

Alexandria Real Estate Equities, Inc.

Corporate Governance Guidelines

1. Director Qualification Standards

A majority of the members of the Board of Directors must qualify as independent directors in accordance with the applicable rules of the New York Stock Exchange. The directors of the Company shall meet any other director qualification standards and criteria adopted by the Board of Directors. It is a key objective of the Company to have a diverse Board of Directors representing a range of expertise, skills, perspectives and experiences in areas that are relevant to the Company's business and the needs of the Board of Directors from time to time. Accordingly, as part of the director search process, the Nominating & Governance Committee will endeavor to consider qualified candidates, including women and minorities, who meet the business and search criteria. In furtherance of the foregoing, where a third-party search firm is engaged and requested to furnish an initial list of possible candidates, such firm would be requested to include in such list diverse candidates who meet the applicable business and search criteria.

2. Director Responsibilities

Each director must act in good faith, in a manner he or she reasonably believes to be in the best interests of the Company and with the care of an ordinarily prudent person in a like position under similar circumstances. Directors should regularly attend all meetings of the Board of Directors and of all committees of the Board of Directors upon which they serve. To prepare for meetings, directors should review the materials that are sent to directors in advance of those meetings.

The Board of Directors of the Company shall schedule regular executive sessions in which non-management directors (directors who are not Company officers) meet without management participation. If there is a Lead Director, the Lead Director shall preside at each executive session. If the non-management directors include any directors who are not independent as required by Section 1 of these Guidelines, then an executive session of only directors meeting such independence requirements shall be held at least once a year. The Board of Directors of the Company may, in lieu of the foregoing requirements of this paragraph, determine to schedule regular executive sessions in which the only the independent directors meet without management or non-management director participation.

If there is a Lead Director, the Lead Director shall preside at each executive session. If there is no Lead Director, the non-management or independent directors, as the case may be, shall either select a non-management or independent director, as the case may be, to preside at each executive session or shall establish a procedure by which the presiding director for each executive session shall be selected.

The Company shall establish methods by which interested parties may communicate concerns directly with the presiding director or with the non-management or independent directors of the Board of Directors as a group.

The Board of Directors shall at all times maintain an Audit Committee, a Nominating & Governance Committee, and a Compensation Committee, each of which must operate in accordance with applicable law, their respective charters as adopted and amended from time to time by the Board of Directors, and the applicable rules of the Securities and Exchange Commission and the New York Stock Exchange. The Board of Directors may also establish such other committees as it deems appropriate and may delegate to such committees such powers permitted by applicable law and the Company's Bylaws as the Board of Directors determines to be advisable from time to time.

3. **Lead Director**

At such times as the office of the Chief Executive Officer of the Company is combined with the office of the Chairman of the Board of Directors, or if the Chairman of the Board of Directors is not otherwise independent, the Board of Directors shall elect annually an independent director to serve as Lead Director. The Lead Director shall have the following duties, responsibilities, and authority:

- preside at all meetings of the Board of Directors at which the Chairman of the Board of Directors is not present, including each executive session of the non-management directors or the independent directors, as the case may be;
- provide input regarding information sent to the Board of Directors and the agenda for Board of Directors' meetings to ensure that there is sufficient time for discussion of all agenda items;
- have the authority to call meetings of the independent directors;
- be available for consultation and direct communication with the Company's shareholders upon request; and
- have such other duties and responsibilities as the Board of Directors may determine from time to time.

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

The Company shall provide each director with complete access to the management of the Company, subject to reasonable advance notice to the Company's Executive Chairman (if any), Chief Executive Officer (or any Co-Chief Executive Officer, if applicable) or Chief Financial Officer and reasonable efforts to avoid disruption to the Company's management, business, and operations. The Board of Directors and committees of the Board of Directors, to the extent set forth in the applicable committee charter, shall have the right to consult and retain independent advisors at the expense of the Company.

5. **Director Compensation**

The Board of Directors, taking into consideration any applicable recommendations of the Compensation Committee, shall determine the form and amount of director compensation, including cash, equity-based awards, and other director compensation. In connection with such

director compensation, the Board of Directors shall seek to determine, and shall take into account, the levels of directors' fees and benefits for directors of other real estate companies and the time and responsibilities attendant thereto.

