equity grants to newly hired employees or to employees receiving promotions. These interim grants generally occur on the February 10, May 10, August 10, or November 10 immediately following the date of hire or promotion, with the grant value of an RSU, equal to the fair market value of our stock as of the grant date. The Committee is authorized to award special equity grants on other dates from time to time when the Company experiences exceptional performance results. The Company does not plan to time, and has not timed, its release of material non-public information for the purpose of affecting the value of executive compensation.

Employment and Severance Agreements

As a matter of business philosophy, the Company does not enter into employment agreements with its executive officers. However, the Company from time to time enters into letter agreements regarding executive severance with certain key officers. The Company enters into these agreements as a means of protecting the business interests of the Company by conditioning the right of a terminated officer to receive the severance benefits upon each officer's compliance with a number of post-termination restrictive covenants, including covenants not to solicit our customers or employees, not to go to work for our competitors, and not to disclose our confidential information and trade secrets. We believe that having these covenants in place provides a tangible benefit to our shareholders.

The letter agreements provide the highest severance payment in the case of an employment termination in connection with a change in control of the Company. We believe that such enhanced severance provides important retentive value during critical periods relating to potential change in control and reduces the likelihood that executives may be concerned and distracted by uncertainty as to their ongoing role in the organization after the transaction.

For additional disclosure about the terms of the severance agreements, please see "Executive Compensation—Other Potential Post-Employment Payments."

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EXECUTIVE COMPENSATION

The total direct compensation of each named executive officer consists of annual base salary and annual cash and long-term equity incentive awards as specifically addressed in the CD&A. The Company's objective is to provide compensation opportunities that are competitive in total as well as in the mix of elements. The compensation program is designed to provide the proper balance of fixed versus variable and cash versus equity compensation.

With the exception of stock awards, the following table sets forth the compensation earned by or paid to each of the named executive officers of the Company during the fiscal years ended December 31, 2017, December 31, 2016, and December 31, 2015. In the case of stock awards, this table reflects the aggregate grant date fair value of stock awards granted by the Company during these years.

Summary Compensation Table

Name and Principal Position	Year	Salary	Stock Awards (1)	Non-Equity Incentive Plan Compensation (2)	All Other Compensation (3)	Total
James B. Connor						
Chairman and Chief Executive Officer						
	2017	\$788,462	\$3,306,667	\$2,072,000	\$33,184	\$6,200,313
	2016	\$647,308	\$2,470,000	\$1,138,070	\$32,141	\$4,287,519
	2015	\$490,385	\$1,035,000	\$954,160	\$29,652	\$2,509,197
Mark A. Denien						
Executive Vice President and Chief Financial Officer						
	2017	\$496,923	\$1,136,667	\$1,063,750	\$31,301	\$2,728,641
	2016	\$457,692	\$860,000	\$770,390	\$30,831	\$2,118,913
	2015	\$441,923	\$702,000	\$688,000	\$28,257	\$1,860,180
Ann C. Dee						
Executive Vice President, General Counsel and Corporate Secretary						
	2017	\$422,308	\$746,583	\$864,880	\$29,994	\$2,063,765
	2016	\$388,846	\$525,000	\$523,150	\$28,792	\$1,465,788
Peter D. Harrington						
Executive Vice President, Construction						
	2017	\$332,308	\$432,708	\$499,430	\$21,538	\$1,285,984
	2016	\$292,386	\$175,500	\$335,580	\$13,661	\$817,127
Nicholas C. Anthony						
Executive Vice President, Chief Investment Officer						
	2017	\$426,923	\$910,883	\$851,800	\$31,241	\$2,220,847

(1) This column reflects the aggregate grant date fair value in the applicable year for (a) RSUs granted under the 2005 Incentive Plan or the 2015 Incentive Plan and (b) performance shares granted under the PSP, as computed under FASB ASC Topic 718. It also includes the grant date fair value for any LTIP units granted in lieu of RSUs and/or PSP awards, as elected by the executive officer. In 2017, Ms. Dee elected to receive LTIP units in lieu of PSP awards, and Messrs. Connor, Denien, and Harrington elected to receive LTIP units in lieu of both RSUs and PSP awards. The grant value for all such awards is equal to the fair market value of our stock as of the grant date. Pursuant to SEC rules, the amounts shown in the Summary Compensation Table for awards subject to financial performance conditions are based on the probable outcome as of the date of grant and exclude the impact of estimated forfeitures. The following table sets forth the grant date target values of the 2017 PSP grant, in addition to values assuming achievement of the highest level of performance, for each named executive officer.

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2017 PSP Awards

Name	Target Grant Date Fair Value \$(a)	Value Assuming Highest Level of Performance (\$)
James B. Connor	\$2,133,333(b)	\$5,333,333
Mark A. Denien	\$733,333(b)	\$1,833,333
Ann C. Dee	\$481,667(b)	\$1,204,167
Peter D. Harrington	\$279,167(b)	\$697,917
Nicholas C. Anthony	\$587,667	\$1,469,167

(a) Represents the grant date target value of PSP awards. The grant date fair value shown in the Summary Compensation Table is based on the probable outcome at the time of grant which was above target.

(b) Represents the grant date value at target of LTIP units awarded in lieu of PSP awards upon election by the executive officer. See the discussion of LTIP units awarded in lieu of PSP awards under the section entitled "Performance Share Awards" included in the discussion of long-term incentive awards in the CD&A.

