



ALEXANDRIA | *Building the Future of
Life-Changing Innovation™*

ALEXANDRIA REAL ESTATE EQUITIES, INC.

Green Bond Allocation Report





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Alexandria's Commitment to Sustainability

ALEXANDRIA'S SUSTAINABILITY MISSION is to make a positive and meaningful impact on the health, safety, and well-being of our tenants, stockholders, employees, and the communities in which we live and work.

ALEXANDRIA CONTINUES TO DEEPEN ITS COMMITMENT to building sustainable campuses and environments. Since building one of the world's first office/laboratory projects to be certified in the USGBC LEED® pilot program in 2007, Alexandria has pursued and promoted green building practices and high levels of green building certification. As of March 31, 2019, our total asset base in North America consists of 60 projects that have achieved or are targeting LEED certification. Our LEED projects constitute 51% of our total annual rental revenue as of March 31, 2019.

ALEXANDRIA IS AN INDUSTRY PIONEER in promoting the health, well-being, and productivity of our tenants and employees through our real estate assets and internal operations. As the leading owner, operator, and developer of collaborative campuses for the life science and technology industries, we understand the caliber of talent our tenants seek to recruit and retain. We thoughtfully curate unique, high-quality amenities for our campuses with the tenants' talent pool in mind and optimize them to help strengthen our tenants' sense of community, maximize convenience, encourage the health and wellness of our tenants and members of the local community, and inspire employee productivity, efficiency, creativity, and success.

ALEXANDRIA UNDERSTANDS THAT THE HEALTH, HAPPINESS, AND WELL-BEING of our best-in-class team are key factors to our success. We devote extraordinary efforts to hire, develop, and retain our talented employees, and we are proud to be recognized by the 2018 GRESB Health & Well-being Module as the #1 real estate company in the world, with a perfect score of 100 in all three sections covering leadership and policy, operations, and products and services.

ALEXANDRIA'S GREEN BOND ISSUANCES are a key component of the capital strategy supporting our Class A development and redevelopment pipeline. Of our green bonds aggregating \$1 billion outstanding, notes totaling \$650 million have a maturity date in 2024 and the remaining notes totaling \$350 million have a maturity date in 2026. Our 2024 notes include our initial \$450 million green bond issuance, completed in June 2018, which was later expanded by an additional \$200 million in March 2019. This Green Bond Issuance Report describes the allocation of the \$650 million of green bond proceeds and related environmental impact metrics. Our green bonds align with Green Bond Principles, as administered by ICMA, signifying best practices covering the allocation of proceeds, the process for project evaluation and selection, and reporting. As of March 31, 2019, 58% of the \$650 million of net proceeds have been allocated to Eligible Green Projects.

1. Upon completion of 15 projects targeting LEED certification.

Total
Issuance of
Green Bonds

\$1
BILLION

LEED Projects¹
5 | Platinum
43 | Gold
12 | Silver

60

ARE's Total
Annual Rental
Revenue From
LEED Projects¹

51%

LEED® Certification
Targeted for New
Ground-Up
Development

Gold
or
Platinum

Independent Accountants' Report



Report of Independent Accountants

To the Noteholders of the 4.00% Senior Notes due 2024 and the Board of Directors of Alexandria Real Estate Equities, Inc.:

We have examined management's assertion that the net proceeds from the issuance of the 4.00% Senior Notes due 2024 on June 21, 2018 and March 21, 2019, included on the Green Bond Allocation Report through March 31, 2019 were allocated to Eligible Green Projects as set forth on page 6 in accordance with the criteria set forth on page 5. Alexandria Real Estate Equities, Inc.'s management is responsible for the assertion. Our responsibility is to express an opinion on the assertion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

The information included on pages 7 through 12, Additional Information Provided by Management, is presented by management of Alexandria Real Estate Equities, Inc. and is not part of management's assertion. The information included on pages 7 through 12 has not been subject to the procedures applied in the examination described above and accordingly, we express no opinion on it.

