

## AVALONBAY'S RESPONSIBLE PROCUREMENT PRINCIPLES

These Responsible Procurement Principles set forth the expectations of AvalonBay with respect to all suppliers with whom AvalonBay does business. These principles apply to AvalonBay's direct suppliers and any of their subsidiaries, affiliates or other related entities involved in the provision of services or products to AvalonBay ("Suppliers"), including Supplier's subcontractors, suppliers and agents as well as their employees (collectively, "Indirect Suppliers"). AvalonBay expects Suppliers to work with their Indirect Suppliers to ensure that Indirect Suppliers make a good faith effort to meet these principles. Any reference in this document to Supplier applies equally to Indirect Suppliers.

AvalonBay expects Suppliers to maintain and keep current, and to cause Indirect Suppliers to maintain and keep current, appropriate management policies, procedures and controls whose scope aligns to and supports these Responsible Procurement Principles (sometimes referred to as "Principles"). Each of these Principles are of individual importance and will be weighted equally in determining whether to engage Supplier to provide product and/or services on an ongoing basis.

### 1 - HUMAN RIGHTS

AvalonBay expects each of its Suppliers and its Indirect Suppliers to support and respect the protection of human rights and to ensure that it is not complicit in human rights abuses, including:

**1.1 - Harassment, Harsh or Inhumane Treatment:** Supplier shall create and maintain an environment that treats all employees with dignity and respect and Supplier will not engage in any threats of violence, sexual exploitation or abuse, verbal or psychological harassment or abuse in the conduct of its business. No harsh or inhumane treatment, coercion or corporal punishment of any kind is to be tolerated by Supplier in the conduct of its business, including its business with the Indirect Suppliers.

**1.2 - Health and Safety:** Supplier shall follow all applicable laws, regulations and other governmental directives in the country in which it operates or any other location where production or work is under taken to ensure a safe and healthy workplace for all personnel, including the personnel of Indirect Suppliers. At a minimum, Suppliers should implement recognized workplace systems, procedures and controls for the health and safety of all personnel in compliance with nationally-recognized standards.

**1.3 - Freedom of Association and Collective Bargaining:** Supplier shall recognize and respect the rights of employees to freely associate, organize and bargain collectively in accordance with state and federal laws, without fear of harassment, intimidation, penalty or reprisal.

**1.4 - Forced Labor:** Supplier shall not use any forced, bonded or indentured labor or involuntary prison labor. All work, including overtime work, will be voluntary and workers should be free to terminate

their employment. Suppliers will not mandate that workers hand over government-issued identification, passports or work permits as a condition of employment.

**1.5 - Child Labor:** Supplier shall, at a minimum, not engage in any practice of child labor. The minimum admission to employment or work shall not be less than the greater of the age of: (i) completion of compulsory schooling; or (ii) the age the local law of the country designates for lawful employment. Additionally, all young workers must be protected from performing any work that is deemed by law or societal convention to be harmful to the child's physical or mental health or moral development. All Suppliers must comply with all laws and regulations governing child labor and apprenticeship programs.

**1.6 - Wages, Benefits, Working Hours:** Supplier shall comply with all applicable state and federal wage and hour laws and regulations, including those relating to minimum wages, overtime hours, piece rates and other elements of compensation, and provide legally mandated benefits.

## 2 – ENVIRONMENT

AvalonBay expects each of its Suppliers and its Indirect Suppliers to minimize their impact on the environment. This includes:

**2.1 – Pollution:** Supplier shall investigate possible sources of known air, land, and water pollutants and to implement controls to prevent pollutant release in excess of environmentally prudent limits as dictated by local law and generally accepted environmental conservation standards.

**2.2 – Waste:** Supplier shall establish and maintain controls designed to minimize the impact of waste throughout the supply chain, including as relates to production and packaging of waste and end of life treatment of products, encouraging recycling and reuse at all stages.

**2.3 – Hazardous Materials:** Supplier shall establish and maintain controls to eliminate hazardous substances and materials from products and services, and will promote the use of suitable alternatives, whenever practicable. Where substitution is not possible, Suppliers will distribute information on product hazardous substances as well as appropriate handling instructions for safe end of life treatment and disposal.