(2) Represents the aggregate annual cash incentive bonus that is based upon the Company's attainment of certain corporate performance goals as compared to predetermined targets established at the beginning of each calendar year as well as an individual and in certain cases a division performance component.

(3) All other compensation for 2017 includes the value of Company matching and profit sharing contributions to the Company's 401(k) plan and profit sharing plan, and the value of term life insurance premium payments made by the Company, each valued at \$10,000 or less for all named executive officers. In addition, all other compensation includes the following perquisites: (1) an automobile allowance and cell phone allowance of \$3,000 and \$600 each, respectively, for each named executive officer; (2) payments for personal financial planning services in the amount of \$16,380 each for Messrs. Connor, Denien, and Anthony and Ms. Dee and \$8,000 for Mr. Harrington; and (3) payments for executive medical examinations for Messrs. Connor, Denien, and Anthony.

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Grants of Plan-Based Awards in 2017

The following table summarizes grants made to the named executive officers in 2017 under the Company's plans:

Grant Name Date	Compensation Committee Approval Date	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards (1)			Estimated Future Payouts Under Equity Incentive Plan Awards (2)			All Other Stock Awards: Number of Shares of Stock or Units (#)(3)	Grant Date Fair Value of Stock and Option Awards
		Threshold	Target	Maximum	Threshold (#)	Target (#)	Maximum (#)		
James		\$700,000	\$1,120,000	\$2,240,000					
10/17	1/25/17				42,228	84,455	190,024		\$2,240,000
10/17	1/25/17							42,228	\$1,066,667
Mark		\$359,375	\$575,000	\$1,150,000					
10/17	1/25/17				14,516	29,031	65,320		\$770,000
10/17	1/25/17							14,516	\$366,667
Ann		\$292,188	\$467,500	\$935,000					
10/17	1/25/17				9,534	19,068	42,903		\$505,750
10/17	1/25/17							9,534	\$240,833
Peter		\$198,906	\$318,250	\$636,500					
10/17	1/25/17				5,526	11,052	24,867		\$293,125
10/17	1/25/17							5,526	\$139,583
Nicholas		\$295,625	\$473,000	\$946,000					
10/17	1/25/17				11,633	23,265	52,346		\$617,050
10/17	1/25/17							11,632	\$293,833

(1) Represents the 2017 annual cash incentive bonus opportunities for each executive. See the description of the annual cash incentive award in the CD&A.

(2) Represents the number of shares that could be earned under performance shares granted during 2017 under the PSP, or the number of limited partnership units in our operating partnership that could be earned under LTIP units granted in lieu of PSP awards. All of the performance share awards have a three-year performance measurement period. See pertinent details regarding the payout of awards under the PSP in the section entitled "Performance Share Awards" included in the discussion of long-term incentive awards in the CD&A.

(3) Represents the number of RSUs granted during 2017 under the 2015 Incentive Plan, or the number of LTIP units granted in lieu of RSUs. See the description of the RSUs and LTIP units in the section entitled "RSUs" included in the discussion of long-term incentive awards in the CD&A.

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Outstanding Equity Awards at 2017 Fiscal Year End

The following table contains information concerning outstanding equity awards held by each of the named executive officers as of December 31, 2017:

Named Executive Officer	Grant Date	Stock Awards		Equity Incentive Plan	Equity Incentive Plan
		Number of Shares or Units of Stock Granted That Have Not Vested (#)(1)	Market Value of Shares or Units of Stock Granted That Have Not Vested (1)	Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)(2)	Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (2)
James B. Connor	2/10/13	5,901	\$160,553	-	-
	2/10/14	14,667	\$399,086	-	-
	2/10/15	8,133	\$221,299	-	-
	2/10/16	46,541	\$1,266,391	138,658	\$3,772,884
	2/10/17	42,228	\$1,149,024	88,966	\$2,420,776
Mark A. Denien	2/10/13	1,381	\$37,576	-	-
	5/10/13	759	\$20,651	-	-
	2/10/14	10,103	\$274,900	-	-
	2/10/15	5,516	\$150,090	-	-
	2/10/16	14,845	\$403,932	48,278	\$1,313,644
	2/10/17	14,516	\$394,980	30,582	\$832,131
Ann C. Dee	2/10/13	951	\$25,869	-	-
	5/10/13	815	\$22,172	-	-
	2/10/14	5,751	\$156,490	-	-
	2/10/15	3,635	\$98,902	-	-
	2/10/16	9,062	\$246,577	29,472	\$801,933
	2/10/17	10,099	\$274,788	20,087	\$546,556
Peter D. Harrington	2/10/13	2,263	\$61,570	-	-
	5/10/13	781	\$21,255	-	-
	2/10/14	4,533	\$123,337	-	-
	2/10/15	2,885	\$78,489	-	-
	2/10/16	6,614	\$179,963	-	-
	2/10/17	5,526	\$150,362	11,642	\$316,790
Nicholas C. Anthony	2/10/13	1,770	\$48,154	-	-
	5/10/13	798	\$21,723	-	-
	2/10/14	3,954	\$107,580	-	-
	2/10/15	3,836	\$104,378	-	-
	2/10/16	11,328	\$308,235	36,839	\$1,002,389
	2/10/17	12,321	\$335,257	24,646	\$670,614

