

# COMMITTING TO **CHANGE**



ASSURING  
ACCOUNTABILITY  
TOGETHER

2022 SUSTAINABILITY REPORT

AMERICAN  
ASSETS  
TRUST 



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# A LETTER FROM EXECUTIVE MANAGEMENT

We are pleased to present our annual sustainability report for American Assets Trust, Inc. (NYSE: AAT) (the “Company,” “AAT,” “us,” “we” or “our”).

This report outlines our commitment to sustainability and responsible business practices, and our progress towards achieving our ESG (environmental sustainability, social responsibility and corporate governance) goals, including our continued efforts to reduce our environmental impact, enhance the social and economic well-being of our communities and our team members, and promote transparency and accountability in our business practices.

We understand the significant impact that commercial real estate can have on the environment, particularly as it relates to natural habitats, greenhouse gas emissions, waste generation and air quality to name a few. We have therefore implemented measures intended to, among other things, reduce energy consumption, promote renewable energy, reduce waste and mitigate our carbon footprint.

Furthermore, we recognize that our business has a broader impact on society, beyond the environment. We are committed to enhancing the social and economic well-being of our communities by promoting social awareness programs both within our company and in the areas where our properties reside, as well as supporting local businesses and professionally developing and mentoring our most important asset, our team members.

We also believe that ESG encompasses not only ethical obligations but also business imperatives. By prioritizing our ESG objectives, we believe that we are not only reducing our environmental impact and supporting our communities, but additionally enhancing our long-term business resilience and helping to create long-term value for our stakeholders.

Thank you for your interest in AAT and our evolving ESG efforts. We welcome your feedback to help us work together toward a more sustainable future.

Sincerely,



*Ernest Rady*

**ERNEST RADY**  
Chairman and  
Chief Executive Officer



*Adam Wyll*

**ADAM WYLL**  
President and  
Chief Operating Officer



*Robert Barton*

**ROBERT F. BARTON**  
Executive Vice President  
and Chief Financial Officer

# COMPANY PROFILE

## ABOUT AMERICAN ASSETS TRUST, INC.

American Assets Trust, Inc. is a full service, vertically integrated and self-administered real estate investment trust, or REIT, headquartered in San Diego, California. The Company has over 55 years of acquiring, improving, developing and managing premier office, retail and residential properties throughout the United States in some of the nation's most dynamic, high-barrier-to-entry markets primarily in Southern California, Northern California, Washington, Oregon and Hawaii. The Company's office portfolio comprises approximately 4.1 million rentable square feet, and its retail portfolio comprises approximately 3.1 million rentable square feet. In addition, the Company owns one mixed-use property (including approximately 94,000 rentable square feet of retail space and a 369-room all-suite hotel) and 2,110 multifamily units. In 2011, the Company was formed to succeed to the real estate business of American Assets, Inc., a privately held corporation founded in 1967 and, as such, has significant experience, long-standing relationships and extensive knowledge of its core markets, submarkets and asset classes. For additional information, please visit [www.americanassetstrust.com](http://www.americanassetstrust.com).



## KEY HIGHLIGHTS <sup>1, 2</sup>



**31**  
Total Properties



**7.2 M SF**  
Commercial Space



**2,110**  
Residential Rental Units



**6.3 M SF**  
ENERGY STAR Certified



**3.3 M SF**  
LEED Certified



**1.0 M SF**  
Building Certifications  
BREEAM, IREM® & Fitwel®



**216**  
Total Team Members

**43.5%**  
Women

**56%**  
Men

**0.5%**  
Non-Binary

**47%**  
White

**53%**  
Traditionally Underrepresented Racial/Ethnic Group

<sup>1</sup> As of December 31, 2022.

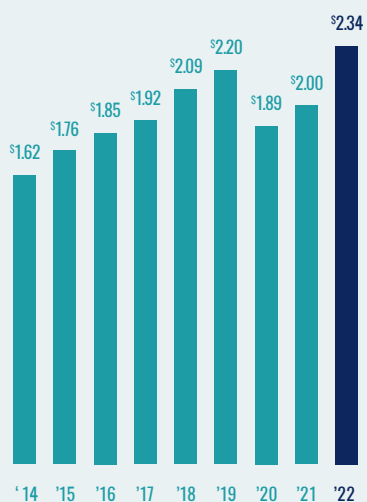
<sup>2</sup> For additional information, please refer to our Appendix.





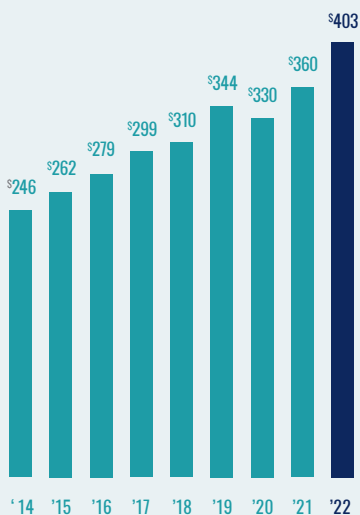
## Comparative Metrics (As of December 31, 2022)<sup>3</sup>

### FFO Per Share<sup>4</sup>



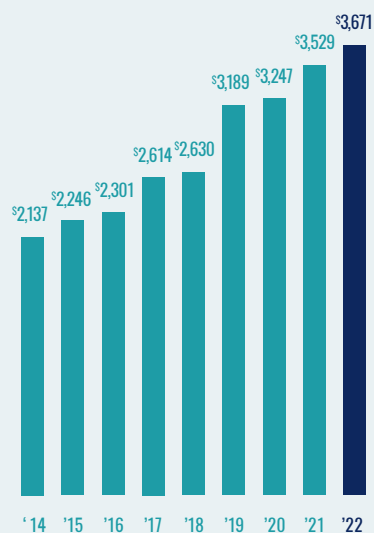
### Rental Income<sup>5</sup>

(\$ in millions)



### Real Estate Assets<sup>5</sup>

(At cost, \$ in millions)



<sup>3</sup> All capitalized items used on this page, unless specifically defined herein, shall have the same meaning as the capitalized terms used in our Annual Report on Form 10-K.

<sup>4</sup> Represents FFO as Adjusted which excludes one time charges for early extinguishment of debt, loan transfer and consent fees and gains from disposition of assets. FFO as Adjusted may not be comparable to other REITs. A reconciliation of FFO to net income can be found in our Annual Report on Form 10-K.

<sup>5</sup> As reported in our Annual Report on Form 10-K, includes the results of discontinued operations.





**EASTGATE OFFICE PARK**  
*Bellevue, WA*





## COMMITMENTS

### ■ Environmental Sustainability

We are committed to reducing our reliance on natural resources and minimizing our carbon footprint. We plan to continue to adapt and evolve toward a more sustainable future.

### ■ Social Responsibility

We are committed to being a good corporate citizen and to “give back” to the communities of which we are members. We are also committed to providing our team members with a diverse, fair and inclusive work culture, robust benefits to support their physical, mental and financial well-being, and ample professional development opportunities.

### ■ Governance

We are committed to adhering to the various laws and regulations that govern us and remain transparent with respect to our operations. We also require our vendors, contractors and other stakeholders to comply with certain policies and procedures in furtherance of our ESG objectives.

“ We are so proud and protective of our culture and core values that guide our business decisions at AAT. We remain committed to continuing our legacy of having a strong reputation for trustworthiness, ethics, team member physical and mental well-being, exemplary tenant-focused service and giving back to our communities. We believe that maintaining this reputation is critical to our long-term success. ”

**Adam Wyll**  
President and Chief Operating Officer



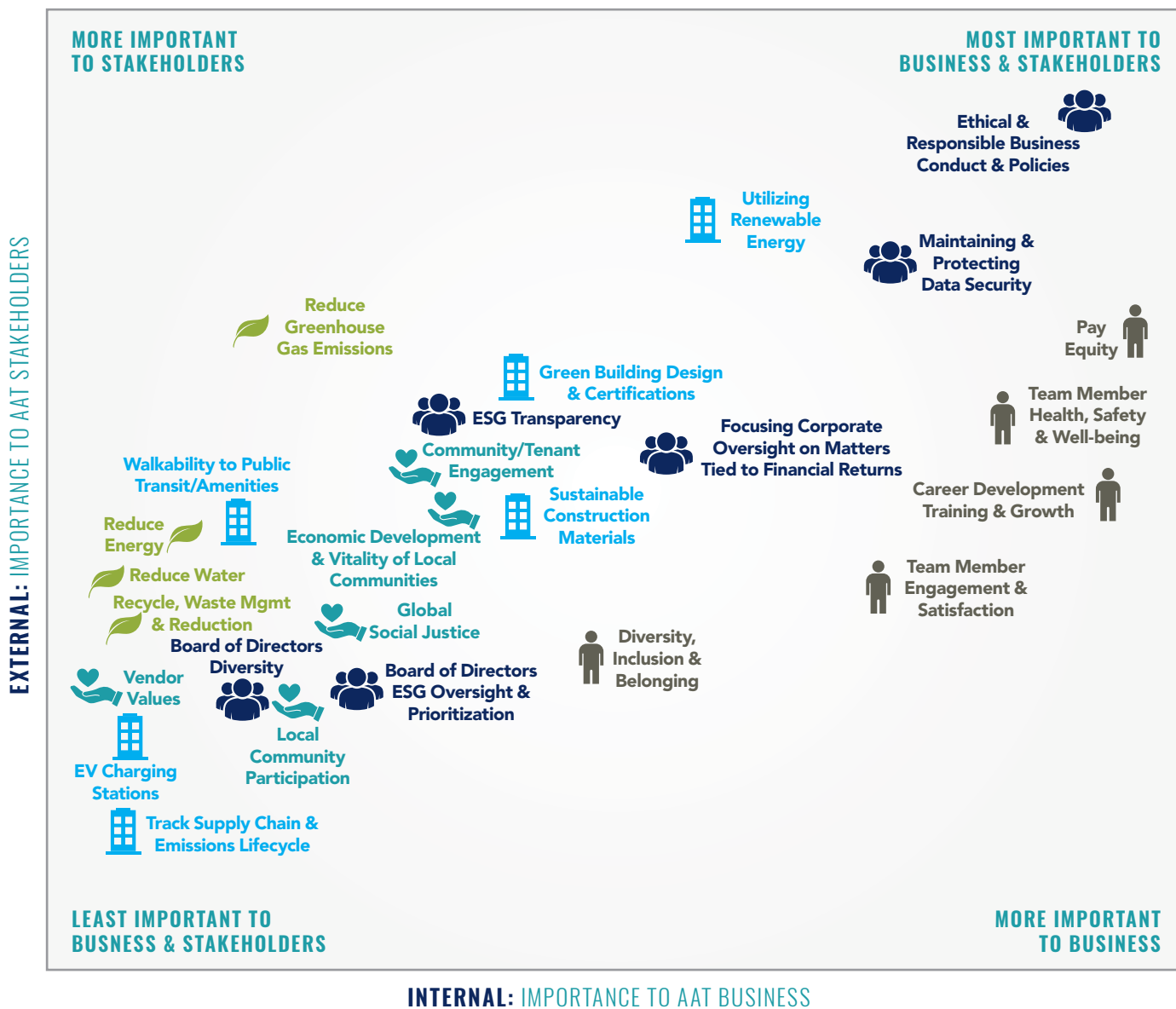




# MEANINGFUL IMPACT<sup>6</sup>

We aim to focus our resources in a manner that will have a meaningful impact. To better align our efforts with the priorities of our stakeholders, in 2022 we conducted our first “stakeholder assessment” by surveying over 5,000 individuals on an anonymous basis, including our team members, executive officers, directors, tenants, vendors, investors and community members, on a broad range of ESG topics to better understand which ESG issues are important to them.<sup>7</sup>

The survey results indicated that overall, our internal and external stakeholders’ ESG-related priorities were largely aligned. Both groups prioritized good corporate governance, particularly the importance of ethical and responsible business conduct and policies. The two groups’ priorities diverged concerning human capital, which our internal stakeholders prioritized, and sustainable development, which our external stakeholders prioritized.



<sup>6</sup> Our materiality matrix uses the concept of double materiality, which assesses not only the degree to which a matter is material to the Company and our business and financial health, but also the degree to which the Company may have an impact on the environment and the communities in which we do business, as well as matters of interest to our various stakeholders. Therefore, the concept of “materiality” as used in this matrix and throughout this report does not align to the U.S. federal securities law definition of materiality.

<sup>7</sup> This survey was conducted in October 2022 by The Research Shop, an independent market research company.

# SUSTAINABILITY STRATEGY

Our Sustainability Strategy, as outlined below, help us identify ESG-related risk factors as well as initiatives to mitigate such risks, and helps cause such initiatives to be effective and beneficial to our stakeholders. Our strategy, which allows us to swiftly adjust action plans as necessary in order to achieve optimal results, is modeled after an Environmental Management System and is aligned with ISO 14001.



<sup>8</sup> Our ESG Committee is described in the Sustainability Oversight section of this report.





**TORREY RESERVE**  
San Diego, CA

## REPORTING METHODOLOGY AND BOUNDARY

The sustainability data and Key Performance Indicators (“KPIs”) contained herein represent the like-for-like portfolio for the calendar year ending December 31, 2022, unless noted otherwise, against our baseline data for the calendar year ending December 31, 2019. Only properties that are owned by us and fully operating during the full calendar year are included in our performance metrics. While every effort is made to collect complete data, data from certain of our triple-net office tenant spaces, tenant-controlled retail spaces and resident-controlled multifamily units may not be shared or made available to us for inclusion. In some instances, estimates may be used in the absence of complete data; however, we do not believe that our use of such estimates significantly affects our overall usage and consumption data. We have not undertaken independent verification

of third-party data, but may consider doing so in future reports. For additional information on our reporting boundaries and performance metrics, please see our Appendix.

Our goal is to align our report with Global Reporting Initiative (“GRI”), Sustainability Accounting Standards Board (“SASB”) and United Nations Sustainable Development Goals (“UN SDGs”), to the extent identified herein and we are working towards incorporating the Task Force on Climate-Related Financial Disclosures (“TCFD”) recommendations. As our ESG practices evolve, our methodologies, goals and reporting boundaries may be adjusted to align with accepted guidelines and initiatives or reporting requirements.





**HASSALO ON EIGHTH**  
*Portland, OR*

## COMPANY ALIGNMENT

### UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

We utilized the UN SDGs’ “blueprint to achieve a better and more sustainable future for all” as the framework for our ESG practices. Below are the specific UN SDGs that guide us. We describe our progress with respect to such UN SDGs throughout this report and plan to continue to do so in our future sustainability reports.





## TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

We recognize that climate change may have a meaningful financial impact on our business in the years to come if not mitigated. As part of our operations, we address our climate-related risks in accordance with TCFD recommendations. We disclose our climate-related risks, opportunities and impacts in this report and will continue to do so in future sustainability reports. <sup>9</sup>

### TRANSITIONAL RISK

Climate-Related Risks:	Potential Financial Impacts:
<p><b>POLICY AND LEGAL:</b></p> <ul style="list-style-type: none"> <li>• Increase in emissions-reporting obligations</li> <li>• Increase in governmental mandates</li> </ul>	<p><b>POLICY AND LEGAL:</b></p> <ul style="list-style-type: none"> <li>• Costs associated with increasing team members dedicated to reporting obligations and developing processes and procedures and internal controls to ensure compliance</li> <li>• Fines assessed for not meeting governmental mandates</li> <li>• Large and costly retrofit of buildings to meet new governmental targets, mandates or regulations including new building codes, and all electric power and low water usage requirements</li> </ul>
<p><b>TECHNOLOGY:</b></p> <ul style="list-style-type: none"> <li>• Costs to transition to lower emission technology</li> <li>• Costs to adapt to rapidly changing technology to address additional environmental needs</li> </ul>	<p><b>TECHNOLOGY:</b></p> <ul style="list-style-type: none"> <li>• Substantial capital investment in carbon neutral technology and costs to train team members</li> <li>• Increase in costs to invest in new technology and building systems due to obsolesce</li> <li>• Write-offs in technologies that did not produce expected results</li> <li>• Disruption in service due to transition</li> </ul>
<p><b>MARKET:</b></p> <ul style="list-style-type: none"> <li>• Change in customer behavior and preference</li> <li>• Uncertainty of construction material availability</li> </ul>	<p><b>MARKET:</b></p> <ul style="list-style-type: none"> <li>• Loss of customers due to not aligning with their ESG priorities</li> <li>• Costs associated in redesigning building amenities and leasable space to attract customers</li> <li>• Increase in cost of construction material due to scarcity</li> </ul>
<p><b>REPUTATION:</b></p> <ul style="list-style-type: none"> <li>• Change in team member preference</li> <li>• Negative stakeholder feedback</li> </ul>	<p><b>REPUTATION:</b></p> <ul style="list-style-type: none"> <li>• Inability to retain and attract team members for not aligning with their ESG priorities</li> <li>• Reduction in investment from stakeholders due to negative perception</li> </ul>

<sup>9</sup> Our risk assessment and materiality analysis uses the concept of double materiality, which assesses not only the degree to which a matter is material to the Company and our business and financial health, but also the degree to which the Company may have an impact on the environment and the communities in which we do business, as well as matters of interest to our various stakeholders. Therefore, the concept of "materiality" as used in this section and throughout this report does not align to the U.S. federal securities law definition of materiality.



## PHYSICAL RISK

### Climate-Related Risks:

#### ■ ACUTE:

- Decreased air quality due to wildfires
- Decreased water quality due to run-off contamination
- Increase in heatwaves resulting in need for rolling blackouts to reduce grid strain
- Increase in natural catastrophe losses (earthquakes, hailstorms, floods, wildfires, tropical storms, hurricanes, etc.)

#### ■ CHRONIC:

- Rising sea levels, coastal erosion
- Increase in temperatures results in increase building load burden
- Historical droughts resulting in water use rationing mandates

### Potential Financial Impacts:

#### ■ IMPACT:

- Decrease in useful life schedule due to damage
- Increase in costs to repair due to increased frequency of damages
- Increase in unstable energy and water costs associated with climate change
- Increase in insurance claims due to more natural catastrophe losses
- Increase in insurance premiums due to more reported catastrophic losses
- Loss of insurance coverage due to high-risk area
- Increase in business interruption claims caused by increased loss of use
- Loss of productivity due to loss of infrastructure and team members
- Increase in operational costs to maintain building system demands
- Water rationing mandates limiting available water to operate buildings



## OPPORTUNITIES

Climate-Related Risks:	Potential Financial Impacts:
<p><b>RESOURCE EFFICIENCY:</b></p> <ul style="list-style-type: none"> <li>Dedicated resources to better meet Company ESG goals</li> <li>Optimized and fully integrated building systems to meet our specific needs</li> </ul>	<p><b>RESOURCE EFFICIENCY:</b></p> <ul style="list-style-type: none"> <li>Return on investment in innovative technology to efficiently manage building systems at lower cost</li> <li>Decrease in redundancy costs due to efficient and streamlined management of building systems</li> </ul>
<p><b>ENERGY SOURCE:</b></p> <ul style="list-style-type: none"> <li>Use of onsite renewable energy</li> <li>Use of reclaimed water for various building systems</li> </ul>	<p><b>ENERGY SOURCE:</b></p> <ul style="list-style-type: none"> <li>Environmental incentives and rebates to upgrade and/or retrofit existing building systems</li> <li>Investment in renewable energy would insulate us from fluctuation in utility costs</li> <li>Use of onsite renewable energy reduces rolling blackout during increased building load</li> <li>Use of reclaimed water reduces the costs to procure potable water</li> </ul>
<p><b>PRODUCTS AND SERVICES:</b></p> <ul style="list-style-type: none"> <li>Providing desirable amenities that meet or exceed customer preferences</li> </ul>	<p><b>PRODUCTS AND SERVICES:</b></p> <ul style="list-style-type: none"> <li>Acquire new customers at higher rental rates and retain existing customers for longer terms</li> <li>Decrease loss of income due to vacancies</li> <li>Better competitive position for highly sought-after customer</li> </ul>
<p><b>MARKETS:</b></p> <ul style="list-style-type: none"> <li>Access to new financial markets</li> <li>Acquisition in desirable and high barrier to entry markets</li> </ul>	<p><b>MARKETS:</b></p> <ul style="list-style-type: none"> <li>Green Bonds available to invest in green measures</li> <li>Divestment in underperforming markets</li> <li>Reputational benefits of conducting an ESG friendly business model</li> </ul>
	<p><b>RESILIENCE:</b></p> <ul style="list-style-type: none"> <li>Integration of environmentally resilient infrastructure would minimize the damage caused by natural catastrophe events and lower insurance premiums</li> <li>Increase reliability in construction material procurement</li> </ul>

“ I’ve been a part of AAT’s sustainability journey since 2015, and the evolution of its ESG integration has been rewarding to be a part of. What’s more momentous is to witness the active engagement from team members working with AAT to achieve its ESG goals. I’m optimistic about AAT’s and the real estate industry’s efforts to continue to find more sustainable ways to develop and operate. ”

**Mary Nguyen**  
Risk Management Manager

# STAKEHOLDER ENGAGEMENT

We believe in being fully transparent with our stakeholders and involving them in our ESG-related decisions, as appropriate. We have adopted a different engagement approach for each stakeholder group, appropriate to their specific needs, as outlined below.

## STAKEHOLDERS



We regularly communicate with our shareholders through our annual sustainability report and other filings, earnings calls, press releases, investor events, property tours and participation in various industry associations.

## TEAM MEMBERS



We engage with our team members in a variety of ways, such as company-wide “town halls”, satisfaction surveys, property tours led by our executive management team, and small group “lunch and chat” sessions with our executive management team, team member appreciation events, environmental cleanup events and social outreach events.

## TENANTS



Our property management teams are in daily communication with our tenants and residents, and organize community-building events for them such as e-recycling programs, donation drives and ice cream socials.

To better align landlord and tenant environmental goals and to help meet our ESG targets, our lease templates contain a “green lease” clause setting forth each party’s commitment to operate in a sustainable manner and requiring tenants to comply with our sustainability practices.

## VENDORS



Our property management and construction teams engage with our vendors and contractors to ensure that they adhere to our vendor code of conduct policies, including our policies regarding ethical and environmentally sustainable procurement practices.

To better align our vendors’ environmental goals with ours, our work contract templates contain a “green contract” clause setting forth each party’s commitment to operate in a sustainable manner and requiring vendors to comply with our sustainability practices.

## LOCAL COMMUNITIES AND NONPROFIT ORGANIZATIONS



Our Social Responsibility Committee engages with local nonprofit organizations that are making an impact on our communities, promotes team member volunteerism and philanthropy, and organized community events to raise awareness of ESG-related issues. Our team members also sit on local boards and committees to help make a positive difference in our communities.





## "GREEN" LEASING & CONTRACTS



We share a commitment with our tenants and vendors to operate our properties in a manner that reduces energy and water consumption, carbon and other greenhouse gas ("GHG") emissions and waste generation, and we recognize the importance of our tenants' and vendors' contribution to these efforts.

Our tenants participate in our ESG practices and comply with our ESG requirements, including participating in our recycling programs, assisting in our building certification efforts and sharing with us their data regarding their energy and water consumption, GHG emissions and waste generation. To support these efforts, since 2015 our lease and vendor contract templates include a "green" clause which is updated regularly as appropriate to keep aligned with industry standards and best practices. In 2023, we were recognized by the U.S. Department of Energy's Better Buildings Alliance and the Institute for Market Transformation as Green Lease Leaders – Silver Recognition – Landlord.

Our vendors help us meet our ESG goals and targets by offering any environmentally friendly methods in the work they perform and sharing with us their operational sustainability data, including their supply chain data. For example, our janitorial providers are required to use Green Seal Standards cleaning supplies, and our construction contractors are required to divert waste and/or recycle discarded materials from their job sites where available. These requirements are enforceable pursuant to our contracts with them.<sup>10</sup>

<sup>10</sup> The use of Green Seal Standard supplies is subject to any exceptions we deem appropriate to prevent the spread of disease in light of any pandemic or other public health and safety considerations or guidance from the Centers for Disease Control and Prevention or other public health authorities.



# GOALS AND PROGRESS

## GOALS AND TARGETS

We use 2019 as our baseline comparison year in connection with our ESG goals and targets, unless noted otherwise in this report. Each year, we assess our progress toward our ESG goals and targets as compared to the baseline year. From time-to-time we may adjust our goals and targets to better align with industry standards, strategic changes or regulatory requirements.

For our standing investments, we are targeting a 20% increase in installed electric vehicle charging stations by 2026. On the building certification front, our goal is for 100% of our eligible buildings to be ENERGY STAR certified annually, and for 100% of our new construction and redevelopment projects to meet U.S. Green Building Council's® ("USGBC®") Leadership in Energy and Environmental Design ("LEED") certification upon completion.<sup>11, 12</sup>

With respect to emissions and consumption by the operations that we directly control, we are targeting like-for-like reduction of energy consumption by 10%, potable water consumption by 10%, and GHG emissions by 15%; increase in waste diversion by 40%, and reaching carbon neutrality for Scope 1 and Scope 2 emissions by 2030.<sup>13, 14, 15</sup>


<sup>11</sup> For a property to be considered eligible for certification, it must meet certain thresholds set by ENERGY STAR.

<sup>12</sup> For properties classified as redevelopment, please refer to our 10-K.









<sup>13</sup> Areas we directly control may include common areas, house meters and/or vacant spaces.

<sup>14</sup> GHG emissions is our total emission which includes Scope 1 and Scope 2 emissions.

<sup>15</sup> In this report, "carbon neutrality" means net emissions equaling zero, after consideration of both actual Scope 1 and Scope 2 emissions and the redemption of various purchased environmental attributes, which may include renewable energy credits/certificates, carbon offsets, etc.



**EMBASSY SUITES**  
**WAIKIKI BEACH WALK**  
Honolulu, HI

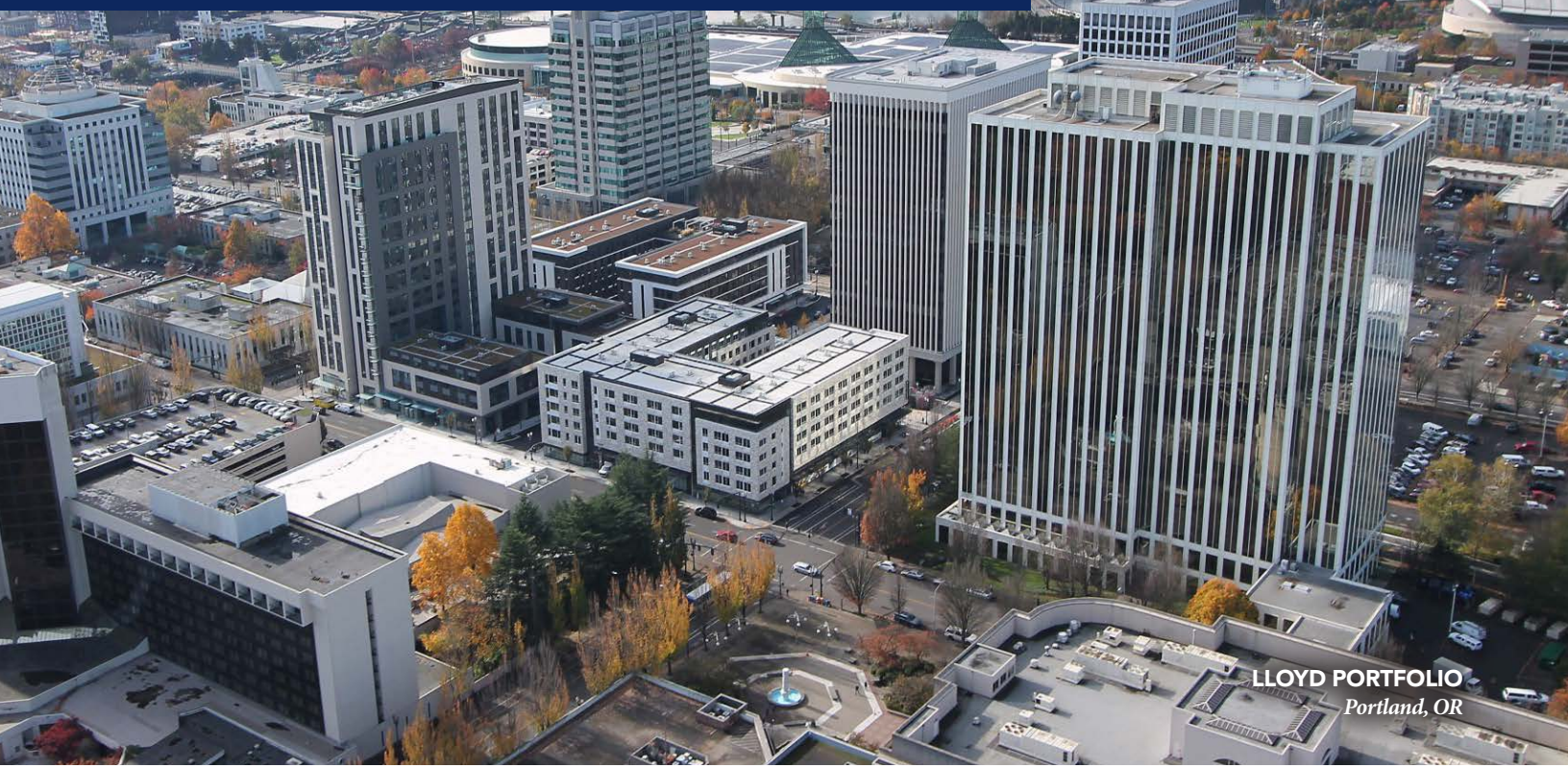
GOALS	OUR IMPACT	PROGRESS
	Reduce potable water consumption by 10% by 2030 <sup>16</sup>	<div style="width: 100%; height: 20px; background-color: #a0a0a0;"></div>
	Increase number of installed EVC stations by 20% by 2026	<div style="width: 70%; height: 20px; background-color: #1a3d4d; color: white; display: flex; justify-content: space-between; align-items: center;"><span>70%</span></div>
	LEED certification for 100% of new construction and 100% of redevelopment	<div style="width: 100%; height: 20px; background-color: #1a3d4d; color: white; display: flex; justify-content: space-between; align-items: center;"><span>100%</span></div>
	Increase waste diversion by 40% by 2030 <sup>17</sup>	<div style="width: 100%; height: 20px; background-color: #a0a0a0;"></div>
	Achieve carbon neutrality for Scope 1 and Scope 2 emissions by 2030	<div style="width: 4%; height: 20px; background-color: #1a3d4d; color: white; display: flex; justify-content: space-between; align-items: center;"><span>4%</span></div>
	Reduce energy consumption by 10% by 2030	<div style="width: 37%; height: 20px; background-color: #1a3d4d; color: white; display: flex; justify-content: space-between; align-items: center;"><span>37%</span></div>
	Reduce GHG emissions by 15% by 2030	<div style="width: 29%; height: 20px; background-color: #1a3d4d; color: white; display: flex; justify-content: space-between; align-items: center;"><span>29%</span></div>
	Plant 100,000 trees	<div style="width: 5%; height: 20px; background-color: #1a3d4d; color: white; display: flex; justify-content: space-between; align-items: center;"><span>5%</span></div>

<sup>16</sup> In 2022, water consumption was higher than anticipated due to increase in building utilization, unexpected water leaks and our baseline set during a substantial tenant improvement project.


<sup>17</sup> In 2022, waste diversion was flat due to increase in building utilization.



