



LRQA Independent Assurance Statement

Relating to AvalonBay communities, Inc. Environmental, Social and Governance Report for Calendar Year 2023

This Assurance Statement has been prepared for AvalonBay Communities, Inc. (AvalonBay) in accordance with our contract but is intended for the readers of this Report.

Terms of engagement

LRQA was commissioned by AvalonBay to provide independent assurance on its 2023 Environmental, Social and Governance (ESG) Report (the report) against the assurance criteria below to a limited level of assurance and materiality of the professional judgement of the verifier using LRQA's verification procedure. LRQA's verification procedure is based on current best practice, is in accordance with ISAE 3000 and ISAE 3410 and uses the following principles of - inclusivity, materiality, responsiveness and reliability of performance data.

Our assurance engagement covered AvalonBay's operations and activities in the United States and specifically the following requirements:

- Verifying conformance with Global Reporting Initiative's (GRI¹) 1 Foundation 2021 Requirement 1 - Reporting principles of Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability Context, Timeliness and Verifiability;
- Confirming conformance with GRI Foundation Requirement 3 - Determine Material Topics; and
- Evaluating the accuracy and reliability of data and information contained in the report.

Note: also refer to LRQA's Assurance Statement for Environmental Data.

Our assurance engagement excluded the data and information of suppliers, contractors and any third parties mentioned in the report.

LRQA's responsibility is only to AvalonBay. LRQA disclaims any liability or responsibility to others as explained in the end footnote. AvalonBay's responsibility is for collecting, aggregating, analysing, and presenting all the data and information within the report and for maintaining effective internal controls over the systems from which the report is derived. Ultimately, the report has been approved by, and remains the responsibility of AvalonBay.

LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that AvalonBay has not, in all material respects:

- Met the requirements above;
- Disclosed accurate and reliable performance data and information as no errors or omissions were detected; and
- Covered all the issues that are important to the stakeholders and readers of this report.

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

Note: The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

LRQA's approach

LRQA's assurance engagements are carried out in accordance with our verification procedure. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Assessing AvalonBay's approach to stakeholder engagement to confirm that issues raised by stakeholders were captured correctly. We did this through interviews with senior management and a review of procedures and processes in place to manage stakeholder engagement.
- Reviewing AvalonBay's process for identifying and determining material issues to confirm that the right issues were included in their Report. We did this by independently reviewing AvalonBay's internal materiality process, comparing the report written by AvalonBay to ensure that sector specific issues were included, referencing the GRI G4 Sustainability Reporting Guidelines and SASB's Real Estate sector standard.

¹ <https://www.globalreporting.org>



- Auditing AvalonBay's data management systems to confirm that there were no significant errors, omissions, or misstatements in the Report. We did this by:
 - sampling specific source and aggregated data points referenced in the Report (supporting backup data for the report for all sections and topics was made available to LRQA);
 - speaking with key people responsible for compiling the data and drafting the Report;
 - reviewing the outcome of LRQA's separate verification exercise of GHGs and environmental data for 2023; and
- Interviewing members of the management team and various other roles within the company by virtual meetings.

Observations

Further observations and findings, made during the assurance engagement, are:

- Stakeholder inclusivity:
We are not aware of any stakeholder groups that have been excluded from the stakeholder engagement process. A variety of stakeholders provide input on the corporate sustainability priorities. The method and frequency of engagement with the stakeholder groups is listed in the Report.
- Materiality:
We are not aware of any material issues concerning AvalonBay's sustainability performance that have been excluded from the Report. A Materiality Analysis was last completed in 2022. The Report covers a range of ESG performance. The published annual PDF report provides highlights of key accomplishments and initiatives. The Appendix includes the index for the Global Report Initiative Content. AvalonBay's 2023 ESG is relevant to the context of the real estate industry and regions in which it operates.
- Responsiveness:
AvalonBay engages regularly with internal and external stakeholders. AvalonBay considers input from stakeholders on an evergreen basis. Specific examples of an emerging issue, reported in 2023, include: healthy materials (ref: Common Materials Framework), and development of the Biodiversity Risk Assessment Policy.
- Reliability:
We believe that the criteria applied are appropriate and sufficient to produce consistent, unbiased, understandable content for the end user.
- AvalonBay is reporting in reference to the GRI G4 Standards which has been superseded by a number of GRI Standards. Management should plan to report the CY2024 ESG Report in reference to:
 - GRI 1: Foundation 2021
 - GRI 2: General Disclosures 2021
 - GRI 3: Material Topics 2021
 - Latest GRI Topic Standards

LRQA's standards, competence and independence

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training, and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

The verification assessment along with GHG verification is the only work undertaken by LRQA for AvalonBay and as such does not compromise our independence or impartiality.

Signed

A handwritten signature in blue ink that reads 'Neville Dias'.

Neville Dias
LRQA Lead Verifier
On behalf of LRQA Inc.
2102 CityWest Blvd., Houston, TX 77042
LRQA reference: UQA00000422

Dated: May 9, 2024

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