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AvalonBay Communities Issues Latest Corporate Responsibility (CR) Report

Company Establishes 2020 CR Goals

ARLINGTON, Va.--(BUSINESS WIRE)-- AvalonBay Communities, Inc. (NYSE: AVB) today announced the release of its 2014 Annual [Corporate Responsibility \(CR\) Report](#). In addition to reporting on the Company's 2014 CR achievements, the report describes the Company's new 2020 corporate responsibility goals.

The Report is AvalonBay's fourth annual CR review, and it summarizes the Company's environmental, social and governance performance and activities during the 2014 calendar year. Among AvalonBay's achievements for the past year were:

- Water use intensity (number of gallons per apartment home) decreased by 2.1% throughout the Company's operations;
- Energy use intensity (number of kilowatts per square foot) decreased by 1.6% throughout the Company's operations;
- Seven (7) AvalonBay apartment communities received LEED or Energy Star environmental certifications;
- At year end twenty-eight (28) apartment communities held or were pursuing LEED or Energy Star certifications, three times more than in the previous year; and
- The Company pledged a \$1 million, four-year commitment to the American Red Cross.

Timothy J. Naughton, Chairman and CEO of AvalonBay, said: "Our 2014 corporate responsibility record demonstrates that we are moving in the right direction, creating a better way to live and acting as a force for positive change. We are committed to efforts that make AvalonBay more innovative, sustainable and community-focused. Our corporate responsibility initiatives are driving measurable improvements in energy and water efficiency. Our strategic approach to philanthropy is building sustainable partnerships with non-profits that support disaster relief, affordable housing and support for the disadvantaged – all areas that matter greatly to our business and the communities in which we live and operate. With our 2020 goals in place, we plan to continue to set a high bar in our industry to measure our progress in corporate responsibility and transparency."

The Company established for the first time corporate responsibility goals, aiming by 2020 to:

- Reduce energy use intensity by 15% (of the like-for-like portfolio);
- Reduce water use intensity by 15% (of the like-for-like portfolio);
- Increase by 33% the Company's Net Promoter Score, a management tool that can be used to gauge the loyalty of a firm's customer relationships;
- Reach the 75th percentile or better in terms of associate engagement; and
- Increase annual community investment to \$2.2M total cash and in-kind.

Highlights of the 2014 Corporate Responsibility Report include the following details concerning energy and water use, strategic philanthropy, and business integration.

Energy and Water Efficiency Progress

- Decline in total water consumption (2.1% decrease); total energy consumption (5% decrease); and scope 1 and 2 emissions (1.3% decrease);
- New design and construction standards in acoustics and electric vehicle car charging;
- Energy labelling deployed across 27 communities and another 11 due in the first half of 2015;
- Lighting and weather-based irrigation projects brought to scale across the portfolio.

Strategic Philanthropy Program

- Four-year, \$1M commitment to the American Red Cross;
- 3,200 volunteer hours during Spirit of Caring Month, a 78% increase year-over-year;

Business Integration

- [Responsible Supply Chain Principles](#)
- Resident and associate engagement (associate engagement in 90th percentile, currently achieving the 2020 goal);
- Integrating sustainability with redevelopment efforts resulted in a 19% drop in post-redevelopment utility costs at impacted communities.

About AvalonBay Communities, Inc.

As of March 31, 2015, the Company owned or held a direct or indirect ownership interest in 279 apartment communities containing 81,606 apartment homes in eleven states and the District of Columbia, of which 25 communities were under construction and seven communities were under reconstruction. The Company is an equity REIT in the business of developing, redeveloping, acquiring and managing apartment communities in the leading metropolitan areas in New England, the New York/New Jersey Metro area, the Mid-Atlantic, the Pacific Northwest, and the Northern and Southern California regions of the United States. More information may be found on the Company's website at <http://www.avalonbay.com>. Complete copies of AvalonBay's current and past annual CR Reports can be found [here](#).

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