6. **Director Orientation and Continuing Education**

The Board of Directors or the Company shall establish, or identify and provide access to, appropriate orientation programs and materials for newly elected directors of the Company for their benefit, either prior to or within a reasonable period of time after their nomination or election as a director. The Board of Directors or the Company shall encourage, but not require, directors periodically to attend and obtain appropriate programs and materials regarding the responsibilities of directors of publicly-traded companies, the reasonable costs of which may be paid by the Company.

7. **Management Evaluation and Succession**

The Board of Directors (not including any members of management of the Company) shall conduct an annual review of the effectiveness of the Company's Executive Chairman (if any) and the Chief Executive Officer (or each Co-Chief Executive Officer, if applicable), and the overall performance and reputation of the Company.

The Board of Directors shall establish and review such formal or informal policies and procedures, consulting with the Nominating & Governance Committee, the Executive Chairman (if any), the Chief Executive Officer (or any Co-Chief Executive Officer, if applicable) and others, as it considers appropriate, regarding the succession of the Executive Chairman (if any) and the Chief Executive Officer (or each Co-Chief Executive Officer, if applicable), in the event of emergency or retirement.

8. **Annual Performance Evaluation of the Board of Directors**

The Board of Directors shall conduct a self-evaluation annually to determine whether it and its committees are functioning effectively. The full Board of Directors shall discuss the evaluation report to determine what, if any, action could improve the performance of the Board of Directors and committees of the Board of Directors. The Board of Directors, with the assistance of the Nominating & Governance Committee, as appropriate, shall review these Corporate Governance Guidelines on an annual basis to determinate whether any changes are appropriate.

9. **Retirement Age**

Unless the Board of Directors grants an exception, no director shall stand for election to the Board of Directors after he or she has reached the age of 75; provided, however, that the foregoing age limit shall not apply to any director initially elected to the Board of Directors prior to May 12, 2004.

10. **Stock Ownership Requirements and Holding Periods for Directors and Certain Officers**

Non-employee directors are required to own shares of the Company's common stock and/or phantom stock units under the Company's Deferred Compensation Plan for Directors (or any similar successor plan) worth in the aggregate three times the cash portion of their annual directors' retainer. The Executive Chairman (if any) and the Chief Executive Officer are each required to own shares of the Company's common stock worth six times his or her base annual salary. The President, the Chief Operating Officer, Chief Financial Officer, Chief Investment Officer, and each "executive officer" of the Company as defined in Section 401(b) of Regulation S-K and determined by the Board from time to time ("Executive Officer") are each required to own shares of the Company's common stock worth three times his or her base annual salary. If any officer listed in the preceding two sentences shares a named position with one or more other officers (*e.g.*, Co-Chief Executive Officers or Co-Presidents), each person holding such position shall comply with the foregoing stock ownership requirements. Senior Vice Presidents and any officer senior to the rank of Senior Vice President not specifically listed in the second preceding sentence are required to own shares of the Company's common stock worth one time their base salary. The Chief Executive Officer, the President, the Chief Operating Officer, Chief Financial Officer, Chief Investment Officer, Executive Officers, Senior Vice Presidents and any officer senior to the rank of Senior Vice President (and each person sharing such a position with another person) not specifically listed in the third preceding sentence shall hereinafter be referred to, collectively, as "senior officers."

All directors and senior officers who are elected or appointed to a position referenced in the immediately preceding paragraph will have five years from the time he or she is elected or appointed to meet the minimum ownership requirements for such position.

The Chief Financial Officer will review each director's and senior officer's stock ownership levels in January of each year. The value of stock holdings shall be based on the average closing price of a share of common stock of the Company for the calendar year (or such appropriate portion thereof, based on such director's or senior officer's date of election or appointment) preceding the annual review.

If a director or senior officer meets the stock ownership requirements at the time of the annual review, he or she will be in compliance with these requirements. Changes in the Company's stock price, changes to a senior officer's base salary, or changes to the cash portion of the annual directors' retainer will not affect an individual's compliance status, provided that the individual's holdings do not decline below the number of shares owned at the time the ownership requirements were met.

Each Executive Officer of the Company is required to retain at least 50% of the net after-tax shares received from the exercise of stock options and the vesting of restricted stock awards until the applicable foregoing stock ownership requirements are met.

The Nominating & Governance Committee has authority to administer and interpret these requirements. Upon the request of a director or senior officer, the Nominating & Governance

Committee may grant a temporary waiver of these requirements in cases of extreme hardship. It is expected that these instances will be rare.

