



REAL ESTATE: A FOUNDATION FOR CHANGE

Inaugural Corporate Responsibility Report

APRIL 2019



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THE TOWER BUILDING, ROCKVILLE, MD
PHOTO CREDIT: RON BLUNT



JEFFREY, GARY, AND RONALD ABRAMSON AT WASHINGTON SQUARE, WASHINGTON, DC
PHOTO CREDIT: 2015 DANIEL PECK PHOTOGRAPHY

A MESSAGE FROM THE ABRAMSON FAMILY

For more than 70 years and over three generations, our family has been driven by a deep sense of responsibility to transform the real estate industry and help guide society forward. We work tirelessly to develop and manage sustainable and healthy buildings that promote success for all people, create positive social change, and inspire future generations. Our family has demonstrated that you can do well by doing good and build a business while leading a movement that addresses our greatest environmental and social challenges. But there is more work to be done.

We view real estate as a foundation for change. Our focus on smart growth and ecologically sensitive building practices began in the early 1990s, well before “green building” was a trend. We have been driving change by completely re-engineering how buildings are designed, built, and operated—with the user experience always in mind. Our history of recognition reflects this commitment, including the first LEED-certified multi-family building in the United States (Blair Towns, 2004), international recognition for one of the World’s Greenest Buildings (2000 Tower Oaks, 2013), and the world’s first multi-family Fitwel certification (The Pearl, 2018). Our teams have been redefining standards for decades, motivating all of us to innovate and create buildings and environments that inspire, heal, and enrich our lives.

We take responsibility. Although our operations are local to our home in the Washington, D.C. area, we maintain a strong global perspective. Everyone is responsible for combating climate change and defending public health— because real change requires all of us to do our part. Our teams are proud to be part of the solution every day, committing to 100% renewable energy and reducing greenhouse gas emissions by over 45% since 2010. As real estate developers, we must act collectively to share experiences and resources that yield positive impacts for all people and our planet.

We are connectors. As a local, family-owned company, we are dedicated to cultivating community inside our buildings and throughout our surrounding neighborhoods. Honoring our father Albert “Sonny” Abramson’s commitment to philanthropy, we support our communities through volunteerism and corporate giving. It’s so important to us that we have supported over 2,000 hours of paid time off for employees to give back to the towns and cities where we live, work, and play.

Simply put: We view our mission and bottom line as one and the same.

As an industry and as a people, it is critical that we act together — as catalysts for change. This report is a blueprint that we hope you enjoy and put into practice, so our united efforts deliver a sustainable future in which everyone thrives.

Gary, Ronald, and Jeffrey Abramson



70 YEARS OF HISTORY

— 1947 - 2001 —

- ▶ **1947:** Company Founded
- ▶ **1955:** Partnered with Giant Food spurring Mid-Atlantic suburban shopping centers trend
- ▶ **1956:** 1st “outdoor mall” built in Richmond, VA (Willow Lawn)
- ▶ **1958:** 30 acres cleared for development of “[The Blairs](#)”
- ▶ **1959:** The Abramson Family Foundation formed
- ▶ **1960-1967:** The Blairs shopping center and apartments constructed
- ▶ **1974-1986:** 250 acres, Tower Oaks, purchased in Rockville, MD
- ▶ **1972-1977:** Landover Mall and White Flint Mall opened in MD
- ▶ **1982:** Washington Square built in D.C., largest privately owned development
- ▶ **1987:** [President Reagan appointed Albert Abramson to serve on the U.S. