



CREATING A BETTER WAY TO LIVE

2018 CORPORATE RESPONSIBILITY REPORT



Global Reporting Initiative Content Index

GRI-G4 General Standard Disclosures

Strategy and Analysis

GRI Indicator	Description	Report Section
G4-1	CEO statement about the relevance of sustainability to the organization and its strategy	From the CEO, p.3–4
G4-2	Approach to the construction of new assets versus retrofits, upgrades and refurbishments, and the effect this has on impacts, risks and opportunities OR Provide a description of key impacts, risks and opportunities OR Targets for next reporting period	2020 Goals Progress, p.8

Organizational Profile

GRI Indicator	Description	Report Section
G4-3	The name of the organization	About AvalonBay, p.28
G4-4	Primary products and services	About AvalonBay, p.28
G4-5	Location of the organization's headquarters	Corporate and Regional Office Locations, p.28
G4-6	Countries where the organization operates	About AvalonBay, p.28
G4-7	Nature of ownership and legal form	About AvalonBay, p.28
G4-8	Markets served	About AvalonBay, p.28
G4-9	Scale of the reporting organization	About AvalonBay, p.28
G4-10	Employee diversity and data	Diversity, Inclusion and Employment Metrics, p.24–25
G4-11	Report the percentage of total employees covered by collective bargaining agreements	Other GRI Indicators, p.47
G4-12	Describe the organization's supply chain	Vendors, Suppliers, Contractors, p.32
G4-13	Significant changes during the reporting period regarding the organization's size, structure and ownership	Report Parameters, p.49; From the CEO, p.3–4
G4-14	Commitment to external initiatives (LEED, Energy Star, GRESB)	From the CEO, p.3–4; 2018 Environmental Sustainability Highlights, p.13
G4-15	Externally developed economic, environmental and social charters, principles or other initiatives to which the organization subscribes or which it endorses	From the CEO, p.3–4; 2018 Environmental Sustainability Highlights, p.13
G4-16	Memberships in associations and advocacy organizations	From the CEO, p.3–4; 2018 Environmental Sustainability Highlights, p.13

Identified Material Aspects and Boundaries

GRI Indicator	Description	Report Section
G4-17	List all entities included in the organization's consolidated financial statements. Report whether any entity included in the organization's consolidated financial statements is not covered by the report	2018 AvalonBay Annual Report
G4-18	Defining the report content and the Aspect Boundaries	Report Parameters, p.49; Aspect Boundaries, p.42
G4-19	Material Aspects identified in the process for defining report content	Materiality Analysis and Management Approach, p.32
G4-20	Reporting Boundary	Report Parameters, p.49; Aspect Boundaries, p.42
G4-21	For each Material Aspect, report the Aspect Boundary outside the organization, as follows: <ul style="list-style-type: none"> • Report whether the Aspect is material outside of the organization • If the Aspect is material outside of the organization, identify the entities, groups of entities or elements for which the Aspect is material. In addition, describe the geographical location where the Aspect is material for the entities identified • Report any specific limitation regarding the Aspect Boundary outside the organization 	Aspect Boundaries, p.42
G4-22	Report the effect of any restatements of information provided in previous reports and the reasons for such restatements	2018 Environmental Sustainability Highlights, p.13
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	2018 Environmental Sustainability Highlights, p.13

Stakeholder Engagement

GRI Indicator	Description	Report Section
G4-24	List of stakeholder groups at the organizational level and engagement at a project or asset level	Stakeholders, p.32
G4-25	Basis for identification and selection of stakeholders with whom to engage	Materiality Analysis and Management Approach, p.32
G4-26	Organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group	Materiality Analysis and Management Approach, p.32
G4-27	Topics and concerns that have been raised through stakeholder engagement	Materiality Analysis and Management Approach, p.32

Report Profile

GRI Indicator	Description	Report Section
G4-28	Reporting period	Report Parameters and GRI-G4 In-Accordance Option, p.49
G4-29	Date of most recent previous report	Report Parameters and GRI-G4 In-Accordance Option, p.49
G4-30	Reporting cycle	Report Parameters and GRI-G4 In-Accordance Option, p.49
G4-31	Contact point for questions about the report	Contact, p.49
G4-32	GRI content index	Global Reporting Initiative Content Index, p.35
G4-33	External assurance	Assurance Statement, p.4 and repeated on p.49

Governance

GRI Indicator	Description	Report Section
G4-34	Governance structure of the organization	Governance and Ethics, p.29
G4-35	The process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees	Corporate Responsibility Governance, p.31
G4-36	Appointed an executive-level position with responsibility for economic, environmental and social topics	Corporate Responsibility Governance, p.31
G4-38	The composition of the highest governance body and its committees	Governance and Ethics, p.29
G4-39	Indication of whether the chair of the highest governance body is also an executive officer	Governance and Ethics, p.29
G4-42	The highest governance body sets the tone for the organization and has a major role in defining its purpose, values and strategy	Governance and Ethics, p.29
G4-43	Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics	Corporate Responsibility Governance, p.31
G4-45	Risk management identification and management of economic, environmental and social impacts, risks and opportunities	Corporate Responsibility Governance, p.31
G4-46	Role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics	Corporate Responsibility Governance, p.31
G4-48	The highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all Material Aspects are covered	Corporate Responsibility Governance, p.31

Ethics and Integrity

GRI Indicator	Description	Report Section
G4-56	Codes of conduct and codes of ethics	Code of Business Conduct and Ethics, p.29; Ethics and Compliance Training, p.29; Internal Audit, p.30; Vendor Code of Conduct and Responsible Supply Chain Principles, p.30
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behavior	Code of Business Conduct and Ethics, p.29; Internal Audit, p.30
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behavior and matters related to organizational integrity	Code of Business Conduct and Ethics, p.29; Internal Audit, p.30

GRI-G4 Specific Standard Disclosures

Disclosures on Management Approach

GRI Indicator	Description	Report Section
G4-DMA	<p>a. Report why the Aspect is material. Report the impacts that make this Aspect material</p> <p>b. Report how the organization manages the Material Aspect or its impacts</p> <p>c. Report the evaluation of the management approach, including</p> <ul style="list-style-type: none"> • The mechanisms for evaluating the effectiveness of the management approach • The results of the evaluation of the management approach • Any related adjustments to the management approach 	Materiality Analysis and Management Approach, p.32

Economic

Aspect: Economic Performance

GRI Indicator	Description	Report Section
G4-EC1	The direct economic value generated and distributed (EVG&D) revenues, operating costs, employee wages and benefits, payments to providers of capital, government and community investments	Economic, Community and Development Performance, p.45
G4-EC2	Financial and reputational risks and opportunities related to climate change, in addition to other sustainability issues	Corporate Responsibility Governance, p.31

Aspect: Indirect Economic Impacts

GRI Indicator	Description	Report Section
G4-EC7	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind or pro bono engagements	Building Strong Communities Program, p.16
G4-EC8	Significant indirect economic impacts including creating jobs, services, development in areas of high poverty and change in location of operations or activities	Building Strong Communities Program, p.16

Environmental

Aspect: Energy

GRI Indicator	Description	Report Section
G4-EN3	Energy consumption within the organization	Environmental Performance, p.45–46
G4-EN5	Energy intensity	Environmental Performance, p.45–46
G4-EN6	Reduction of energy consumption	Environmental Performance, p.45–46
G4-EN7	Reduction in energy requirements of products and services	Environmental Performance, p.45–46 and 2018 Environmental Sustainability Highlights, p.13

Aspect: Water

GRI Indicator	Description	Report Section
G4-EN8	Total water withdrawal by source	Environmental Performance, p.46
CRE2	Building water use intensity	Environmental Performance, p.46

Aspect: Emissions

GRI Indicator	Description	Report Section
G4-EN15	Direct greenhouse gas (GHG) emissions (scope 1)	Environmental Performance, p.45–46
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (scope 2)	Environmental Performance, p.45–46
G4-EN17	Other indirect greenhouse gas (AHG) emissions (scope 3)	Environmental Performance, p.45–46
G4-EN18	Greenhouse gas (GHG) emissions intensity	Environmental Performance, p.45–46

Aspect: Effluents and Waste

GRI Indicator	Description	Report Section
G4-EN23	Total weight of waste by type and disposal method	Environmental Performance, p.46

Aspect: Land

GRI Indicator	Description	Report Section
CRE5	Land remediated and in need of remediation for the existing or intended land use, according to applicable legal designations	Development and Construction, p.47

Aspect: Products and Services

GRI Indicator	Description	Report Section
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	Development and Construction, p.47 and 2018 Environmental Sustainability Highlights, p.13

Aspect: Compliance

GRI Indicator	Description	Report Section
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Other GRI Indicators, p.46

Aspect: Supplier Environmental Assessment

GRI Indicator	Description	Report Section
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	Vendor Code of Conduct and Responsible Supply Chain Principles, p.30; Vendors, Suppliers, Contractors, p.32

Labor Practices and Decent Work

Aspect: Employment

GRI Indicator	Description	Report Section
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	Diversity, Inclusion and Employment Metrics, p.24
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Benefits, p.22

Aspect: Labor/Management Relations

GRI Indicator	Description	Report Section
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	Diversity, Inclusion and Employment Metrics, p.24

Aspect: Occupational Health and Safety

GRI Indicator	Description	Report Section
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities, by region and by gender	Health and Safety, p.20–21
CRE6	Percentage of the organization operating in verified compliance with an internationally recognized health and safety management system	Health and Safety, p.20–21

Aspect: Training and Education

GRI Indicator	Description	Report Section
G4-LA9	Average hours of training per year, per employee, by gender and by employee category	Learning and Development, p.19
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Learning and Development, p.19
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	Learning and Development, p.19

Aspect: Diversity and Equal Opportunity

GRI Indicator	Description	Report Section
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity	Diversity, Inclusion and Employment Metrics, p.24

Aspect: Supplier Assessment for Labor Practices

GRI Indicator	Description	Report Section
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	Vendor Code of Conduct and Responsible Supply Chain Principles, p.30; Vendors, Suppliers, Contractors, p.32

Human Rights

Aspect: Investment

GRI Indicator	Description	Report Section
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	Ethics and Compliance Training, p.29

Aspect: Supplier Human Rights Assessment

GRI Indicator	Description	Report Section
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	Vendor Code of Conduct and Responsible Supply Chain Principles, p.30; Vendors, Suppliers, Contractors, p.32

Society

Aspect: Local Communities

GRI Indicator	Description	Report Section
G4-S01	Percentage of operations with implemented local community engagement, impact assessments and development programs	Building Strong Communities Program, p.16

Aspect: Anti-Corruption

GRI Indicator	Description	Report Section
G4-S03	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	Internal Audit, p.30
G4-S04	Communication and training on anti-corruption policies and procedures	Code of Business Conduct and Ethics, p.29; Ethics and Compliance Training, p.29

Aspect: Public Policy

GRI Indicator	Description	Report Section
G4-S06	Total value of political contributions by country and by recipient/beneficiary	Our Policy on Contributions, p.28

Aspect: Anti-Competitive Behavior

GRI Indicator	Description	Report Section
G4-S07	Total number of legal actions for anti-competitive behavior, anti-trust and monopoly practices and their outcomes	Other GRI Indicators, p.47

Aspect: Supplier Assessment for Impacts on Society

GRI Indicator	Description	Report Section
G4-S09	Percentage of new suppliers that were screened using criteria for impacts on society	Vendor Code of Conduct and Responsible Supply Chain Principles, p.30; Vendors, Suppliers, Contractors, p.32

Product Responsibility

Aspect: Customer Health and Safety

GRI Indicator	Description	Report Section
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	Health and Safety, p.20–21; Safety and Health Qualification Tables, p.47

Aspect: Product and Service Labeling

GRI Indicator	Description	Report Section
G4-PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	Creating a Better Way to Live for Our Residents, p.26–27

Aspect: Customer Privacy

GRI Indicator	Description	Report Section
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Creating a Better Way to Live for Our Residents, p.26–27

Aspect Boundaries: G4-18, G4-19, G4-20, G4-21 Disclosures

G4 Category: Economic

G4 Material Aspects	Material Within the Org.	Material External to the Org.	Relevance Outside the Organization	Specific Standard Disclosures
Economic performance	•	•	This is important to our own associates and our external stakeholders, who include the communities in which we do business and our suppliers and shareholders. Providing economic benefit to these communities and shareholder return to our investors is directly related to positive economic performance	G4-EC1 G4-EC2
Indirect economic impacts		•	We create jobs and community infrastructure improvements as we develop new communities, so this is important to those communities	G4-EC7 G4-EC8

G4 Category: Environmental

G4 Material Aspects	Material Within the Org.	Material External to the Org.	Relevance Outside the Organization	Specific Standard Disclosures
Materials	•	•	Use of materials and the amount of materials recycled is important internally because it has direct organizational cost implications. Externally, our communities benefit from more sustainable material usage and recycling, reducing the dependence on landfill and other means of disposal	G4-EN1 G4-EN2
Energy	•	•	Internally, responsible management of our energy consumption and efforts to reduce that consumption improve operational performance and building value. It is also important to our external stakeholders as part of our commitment to reduce our impact on the environment	G4-EN3 G4-EN5 G4-EN6 G4-EN7
Water	•	•	Internally, responsible management of our water consumption and efforts to reduce that consumption improve operational performance and building value. It is also important to our external stakeholders as part of our commitment to reduce our impact on the environment	G4-EN8 CRE2

Aspect Boundaries: G4-18, G4-19, G4-20, G4-21 Disclosures (continued)

G4 Category: Environmental (continued)

G4 Material Aspects	Material Within the Org.	Material External to the Org.	Relevance Outside the Organization	Specific Standard Disclosures
Emissions		•	Reducing our emissions is important to the air quality of the communities in which we do business	G4-EN15 G4-EN16 G4-EN18
Effluents and waste	•	•	Responsible management of our waste and efforts to reduce waste that goes directly into a landfill improves operational performance. It is also important to our external stakeholders as part of our commitment to reduce our impact on the environment	G4-EN23
Land		•	This is important to our investors and the communities in which we do business as we develop land for the building of new communities	CRE5
Products and services	•	•	Responsible management of the environmental impacts of our buildings and improving the life cycle impact the building has on the environment can improve building value and reduce our costs. It therefore is important to both internal and external stakeholders and has direct relevance to the quality of life of our residents	G4-EN27
Compliance	•	•	Fines impact both the communities in which we do business and our operations, as they result from activity that could have deleterious consequences	G4-EN29
Supplier environmental assessment	•	•	Ensuring our suppliers are responsible stewards of the environment mitigates our operational risk and improves their operations and long-term responsibility as organizations	G4-EN32

G4 Category: Social

G4 Material Aspects	Material Within the Org.	Material External to the Org.	Relevance Outside the Organization	Specific Standard Disclosures
Employment	•		This is important to our associates and their career advancement and opportunities for development. The hiring and turnover components are also important to our overall business performance	G4-LA1 G4-LA2
Labor/management relations	•		This is important to our associates and their engagement with the company	G4-LA4
Occupational health and safety	•		This is important to our associates and their well-being	G4-LA6 CRE6
Training and education	•		This is important to our associates and their career advancement and opportunities for development. It is also important for the organization as a whole to ensure a talent pipeline and strong succession plans	G4-LA9 G4-LA10 G4-LA11
Diversity and equal opportunity	•		This is important to our associates and their opportunities for development and advancement. It is also important for the company to integrate diverse perspectives in our operations and decision-making	G4-LA12
Supplier assessment for labor practices	•	•	Ensuring our suppliers are responsible in their labor practices mitigates our operational risk and improves their operations and long-term responsibility as organizations	G4-LA14

Aspect Boundaries: G4-18, G4-19, G4-20, G4-21 Disclosures (continued)

G4 Category: Human Rights

G4 Material Aspects	Material Within the Org.	Material External to the Org.	Relevance Outside the Organization	Specific Standard Disclosures
Investment	•	•	This is important to our organization and the full development of our associates. Externally it is important for our interactions with and customer service to our residents	G4-HR2
Non-discrimination	•	•	This is important to the advancement of our associates and fairness to our residents and prospects	G4-HR3
Supplier human rights assessment	•	•	Ensuring our suppliers are responsible in their human rights practices mitigates our operational risk and improves their operations and long-term responsibility as organizations	G4-HR10
Local communities		•	This is important to the communities in which we operate	G4-S01
Anti-corruption	•	•	This is important for the governance of the company and impacts our performance, which is important to our shareholders and external stakeholders	G4-S03 G4-S04
Public policy	•	•	This is important both internally and externally to our stakeholders so they understand transparently how we are supporting public/political issues and discourse	G4-S06
Anti-competitive behavior	•	•	This is important to external stakeholders to preserve competition and marketplace choice	G4-S07
Supplier assessment for impacts on society	•	•	Ensuring our suppliers are responsible and aware of their impacts on society, mitigates our operational risk and improves their operations and long-term responsibility as organizations	G4-S09

G4 Category: Product Responsibility

G4 Material Aspects	Material Within the Org.	Material External to the Org.	Relevance Outside the Organization	Specific Standard Disclosures
Customer health and safety		•	This directly impacts the quality of life of our residents and ties into our responsibility toward them	G4-PR2
Product and service labeling	•	•	Increasing our resident Net Promoter Score is one of our 2020 goals and is important both internally and to our residents' quality of life	G4-PR5
Customer privacy	•	•	This is important internally from a risk and reputation perspective and externally to our residents. We are highly focused on the security of their data	G4-PR8