# KEY PERFORMANCE INDICATORS <sup>18</sup>



LLOYD PORTFOLIO  
Portland, OR



## ENERGY STAR CERTIFICATION

- 29** Buildings Certified
- 6.3** Million Square Feet Certified
- 1,986** Multifamily Units Certified
- 89%** Total Eligible Certified

## LEED CERTIFICATION

- 9** Properties Certified
- 3.3** Million Square Feet Certified
- 657** Multifamily Units Certified
- 100%** Total Eligible Certified

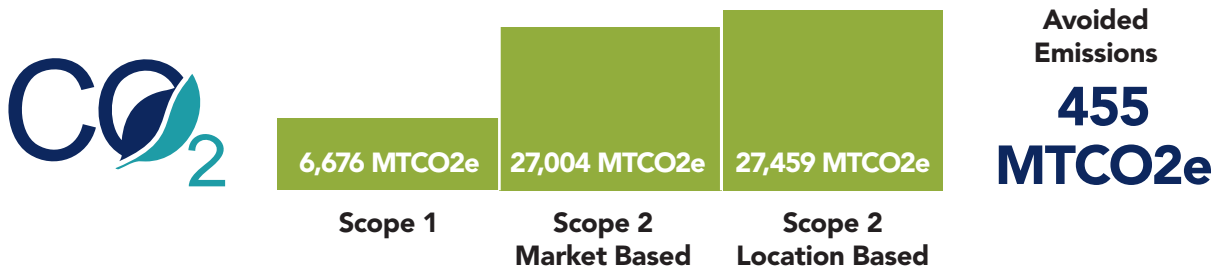


<sup>18</sup> The reported KPIs reflect whole building data, including indirectly controlled building data, which is not considered in our target and goals.

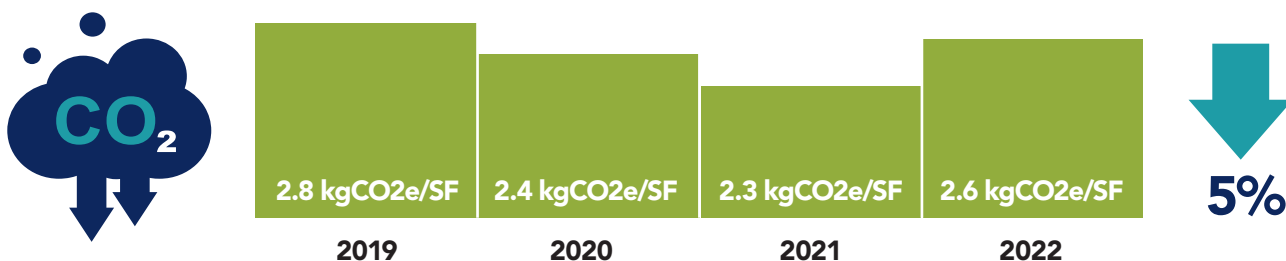
## POST COVID-19 EFFECTS ON KEY PERFORMANCE INDICATORS

In 2022, our building utilization (tenants physically occupying their leased space), and thus our emissions, energy and water consumption, waste diversion and recycling levels continued to be reduced due to the COVID-19 pandemic. Although our KPIs are reported as of December 31, 2022, we believe that, because of lower building utilization, the reported metrics may not reflect our actual progress with respect to our ESG targets. We anticipate emissions, energy and water consumption, waste diversion and recycling levels to increase in subsequent years if and when building utilization returns closer to pre-pandemic rates and we expect our future reports of our KPIs to be consistent with our actual building consumption. <sup>19, 20</sup>

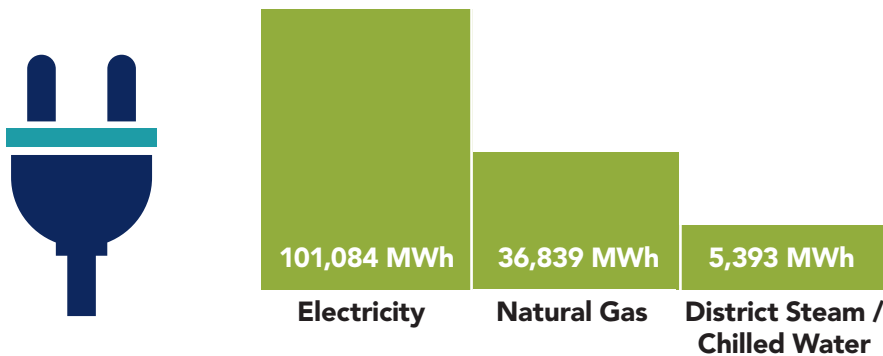
### EMISSIONS ABSOLUTE



### HISTORICAL MARKET-BASED EMISSIONS INTENSITY



### ENERGY ABSOLUTE

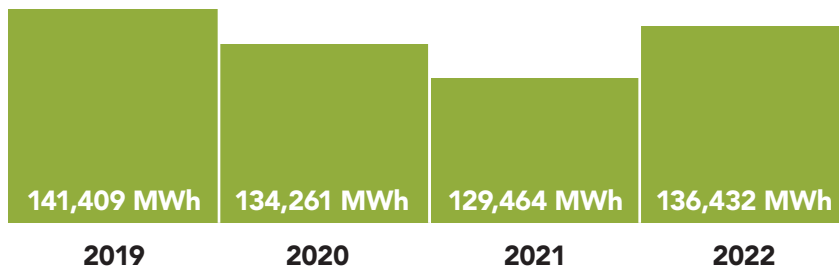


<sup>19</sup> All data reported as of December 31, 2022 or unless indicated otherwise. For additional information, please refer to our Appendix.

<sup>20</sup> Overall percent change rounded to nearest whole number and reflects the percentage change from 2019 baseline year.

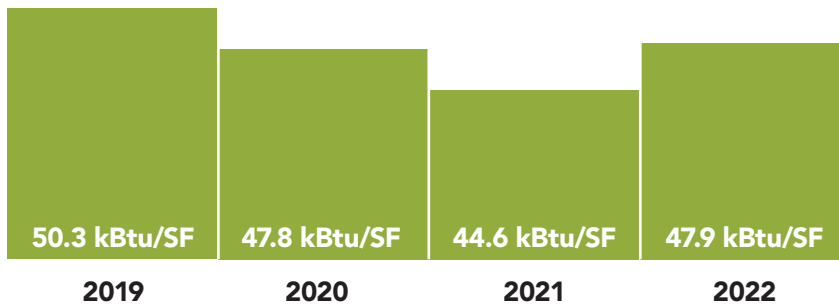


### ENERGY LIKE-FOR-LIKE



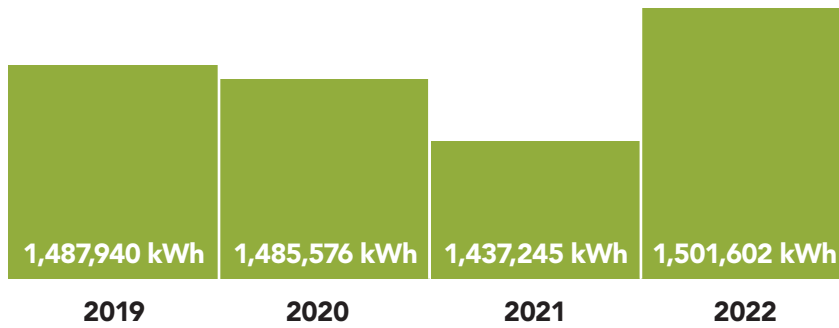
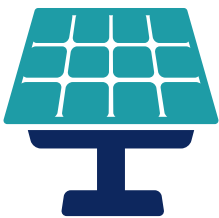
4%

### HISTORICAL ENERGY USE INTENSITY



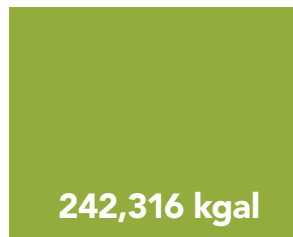
5%

### GREEN ENERGY SUMMARY

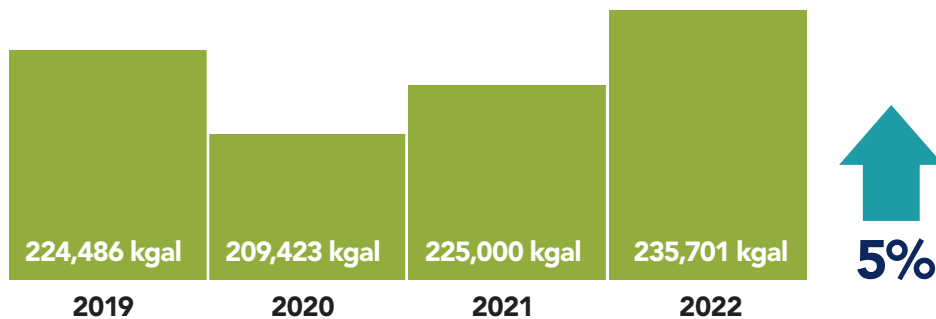


1%

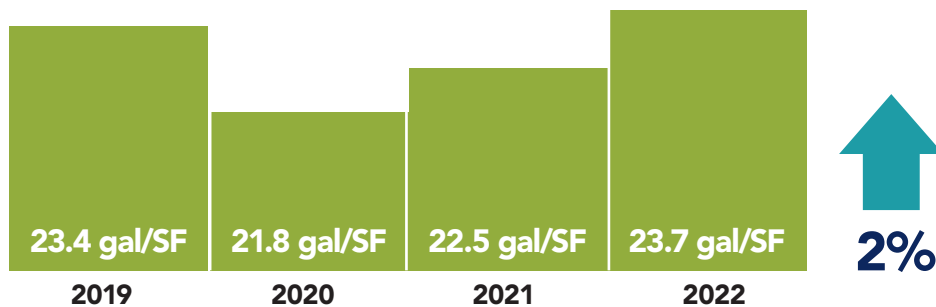
### WATER ABSOLUTE



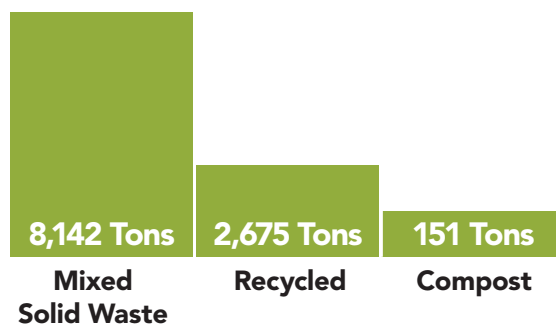
### WATER LIKE-FOR-LIKE



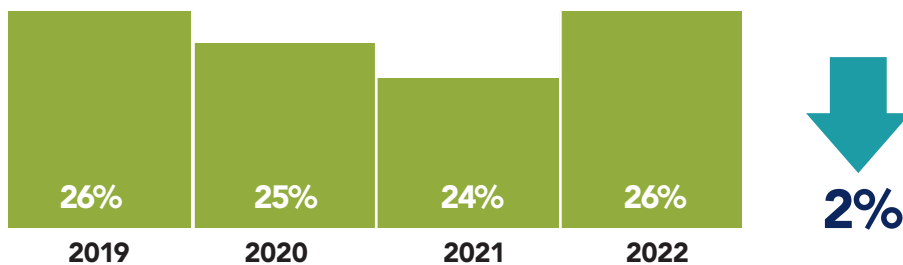
### HISTORICAL WATER USE INTENSITY



### WASTE ABSOLUTE

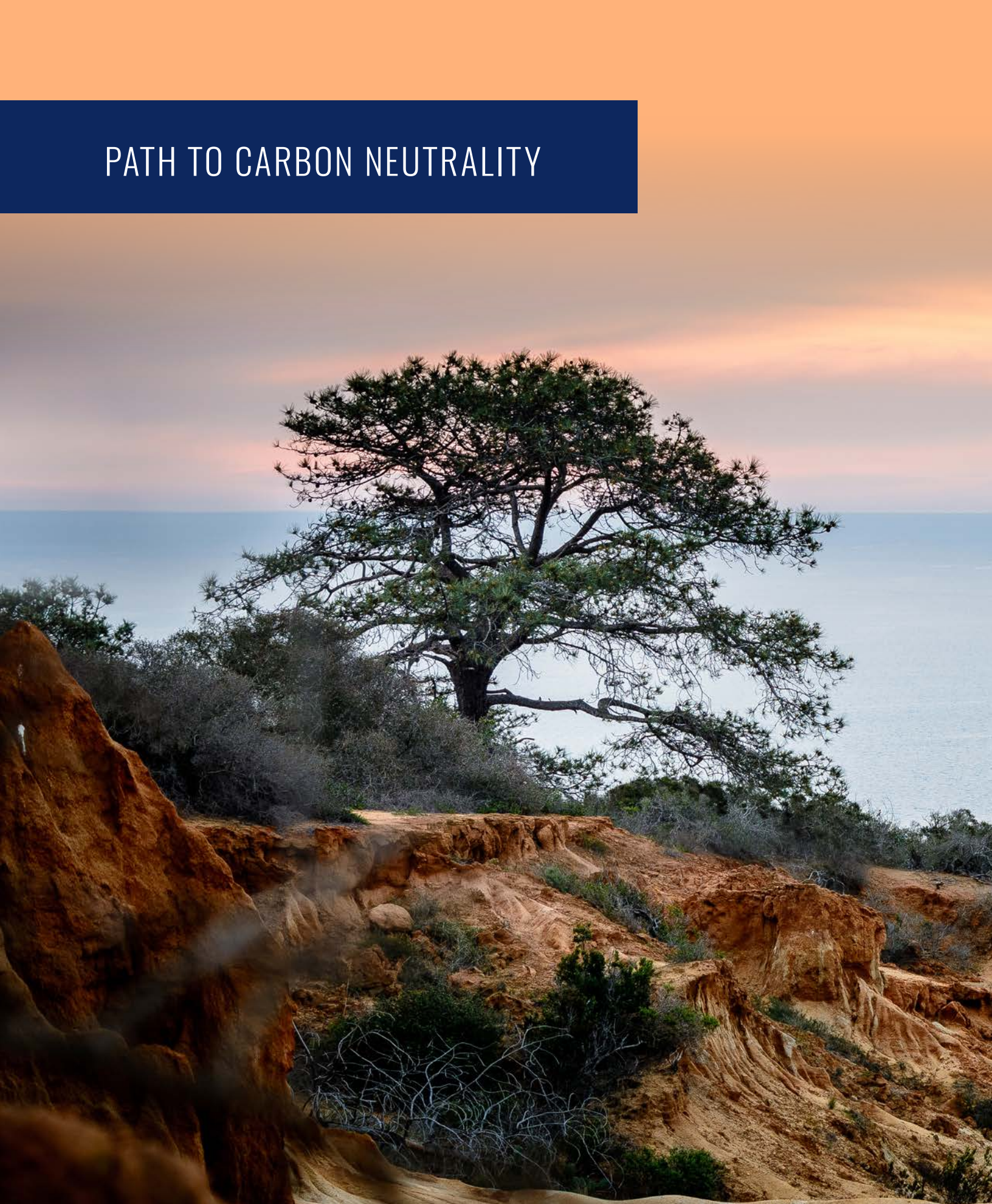


### HISTORICAL WASTE DIVERSION RATE





# PATH TO CARBON NEUTRALITY





**ENERGY EFFICIENCY**



**ONSITE RENEWABLE ENERGY**



**OFFSITE RENEWABLE ENERGY**



**CARBON OFFSETS**

Overall reduction of our energy consumption through efficient operations, increased investment in energy-efficient capital projects (including new and/or upgraded automated building systems and technology), and more participation in stakeholder outreach and awareness programs.

Increased investment in and/or installation of onsite renewable energy, including solar photovoltaics systems and biofuel cells, to better meet our energy needs.

Investment in offsite renewable energy sources, including solar photovoltaics systems, to offset the additional energy needs that onsite renewable energy are unable to meet. Enter into power purchase agreements for long term "green" energy sources and increase renewable energy certificates to further offset our energy use.

As a potential final means to reaching carbon neutrality for Scope 1 and Scope 2 emissions, purchase of carbon offsets to "offset" our remaining GHG emissions, as we deem reasonably necessary and economically prudent.



# ENVIRONMENTAL SUSTAINABILITY



We are dedicated to protecting and preserving Earth's natural resources, and we seek tenants and vendors who are aligned with us in this regard. We understand the global effects of climate change and support efforts to slow its pace. Throughout our portfolio, we have implemented, where feasible, the latest advances in green technology and emission-reduction methods aimed to reduce pollution and consumption, in alignment with best practices and industry accepted guidelines, with the goal of reaching carbon neutrality for Scope 1 and Scope 2 emissions by 2030. In addition to using environmentally friendly technology, methods and products within our portfolio, our





team members have partnered with local organizations to introduce energy conservation, water conservation and waste reduction programs to the communities in which our properties reside. We share our wealth of knowledge with the individuals and businesses in our communities with the hope that they too will adopt changes that will have a lasting positive impact on our environment.





# ENERGY CONSUMPTION





A few of our specific energy efficiency accomplishments are as follows:

**1 Building Automation Systems**

Use of smart energy management systems, such as Siemens and Trane, to continuously monitor energy consumption and identify energy efficiency opportunities.

**2 LED Lighting**

Investment in LED lighting retrofit projects for our building interiors and exteriors, common areas, parking lots and garages.

**3 Cool Roofs**

Transition away from traditional heat absorbent, gravel built-up black tar roofs and replacement with thermal reflective polyvinyl – chloride (PVC) roofing membranes or “cool roofs.”

**4 EV Charging Stations**

Installation of 146 electric vehicle charging (EVC) stations throughout our portfolio as of December 31, 2022, with more in the pipeline.

**5 Solar Arrays**

Installation of photovoltaic systems (solar arrays) over parking areas and rooftops at several of our properties, with one substantial solar array project under contract that is estimated to generate up to 2.1 million kWh of electricity. This is in addition to the 1.5 million kWh of electricity generated by our existing solar arrays.

**6 Controlled Electricity Receptacles**

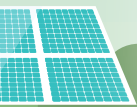
Use of controlled receptacles with shut off outlets that monitor electricity usage and automatically shut off after a period of non-use.

**7 Renewable Energy Certificates (RECs)**

Purchase of RECs in 2022 that equate to approximately 1.6 million kWh of solar and wind energy through our partnership with a regional utility provider in Portland, Oregon.

**8 Appliances**

Replacement of appliances with ENERGY STAR rated appliances upon the end of their useful life.





# WATER CONSERVATION





**FIRST & MAIN**  
Rainwater System  
Portland, OR



*Bioswales*  
*Storm Water Runoff*

A few of our specific water conservation accomplishments are as follows:

**1 Reclaimed Water**

Development and installation of Natural Organic Recycling Machine (NORM), which was designed to treat up to 100% of the grey and black water and reuse reclaimed water for building systems and irrigation needs.

**2 Irrigation**

Adaptive landscape design with smart controllers and irrigation-efficient drip lines. At properties where established municipal lines collect and treat grey water, we use the reclaimed water to irrigate our landscaping and to use in our decorative water features.

**3 Low Water Fixtures**

Installation of water-efficient toilets and faucets.

**4 Appliances**

Replacement of fixtures with ENERGY STAR rated fixtures upon the end of their useful life.

**5 Rainwater**

Collection of rainwater to use for flush water and irrigation.

**6 Bioswales**

Use of vegetated bioswales for storm water runoff conveyance.



**HASSALO ON EIGHTH**  
**NORM**  
 Portland, OR

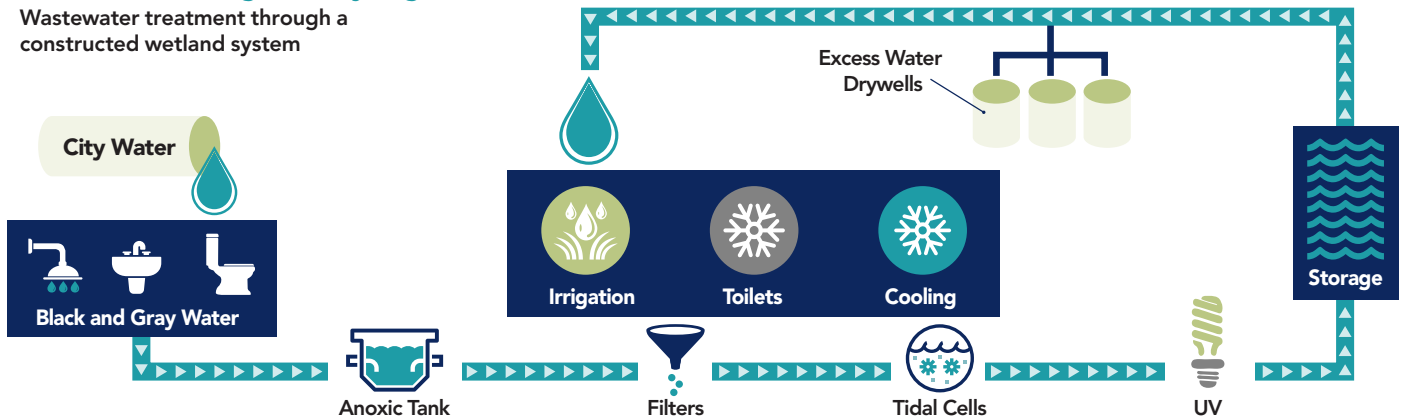


**NORM**

We developed, installed and operate one of the nation’s first and largest multifamily Natural Organic Recycling Machine (NORM) with the goal of treating 100% of the grey and black water created by **Hassalo on Eighth** and **Lloyd 700** in Portland, Oregon, with the ultimate target (upon full stabilization) of diverting approximately 47,000 gallons of wastewater away from the municipal sewer system daily. Recycled water produced by NORM is sent back to each building and used for flush water and is also used for irrigation during the growing seasons. NORM’s bi-products are recycled for further off-site use, including bio-solids as fertilizer, and fats, oils and grease as fuel. NORM’s intended design capacity was to reduce the water usage of the four buildings by 50%, or approximately 7,300,000 gallons of water per year.

**NORM: Natural Organic Recycling**

Wastewater treatment through a constructed wetland system







**THE LANDMARK  
@ ONE MARKET**  
San Francisco, CA

### Greenhouse Gases

To reduce our paper consumption, we continue to utilize digital and cloud services such as ADP, DocuSign, Building Engines, Survey Monkey and Wufoo. Since 2015, we have used DocuSign, an electronic signature service, to send, receive and execute documents electronically. Implementing DocuSign substantially reduced our reliance on printing and shipping, thus decreasing our GHG emissions. Below is a summary of the quantity of natural resources that we have saved to date as a result of our DocuSign use. Also, since 2015, we have used Building Engines’ software platform to streamline our property management tools and to communicate with tenants more effectively. By digitizing our communications with our tenants and our work order system, Building Engines has allowed us to further reduce our shipping and printing needs.

CATEGORY	SAVED TO DATE	EQUIVALENT TO <sup>21</sup>
Wood	38,858 pounds saved	Conserving 106 trees
Water	114,416 gallons conserved	Skipping 82 loads of laundry
Carbon Emissions	91,209 pounds reduced	Removing 8 cars each travelling 11,500 miles
Waste	6,314 pounds eliminated	Eliminating 105 full cans of trash

<sup>21</sup> Equivalency data was provided by DocuSign and has not been independently verified by the Company.

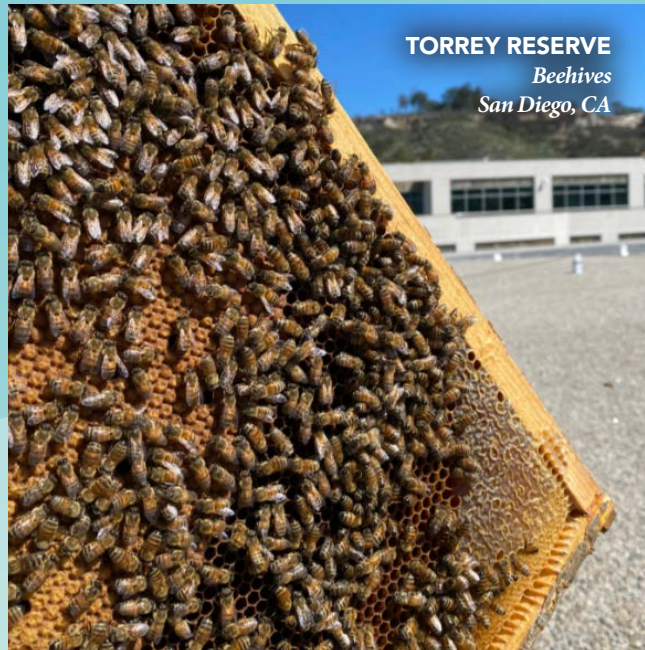


# GREENHOUSE GASES & BIODIVERSITY





Falconry  
Natural Pest Control



TORREY RESERVE  
Beehives  
San Diego, CA

A few of our specific GHG emission reduction and biodiversity accomplishments are as follows:

**1 Composting**

Implementation of an organics recycling program across our portfolio to collect green waste, food waste and organic waste.

**2 Recycling**

Implementation of electronic recycling (E-Waste) and paint recycling programs across our portfolio, in addition to single-stream recycling.

**3 Bike Hubs & Storage**

Installation of bike hubs throughout our portfolio including one with capacity for 900 bicycles, as well as bike storage lockers at Hassalo on Eighth.

**4 Native Landscaping**

Use of native and drought-tolerant planting selections across our portfolio.

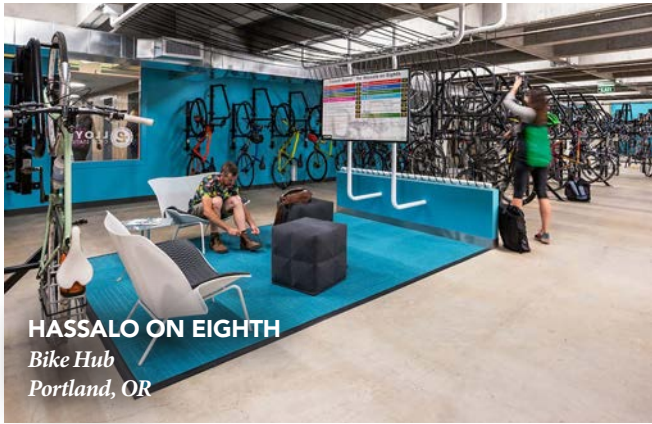
**5 Falconry Based Bird Abatement**

Use of trained birds of prey as a natural nuisance bird deterrent instead of using harmful chemicals or inhumane spikes or netting to control birds.

**6 Honeybee Hive**

In 2022, we partnered with Alvéole, an urban beekeeping company, to install and maintain a honeybee hive at our **Torrey Reserve** campus, with plans to install additional hives at other properties.





**HASSALO ON EIGHTH**  
*Bike Hub*  
*Portland, OR*

### ■ Alternative Transportation

We prioritize the availability of established public transportation when evaluating a potential acquisition of a property, and encourage the use of public transportation or alternative transportation by our team members, tenants and residents. For example, our **Lloyd Cycle** Station bike hub at our **Hassalo on Eighth**, has spaces to park up to 900 bicycles and was North America's largest bike hub when it was installed in 2016. Bike-lending programs, vehicle-share programs and designated High Occupancy Vehicle parking spaces, as well as designated high-efficiency and electric vehicle parking spaces, are also available to our tenants and residents to encourage adoption of more environmentally friendly transportation.

Additionally, at **Hassalo on Eighth**, we have on-site terminals for the Portland Streetcar, TriMet's MAX line and most major bus lines, with direct routes to Portland International Airport and other destinations throughout the city.



**HASSALO ON EIGHTH**  
*On-Site Terminals*  
*Portland, OR*



### ■ Benchmark

Every property in our portfolio participates in the United States Environmental Protection Agency's Portfolio Manager Program to track and benchmark each of our properties' energy and water consumption, GHG emissions and waste generation. We have partnered with Measurabl, Inc., an ESG platform-based company since 2017 to aggregate the Portfolio Manager's data and alert us to any unexpected deviations from normal usage trends. We continue to make meaningful progress towards our ESG goals, and are pleased to have achieved from GRESB, for the first time, an "A" disclosure score, and were ranked first in our disclosure comparison group, which score and ranking measure the level of a company's stakeholder engagement and communication of its ESG initiatives. We also earned a 4-star GRESB rating on standing investments, which places us second out of our peer comparison group and above the GRESB average rating.

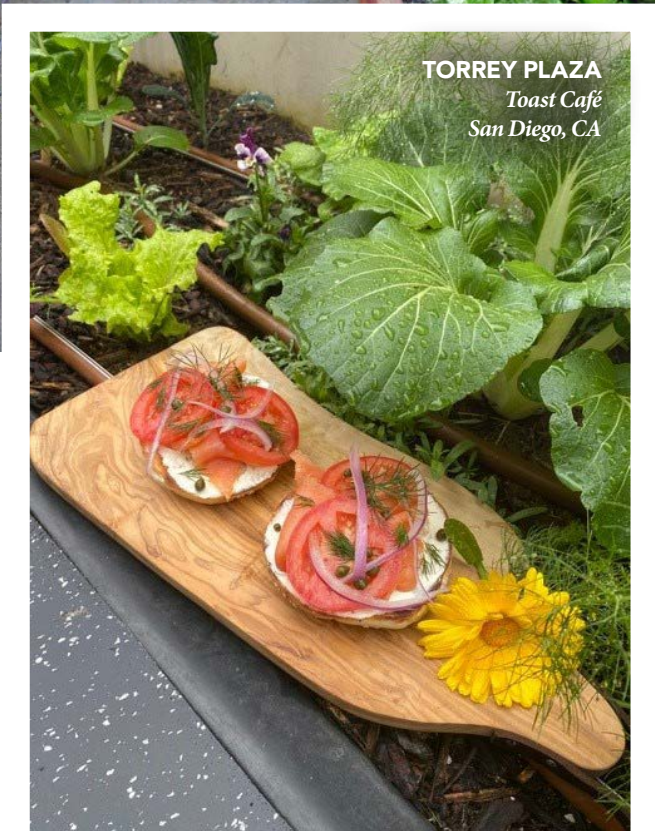
### ■ Energy Consumption

Electricity use is among the largest contributors to our operational emissions and operating expenses. Reducing our electricity consumption reduces our annual operating expenses and helps to insulate us from fluctuations in energy prices. As such, we continue to conduct feasibility studies regarding alternative energy sources, including fuel cells, solar arrays and other renewable energy sources. Our goal is to consume energy that is clean and renewable, and to minimize our dependence on traditional energy sources.





**LOMA 21**  
Vegetable Garden  
San Diego, CA



**TORREY PLAZA**  
Toast Café  
San Diego, CA



**TORREY PLAZA**  
Toast Café  
San Diego, CA

■ **Urban Gardens**

At our **Loma 21** apartment community, we transformed an underutilized space into a community garden, with 9 raised garden beds where residents can plant and grow a variety of vegetables, such as tomatoes, zucchinis and peppers, throughout the year that can be harvested and shared with their families and friends.

At our **Torrey Plaza** office property, we've partnered with California Farm and Garden to plant and grow an assortment of seasonal herbs and vegetables, such as hot and sweet peppers, eggplant, cucumbers, chives, oregano and sage, that is used exclusively by our onsite café, Toast Café. The use of many organically grown herbs and vegetables complements Toast Café's commitment to fresh and natural gourmet food.