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(1)	
Officer	Represents
	The amount represents the number and market value of outstanding RSUs granted pursuant to the 2005 Incentive Plan for the years 2013 and 2014 and pursuant to the 2015 Incentive Plan for 2016, including accumulated dividend equivalent RSUs.
James B. Connor	The awards dated February 10, 2015 and February 10, 2017, represent the number of LTIP units granted in lieu of RSUs pursuant to the executive's election.
	The amount represents the number and market value of outstanding RSUs granted pursuant to the 2005 Incentive Plan for the years 2013 and 2014, including accumulated dividend equivalent RSUs.
Mark A. Denien	The awards dated February 10, 2015, February 10, 2016, and February 10, 2017, represent the number of LTIP units granted in lieu of RSUs pursuant to the executive's election.
	The amount represents the number and market value of outstanding RSUs granted pursuant to the 2005 Incentive Plan for the years 2013 through 2015 and pursuant to the 2015 Incentive Plan for 2017, including accumulated dividend equivalent RSUs.
Ann C. Dee	The awards dated February 10, 2016, represent the number of LTIP units granted in lieu of RSUs pursuant to the executive's election.
	The amount represents the number and market value of outstanding RSUs granted pursuant to the 2005 Incentive Plan for the years 2013 through 2015 and pursuant to the 2015 Incentive Plan for 2016, including accumulated dividend equivalent RSUs.
Peter D. Harrington	The awards dated February 10, 2017, represent the number of LTIP units granted in lieu of RSUs pursuant to the executive's election.
	The amount represents the number and market value of outstanding RSUs granted pursuant to the 2005 Incentive Plan for the years 2013 and 2014 and pursuant to the 2015 Incentive Plan for 2017, including accumulated dividend equivalent RSUs.
Nicholas C. Anthony	The awards dated February 10, 2015 and February 10, 2016, represent the number of LTIP units granted in lieu of RSUs pursuant to the executive's election.
	The RSUs granted prior to January 2015 vest in five equal annual installments beginning on the first anniversary of the grant date, subject to the holder's continued employment. The RSUs and LTIP units granted beginning on February 10, 2015, and after vest in three equal installments beginning on the first anniversary of the grant date, subject to the holder's continued employment and in the case of the LTIP units, subject to certain other vesting requirements. See pertinent details regarding LTIP units granted in lieu of RSUs, including cash distributions and certain other vesting requirements, included in the discussion of long-term incentive awards in the CD&A. The dividend equivalent RSUs vest as they accrue but are paid out when the host award vests or, if the host award fails to vest and is forfeited, are paid out as soon as practical after such forfeiture, including any delay necessary to comply with Section 409A of the Code. In all cases, the market value indicated is based upon the closing price of the Company's common stock on December 31, 2017, of \$27.21 per share.

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(2)

Officer	Represents
James B. Connor	The amount represents the number of common units in Duke Realty Limited Partnership, plus additional LTIP units that would be earned in place of unpaid cash distributions, that would be earned at the superior payout level for the LTIP units granted in lieu of PSP awards in 2016 and at the target payout level for LTIP units granted in lieu of PSP awards in 2017.
Mark A. Denien	The amount represents the number of common units in Duke Realty Limited Partnership, plus additional LTIP units that would be earned in place of unpaid cash distributions, that would be earned at the superior payout level, for the LTIP units granted in lieu of PSP awards in 2016 and at the target payout level for LTIP units granted in lieu of PSP awards in 2017.
Ann C. Dee	The amount represents the number of common units in Duke Realty Limited Partnership, plus additional LTIP units that would be earned in place of unpaid cash distributions, that would be earned at the superior payout level for the LTIP units granted in lieu of PSP awards in 2016 and at the target payout level for LTIP units granted in lieu of PSP awards in 2017.
Peter D. Harrington	The amount represents the number of common units in Duke Realty Limited Partnership, plus additional LTIP units that would be earned in place of unpaid cash distributions, that would be earned at the target payout level, for the LTIP units granted in lieu of PSP awards in 2017. Mr. Harrington was not eligible to receive PSP awards in 2016.
Nicholas C. Anthony	The amount represents the number of shares that would be earned at the target payout level, including dividend equivalent shares, for the awards granted in 2017 pursuant to the PSP.
	The amount represents the number of common units in Duke Realty Limited Partnership, plus additional LTIP units that would be earned in place of unpaid cash distributions, that would be earned at the superior payout level for the LTIP units granted in lieu of PSP awards in 2016.

All such amounts are represented at a market value based upon the closing price of the Company's common stock on December 31, 2017, of \$27.21 per share. The PSP awards have a three-year performance measurement period. Further details regarding awards granted under the PSP, including LTIP units, are found under the section entitled "Performance Share Awards" included in the discussion of long-term incentive awards in the CD&A.

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Option Exercises and Stock Vested in 2017

The following table shows the number of shares acquired and the value realized upon vesting in 2017 of (i) RSUs, including the value of dividend equivalents earned and vested in 2017 on all outstanding RSUs; (ii) LTIP units received in lieu of RSUs; (iii) performance shares granted in 2015 under the PSP, including the value of dividend equivalents earned and vested in 2017 with respect thereto; (iv) LTIP units received in lieu of performance shares granted in 2015 under the PSP, including the value of dividend equivalents earned on unpaid cash distributions and LTIP units earned above target payout; and/or (v) dividend equivalents earned in 2017 on performance units previously vested under the 2000 Performance Share Plan, or 2000 PSP. The aggregate value of the shares acquired is based upon the fair market value of the Company's common stock on the vesting date.