In our opinion, management's assertion that the net proceeds from the issuance of the 4.00% Senior Notes due 2024 on June 21, 2018 and March 21, 2019, included on the Green Bond Allocation Report through March 31, 2019 were allocated to Eligible Green Projects as set forth on page 6 in accordance with the criteria set forth on page 5, is fairly stated, in all material respects.

Ernest & Young LLP

Los Angeles, CA
June 21, 2019

Management's Assertion Regarding Eligible Green Project Criteria

Alexandria Real Estate Equities, Inc. management is responsible for the completeness, accuracy, and validity of this Green Bond Allocation Report. Management asserts that the proceeds allocated through March 31, 2019, aggregating \$378.8 million, described on page 6 were allocated to Eligible Green Projects (as defined below).

"Eligible Green Projects" are defined as:

- i. new Class A development properties that have received or are expected to receive Gold or Platinum LEED certification;
- ii. existing Class A redevelopment properties that have received or are expected to receive Gold or Platinum LEED certification; and
- iii. tenant improvements that have received or are expected to receive Gold or Platinum LEED certification.

Eligible Green Projects include projects with disbursements made in the three years preceding the June 21, 2018, initial issuance of the 2024 notes and projects with disbursements within two years following our initial issuance date. We intend to allocate all proceeds from the sales of the 2024 notes before June 21, 2020.

LEED is a voluntary, third-party building certification process developed by the USGBC, a non-profit organization. The USGBC developed the LEED certification process to (i) evaluate the environmental performance from a whole-building perspective over a building's life cycle, (ii) provide a definitive standard for what constitutes a "green building," (iii) enhance environmental awareness among architects and building contractors, and (iv) encourage the design and construction of energy-efficient, water-conserving buildings that use sustainable or green resources and materials. (Please see www.usgbc.org for more information.) The Class A designation of our Eligible Green Projects has been confirmed with independent commercial real estate brokers.



Green Bond Allocation Report

THROUGH MARCH 31, 2019

(dollars in thousands)

NET PROCEEDS FROM SALE OF GREEN BONDS	ISSUANCE DATE	NET PROCEEDS
Alexandria Real Estate Equities, Inc. 4.00% Senior Notes due 2024	6/21/18	\$446,999
Alexandria Real Estate Equities, Inc. 4.00% Senior Notes due 2024	¹	203,536
TOTAL NET PROCEEDS		\$650,535
PROPERTY/MARKET/SUBMARKET	LEED CERTIFICATION	ALLOCATION TO ELIGIBLE GREEN PROJECTS
100 Binney Street/Greater Boston/Cambridge	GOLD	\$67,151
510 Townsend Street/San Francisco/Mission Bay/SoMa	PLATINUM	65,647
505 Brannan Street/San Francisco/Mission Bay/SoMa	PLATINUM	20,723
ARE Spectrum/San Diego/Torrey Pines	GOLD	15,772
10290 Campus Point Drive/San Diego/University Town Center ²	GOLD	134,349
9625 Towne Centre Drive/San Diego/University Town Center ²	GOLD	22,833
400 Dexter Avenue North/Seattle/Lake Union	GOLD	52,350
Proceeds allocated through March 31, 2019		378,825 ³
Remaining green bond proceeds to be allocated		271,710
TOTAL NET PROCEEDS		\$650,535

1. On March 21, 2019, we completed the issuance of an additional \$200 million of Green Bonds of our 4.00% Senior Notes due 2024.

2. Represents our share of a partially owned project.

3. Includes \$325.3 million of allocations to Eligible Green Projects for disbursements made during the three years preceding the June 21, 2018, issuance date and \$53.5 million of allocations to Eligible Green Projects for disbursements made into these projects for the date after the June 21, 2018, issuance date through March 31, 2019.

Impact Metrics and Equivalency Calculations

ADDITIONAL INFORMATION PROVIDED BY MANAGEMENT

ALEXANDRIA CONTINUOUSLY STRIVES to improve the operations and environmental performance of properties and reduce operating costs for tenants. Our proactive approach enhances the operations and financial performance of our business and supports an efficient and comfortable workplace for our tenants. The impact metrics below illustrate the environmental performance of the seven properties that received an allocation of green bond proceeds through March 31, 2019, outlined on page 6:

ENVIRONMENTAL IMPACT METRICS	ESTIMATED ANNUAL SAVINGS	
	TOTAL ¹	GREEN BOND SHARE ¹
Energy savings (kBtu)	72,615,518	11,314,527
Carbon pollution avoided (MTCO2e)	15,905	2,482
Water savings (Gal)	5,144,032	1,441,282

EQUIVALENCY CALCULATIONS

Our share of the estimated annual savings based on the allocation of green bond proceeds to Eligible Green Projects through March 31, 2019, represents:

ENERGY



the savings of enough energy to power 308 homes

– OR –



the same amount of power created by 3 football fields of solar panels

CARBON POLLUTION



the avoidance of carbon pollution equivalent to taking 527 automobiles off the road

– OR –



the savings of 5,769 barrels of oil consumed

WATER



the savings of enough water to equal the repair of 480 leaky faucets

– OR –



enough water to fill two Olympic-sized swimming pools

1. Refer to the Glossary on page 12 for key definitions.

Eligible Green Project Profiles

ADDITIONAL INFORMATION PROVIDED BY MANAGEMENT

100 Binney Street

GREATER BOSTON | CAMBRIDGE



LEED certification: Gold

15.4% of project cost allocated to green bond proceeds

Environmental impact metrics	Estimated annual savings	
	Total ¹	Green Bond share ¹
Energy savings (kBtu)	42,313,000	6,516,881
Carbon pollution avoided (MTCO2e)	9,270	1,428
Water savings (Gal)	786,000	121,057

1. Refer to the Glossary on page 12 for key definitions.

510 Townsend Street

SAN FRANCISCO | MISSION BAY/SOMA



LEED certification: Platinum

29.0% of project cost allocated to green bond proceeds

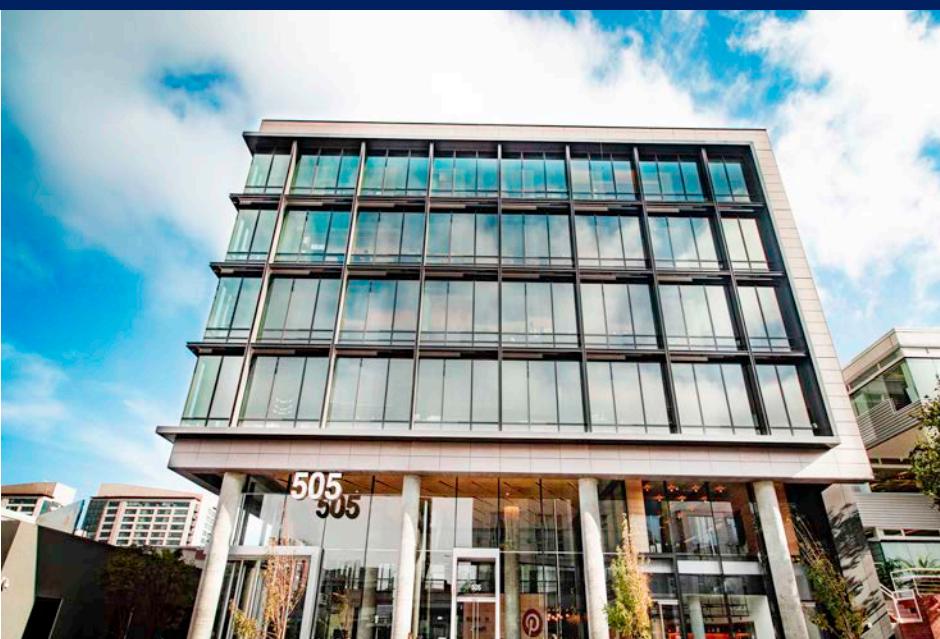
Environmental impact metrics	Estimated annual savings	
	Total ¹	Green Bond share ¹
Energy savings (kBtu)	3,525,000	1,023,919
Carbon pollution avoided (MTCO2e)	774	225
Water savings (Gal)	1,405,000	408,115

Eligible Green Project Profiles (continued)

ADDITIONAL INFORMATION PROVIDED BY MANAGEMENT

505 Brannan Street

SAN FRANCISCO | MISSION BAY/SOMA



LEED certification: Platinum

14.8% of project cost allocated to green bond proceeds

Environmental impact metrics	Estimated annual savings	
	Total ¹	Green Bond share ¹
Energy savings (kBtu)	1,537,140	227,530
Carbon pollution avoided (MTCO2e)	349	52
Water savings (Gal)	420,330	62,218

1. Refer to the Glossary on page 12 for key definitions.

ARE Spectrum

SAN DIEGO | TORREY PINES



LEED certification: Gold

5.7% of project cost allocated to green bond proceeds

Environmental impact metrics	Estimated annual savings	
	Total ¹	Green Bond share ¹
Energy savings (kBtu)	18,007,000	1,025,294
Carbon pollution avoided (MTCO2e)	3,926	224
Water savings (Gal)	191,686	10,914

Eligible Green Project Profiles (continued)

ADDITIONAL INFORMATION PROVIDED BY MANAGEMENT

10290 Campus Point Drive

SAN DIEGO | UNIVERSITY TOWN CENTER



LEED certification: Gold

58.2% of project cost allocated to green bond proceeds

Environmental impact metrics	Estimated annual savings	
	Total ¹	Green Bond share ¹
Energy savings (kBtu)	2,288,100	1,330,753
Carbon pollution avoided (MTCO2e)	502	292
Water savings (Gal)	803,494	467,310

9625 Towne Centre Drive

SAN DIEGO | UNIVERSITY TOWN CENTER



LEED certification: Gold

25.7% of project cost allocated to green bond proceeds

Environmental impact metrics	Estimated annual savings	
	Total ¹	Green Bond share ¹
Energy savings (kBtu)	1,340,948	344,021
Carbon pollution avoided (MTCO2e)	294	76
Water savings (Gal)	492,262	126,290

1. Refer to the Glossary on page 12 for key definitions.

Eligible Green Project Profiles (continued)

ADDITIONAL INFORMATION PROVIDED BY MANAGEMENT

400 Dexter Avenue North

SEATTLE | LAKE UNION



LEED certification: Gold
23.5% of project cost allocated to green bond proceeds

Environmental impact metrics	Estimated annual savings	
	Total ¹	Green Bond share ¹
Energy savings (kBtu)	3,604,330	846,129
Carbon pollution avoided (MTCO2e)	790	185
Water savings (Gal)	1,045,260	245,378

1. Refer to the Glossary on page 12 for key definitions.

Glossary

The following abbreviations or acronyms, which may have been used in this document, shall have the adjacent meanings set forth below:

Gal	gallons
ICMA	International Capital Market Association
kBtu	kilo-British thermal units
LEED	Leadership in Energy and Environmental Design
MTCO2e	metric tons of carbon dioxide equivalent
Estimated annual savings, Green Bond share	represents the share of "Estimated annual savings, total," described below, calculated as the green bond proceeds allocated to the Eligible Green Project divided by the total cost of the project
Estimated annual savings, total	represents the total estimated annual reduction in environmental impact expected from the Eligible Green Project for each environmental impact metric, as submitted to the USGBC during the LEED certification process
USGBC	U.S. Green Building Council



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