

**ESSEX PROPERTY TRUST, INC.**  
**CORPORATE GOVERNANCE GUIDELINES**

The Board of Directors (the “*Board*”) of Essex Property Trust, Inc. (the “*Company*” or “*Essex*”) has adopted these Corporate Governance Guidelines (the “*Guidelines*”) to assist the Board in the exercise of its governance responsibilities. The Board is committed to monitoring the effectiveness of policy and decision making, both at the Board and management level, with a view to enhancing stockholder value over the long term. These Guidelines are in addition to, and are not intended to change or interpret, any federal or state law or regulation, including the Maryland General Corporation Law or the Company’s Articles of Amendment and Restatement or Bylaws.

**1. Board Composition**

A. Director Qualifications; Size of Board

The Board has a majority of independent directors as required by the New York Stock Exchange (“*NYSE*”) and has had a majority of independent directors on its Board since 1994. The Board will determine each director’s “independence” on an annual basis, in accordance with the provisions of the NYSE governance rules and standards established by the Board from time to time. The Board will assess its size from time to time.

B. Selection of Board Members

The Nominating and Corporate Governance Committee of the Company (the “*Nominating Committee*”) will make recommendations to the Board, which will be responsible for nominating members for election to the Board and for filling vacancies on the Board that may occur between annual meetings of stockholders. The charter of the Nominating Committee shall set forth the standards and procedures for selecting new Board members.

C. Term Limits; Retirement Age

The Board does not believe that it should establish term limits or a set retirement age for directors. Such limits may lose the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company and its operation and therefore provide an increasing contribution to the Board. There will be no specific term limits for directors, given the normal process of periodic election of Board members by the stockholders. Directors who have served on the Board for an extended period of time are in a position to provide valuable insight into the operation and future of the Company based on their experience with and understanding of the Company’s history, policies, operations, and objectives. The Board believes that, as an alternative to term limits and a set retirement age for directors, it can ensure that the Board continues to evolve and adopt new viewpoints through the evaluation and selection process described herein.

D. Directors Who Change Their Job Responsibility

Directors (including directors who are also employees of the Company) who resign or materially change the principal position they held with their employer when they were initially elected to the Board should notify the Nominating Committee promptly following such event, and he or she shall concurrently offer to resign from the Board. The Nominating Committee will consider the appropriateness of the affected director remaining on the Board and, after assessing each situation based on the individual circumstances, make a recommendation to the Board whether or not to accept or decline the subject resignation. After considering the recommendation of the Nominating Committee, the Board will accept or decline to accept the resignation offer. The director who offered

to resign shall not participate in the Nominating Committee's recommendation or the full Board's decision.

#### E. Director Compensation

The Compensation Committee of the Company (the "*Compensation Committee*") will determine and recommend to the Board the form and amount of non-employee director compensation in accordance with the policies and principles set forth in its Charter and will conduct periodic reviews of non-employee director compensation. In discharging this duty, the Compensation Committee will be guided by three goals: (i) compensation should fairly pay non-employee directors for work required in a company of the Company's size and industry, (ii) compensation should align non-employee directors' interests with the long-term interests of stockholders, and (iii) the structure of the compensation should be simple, transparent, and easy for stockholders to understand. The Board currently believes these goals are accomplished by providing, as compensation to non-employee directors, both equity compensation, such as annual equity awards and/or stock option grants, and cash compensation.

#### F. Chairman of the Board

The Board's general policy, based on experience, is that the position of Chairman of the Board and Chief Executive Officer (the "*CEO*") should be held by separate persons as an aid in the Board's oversight of management.

## 2. **Director Responsibilities**

The Board is responsible for oversight of the business and affairs of the Company, determination of the Company's mission, long-term strategy and objectives, and management of the Company's risks while evaluating and directing implementation of its controls and procedures. The Board of Directors fosters and encourages a corporate environment of strong disclosure controls and procedures, including internal controls, fiscal accountability, high ethical standards and compliance with applicable policies, laws, and regulations.

#### A. Business Judgment

Directors are responsible for exercising their business judgment to act in what they reasonably believe to be in the best interests of the Company and its stockholders. In discharging that obligation, directors rely on the honesty and integrity of the Company's executives and its outside advisors and auditors.

#### B. Director Time Commitments; Service on Other Boards

Each Board member is expected to ensure that other existing and planned future commitments do not materially interfere with the member's service as a director of the Company. Directors should advise the Nominating Committee in advance of accepting a position on another public company board. Directors shall not serve on the Boards of more than four (4) other public companies without the approval of the Nominating Committee. In addition, directors who also serve as the chief executive officer of a public company or in an equivalent position should not serve on more than two public company boards in addition to the Company's Board. In addition, members of the Company's audit committee shall not serve on the audit committee of more than two (2) other public companies without a determination by the Board that such simultaneous service would not impair the ability of the Board member to effectively serve on the audit committee and such determination is disclosed in accordance with NYSE rules.

### C. Board Meetings

Directors are expected to attend Board meetings and meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. Meeting agendas, as well as information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting, should generally be distributed in writing to the directors at least several days in advance of the meeting for review by the directors. Sensitive subject matters may be discussed at the meeting without written materials being distributed in advance or at the meeting. Directors are expected to review such materials prior to the meeting and should request any additional materials or resources they require to make informed decisions. For example, the Company's executives, outside legal counsel, outside accountants, compensation experts, and others may assist the Board in its consideration of matters.