Name	Stock Awards	
	Number of Shares Acquired on Vesting (#)(1)	Value Realized on Vesting (1)
James B. Connor	96,165	\$2,531,669(2)
Mark A. Denien	52,429	\$1,388,977
Ann C. Dee	32,201	\$854,298
Peter D. Harrington	13,241(3)	\$338,775(3)
Nicholas C. Anthony	37,907	\$1,004,617

(1) Includes the following number of shares or LTIP units acquired and value realized on vesting for the 2015 PSP award:

Name	Number of Shares/LTIP Units Acquired on Vesting (#)	Value Realized on Vesting
James B. Connor	46,490	\$1,264,999
Mark A. Denien	31,298(a)	\$851,631
Ann C. Dee	18,393	\$500,473
Peter D. Harrington	–	–
Nicholas C. Anthony	21,768(a)	\$592,318

(a) Messrs. Denien and Anthony elected to receive LTIP units in lieu of PSP awards in 2015. The number represents the LTIP units earned upon vesting, including additional LTIP units earned in place of unpaid cash distributions.

(2) Includes \$21,704 for Mr. Connor attributable to the value of dividend equivalents earned in 2017 on performance units previously vested under the 2000 PSP for which receipt has been deferred. This amount is also included in the "Aggregate Earnings in the Last FY" column of the Nonqualified Deferred Compensation table. For a description of these dividend equivalents, see the description of the 2000 PSP under the heading, "Nonqualified Deferred Compensation for 2017."

(3) Includes 11,066 RSUs with a value of \$281,540, deferred into the Executives' Deferred Compensation Plan upon vesting, pursuant to Mr. Harrington's previous election. This amount is also included in the "Executive Contributions in the Last FY" column of the Nonqualified Deferred Compensation table.

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Nonqualified Deferred Compensation for 2017

The named executive officers' nonqualified deferred compensation in 2017 consists of participation in one or both of the following plans: (1) the Executives' Deferred Compensation Plan, or DC Plan, and (2) the 2000 PSP. The DC Plan continues in effect as the Company's primary nonqualified deferred compensation plan. Certain of the named executive officers have undistributed awards under the 2000 PSP, although no further awards will be made under such plan. The 2000 PSP constitutes a deferred compensation plan in the technical sense that outstanding vested awards may be paid out in a future year.

Executives' Deferred Compensation Plan. The Company does not make contributions to the DC Plan and does not guarantee any return on participant account balances. Executives are permitted to elect to defer up to 50% of base salary, 100% of annual cash incentive bonus and 100% of RSU and PSP awards. The Company has established an irrevocable rabbi trust to hold assets separate from other general corporate assets for the purpose of paying future participant obligations. The assets of the trust remain available to the general creditors of the Company. Participants are 100% vested in their deferrals and related earnings. Participants who retire on or after reaching age 50 will receive their DC Plan account balance, based upon their election, either, in full or by partial lump-sum payment, and/or by annual installments of two to 15 years. A participant who terminates employment other than by retirement, death, or disability will receive the undistributed portion of the account balance in a lump-sum payment. In the event of a participant's death, the participant's designated beneficiary will receive the undistributed portion of the account balance in a lump-sum payment. A participant may also elect to receive some or all of a particular year's deferral and related earnings prior to retirement or termination of employment in the form of a lump-sum payment or in up to five annual installments. Subject to approval by the DC Plan administrator, in the event of an unforeseen financial emergency beyond the participant's control, a participant may request a withdrawal from his or her account up to the amount necessary to satisfy the emergency (provided the participant does not have the financial resources to otherwise meet the hardship).

2000 Performance Share Plan. Awards under the 2000 PSP were made in 2000 and 2004 in the form of performance units, all of which are now fully vested. The payment for vested awards is made in shares of common stock. However, vested awards are not paid until retirement or termination of employment, and thus are considered deferred compensation. Dividends are paid on the awards in cash or additional performance units, as previously elected by the participant.

The following table sets forth certain information as of December 31, 2017, regarding deferred compensation plans available to each of the named executive officers.

Name	Executive Contributions in Last FY (1)	Registrant Contributions in Last FY	Aggregate Earnings in Last FY (2)	Aggregate Withdrawals/ Distributions	Aggregate Balance at Last FYE (3)
DC James Plan B	—	—	—	—	—
2000 Connor PSP	—	—	\$29,720	—	\$378,697
DC Mark Plan A	—	—	—	—	—
2000 Denien PSP	—	—	—	—	—
	\$31,000	—	\$117,167	—	\$935,068

ADC				
CPlan				
D2000 –	–	–	–	–
PSP				
DC				
Peter \$306,540	–	\$99,556	–	\$946,291
Plan				
D2000				
Harrington	–	–	–	–
PSP				
DC				
Nicholas	–	\$112,887	–	\$1,226,159
Plan				
C2000				
Anthony	–	–	–	–
PSP				

- (1) Messrs. Connor, Denien, and Anthony did not defer any of their salary, incentive bonus, or vesting RSU and PSP awards in 2017.
- (2) Aggregate earnings are not includable in the Summary Compensation Table because such earnings were not preferential or above market.

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The aggregate balance at December 31, 2017, includes the following amounts of employee contributions representing compensation earned and deferred in prior years that was reported in the Summary Compensation (3) Table for the year in which earned or would have been so reported if the officer had been a named executive officer in such year. Amounts in the following table include contributions to the DC Plan and the value of vested awards and dividend equivalents under the 2000 PSP.