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# ACQUISITIONS, CONSTRUCTION AND REDEVELOPMENT

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We seek opportunities to acquire irreplaceable high-quality office campuses, open air retail properties, and multifamily communities, including those with expansion and redevelopment potential located in proven, regional trade areas within our coastal west coast target markets. Since our initial public offering in 2011, we have acquired two properties with development opportunities (our **Lloyd Portfolio** and **La Jolla Commons**). At **Lloyd Portfolio**, we are developing **Hassalo on Eighth**, a multifamily community comprised of three high-rise buildings that was completed in 2015. At **La Jolla Commons**, we are developing **La Jolla Commons III**, an 11-story office tower with an anticipated completion date of Fall of 2023. Both projects were ground-up developments overseen by our in-house construction and development team. We also continuously redevelop, revitalize and amenitize our assets.

## ■ Acquisitions



### **BEL-SPRING 520**

- In March 2022, we acquired **Bel-Spring 520**, a 93,295 square foot campus consisting of two office buildings located off the Interstate 405 and the 520 Freeway interchange with quick access to downtown Bellevue and downtown Seattle, Washington, providing a dynamic location in one of the nation's top-performing markets on the West Coast.



### **CORPORATE CAMPUS EAST III**

- In September 2021, we acquired **Corporate Campus East III**, a four-building 159,578 square-foot office campus in Bellevue, Washington. The campus is a short distance to downtown Bellevue and downtown Seattle.



### **EASTGATE OFFICE PARK**

- In July 2021, we acquired **Eastgate Office Park**, a four-building 281,204 square-foot office campus situated on 14 acres in Bellevue, Washington. The campus is in a natural setting surrounded by ponds, water features and walking trails.





**ONE BEACH STREET**  
*Rooftop Terrace*  
San Francisco, CA

### ■ Redevelopment

- Our **Landmark @ One Market**, a LEED Gold historical office building, originally built in 1917 as the headquarters for Southern Pacific Railroad, became, in 2019, the first building in San Francisco, California, to be certified to the BREEAM USA standard for existing buildings. In 2022, **Landmark @ One Market** was also awarded Fitwel® certification.
- In 2022, we furthered our modernization of **One Beach Street** in San Francisco, California, a historical office building built in 1924. Anticipated to be complete in 2024, the building will be equipped with new efficient building systems and new rooftop terrace. As part of this renovation, One Beach is expected to achieve LEED certification, as well as Fitwel® certification.





**LA JOLLA COMMONS**  
San Diego, CA

## LA JOLLA COMMONS

In 2019, we acquired **La Jolla Commons**, a LEED Platinum campus comprised of two 13-story Class A office towers, an entitled development parcel and two parking structures, situated in the preeminent University Town Center submarket of San Diego, California and adjacent to La Jolla, California.

“ We remain optimistic, but are proceeding with care in our construction and development projects. Supply chain constraints, a shortage of skilled labor, and inflation still present threats to our industry. Our cautious optimism coupled with our desire to be good stewards of our environment led us to commission a solar array project at our La Jolla Commons campus that we expect will generate up to 2.1 megawatts of electricity once completed in 2024. This project, along with several other sustainability-focused endeavors that build value into our portfolio, are among my top priorities. ”

**Jerry Gammieri**  
SVP of Construction and Development



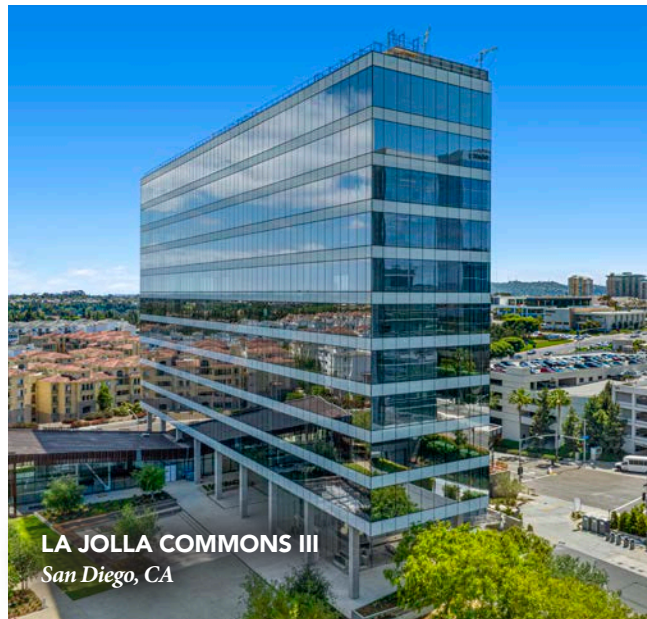




**LA JOLLA COMMONS II**  
San Diego, CA

### REDEFINING SUSTAINABLE ARCHITECTURE

- In April 2022, *Architectural Digest* designated **La Jolla Commons II** as one of “The World’s 6 Most Beautiful Buildings That Redefine Sustainable Architecture.” Designed by AECOM principal, Paul Danna, the 13-story, 302,261-square-foot tower that houses LPL Financial, and is nestled within the smart, seaside town, has been boasting pride of place like La Jolla’s only net-zero building, since 2008. Comprised of a mostly glass exterior with an energy-efficient double-paned coating, the office building can potentially achieve annual carbon neutrality through high performance design and on-site fuel cells that generate more electricity than the building and tenants use. Not to mention, the sustainable Southern California marvel boasts underfloor air distribution systems and an extensive network of reclaimed water, used for the tower’s cooling, irrigation, and plumbing.<sup>22</sup>



**LA JOLLA COMMONS III**  
San Diego, CA

### LA JOLLA COMMONS DEVELOPMENT

- In 2021, we commenced the development of **La Jolla Commons III**, an 11-story, 213,000 square foot office tower wrapped in floor-to-ceiling glass, which will enhance our existing La Jolla Commons campus. The design of the new tower is optimal for wellness, employee engagement and productivity, including easy multi-floor modularity conversion, and we believe will cater to our modern tenants’ needs. The building is planned to include a state-of-the-art, staffed fitness center with indoor and outdoor spaces as well as a high-end farm-to-table restaurant concept. **La Jolla Commons III**, is anticipated to achieve LEED Gold and Fitwel® certification upon completion in Fall of 2023.

To offset the increase in energy consumption resulting from the expansion of our **La Jolla Commons campus**, we are in the process of constructing a solar photovoltaic system on the top deck of our existing parking garage that will be capable of generating over 2.1 million kWh of electricity annually. The solar photovoltaic system is expected to commence solar energy generation in 2024.

<sup>22</sup> Cherner, Jessica. “The World’s 6 Most Beautiful Buildings That Redefine Sustainable Architecture.” *Architectural Digest*, April 21, 2022, <https://www.architecturaldigest.com/gallery/worlds-most-beautiful-buildings-define-sustainable-architecture>.

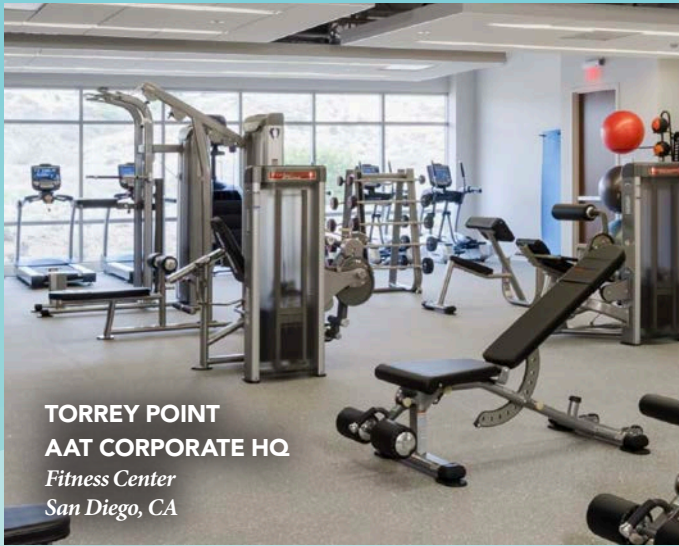


# AMENITIES





**ONE BEACH STREET**  
Community Area  
San Francisco, CA



**TORREY POINT**  
AAT CORPORATE HQ  
Fitness Center  
San Diego, CA

We believe in providing a variety of amenities that promote the wellness of our tenants and guests and increases building utilization. Many of our amenities have been substantially enhanced within the last 3 years and we continue to explore new and fresh ideas.

**1 Fitness Centers**

Most of our office properties have onsite fitness centers. The fitness centers at **City Center Bellevue, Eastgate, Solana Crossing** and **Torrey Plaza** have recently been remodeled and/or refreshed and a new modern fitness center is currently under construction at **Corporate Campus East III**. **Torrey Plaza** also has onsite programs run by HealthFitness for fitness/recreation, wellness, and injury prevention treatment that are available to tenants.

**Indoor and Outdoor Community Areas**

Several of our properties have indoor and/or outdoor lounging areas such as the eco-terrace at **First & Main**, **2** the community lounges at **Hassalo on Eighth** and recreational areas such as a basketball court, horseshoe pit and foosball table at **La Jolla Commons**. Since 2020, we have updated community areas such as **Torrey Plaza's** indoor atriums and outdoor patio area, and have created new areas such as **One Beach Street's** rooftop deck with spectacular views of San Francisco Bay and Alcatraz, and **Solana Crossing's** outdoor lounging area. The reconfiguration of these common areas are a better use of space for our tenants and their employees to fully utilize the buildings to work and relax.

**3 Conference Rooms**

Most of our office properties have common area conference centers equipped with modern technology features for tenant use.

**4 Pet-Friendly**

Our residential properties are pet-friendly and some include dedicated pet parks, waste stations, and grooming and washing stations.

**5 Surrounding Amenities**

Our properties are situated near nature trails, beaches, rivers, restaurants, shopping centers, hotels and/or tourist attractions.





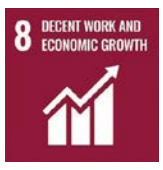
# SOCIAL RESPONSIBILITY



*AAT Family Fun Day  
San Diego, CA*

When our team members and our communities thrive, so do we. Through partnerships with nonprofit organizations, charitable and financial contributions, in-kind donations, and volunteer efforts, we strive to make a positive impact on the people and business within our communities.







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# TEAM MEMBER ENGAGEMENT

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*Los Peñasquitos Marsh Natural Preserve and Lagoon Clean up San Diego, CA*



## ASSURING ACCOUNTABILITY TOGETHER

### ASSURING ACCOUNTABILITY TOGETHER

Since 2021, our Social Responsibility Committee has embraced its mission statement of Assuring Accountability Together and is dedicated to social outreach and community involvement. This committee, composed of a diverse group of team members, explores ways our Company can make a positive impact on our communities by organizing events that our team members may contribute their time and efforts towards. We also communicate sustainability-focused information to our tenants and residents via newsletters and social media.

- To support our team members' desire to participate in charitable programs that are important to them, and to encourage volunteerism in our communities, in August 2022 we began providing each team member with 8 hours of paid volunteer time with certain non-profit organizations. Since launching this initiative, our communities have benefited from over 200 hours of team member volunteer time.
- In 2021, the Social Responsibility Committee founded the annual American Assets Trust, Inc. Coastal Clean-up event held at 3 different environmentally significant locations in San Diego, California: the Famosa Slough State Marine Conservation Area wetlands near our **Loma Palisades Apartments**; Imperial Beach, the local beach serving our **Imperial Beach Gardens** and **Mariner's Point** multifamily communities; and the Los Peñasquitos Marsh Natural Preserve and Lagoon (part of Torrey Pines State Natural Reserve), which is adjacent to our corporate headquarters, **Torrey Point**.

Since 2021, our team members in Portland, Oregon, have partnered with AdoptOneBlock, a non-profit group in Oregon and Washington, that enables business owners and residents alike to care for their local community. As a Block Ambassador, we are committed to maintaining our adopted city block, between NE 6th Avenue and NE 7th Avenue and NE Clackamas Street and NE Wasco Street, free of litter.



**HOPE ON WHEELS**

In 2022, the Social Responsibility Committee launched our Hope on Wheels initiative with a mission of providing basic necessities to underserved families and children, as well as our Dollars for Doers program whereby our Company matches certain team member donations.

- Throughout the year, our team members participate in our Hope on Wheels initiative by volunteering, making in-kind donations (such as toiletries, clothing and suitcases) or donating cash or their paid-time-off (“PTO”) hours to our Hope on Wheels initiative and to certain nonprofit organizations such as The Ronald McDonald House Charities, San Diego Center for Children, San Antonio Family Services, Project Lemonade and the Seneca Family of Agencies (formerly Kinship Center).
- As part of the Dollars for Doers program, the Company has pledged to match every dollar, up to \$500 per team member, of team members’ cash or PTO donations.<sup>23</sup>
- Since launching in August of 2022, almost \$17,000 has been raised from team members and donated to various nonprofit organizations.



*Hope on Wheels Donation Drop Off to The Ronald McDonald House Charities, San Diego, CA*

“ I am thrilled to work for a company that gives back to the communities in which we serve. When entrusted to launch our “Hope on Wheels” initiative, the first of its kind for AAT, I could not have been more excited. Having been a foster parent in prior years, it was an emotional event for me when we made our first delivery of toiletries, clothes, blankets, underwear and proper luggage to foster children. It is our mission to instill a sense of “HOPE” and I look forward to reaching more foster children and inspire a sense of pride through a difficult journey. ”

**Michele Perry**  
**Director of Human Resources**

<sup>23</sup> PTO donations are matched based on the cash value of such PTO, net of tax withholdings.





## LUNCH AND CHAT WITH THE MANAGEMENT TEAM

Our Company and executive team are dedicated to fostering an open and collaborative work environment and connecting our seasoned executive team members with our team members at all levels. In 2022, we began regularly holding small and personalized “Lunch and Chat with Your Management Team” sessions for our team members and executive team. Team members and the executive team, including our Chairman and CEO, President and COO, Executive Vice President and CFO and a rotating mix of members of the senior management team, enjoy a casual lunch and conversation centered around topics guided by team members.