The Board expects that meeting agendas will include, on a regular basis, a review of financial performance and a review of the Company's business strategies and practices. Directors are encouraged to be proactive. Any director may suggest items for inclusion on the agenda. In addition, any director is free to raise at any Board meeting subjects that are not on the agenda for that meeting.

### D. Independent Director Meetings

The Company's non-management directors are expected to meet in executive session at regularly scheduled executive session meetings. The director who presides at these meetings will be appointed by the non-management directors, who shall collectively designate one non-management director to serve as the Lead Director to chair the Board's executive sessions (the "*Lead Director*"). In addition, the Lead Director shall advise the Chairman of the Board and Committee Chairs with respect to agendas and information needs relating to Board and Committee meetings; provide advice with respect to the selection of Committee Chairs; and perform such other duties as the Board may from time-to-time delegate to assist the Board in the fulfillment of its responsibilities. The Lead Director shall serve for such term as the Board shall determine. The identity of the Lead Director shall be set forth in the proxy statement for the Company's annual meeting, together with a method for interested parties to communicate directly with the Lead Director or with the non-management directors as a group.

### E. Director Orientation and Continuing Education

The Company will provide orientation education to new directors. The scope of such orientation will depend on such new director's knowledge of the Company and may include briefings by senior management to familiarize new directors with the Company's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its Code of Business Conduct and Ethics, its principal officers, and its internal and independent auditors.

The Company will periodically provide materials or briefing sessions or arrange for outside preparation for all directors on subjects that would assist them in discharging their duties. The Board encourages its members to participate in continuing education programs sponsored by universities, stock exchanges or other organizations or consultants specializing in director education. Directors may attend continuing education programs at the Company's expense, subject to the prior authorization and approval of the Chairman of the Board or the CEO of the Company.

### F. Communications

The Board believes that the Chairman of the Board or the CEO of the Company speaks for the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company, subject to the prior authorization and approval of the Chairman of the Board or the CEO of the Company.

### **3. Board Committees**

#### **A. Committees and Charters**

The Board currently has an Audit Committee, a Compensation Committee, and a Nominating Committee. Each committee has a Charter that establishes the purposes, goals, and responsibilities of the committees as well as the qualifications for committee membership. Charters are posted on the Company's website. The Board may establish or maintain additional committees from time to time as necessary or appropriate, including, in its discretion, an Executive Committee and a Pricing Committee.

#### **B. Independence of Committee Members**

The members of the Audit Committee, Compensation Committee and the Nominating Committee shall be independent in accordance with the provisions of the NYSE listing requirements and the standards established by the Board from time to time.

#### **C. Composition of Committees**

Each committee will have a chairperson designated by the Board, or, if the Board does not do so, the members of each committee shall elect a chairperson by a vote of the majority of the full committee.

The committee chairperson will preside over each committee meeting and, in consultation with the other members of the committee, will set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The chairperson of the committee will ensure that the agenda for each meeting is circulated to each committee member in advance of the meeting.

The Nominating Committee shall periodically review the Committee assignments and shall consider the rotation of Chairs and members with a view toward balancing the benefits derived from continuity against the benefits derived from the diversity of experience and viewpoints of the various directors.

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

Directors will have full access to the Company's executive officers. Each director is expected to use his or her judgment to ensure that any such contact is not disruptive to the business operations of the Company and will, to the extent not inappropriate, coordinate any such contact with the CEO.

The Board and its committees (consistent with the provisions of their respective charters) have the authority to retain outside counsel, accountants, experts, and other advisors as they determine necessary to assist them in the performance of their functions. The Company will provide sufficient funds to the Board and its committees to retain such counsel, accountants, experts, and other advisors.

### **5. Evaluation of the Chief Executive Officer**

The Compensation Committee will conduct annual reviews of the CEO's performance, as set forth in its Charter. The Board will review the Compensation Committee's report in order to ensure that the CEO is providing the best leadership for the Company in the long- and short- term periods.

## **6. Management Succession**

The Nominating Committee should report periodically to the Board on succession planning. The full Board will work with the Nominating Committee to evaluate potential successors to the CEO and regularly approve a CEO succession plan. Such succession plan shall include consideration of the transfer of the CEO's responsibilities in the event of his or her sudden incapacitation or departure. The CEO should periodically report to the Nominating Committee his recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals. The CEO of the Company shall meet periodically with the non-management directors to discuss potential successors as CEO. The non-management directors shall meet in executive session following such presentations to consider such discussions.

## **7. Annual Performance Evaluation**

The Board and each committee of the Board will conduct an annual self-evaluation of its performance to assess whether it, its directors, and its standing committees are functioning effectively. Each director will also be asked to provide, on an annual basis, individual assessments, feedback on the competencies and skills of individual peer directors, and feedback on Board effectiveness. The focus of the assessments will be on the contribution of the Board to the Company as a whole, each individual director's competencies, skills, and contribution to the work of the Board and its committees, and areas in which the Board and/or management believes improvement may be desirable.

In accordance with its charter, the Nominating Committee will oversee the annual assessment process, and will determine the most effective process, scope, and content of the annual performance evaluation. The results of the self-evaluations, with an assessment of the Board's performance, will be summarized and discussed with the Nominating Committee and the full Board.

The Nominating Committee, in consultation with the Lead Director, will periodically (but not less frequently than every three years) engage a third party to participate in such evaluation process.

## **8. Periodic Review and Posting**

These Guidelines shall be reviewed periodically by the Nominating Committee. The Board may amend these Guidelines from time to time based on recommendations from the Nominating Committee, as necessary or appropriate.

These guidelines are posted on the Company's website.