Name	Total
James B. Connor	\$208,511
Mark A. Denien	–
Ann C. Dee	\$630,335
Peter D. Harrington	\$705,608
Nicholas C. Anthony	\$500,492

Other Potential Post-Employment Payments

The Company and each of its named executive officers have entered into letter agreements that provide for separation payments upon the termination of the officer's employment under various conditions. The level of severance pay depends upon the circumstances of the officer's termination of employment. For example, if the officer were terminated by the Company without "cause" and not in connection with a "change in control" of the Company (each of which terms are defined in the letter agreements), then the officer would be entitled to a severance payment equal to two times (2X) the sum of (a) his or her base salary in effect on the last day of the calendar year immediately preceding the calendar year in which termination occurs and (b) annual cash incentive bonus for services performed in the prior year, payable over a 24-month period. If the officer terminated his or her employment voluntarily, then the severance payment would equal one times (1X) his or her base salary in effect on the last day of the calendar year immediately preceding the calendar year in which termination occurs, payable over a 12-month period. If the officer were terminated for "cause," then the severance payment would be \$10,000, payable over a two-month period. Regardless of the reason for termination of an officer's employment, that officer's right to the severance payments would stop if and when he or she violated any of the post-employment restrictive covenants in the agreement. The payments in the case of voluntary termination or termination for cause are solely consideration for the executive's post employment non-solicitation and confidentiality covenants. Longer-term non-solicitation covenants apply in the case of termination without cause or for good reason. The agreements with all of our named executive officers contain a sunset provision, which provides that, in the event the executive's employment terminates effective on or after his or her 62nd birthday under any one of the termination scenarios other than termination for good reason or upon a change of control, he or she will not be entitled to receive any separation benefits from the Company.

The letter agreements provide the highest severance payment (three times (3X) the sum of (a) base salary in effect on the last day of the calendar year immediately preceding the calendar year in which termination occurs and (b) annual cash incentive bonus for services performed in the prior year, payable over a 24-month period) in the case of the Company's termination of the executive's employment or the executive's resignation of employment for "good reason" (as defined in the severance agreements) within one year after a change in control of the Company. The letter agreements do not provide any excise tax "gross-ups."

The following table shows the amounts that would be payable to each of the named executive officers under the letter agreements under various termination scenarios using the applicable base salary and cash incentive bonus as if the termination occurred on December 31, 2017. The severance agreements do not include tax gross-up provisions, and all payments made to the executives would be net of applicable withholdings.

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Named Executive Officer	Executive Leaves Voluntarily with No Change in Control	Termination by Company without Cause and with No Change in Control	Termination by Company For Cause	Executive Leaves for “Good Reason” or Termination by Company following Change in Control
James B. Connor	\$650,000	\$3,576,140	\$10,000	\$5,364,210
Mark A. Denien	\$460,000	\$2,460,780	\$10,000	\$3,691,170
Ann C. Dee	\$390,000	\$1,826,300	\$10,000	\$2,739,450
Peter D. Harrington	\$300,000	\$1,271,160	\$10,000	\$1,906,740
Nicholas C. Anthony	\$390,000	\$2,007,520	\$10,000	\$3,011,280

Change in Control Provisions Under Other Agreements

The Company’s long-term compensation plans, including the 2015 Incentive Plan, generally provide that a change in control occurs upon the occurrence of any of the following: (1) when the incumbent members of the Board cease to constitute a majority of the Board; (2) except in the case of certain issuances or redemptions of stock or the acquisition of stock by any employee benefit plan sponsored by the Company, when any person acquires a 25% or more ownership interest in the outstanding common stock or combined voting power of the then outstanding securities of the Company; (3) the consummation of a reorganization, merger, consolidation, statutory share exchange, or other corporate transaction, unless (a) the beneficial owners of the Company’s stock immediately prior to the transaction continue to own 50% or more of the outstanding common stock and combined voting power of the then outstanding securities of the Company, (b) no person acquires a 25% or more ownership interest in the then outstanding common stock or combined voting power of the then outstanding securities of the Company, and (c) at least a majority of the members of the board of directors of the surviving corporation were incumbent directors at the time of approval of the corporate transaction; (4) the approval by the shareholders of the Company of a complete liquidation or dissolution; or (5) when the Company’s ownership interest in the operating partnership is reduced below 50%.

All outstanding awards granted under the 2005 Incentive Plan and the 2015 Incentive Plan provide for “double trigger” change in control vesting, such that the effect of a change in control depends upon whether the award is assumed by the acquiring company. If awards are not assumed by the acquiring company, service-based awards vest in full upon the change in control and performance-based awards vest at the “target” level if the change in control occurs prior to the second anniversary of the beginning of the performance period. Such awards vest at the “actual” level if the change in control occurs on or after the second anniversary of the beginning of the performance period and prior to the end of the performance period, based on performance through the date of the change in control. If the awards are assumed by the acquiring company, similar accelerated vesting of awards is contingent on the grantee’s involuntary termination without cause or for good reason within one year following the change in control.

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The following table shows the total additional value of the awards that would be payable to each of the named executive officers under the accelerated vesting provisions of these plans upon the occurrence of a change in control as of December 31, 2017, and assuming that the acquiring company does not assume the awards. Unless indicated otherwise below, award values were determined at \$27.21 per share, the closing price of the Company's stock on December 31, 2017.

Named Executive Officer	RSUs (1)	PSP Award (2)	Total
James B. Connor	\$3,009,834	\$4,307,223	\$7,317,057
Mark A. Denien	\$1,235,334	\$1,488,948	\$2,724,282
Ann C. Dee	\$769,063	\$947,526	\$1,716,589
Peter D. Harrington	\$560,853	\$316,790	\$877,643
Nicholas C. Anthony	\$880,951	\$1,171,811	\$2,052,762

(1) Represents the value of the unvested awards at December 31, 2017.