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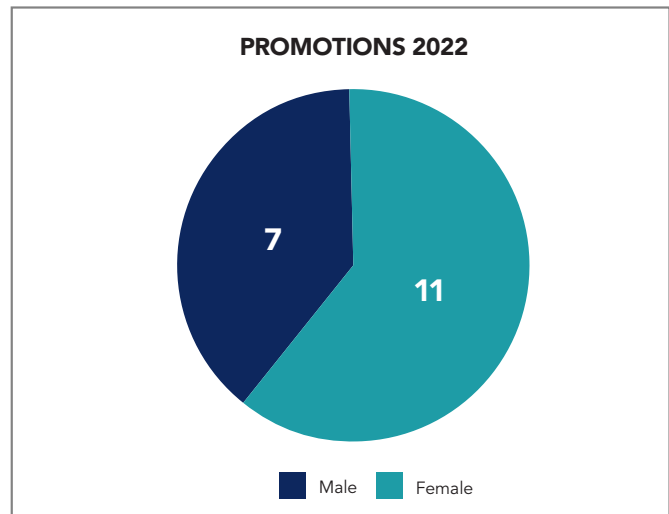
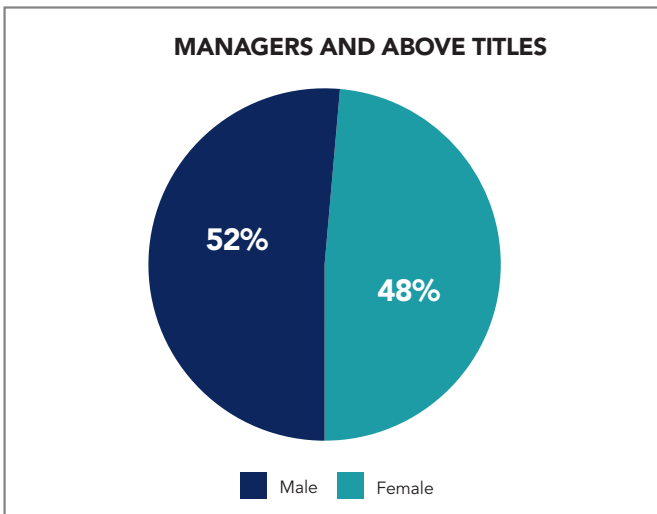
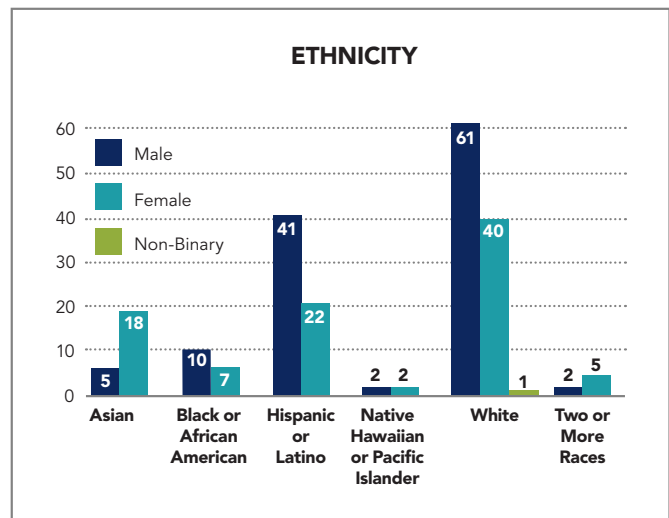
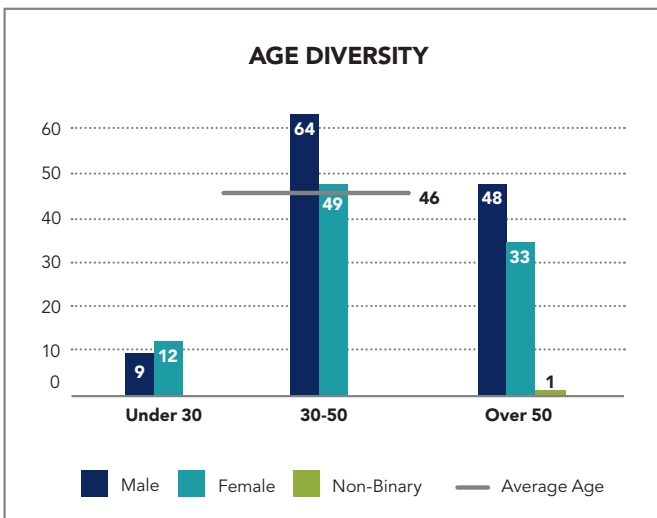
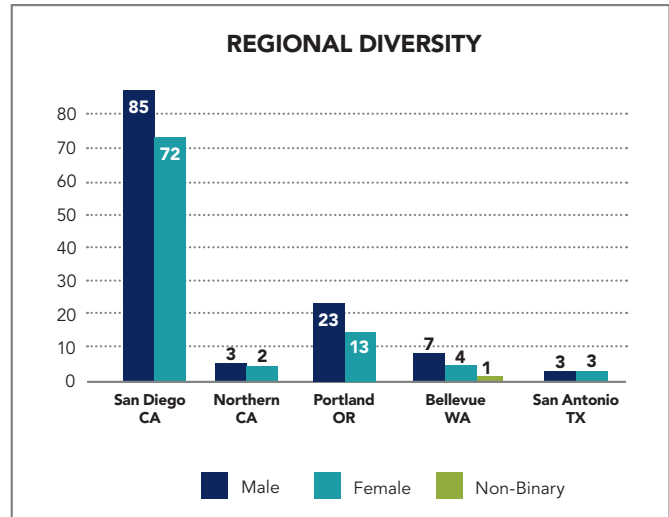
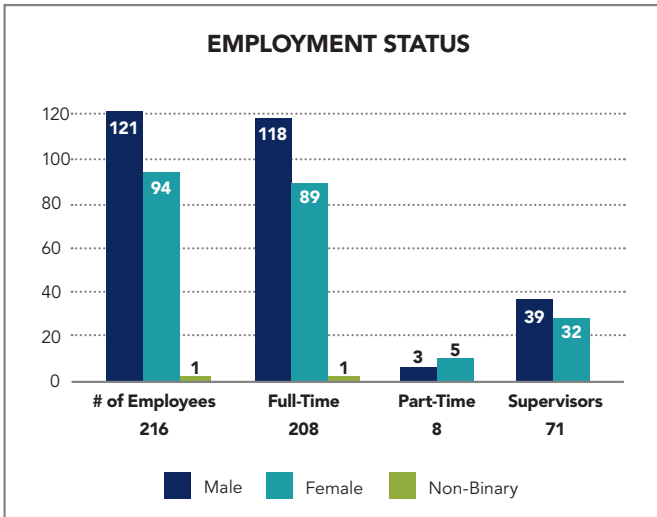
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## DIVERSITY, EQUITY AND INCLUSION

- In 2021, we formed a Diversity, Equity and Inclusion Committee (the “DEI Committee”), composed of team members who represent a diverse range of backgrounds, to develop and implement initiatives to promote and celebrate DEI among our workforce and within our communities, to be a conduit of resources for equitable services, and to provide representation within our Company. Through ongoing engagement with team members regarding DEI-improvement opportunities, the DEI Committee piloted DEI-related training and development programs to identify and address unconscious bias. The DEI Committee also recognizes the importance of maintaining diversity among our team members when recruiting new talent, and engages with a number of DEI award-winning recruiting agencies to help us recruit diverse talent.
- We prioritize buying and hiring locally, including from women- and minority-owned businesses, craftspersons and artists, to provide goods and services for our properties wherever feasible. For instance, our primary electrical vendor for our San Diego office and retail portfolio, is a woman-owned and California certified small business enterprise. We also procure our Company-branded merchandise, including hundreds of shirts, hats, jackets and reusable water containers, for our team members from a woman-owned business.

# TEAM MEMBER DIVERSITY

We see the value of a diverse workforce to our organization and our team members. The following provides a snapshot of our workforce diversity as of December 31, 2022:







**AAT CORPORATE HQ**  
*Property Managers Retreat*  
San Diego, CA

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## HUMAN CAPITAL

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- Throughout the year, we conduct multiple team member satisfaction surveys to check in with our team members and better understand their experience working with our Company.
- We are an equal opportunity employer that provides employment opportunities based upon one's qualifications and capabilities to perform the essential functions of the job regardless of race, religion, sex (including sexual orientation and gender identity), pregnancy, childbirth or related medical conditions, national origin, age, veteran status, disability or genetic information or any other protected class. We provide our team members with a healthy and safe place to work.
- We value the experience and expertise of long-term team members. We believe that our competitive compensation, robust benefits and work-life balance, as well as our culture of diversity, inclusion, wellness and professional development, allows us to retain our top-notch team members over the long term. We are proud that more than 17% of our team members have been a part of our AAT family for 10 or more years.
- As part of our commitment to provide team members with a range of development opportunities, in 2022, in addition to job-specific training, we provided over 8,000 hours of safety and anti-harassment training, with 100% of our team member participating in anti-harassment training. Additional development opportunities include professional training, certification courses, in-house peer-to-peer training and leadership mentoring.

## SOME OF THE TEAM MEMBER BENEFITS WE OFFER:

- **Health, Dental and Vision Insurance**
- **Employee Wellness Program**
- **Employee Assistance Program**
  - Includes mental health assistance, family counseling, substance abuse counseling, legal assistance and financial guidance
- **Family Care Resources**
- **Ethics Helpline**
- **Accidental Injury and Critical Illness**
- **Flexible Spending Accounts**
- **401(k) Retirement Savings Plan**
  - Includes a sustainability focused mutual fund option
  - Company discretionary match of up to 5% of eligible compensation
- **529 Plan** (college savings plan)
- **Financial Planning Resources**
- **Discretionary Annual Bonuses**
- **Discretionary Stock-based Compensation Awards**
- **Supplemental Term Life**
- **Supplemental AD&D**
- **Company Paid Life**
- **Pre-Paid Legal**
- **Long-term Disability**
- **Company Paid Holidays**
- **Paid Time Off**
  - Accrual rate based on tenure
  - 40 hours of dedicated sick time
  - 8 hours of volunteer time
- **Family Leave**
- **Year-Round "Summer Hours" Fridays**
- **Complimentary lunch, snacks and beverages**
- **Complimentary use of our fitness centers**
- **Access to live yoga classes at our corporate HQ**
- **First Aid Certified Training**
  - Cardiopulmonary Resuscitation (CPR)
  - Automated External Defibrillators (AED)



“ My journey to motherhood was filled with overwhelming joy, but also uncertainty. The level of care and support I received from my team and AAT throughout my pregnancy – from preparing for maternity leave to baby bonding – was above and beyond what I could have ever expected. Going through this experience knowing that my AAT family was there as a support system made the transition to becoming a parent less stressful. I will forever be thankful for this company and my coworkers. AAT is truly one of a kind. ”

**Christina Keegan**  
Construction Project Manager



# HEALTHY BUILDINGS & WORK ENVIRONMENT





## ■ Health & Wellness

The pandemic presented many challenges – physical, mental, emotional and financial – for our tenants and our team members and has changed how many of us do business. Adopting what we learned, we modified and improved our systems and procedures to provide a healthy and safe environment in which to work, and continue to provide support and assistance as needed to our team members, tenants and guests.

### 1 Indoor Air Quality

Increased air filter replacement frequency, increased outside air circulation, and installed air purifiers on building air handlers to further filter outside air.

### 2 Cleaning

Increased cleaning frequency of high touch surfaces such as door handles and elevator buttons.

### 3 Sanitation Stations

Hands-free sanitation stations placed throughout common areas such as main entrances, elevator lobbies, property amenities, and near dining establishments

### 4 Communication

Increased communication to tenants in person and through emails and social media.

### 5 Community Engagement

Increased Farmers Market locations and hours to allow shoppers easy access to local and seasonal produce and other groceries; created online community events and social media contests to keep people in our communities engaged with one another.

### 6 Emergency Preparedness

Developed a comprehensive Emergency Action Plan (EAP), which instructs our team members on life-saving measures to take in the event of an emergency. As part of this EAP, we hold annual emergency preparedness training sessions for our tenants to provide resources and guidelines to help them implement their own EAPs. Additionally, in partnership with local community emergency agencies, we host emergency preparedness fairs where tenants and residents are provided information on emergency preparedness to assist them in formulating effective plans.

### 7 Support Services

Provided access to a variety of health and wellness programs, organized team member engagement events such as social events, games and volunteerism programs; increased company-wide communication and team member surveys.





*Famosa Slough State Marine Conservation Area  
Wetland Clean Up  
San Diego, CA*

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## COMMUNITY ENGAGEMENT

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We believe we have a responsibility to engage with and “give back” to our communities. Through partnerships with non-profit organizations, charitable and financial contributions, in-kind donations, and volunteer efforts, we strive to make a positive impact on the individuals and businesses within the communities that we serve.

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PHOTO BY  
SEAN STEHURA

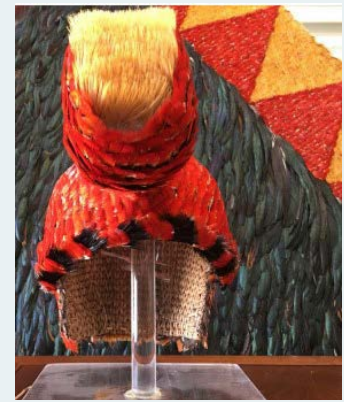
### ■ Hawaiian Legacy Reforestation Initiative

We seek to promote sustainable and responsible travel and tourism. Our **Waikiki Beach Walk-Embassy Suites™** in Honolulu, Hawaii, is a partner with the Hawaiian Legacy Reforestation Initiative (HLRI), one of Hawaii’s leading environmental nonprofit organizations, in order to support the reforestation and biodiversity of Hawaii. In 2021, we launched a program whereby we contribute a portion of the resort fee paid by our guests to sponsor an endemic “Legacy Tree” planted on the North Shore of Oahu. As of December 31, 2022, 5,156 Legacy trees have been planted and, together with our guests, we are on our way to planting 100,000 Legacy Trees.



■ **Hawaiian Artwork Collection**

Also in partnership with HLRI, the **Waikiki Beach Walk-Embassy Suites™** is proud to be the steward of and permanent home of the fifth, in a series of fourteen, of the culturally and historically significant Aha’ula Collection. Each series represents each of the Hawaiian leaders. The artwork displayed at our property, created by the renowned Hawaiian featherwork artist Rick San Nicolas, is a replica of the cape and helmet of Hawaiian High Chief Kahekili, who lived from 1737 to 1794 and is believed to be the biological father of King Kamehameha the Great. We are honored to be able to share Hawaii’s historical culture with our guests.



■ **Mentorship**

We provide professional assistance to community members looking to restart their life. In partnership with Father Joe’s Village, we initiated a Career Fair to help people with life skills in their transition from living at a shelter to living independently. For example, we assisted 18 people with setting up email accounts, composing resumes and preparing for job interviews. We additionally provided 7 of them with paid on-the-job training at our residential properties and donated transit passes to each of them. As a result of this mentorship program, 3 members who received our on-the-job training were offered jobs with our vendors. We also partnered with REstart San Diego, a program that provides training, experience, mentoring and opportunities that may lead to careers in property management. We provided temporary employment with 3 graduates of the REstart San Diego program for 6 weeks. As a result of this program, we hired 1 of them as a permanent team member.



■ **Tribute to Teachers**

In partnership with a local San Diego radio station, we continued our long standing Tribute to Teachers program, which honors local school educators for their outstanding work inside and outside the classroom. In 2022, we honored 4 educators, and since 2014, we have honored a total of 42 educators.

■ **Community Art**

In 2022, **Oregon Square** participated in the 7th annual Portland Winter Light Festival, an event founded by the Willamette Light Brigade, a non-profit organization that connects and enriches the community through artful lighting. This free, light-based art and technology event hosted 135 art installations by 270 artists throughout Portland and provided significant economic and cultural stimulation to the local community during the seasonally darkest time of year. Our Space Jellyfish installation by GBD Architects, Tim Dudley, Chelsea Boreas and Tim Boreas filled our gazebo with a celestial glow.





## ■ Community Awareness

We bring awareness to many charitable programs by illuminating our iconic smokestacks at **Alamo Quarry Market** in different colors to raise awareness of initiatives such as Breast Cancer Awareness Month (pink), American Heart Association (red), Child Welfare – National Child Abuse Prevention (blue) and National Elder Abuse Week (purple).



## ■ Clothing Drives

We hosted a number of clothing drives that benefitted local organizations such as The Sophia Way in Bellevue, Washington, Pioneer Special School and Dress for Success in Portland, Oregon, and a denim drive for national organization Habitat for Humanity.



## ■ Backpack Drives

Since 2017, we've partnered with Building Owners and Managers Association (BOMA) San Diego to host an annual back to school supply drive for Promises 2 Kids and the Monarch School, benefitting our local foster and unhoused youth in San Diego, California. In 2022, our tenants and team members donated 76 backpacks with school supplies and personal hygiene products to foster children and homeless children.<sup>24</sup>

“ Seneca is so grateful for the support received from AAT through the Hope on Wheels program. This donation helped to make sure the holidays were a special time for every child and family we serve. ”

**Doreen Luke, Regional Director  
Central Coast, Seneca**

<sup>24</sup> Total number of backpacks reported is calculated by both physical backpacks donated and monetary contributions made. For each monetary contribution of \$25, one backpack was calculated towards the total backpack count.