11. **Director Resignations**

Any nominee for director who is an incumbent director but who is not elected by the vote required in the Bylaws, and with respect to whom no successor has been elected, shall promptly tender his or her offer to resign to the Board of Directors for its consideration. The Nominating & Governance Committee shall consider such offer and shall recommend to the Board of Directors whether to accept the offer to resign. No later than the next regularly scheduled Board meeting to be held at least ten days after the date of the election, the Board of Directors shall decide whether to accept the offer to resign. The Board will promptly and publicly disclose its decision. The nominee may address the Nominating & Governance Committee and/or the Board of Directors, but may not be present during deliberations or voting on whether to accept the nominee's offer to resign. If the resignation is not accepted, the director will continue to serve until the next annual meeting of stockholders and until the director's successor is duly elected and qualified or until the director's earlier resignation or removal. The Nominating & Governance Committee and the Board of Directors may consider any factors they deem relevant in deciding whether to accept a director's resignation.

12. **Amendment, Modification and Waiver**

These Guidelines may only be amended or modified by the Board of Directors.

13. **Director Service on Other Boards**

A director should not serve on the board of directors of more than four other public companies.

14. **Auditor Rotation**

In addition to its other duties in connection with the appointment of auditors, at least once every five years the Audit Committee will consider rotation of the Company's auditors.

15. **Company Loans to Officers**

The Company shall not make loans of money to officers. This limitation does not apply to the routine incurrence of business expenses by officers for travel or similar purpose or advance of expenses in connection with litigation for which an officer is entitled by the Bylaws or otherwise.

16. **Director Change of Position**

If a director's occupation changes, the director should offer to resign from the Board.

17. **Clawback Policy**

In the event of a material restatement of the Company's financial results (other than a restatement caused by a change in applicable accounting rules or interpretations), the Compensation Committee shall review the performance-based compensation of the Company's Named Executive Officers (as defined in the Company's Proxy Statement from year to year) for the three years prior to such material restatement. If the Committee determines that the amount of any performance-based compensation actually paid or awarded to a Named Executive Officer (the "Awarded Compensation") would have been lower if it had been calculated based on such restated financial statements (the "Actual Compensation") and that such executive officer engaged in actual fraud or willful unlawful misconduct that materially contributed to the need for the restatement, then the Committee may direct the Company to recoup the after-tax portion of the difference between the Awarded Compensation and the Actual Compensation.

In determining the after-tax portion of any compensation to be returned, the Committee shall take into account (a) any taxes paid by the executive on receipt of the Compensation that is repaid and (b) its good-faith estimate of the value of any tax deduction available to the executive officer in respect of such repayment.

The Committee will interpret and administer this policy in what it reasonably believes to be the best interests of the Company, based on the facts and circumstances deemed relevant by the Committee. The Committee shall not seek recovery to the extent it determines (i) that to do so would be unreasonable or (ii) that it would be in the best interest of the Company not to do so. In making such determination, the Committee shall take into account such considerations as it deems appropriate, including, without limitation, (i) the likelihood of success under governing law versus the cost and effort involved, (ii) whether the assertion of a claim may prejudice the interests of the Company, including in any related proceeding or investigation, (iii) the passage of time since the occurrence of the act in respect of the applicable fraud or willful unlawful misconduct and (iv) any pending legal proceeding relating to the applicable fraud or willful unlawful misconduct.

Before the Committee determines to seek recovery pursuant to this policy, it shall provide to the applicable executive officer written notice and the opportunity to be heard, at a meeting of the Committee (which may be in-person or telephonic, as determined by the Committee). The Named Executive Officer shall have the right to appeal any adverse determination by the Committee to the Board of Directors of the Company (excluding any non-independent directors), whose determination shall be final and conclusive.

18. **Anti-Hedging Policy**

The Company considers it inappropriate for any director, officer or employee to enter into a transaction in Company securities that is designed to hedge (*i.e.*, eliminate or reduce) the risks of, or monetize, ownership of Company securities. Such a transaction potentially separates the holder's economic interests from the economic interests of other Company stockholders. Therefore, the Company prohibits the purchase or sale of puts, calls, options or other derivative securities based on the Company's securities by any of its directors or employees (or any designee of any of them). This policy also prohibits hedging or monetization transactions, such

as forward sale contracts, in which the stockholder owns the underlying Company security without all the risks of ownership. This policy only applies to transactions involving Company securities, or derivatives of Company securities, and not to transactions in securities of other companies or derivatives of such securities.