Represents awards granted in 2016 and 2017 under the PSP. The value of the awards granted in 2016 would be fixed at the target level in the event of a change in control prior to January 1, 2018, and the value of the awards (2) granted in 2017 would be fixed at the target level in the event of a change in control prior to January 1, 2019. The above table assumes a change of control occurring on December 31, 2017, with the result that both the 2016 and 2017 awards would pay out at the target level.

Retirement Provisions under Other Agreements

Awards granted to named executive officers pursuant to the 2005 Incentive Plan and the 2015 Incentive Plan will continue to vest upon the executive's termination of employment, other than for cause, on or after reaching age 55, and provided that the sum of the executive's age and years of service to the Company totals at least 65 years (which is defined as "retirement" for purposes of the 2005 Incentive Plan and the 2015 Incentive Plan). Such awards are subject to the restrictive covenants in each executive's letter agreement regarding severance payments, previously described under the section "Other Potential Post-Employment Payments." As of December 31, 2017, Messrs. Connor, Denien, Harrington, and Anthony and Ms. Dee were eligible for retirement under these provisions. The values represented above in the table under "—Change in Control Provisions Under Other Agreements" also reflect the total value of the unvested awards that would remain eligible for continued vesting for each of these named executive officers under the provisions of these plans upon the occurrence of a retirement as of December 31, 2017, and assuming continuing compliance with the restrictive covenants.

Risk Assessment of Overall Compensation Program

The Committee has reviewed with management the design and operation of our incentive compensation arrangements for all employees, including executive officers, for the purpose of determining whether such programs might encourage inappropriate risk-taking that would be reasonably likely to have a material adverse effect on the Company. Specifically, management compiled an inventory of all incentive compensation arrangements applicable to the Company's employees at all levels, which were then summarized for the Committee's independent compensation consultant. The consultant analyzed these arrangements in the context of potential high-risk design provisions and concluded that the program is well-designed overall not to encourage behaviors that would create a material risk for the Company. The consultant noted in particular the following program provisions that support this conclusion: (1) appropriate pay philosophy, peer group, and market positioning to support business objectives; (2) an effective balance in cash and equity, short and longer-term performance focus, corporate, business unit, and individual performance focus, and financial and non-financial performance measurement as well as the discretion of the

Committee; (3) a balanced weighting of performance measures; (4) fixed maximum levels for performance-based awards; and (5) meaningful risk mitigation features including stock

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ownership guidelines, the compensation recoupment policy, and independent Committee oversight. Based on the independent review and findings of the consultant, the Committee concluded that the Company's compensation plans, programs and policies, considered as a whole, including applicable risk-mitigation features, are not reasonably likely to have a material adverse effect on the Company.

CEO Pay Ratio

The 2017 compensation disclosure ratio of the median annual total compensation of all Company employees to the annual total compensation of the Company's chief executive officer is as follows:

Category	2017 Total Compensation and Ratio
Annual total compensation of Mr. Connor (A)	\$6,200,313
Median employee total compensation (excluding Mr. Connor) (B)	\$109,695
Ratio of A to B	57:1

The Company identified the median employee by examining the following compensation elements for all individuals, excluding Mr. Connor: base salary as of December 31, 2017; 2016 bonus paid in 2017; grant date value of 2017 long-term grants; leasing commissions paid in 2017; and overtime paid in 2017. The Company determined the median employee based on its workforce as of December 31, 2017, and included all part-time, temporary, and full-time employees. After identifying the median employee, the Company calculated 2017 total compensation for such employee using the same methodology used for named executive officers as set forth in the Summary Compensation Table.

Equity Compensation Plan Information

The following table provides information as of December 31, 2017, about our common stock that may be issued, whether upon the exercise of options, warrants and rights or otherwise, under our existing equity compensation plans.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (A)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (B)	Weighted-Average Remaining Term of Outstanding Options, Warrants and Rights (C)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (A)) (D)
Equity compensation plans approved by shareholders	3,269,768	\$22.29	0.11	7,489,995
Equity compensation plans not approved by shareholders(E)	—	—	—	—
Total	3,269,768	\$22.29	0.11	7,489,995

The number of options and full value awards granted and outstanding as of December 31, 2017, as indicated above, are from all plans.

(A) Includes shares of our common stock issuable pursuant to the exercise of stock options and conversion of full-value awards (i.e. RSUs and performance shares).

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Because our full-value awards do not have an exercise price, the aggregate number of shares of common stock (B) issuable pursuant to such awards, or 3,265,810 shares, is not included in the calculation of weighted average exercise price.

The average remaining term of all outstanding options is 0.11 years. Because vesting of our full-value awards is (C) based upon time or Company performance, the remaining terms of full-value awards are excluded from this calculation.

(D) Represents the number of remaining shares available for grant under the Company's 2015 Incentive Plan, all of which may be used for grants of either options or full-value awards.

(E) All of the Company's equity plans have been approved by its shareholders.

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OWNERSHIP OF COMPANY SHARES

The following table sets forth the beneficial ownership of shares of common stock of the Company and common units of ownership in Duke Realty Limited Partnership, or the partnership units, as of February 23, 2018, for:

• each of our named executive officers;

• each of our directors;

• our current directors and executive officers as a group; and

• each person or group known to us to be holding more than 5% of such common stock.