■ **Blood Drives**

We host blood drives that benefit the local blood banks such as the San Diego Blood Bank, South Texas Blood & Tissue Center and the Blood Bank of Hawaii, which is a beneficiary of a year-long blood drive that in 2022 performed 9,177 procedures (blood draws, plasma, etc.) which accounts for 21% of the blood supply for the state of Hawaii. In 2022, our community blood drives were able to perform 9,490 procedures that can potentially save over 28,000 lives.

■ **Food Drives**

Many of our properties host food drives that benefit their local communities such as the Jacobs & Cushman Food Bank and San Diego Food Bank in San Diego, California, the Monterey County Food Bank in Monterey, California, the Sunshine Division in Portland, Oregon, and the San Antonio Food Bank and Whole Foods Kids Campaign in San Antonio, Texas.

■ **Holiday Teddy Bear Drive**

Over the past 18 years, we have hosted an annual holiday teddy bear drive and encouraged our community and team members to donate stuffed animals to the event. During the 2022 holiday season, 399 new stuffed animals found homes with the San Diego Center for Children.



■ **Animal Welfare**

In addition to having pet-friendly residential properties with a variety of amenities, we promote animal welfare, and proudly support local organizations’ efforts to set up public rescue animal adoption events and to enforce laws preventing animal cruelty. Such events include the Santa Paws photo event at **Del Monte Center**, which supports the Animal Friends Rescue Project, and quarterly pet adoption events hosted with the Spay Neuter Inject Protect San Antonio at **Alamo Quarry Market** that resulted in the adoption of 64 pets in 2022.

■ **Kitty Commity**

Our **Alamo Quarry Market** team member, Dawn Pearson, along with her neighborhood community, formed a “Kitty Commity” committee in partnership with the City of San Antonio, the San Antonio Feral Cat Coalition and the San Antonio Humane Society, to humanely control the feral and homeless cat and kitten population around her community. The Kitty Commity establishes feeding areas in order to trap, neuter and return cats back into the neighborhood to help reduce the feral population. Cats and kittens with tame and social personalities are placed up for adoption, while members of the Kitty Commity foster them until they can be placed in a permanent home. Within 7 months of starting the program, 36 cats and kittens have been treated and returned.





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## LASTING LEGACY

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Ernest Rady, our Chairman and CEO, and his wife, Evelyn Rady, have made significant monetary donations and pledges to local non-profit organizations such as Rady's Children Hospital San Diego, San Diego Zoo, University of California, San Diego, The San Diego Foundation, Jewish Family Service, The Salvation Army, the San Diego Symphony, and The Rady Shell at Jacobs Park, a recently built waterfront music and performance venue in San Diego, California.

Additionally, to help support the increased unhoused population in San Diego, Ernest and Evelyn Rady have donated \$50 million dollars to the local Salvation Army to construct two new facilities, the **Rady Residence** and the **Rady Center**, to provide shelter and support to San Diegans experiencing housing insecurities. Our team members volunteered their time at the Rady Residence to refresh the interior and to construct furniture for the residents. The Radsy's donation goes on record as one of the largest charitable gifts ever given to help reduce homelessness in San Diego.

In 2018, Ernest and Evelyn Rady joined the Giving Pledge, a movement of philanthropists who commit to give the majority of their wealth to charitable causes, either during their lifetimes or upon death. The Giving Pledge was created by Warren Buffett, Melinda French Gates and Bill Gates in August 2010.



*Evelyn and I are grateful for many things in our lives. Personally, there are four things for which I am most grateful. First, I am grateful that I live in San Diego, which, like many other cities in the United States, is a wonderful place to live. Second, I am grateful that I live in this country, where we have the opportunities, freedom, and stability that many people in other countries do not have. Third, I am grateful for the career I have had, which has been not just successful, but also a lot of fun. And finally, I am grateful for good health.*

*Because of these and other blessings, Evelyn and I believe it is important to share our good fortune with others, and we are pleased to join the Giving Pledge.*

*Ernest Rady*  
Ernest Rady

*Evelyn Rady*  
Evelyn Rady





# ASSOCIATIONS AND ORGANIZATIONS

## OUR COMPANY IS A MEMBER OF:



## INDUSTRY AWARDS:

We are proud of our award-winning team, as our team members are being recognized by our industry peers for their outstanding achievements and talent and on-going dedication to excellence.

### ■ 2022 BOMA San Diego Award

Certain members of our San Diego office team were recognized by BOMA San Diego, part of the international BOMA organization. Teresa Henning received BOMA's "Director of the Year" award and "You're the Greatest" award for her work on the Programs and Seminars Committee, and Isaac Warner received a "You're the Greatest" award for his work on the Awards & Scholarships Committee for his efforts in reestablishing The Outstanding Building of the Year (TOBY) program. Great job!



“ Being awarded BOMA’s Board Member of the Year in 2022 by my colleagues and peers in the industry was an honor. Property management has changed a great deal during my 25 years in the market, and to be part of a platform that allows me to help shape the future of commercial real estate is a privilege. I look forward to continuing to work with our area legislators, community organizations and real estate professionals in developing important industry standards, policies and relationships. ”

**Teresa Henning**  
Senior Property Manager

■ **Southern California Rental Housing Association’s 2022 Mark of Excellence Awards**

In 2022, the Southern California Rental Housing Association (SCRHA) awarded Ernest Rady the Industry Achievement Award for his contributions to the industry for more than 50 years.

The SCRHA also recognized certain of our San Diego Multifamily team members and properties for their outstanding work in the industry. Awesome work, team!



*Southern California Rental Housing Association's  
2022 Mark of Excellence Awards  
San Diego, CA*

CATEGORY	AAT NOMINEE	PLACEMENT
Leasing Professional of the Year 301+ Units	Blair Madrid	Winner
Multi-Site Manager of the Year 301+ Units	Kim Diaz	Winner
Porter/Housekeeper of the Year 1-300 Units	Laura Zarate	Winner
Porter/Housekeeper of the Year 301+ Units	Corin Julio	2nd Place
Maintenance Supervisor of the Year 1-300 Units	Jonathan Villa	2nd Place
Rental Community of the Year 301+ Units	Pacific Ridge Apartments	Winner
Repositioned Property of the Year 301+ Units	Loma Palisades Apartments	Winner



# CORPORATE GOVERNANCE

**SOCIAL**



**ENVIRONMENTAL**

It is critical that our organization be governed in a manner that is in the best interests of our stockholders, and accordingly we have put in place a robust set of corporate policies and procedures pursuant to which we operate.



# GOVERNANCE

17 PARTNERSHIPS FOR THE GOALS





# LEADERSHIP

## BOARD OF DIRECTORS



ERNEST RADY



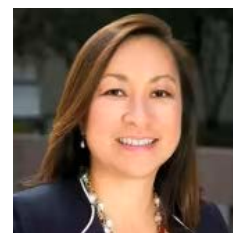
THOMAS OLINGER



JOY SCHAEFER

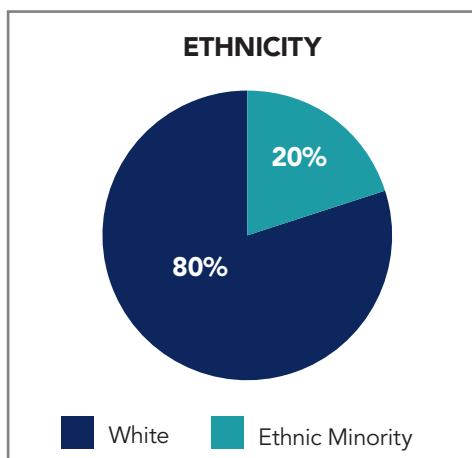
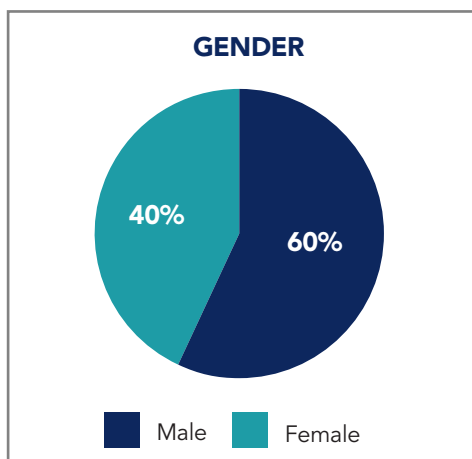


DR. ROBERT SULLIVAN



NINA TRAN

Each member of our Board of Directors is an expert in their industry, and our Board of Directors has a diverse range of professional backgrounds including careers in the real estate, financial, technology and education industries. During their careers, each director has served in leadership roles for other companies, including president, chief executive officer, chief financial officer, chief operating officer and founding dean, and each have experience as directors of other public and private companies. Our Board of Directors' average tenure with our Company is over 7 years.



	ERNEST RADY	THOMAS OLINGER	JOY SCHAEFER	DR. ROBERT SULLIVAN	NINA TRAN
KNOWLEDGE, SKILLS AND EXPERIENCE					
Executive Leadership Experience	●	●	●	●	●
Public Company Board Experience	●	●	●	●	●
Real Estate Experience	●	●	●	●	●
Financial Expertise	●	●	●	●	●
Business Operations	●	●	●	●	●
Strategic Planning	●	●	●	●	●
Risk Management	●	●	●	●	●
Capital Markets/ Investments Expertise	●	●	●	●	●
ESG Experience	●	●	●	●	●
Investor Relations	●	●	●		●
REIT Tax		●			●
Advanced Degree/ Professional Accreditation	●	●	●	●	●
Cybersecurity and Technology Experience		●			●
Human Capital Management	●	●	●	●	●
Academia/Education				●	
Legal Expertise/Education	●				



**TORREY POINT  
AAT CORPORATE HQ**  
San Diego, CA

**EXECUTIVE LEADERSHIP**



ERNEST RADY



ROBERT BARTON



ADAM WYLL



JERRY GAMMIERI

Average tenure  
of almost 20  
years at AAT



STEVE CENTER



CHRIS SULLIVAN



ABIGAIL REX



EMILY MANDIC

Over 155 years  
of combined real  
estate experience  
at AAT

Our executive management team has significant leadership experience working together and has an average tenure with our Company of almost 20 years. Collectively, that is over 155 years of working real estate experience during their time with our Company alone! The longstanding cohesion of our executive management team is reflective of the Company's prioritization of long-term stable growth over short-term risky behavior.



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# COMPANY-WIDE COMMITMENT

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## BOARD OF DIRECTORS

Ultimate ESG Oversight

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### ESG EXECUTIVE STEERING COMMITTEE

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#### President and Chief Operating Officer:

Oversight and project approval

#### Executive Vice President and Chief Financial Officer:

Oversight and project approval

#### Senior Vice President of Construction and Development:

Oversight and project approval

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### ESG CORE RESPONSIBILITY COMMITTEE

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#### Legal:

Ensure compliance, draft policies and prepare leases and contracts

#### Human Resources:

Manage and secure benefits for our human capital

#### Property Management:

Implement ESG projects and engage directly with tenants

#### Financial Reporting:

Account and disclose ESG financial impact

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### ESG ADVISORY COMMITTEE

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#### DEI Committee:

Develop and implement initiatives to promote DEI

#### Social Responsibility Committee:

Social outreach and community involvement

#### Leasing:

Engage with prospective tenants

#### Construction:

Develop structures that meet efficient building standards

#### IT:

Safeguard the company and our building systems from cyber-attacks

#### Marketing:

Communicate and promote company ESG efforts

#### Risk Management:

Mitigate risk and insure our properties against losses

■ **SUSTAINABILITY OVERSIGHT**

The ESG Committee consists of three subcommittees, each tasked with a specific ESG role: the ESG Advisory Committee, the ESG Core Responsibility Committee, and the ESG Executive Steering Committee. Each such subcommittee has a designated chairperson that leads its respective subcommittee. Climate and other ESG-related risks are also considered in our enterprise risk management framework and, although members of the Board of Directors do not serve on the ESG Committee, the Board of Directors has ultimate oversight of the ESG Committee.

**The ESG Advisory Committee** is an ESG-focused discussion and advisory group composed of the DEI Committee, the Social Responsibility Committee and a representative from each department within our organization. The ESG Advisory Committee reports its findings and recommendations with respect to our ESG objectives to the ESG Core Responsibility Committee.

**The ESG Core Responsibility Committee** is composed of select team members responsible for creating a roadmap to our annual ESG objectives, identifying and reviewing ESG and climate-related risks, financial impacts, opportunities and solutions, initiating and overseeing ESG projects, and assessing the effectiveness of these projects. The ESG Core Responsibility Committee is also responsible for identifying the short-term, medium-term and long-term impacts and risks of our ESG initiatives with respect to our ESG objectives. The ESG Core Responsibility Committee reports its findings with respect to our ESG objectives to the ESG Executive Steering Committee.

**The ESG Executive Steering Committee** is composed of members of our executive management team, including our President and Chief Operating Officer, Executive Vice President and Chief Financial Officer, and Senior Vice President of Construction and Development, and is responsible for approving specific ESG initiatives, and guiding the ESG Core Responsibility Committee in executing these initiatives. The ESG Executive Steering Committee reports the progress of the ESG initiatives with respect to our ESG objectives to our Board of Directors and our executive management team at least quarterly, if not more frequently.





## ■ RISK MANAGEMENT

We have the knowledge and experience that comes with over 55+ years owning and managing real estate, and we use this institutional knowledge to manage the risks presented by climate change. Using data available to us, we are able to strategically model the effects of climate change and deploy resources to reduce them.

### **Standing Investments:**

Our property management team and our building engineers work on-site or in close proximity to our properties, allowing building assessments for physical and transitional risks to be conducted routinely. Our in-house construction team, working with outside consultants where appropriate, oversees regular building improvements to promote resiliency, and to help to combat climate change. Building systems and utility usage are periodically inspected and monitored for irregularities, and any inefficiencies are promptly remedied. Building systems at the end of their useful life are replaced with more energy efficient systems and disposed of properly.

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### **Acquisitions:**

We seek acquisition opportunities of irreplaceable high-quality properties located in proven, regional trade areas within coastal west coast markets that meet our criteria and are compatible with our growth strategies. We undergo extensive underwriting and due diligence when exploring acquisition prospects, but most properties fall short of our standards. We work with our experts to: (1) audit financials, (2) inspect and evaluate physical conditions, (3) review environmental conditions (including review of historical environmental contamination events), (4) model climate exposure (including potential flood, drought, storm, wind and wildfire loss), and (5) identify opportunities to integrate the property with the surrounding community.

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### **Development:**

Our development strategy includes designing premier buildings that will meet LEED certification requirements and/or other similar building certifications when feasible and that will provide optimal experiences for our tenants and communities. We incorporate indoor-outdoor design that is multifunctional and creates vibrancy both during and after business hours. We partner with our longstanding contractors who are dedicated to using construction materials that are responsibly sourced and carry a smaller carbon footprint than traditional construction materials, when feasible.





■ **CORPORATE GOVERNANCE**

As a publicly traded company, we are subject to, and adhere to, various governance guidelines, policies, laws, rules and regulations. In addition, our operations are continually being reviewed by both internal and external auditors. Additionally, the U.S. Securities and Exchange Commission (or SEC) is responsible for enforcing strict federal securities laws established to protect investors. Further, as a policy, we are transparent with respect to our operations and financial results. These measures provide assurance to our stakeholders that our business practices are ethical and in compliance with laws.

100% committed to our Code of Business Conduct and Ethics Policy and Insider Trading Compliance Program

Each of our team members, executive officers, and members of our Board of Directors is required to annually review and recertify their commitment to our Code of Business Conduct and Ethics Policy and our Insider Trading Compliance Program, which outline the moral and ethical conduct we require all team members to abide by and are published on our website, [www.americanassetstrust.com](http://www.americanassetstrust.com). In 2022, 100% of our team members, executive officers, and members of our Board of Directors certified their commitment to our Code of Business Conduct and Ethics Policy and our Insider Trading Compliance Program, and there were no calls or submissions made to the Whistleblower Hotline.

