

Essex Property Trust, Inc.
Corporate Governance Policy on Hedging and Pledging Essex Equity Securities
by Directors and Executive Officers

The following policy applies effective as of March 27, 2013 (the "Effective Date"), as amended November 10, 2016.

1. ***Hedging prohibited.*** Directors and executive officers of Essex Property Trust, Inc. ("EPT") shall not own financial instruments or participate in investment strategies that represent a direct hedge of the economic risk of owning EPT common stock or voting preferred stock, equity interests issued by Essex Portfolio, L.P., or securities that give the holder any rights to acquire any such stock or equity interests (collectively referred to below as "Essex Equity Securities"). For purposes hereof, a short or off-setting position in the securities of an exchange traded fund, closed-end fund, or similar investment vehicle which may have an ownership interest in EPT stock, will not be considered a direct hedge.

2. ***Prior approval required for pledges above defined threshold.*** After the Effective Date, directors and executive officers of EPT shall not pledge or otherwise use any Essex Equity Securities as collateral to secure any loan (collectively, a "pledge") unless:

(1) that transaction is first approved by the EPT Board of Directors (not counting the vote of any director with a personal interest in the transaction) based on the committee's determination that the pledge is not significant from a corporate governance standpoint, or

(2) that transaction involves a pledge of Essex Equity Securities that results in such individual having pledged (counting pledged securities that are not common stock on an as exercised or converted basis, as the case may be) an amount of Essex Equity Securities not exceeding the greater of (x) 0.002 times the number of the issued and outstanding shares of EPT common stock or (y) 20% of such individual's ownership of Essex Equity Securities.

3. ***No pledges of equity compensation awards.*** Notwithstanding any other provisions of this policy, directors and executive officers shall not pledge any unexercised or unvested Essex Equity Securities received as part of an equity compensation award including, without limitation, EPT stock options, EPT stock awards that have not vested, and/or outstanding incentive units of Essex Portfolio, L.P., including, without limitation, LTIP units and Z-1 units. Nothing in this policy shall affect any restrictions or other provisions set forth in any equity compensation plans or award agreements thereunder.

4. ***Pledges in effect prior to the Effective Date.*** Notwithstanding Section 2 above, any director or executive officer who has pledged Essex Equity Securities prior to the Effective Date is permitted, for a period of seven (7) years after the Effective Date, to continue to pledge the same or any lesser number of such Essex Equity Securities under the terms of such pre-existing pledge or under any one or more amended or new pledges with the same or different lenders, provided that the individual shall within seven (7) years after the Effective Date either reduce the Essex Equity Securities pledged to a level that would not require approval under Section 2 or obtain the approval of the pledge by the EPT Board of Directors (not counting the vote of any director with a personal interest in the transaction) as described under Section 2. Nothing in this policy shall impair or otherwise affect the rights of pledgees, lenders or other counterparties to any of the foregoing pledges.