Beneficial Owner	Shares and Units Beneficially Owned (1)	Shares Issuable Upon Exercise of Stock Options (2)	Total	Percent of Class
James B. Connor(3)	235,536	—	235,536	*
Mark A. Denien(4)	110,667	—	110,667	*
Ann C. Dee(5)	74,497	—	74,497	*
Peter D. Harrington(6)	27,454	—	27,454	*
Nicholas C. Anthony(7)	51,940	—	51,940	*
John P. Case	—	—	—	*
William Cavanaugh III	44,401	—	44,401	*
Alan H. Cohen	50,883	—	50,883	*
Ngairé E. Cuneo	36,740	—	36,740	*
Charles R. Eitel	—	—	—	*
Norman K. Jenkins	78	—	78	*
Melanie R. Sabelhaus	33,185	—	33,185	*
Peter M. Scott, III	20,381	—	20,381	*
Jack R. Shaw	2,659	—	2,659	*
David P. Stockert	10,985	—	10,985	*
Chris Sultemeier	—	—	—	*
Michael E. Szymanczyk	37,081	—	37,081	*
Lynn C. Thurber	99,475	—	99,475	*
All directors and executive officers as a group (19 persons)	861,050	—	861,050	*
The Vanguard Group, Inc.(8)	63,016,914	—	63,016,914	17.65%
BlackRock, Inc.(9)	38,099,284	—	38,099,284	10.67%
FMR LLC (10)	27,597,207	—	27,597,207	7.73%
State Street Corp.(11)	20,439,078	—	20,439,078	5.73%

* Less than one percent (1%)

(1) The number of shares and units in this column represents the number of shares of common stock and/or partnership units the person “beneficially owns,” as determined by the rules of the SEC. Unless otherwise indicated, each person listed in the table possesses sole voting and investment power with respect to the common shares reported in this column to be owned by such person.

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(2) As of February 23, 2018, there are no outstanding stock options owned by any of our named executive officers or directors.

(3) Includes 8,653 shares owned by family members and 38,475 partnership units.

(4) Includes 52,783 partnership units.

(5) Includes 1,310 shares owned by family members and 9,063 partnership units.

(6) Includes 1,842 partnership units.

(7) Includes 34,348 partnership units.

(8) The address of The Vanguard Group, Inc. is 100 Vanguard Blvd., Malvern, PA 19355. This information is based solely on two Schedule 13G/As filed by The Vanguard Group and Vanguard Specialized Funds-Vanguard REIT Index Fund with the SEC on February 9, 2018 and February 2, 2018, respectively. The above total includes 23,950,398 shares separately reported by Vanguard REIT Index Fund. The Vanguard Group has the sole power to vote 909,164 and dispose of 61,993,431 shares, including shared power to vote 533,601 shares and dispose of 1,023,483 shares.

(9) The address of BlackRock, Inc. is 55 East 52nd Street, New York, NY 10055. This information was obtained from Schedule 13G/A filed with the SEC on January 19, 2018. Total shares beneficially owned include 33,742,927 shares with sole voting power and 38,099,284 shares with sole dispositive power.

(10) The address of FMR LLC is 245 Summer Street, Boston, MA 02210. This information was obtained from Schedule 13G/A filed with the SEC on February 13, 2018. Total shares beneficially owned include 15,889,459 shares with sole voting power and 27,597,207 shares with sole dispositive power.

(11) The address of State Street Corporation is One Lincoln Street, Boston, MA 02111. This information was obtained from Schedule 13G/A filed with the SEC on February 14, 2018. Total shares beneficially owned include 20,439,078 with shared voting power and shared dispositive power.

(12) While not included in the table above, shares deferred into our Directors' Deferred Compensation Plan by members of the Board of Directors are considered to be shares owned for purposes of each director's target ownership requirement pursuant to the Company's Stock Ownership Guidelines, which are described on page 18. Shares owned by individual directors in the Directors' Deferred Compensation Plan are as follows:

Name	Number of Deferred Shares
William Cavanaugh III	129,986
Ngaire E. Cuneo	171,806
Charles R. Eitel	44,555
Peter M. Scott, III	25,913
Jack R. Shaw	80,466

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SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires the Company's directors and executive officers and persons who beneficially own more than 10% of the Company's common stock to file with the SEC initial reports of ownership and reports of changes in ownership of common stock, including derivatives of the Company's common stock. Officers, directors, and greater-than-10%-beneficial owners are required by SEC regulations to furnish the Company with copies of all Section 16(a) forms they file.

To the Company's knowledge, based solely on a review of the copies of such reports furnished to the Company and written representations that no other reports were required, all Section 16(a) filing requirements applicable to its officers, directors, and greater-than-10% beneficial owners were complied with during the year ended December 31, 2017.

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CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The Company's Code of Conduct requires that all associates, officers, and directors avoid conflicts of interests that interfere with the performance of their duties or are not in the best interests of the Company. The Audit Committee reviews all material proposed transactions between the Company and related parties as specified under Item 404 of Regulation S-K promulgated by the SEC and examines each such transaction for potential conflicts of interests and other improprieties. The Audit Committee has not adopted any specific written procedures for conducting such reviews and considers each transaction in light of the specific facts and circumstances presented. The Company currently does not have any such transactions to report.

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**PROPOSAL THREE: RATIFICATION OF REAPPOINTMENT OF
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Audit Committee has selected KPMG as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2018 and has further directed that the selection of the independent registered public accounting firm be submitted for ratification by the shareholders at the Annual Meeting.

Representatives of KPMG will be present at the Annual Meeting, will have the opportunity to make a statement if they so desire and will be available to respond to appropriate questions.