0 calls or submissions made to our Whistleblower Hotline

■ **STAKEHOLDER GOVERNANCE**

We ask that our vendors, contractors and tenants comply with certain policies and procedures consistent with our ethical practices and in furtherance of our ESG objectives. Our vendors are subject to our Code of Business Conduct and Ethics Policy, Vendor Code of Conduct and Corporate Sustainability Policy, available on our website, [www.americanassetstrust.com](http://www.americanassetstrust.com), in connection with their work with us. We ask that vendors and contractors source environmentally sustainable materials when feasible, and to procure materials from companies with ethical business practices. We will not partner with individuals or entities that procure material from sources that violate child labor and human trafficking laws or practice coercion, bribery or other illegal or corrupt practices. Any proposed stakeholder is reviewed for conflicts of interest with us prior to entering into any contract or transaction.





100% committed to our IT and cybersecurity policy

100% participation in cybersecurity training

**CYBERSECURITY**

We have invested substantial time and capital to modernize our Information Technology (“IT”) systems and have made significant efforts to secure the information that is processed through those systems. Information security risks have dramatically increased in recent years due to the rise in connected technologies and the increased activity and sophistication of perpetrators of cyber-attacks. We face risks associated with security breaches, whether through cyber-attacks or cyber-intrusions over the Internet, malware, computer viruses, phishing, attachments to emails and/or team members or third-parties with access to our systems. We face the risk of ransomware or other cyber-attacks aimed at disrupting the availability of systems, applications, networks or data important to our business operations. We seek to mitigate the risk of disruptions, breaches or disclosure of confidential information by implementing a variety of security measures including (among others) engaging reputable, recognized firms to help us design and maintain our information technology and data security systems, and testing and verifying that they are proper and secure on a periodic basis. We have also put in place policies aimed to mitigate

these risks, such as our IT Policy and IT Protection Strategies and Incident Response Policy for Cyber-attacks and Data Breaches, software to identify potential attacks, built in redundancy to preserve our data and train team members to better recognize suspicious activity.

As part of our on-going efforts to protect against cybersecurity threats, 100% of our team members and executive officers are required to participate in cybersecurity training on a regular basis which is reinforced by targeted phishing emails sent by our IT to randomly selected team members. In 2023, 100% of our team members and executive officers certified their commitment to our IT and cybersecurity policies.

Our Audit Committee oversees our IT internal controls and is updated on our cybersecurity threats and mitigation efforts on a quarterly basis. Internal audits are routinely conducted to confirm compliance with the processes and procedures we have put in place to safeguard our Company.

**BUSINESS CONTINUITY**

We believe that our business continuity plan, which is overseen by our executive team, including our Chairman and CEO, President and COO, and Executive Vice President and CFO, and regularly updated to address new types of threats, will help enable us to maintain business continuity and minimize financial loss in the event of a business disruption. In such an event, our IT Response Team, comprised of team members from our IT, financial, legal, risk management, internal audit and property management departments and overseen by our executive team, will work to promptly mobilize their coordinated response to mitigate any financial or data loss and restore full productivity. Our strong and long-term relationships with our vendors and suppliers may allow us to procure materials when supply chain issues are impacted. The last few years have made clear that our strategy of routinely reevaluating our business continuity plan to prepare for various possible disruption scenario and testing for potential vulnerabilities, helped mitigate the impact of the pandemic on our business, and we expect it to allow us to stave off future major business continuity disruption events.

# CONCLUSION



**HASSALO ON EIGHTH**  
Portland, OR

Thank you for taking the time to review our 2022 Sustainability Report. American Assets Trust, Inc. seeks to be a dedicated steward of our community and our environment. Together with our stakeholders, we have developed and incorporated into our business practices innovative programs to promote environmental sustainability, social responsibility and corporate governance practices across our commercial real estate portfolio. We are proud of our accomplishments to date but acknowledge that more needs to be done to slow the effects of climate change and further our ethical responsibilities to our community. We look forward to sharing with you, in future annual sustainability reports, our new initiatives and projects to further our ESG goals.

We would like to acknowledge all the team members that have worked toward meeting our ESG goals, including contributing to this report. We recognize the tremendous time and effort required to complete this undertaking and we thank you.



# APPENDIX

## KEY PERFORMANCE INDICATORS <sup>25, 26</sup>

### EMISSIONS ABSOLUTE

	2019 MTCO <sub>2e</sub>	2022 MTCO <sub>2e</sub>	OVERALL MTCO <sub>2e</sub>	CHANGE %
Total Emissions	33,762	34,136	374	1.1%
Scope 1	6,226	6,676	450	7.2%
Scope 2 – Market Based	26,624	27,004	379	1.4%
Scope 2 – Location Based	27,535	27,459	-76	-0.3%
<b>Total SF</b>	<b>9,590,943</b>	<b>10,203,536</b>		

### HISTORICAL MARKET-BASED EMISSIONS INTENSITY

	kgCO <sub>2e</sub> /SF	OVERALL kgCO <sub>2e</sub> /SF	CHANGE %
2019	2.8		
2020	2.4	-0.3	-12.2%
2021	2.3	-0.5	-17.3%
2022	2.6	-0.1	-4.7%

### ENERGY ABSOLUTE

	2019 MWh	2022 MWh	OVERALL MWh	CHANGE %
Electricity	101,575	101,084	-491	-0.5%
Natural Gas	34,360	36,839	2,479	7.2%*
District Steam/Chilled Water	5,474	5,393	-81	-1.5%
<b>Total SF</b>	<b>9,590,943</b>	<b>10,203,536</b>		

### ENERGY LIKE-FOR-LIKE

	MWh	OVERALL MWh	CHANGE %
2019	141,409		
2020	134,261	-7,148	-5.1%
2021	129,464	-11,945	-8.4%
2022	136,432	-4,977	-3.5%
2030	127,268	-14,141	-10.0%

Total SF = 9,590,943 (excludes any new acquisitions)

<sup>25</sup> For more information on our reporting boundaries, please refer to the Reporting Methodology and Boundry section of this report.

<sup>26</sup> Square footage as reported to ENERGY STAR unless indicated otherwise.

### HISTORICAL ENERGY USE INTENSITY

	kBtu/SF	CHANGE %
2019	50.3	
2020	47.8	
2021	44.6	
2022	47.9	-4.7%

Site energy use intensities may be lower than actual due to low data coverage of indirectly controlled area at the retail properties.

### GREEN ENERGY SUMMARY

	Solar (kWh)	TOTAL (kWh)	CHANGE %
2019	1,487,940	1,487,940	
2020	1,485,576	1,485,576	-0.2%
2021	1,437,245	1,437,245	-3.4%
2022	1,501,602	1,501,602	0.9%

### RENEWABLE ENERGY SUMMARY

	Solar (kWh)	RECs (kWh)	TOTAL (kWh)	CHANGE %
2019	1,487,940	3,204,000	4,691,940	
2020	1,485,576	3,204,000	4,689,576	-0.1%
2021	1,437,245	3,204,000	4,641,245	-1.1%
2022	1,501,602	1,602,000	3,103,602	-33.9%

### WATER ABSOLUTE

	2019 kgal	2022 kgal	OVERALL kgal	CHANGE %
Water Usage	224,486	242,316	17,830	7.9%
<b>Total SF</b>	<b>9,590,943</b>	<b>10,203,536</b>		



### WATER LIKE-FOR-LIKE

	kgal	OVERALL kgal	CHANGE %
2019	224,486		
2020	209,423	-15,063	-6.7%
2021	225,000	514	-0.2%
2022	235,701	11,215	5.0%
2030	202,037	-22,449	-10.0%

Total SF = 9,590,943 (excludes any new acquisitions)

### HISTORICAL WATER USE INTENSITY

	gal/SF	OVERALL gal/SF	CHANGE %
2019	23.4		
2020	21.8	-1.6	-6.7%
2021	22.5	-0.9	-3.8%
2022	23.7	-0.3	-1.5%

### WASTE ABSOLUTE

	2019 Tons	2022 Tons	OVERALL Tons	CHANGE %
Mixed Solid Waste	9,730	8,142	-1,588	-16.3%
Recycled	3,282	2,675	-606	-18.5%
Compost	171	151	-21	-12.1%
<b>Total SF</b>	<b>9,590,943</b>	<b>10,203,536</b>		

### WASTE LIKE-FOR-LIKE

	Tons	OVERALL Tons	CHANGE %
2019	9,730		
2020	8,448	-1,282	-13.2%
2021	8,476	-1,254	-12.9%
2022	8,142	-1,588	-18.8%
2030	5,838	-3,832	-40.0%

Total SF = 9,590,943 (excludes any new acquisitions)

### HISTORICAL WASTE DIVERSION RATE

	Percentage	CHANGE %
2019	26.2%	
2020	25.5%	-2.8%
2021	24.3%	-7.1%
2022	25.8%	-1.6%
<b>Total SF = 10,203,536</b>		

### LEED CERTIFICATIONS

LEVEL	Total LEED		New Construction		Redevelopments	
	# of Properties	SF	# of Properties	SF	# of Properties	SF
Platinum	6	2,547,443				
Gold	1	529,789				
Silver	1	92,195				
Certified	1	103,539				
<b>TOTAL</b>	<b>9</b>	<b>3,272,966</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

For properties that were awarded multiple LEED certifications, their SF was only counted once for purposes of Total LEED count. Total LEED certifications awards exceed 9 awards.

### ENERGY STAR CERTIFICATIONS

<b># of Buildings Certified</b>	<b>29</b>
SF Certified	6,331,679
Total Certified	60.1%
Total Eligible Certified	88.5%

### OTHER BUILDING CERTIFICATIONS

CERTIFICATION	SF
BREEAM	440,955
IREM	620,220
FITWEL	440,955

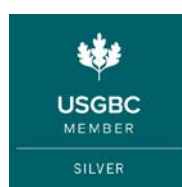


# AWARDS AND RECOGNITION



PACIFIC RIDGE  
APARTMENTS  
San Diego, CA

## ■ Building Certifications/Awards







■ **2019 and 2016 NAREIT® Investor CARE (Communications & Reporting Excellence) Award – Silver**

The Investor CARE award is presented by NAREIT® to members that interact most effectively with their investors online, in writing and orally, as well as those member companies that provide their investors with the most comprehensive and useful information in the most efficient manner. All NAREIT® publicly traded corporate members, both equity and mortgage REITs, are automatically considered.

■ **2017, 2016 and 2015 Forbes® List of America's 50 Most Trustworthy Financial Companies** <sup>27</sup>



These lists were assembled by an independent research firm on behalf of Forbes® which assessed the accounting and governance behaviors of nearly 700 publicly traded North American financial companies. Financial companies are assessed and ranked based on various factors which serve as indicators of a company’s creditability, including, without limitation, insolvency risk, accounting methods and high-risk events.

■ **San Diego Business Journal's ("SDBJ") Recognitions:**

- In SDBJ's November 2020 "Most Influential People in San Diego" issue, our Chairman and CEO, Ernest Rady, was listed as an "icon" that has made the work of other San Diego community leaders possible.
- In SDBJ's October 2020 Giving Guide, the Rady Family Foundation (founded by Ernest Rady) was ranked as number 10 in total assets for charitable family foundations in San Diego.
- Since 2011, we have been named in SDBJ's "Top 50 Public Companies" issue, which ranks the largest public companies in San Diego.

<sup>27</sup> 2017 was the final year Forbes® published this list.



# FORWARD-LOOKING STATEMENTS



**FIRST & MAIN**  
*Portland, OR*

This Sustainability Report highlights our ESG efforts for the reporting year. All data and information concerning our ESG strategies and objectives, environmental and sustainability-related goals and efforts, energy consumption, water usage, waste management, building certifications, development and redevelopment activity in this Sustainability Report is as of December 31, 2022, unless otherwise specified. The statements in this Sustainability Report that are not historical facts are forward-looking statements.

We are dependent on certain data and information that was obtained from published sources and/or third parties, which may not be accurate or complete, to evaluate and im-

plement our ESG practices. We make no assurance that we will implement any of the ESG policies, strategies, or procedures outlined in this Sustainability Report, or that, if implemented, such policies, strategies, and procedures will have any material ESG-related effect. The standards of measurement and performance for ESG issues are developing or are based on assumptions, and norms may vary by region. Past performance should not be viewed as a guide to future performance. We make no representation or warranty regarding the information set forth in this Sustainability Report.

This Sustainability Report may contain forward-looking statements within the meaning of the federal securities

laws, which are based on current expectations, forecasts and assumptions that involve risks and uncertainties that could cause actual outcomes and results to differ materially. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, goals, targets, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as “may,” “will,” “should,” “expects,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” or “potential” or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: the impact of epidemics, pandemics, or other outbreaks of illness, disease or virus (such as the outbreak of COVID-19 and its variants) and the actions taken by government authorities and others related thereto, including the ability of our Company, our properties and our tenants to operate; adverse economic or real estate developments in our markets; our failure to generate sufficient cash flows to service our outstanding indebtedness; defaults on, early terminations of or non-renewal of leases by tenants, including significant tenants; difficulties in identifying properties to acquire and completing acquisitions; difficulties in completing dispositions; our failure to successfully operate acquired properties and operations; our inability to develop or redevelop our properties due to market conditions; fluctuations in interest rates and increased operating costs; risks related to joint venture arrangements; our failure to obtain necessary outside financing; on-going litigation; general economic conditions; financial market fluctuations; risks that affect the general retail, office, multifamily and mixed-use environment; the competitive environment in which we operate; decreased rental rates or increased vacancy rates; conflicts of interests with our officers or directors; lack or insufficient amounts of insurance; environmental uncertainties, risks and events related to adverse weather conditions and natural disasters; unexpected regulatory changes; changes to third party practices and the accuracy of third party data and assumptions; changes to how we assess our ESG strategy, efforts and risks, environmental sustainability, carbon neutrality efforts and emission reduction efforts; other factors affecting the real estate industry generally; limitations imposed on our business and our ability to satisfy complex rules in order for us to continue to qualify as a REIT for U.S. federal income tax purposes; and

changes in governmental regulations or interpretations thereof, such as real estate and zoning laws and increases in real property tax rates and taxation of REITs. While forward-looking statements reflect our Company's good faith beliefs, assumptions and expectations, they are not guarantees of future performance. For a further discussion of these and other factors that could cause our Company's future results to differ materially from any forward-looking statements, see the section entitled “Risk Factors” in our Company's most recent annual report on Form 10-K, and other risks described in documents subsequently filed by our Company from time to time with the Securities and Exchange Commission. Our Company disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, of new information, data or methods, future events or other changes. In this presentation, we rely on and refer to information and statistical data regarding the industry and the sectors in which we operate. This information and statistical data is based on information obtained from various third-party sources, and, in some cases, on our own internal estimates. We believe that these sources and estimates are reliable but have not independently verified them and cannot guarantee their accuracy or completeness. Our discussions herein of our ESG initiatives and related issues are informed by various standards and frameworks (including standards for the measurement of underlying data) and the interests of various stakeholders, which often are more expansive than certain requirements under the federal securities laws. In particular, such information may not be “material” under the federal securities laws definition of materiality for SEC reporting purposes. Furthermore, much of this information is subject to assumptions, estimates, or third-party information that is still evolving and subject to change. Given the uncertainties, estimates, and assumptions involved, the materiality of some of this information is inherently difficult to assess far in advance. We may also rely on third-party information, standards, and certifications, which may change over time as methodologies and data availability and quality continue to evolve. These factors, as well as any inaccuracies or methodological concerns with the third-party data and frameworks we use, including in our own estimates or assumptions in response to such frameworks, may cause results to differ materially, and adversely, from estimates and beliefs made by us or third parties, including regarding our ability to achieve our goals.

This Sustainability Report may include non-GAAP financial measures that we consider meaningful measures of financial performance.



AMERICAN  
ASSETS   
TRUST

2022 SUSTAINABILITY REPORT