In order to ratify the selection of KPMG, the votes cast in favor of the proposal must exceed the votes cast against the proposal. Abstentions will not be treated as votes cast and therefore will not affect the outcome. The ratification of the selection of KPMG as the Company's independent registered public accountants for 2018 will be deemed to be a discretionary matter and brokers will be permitted to vote uninstructed shares as to such matter; therefore, no broker non-votes are expected.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE RATIFICATION OF
KPMG AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL
YEAR 2018.**

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SHAREHOLDER PROPOSALS AND NOMINATIONS FOR 2019 ANNUAL MEETING

Shareholder Proposals and Nominations for inclusion in the Company's Proxy Materials

SEC rules establish the eligibility requirements and the procedures that must be followed for a shareholder's proposal to be included in the Company's proxy materials. Under those rules, any shareholder wishing to have a proposal considered for inclusion in the Company's proxy materials for the 2019 annual meeting must submit his or her proposal to the Company in writing on or before November 14, 2018, which is 120 calendar days prior to the anniversary of the date this proxy statement was released to shareholders. However, if the date of the 2019 annual meeting of shareholders is more than 30 calendar days earlier or later than the anniversary date of the 2018 annual meeting of shareholders, then the deadline is a reasonable time before the company begins to print and send its proxy materials. Proposals must comply with all applicable SEC rules.

If a shareholder wishes to nominate a director for inclusion in the Company's proxy material for the 2019 annual meeting of shareholders pursuant to the Company's proxy access bylaw provision, the Company's bylaws require that the shareholder give advance written notice to the Company's Corporate Secretary no earlier than 150 days and no later than 120 days before the one year anniversary of the date when the proxy materials for the previous year's annual meeting of shareholders were released to shareholders, which for the 2019 annual meeting would be no earlier than October 15, 2018, and no later than November 14, 2018. However, if the date of the 2019 annual meeting of shareholders is more than 30 calendar days earlier or later than the date contemplated at the time of the 2018 annual meeting of shareholders, the notice must be received by the Company's Corporate Secretary not fewer than the later of (i) 150 calendar days prior to the date of the contemplated annual meeting or (ii) the date which is 10 calendar days after the date of the first public announcement or other notification to the shareholders of the date of the contemplated annual meeting.

Shareholder Proposals and Nominations not for inclusion in the Company's Proxy Material

If a shareholder wishes to present a proposal, including a proposal to nominate a director nominee, at the 2019 annual meeting, even if such proposal or nomination is not intended to be included in the 2019 proxy materials, the Company's bylaws require that the shareholder give advance written notice to the Company's Corporate Secretary at least 120 days before the one year anniversary of the date when the proxy statement was released to shareholders in connection with the previous year's annual meeting, which for the 2019 annual meeting would be November 14, 2018. However, if the date of the 2019 annual meeting of shareholders is more than 30 calendar days earlier or later than the date contemplated at the time of the 2018 annual meeting of shareholders, the notice must be received by the Company's Corporate Secretary not fewer than the later of (i) 150 calendar days prior to the date of the contemplated annual meeting or (ii) the date which is 10 calendar days after the date of the first public announcement or other notification to the shareholders of the date of the contemplated annual meeting.

If a shareholder is permitted to present a proposal at the 2019 annual meeting, but the proposal was not included in the 2019 proxy material, the Company believes that its proxy holder would have the discretionary authority granted by the proxy card (and as permitted under SEC rules) to vote on the proposal if the proposal was received after January 28, 2019, which is 45 calendar days prior to the one-year anniversary of the mailing of this proxy statement.

ANNUAL REPORT

A copy of the Company's 2017 Annual Report is available on the Internet as described in the Notice of Internet Availability of Proxy Materials. Additionally, a copy of the Company's 2017 Annual Report on Form 10-K for the

fiscal year ended December 31, 2017, may be obtained, free of charge, by any shareholder by writing to Duke Realty Corporation, 600 East 96th Street, Suite 100, Indianapolis, Indiana 46240, Attention: Investor Relations. Our Annual Report on Form 10-K is also available and may be accessed free of charge through the Investor Relations section of our Internet website at <http://investor.dukerealty.com>.

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OTHER MATTERS

The Board of Directors knows of no other matters to be brought before this Annual Meeting. However, if other matters should properly come before the Annual Meeting, it is the intention of each person named in the proxy to vote such proxy in accordance with his or her judgment on such matters.

HOUSEHOLDING OF PROXY MATERIAL

The SEC has adopted rules that permit companies and intermediaries such as brokers to satisfy delivery requirements for proxy statements with respect to two or more shareholders sharing the same address by delivering to that address a single proxy statement to those shareholders. This process, which is commonly referred to as “householding,” potentially provides extra convenience for shareholders and cost savings for companies. Some brokers household proxy materials, delivering a single proxy statement to multiple shareholders sharing an address unless contrary instructions have been received from the affected shareholders. Once you have received notice from your broker or us that they or we will be householding materials to your address, householding will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in householding and would prefer to receive a separate proxy statement, or if you are receiving multiple copies of the proxy statement and wish to receive only one copy, please notify your broker if your shares are held in a brokerage account, or notify us if you hold registered shares. You can notify us by sending a written request to Duke Realty Corporation, c/o Corporate Secretary, 600 East 96th Street, Suite 100, Indianapolis, Indiana 46240 or by calling our Investor Relations Department at (317) 808-6005.

IT IS IMPORTANT THAT PROXIES BE RETURNED PROMPTLY. Whether or not you plan to attend the meeting, you are urged to vote your proxy.

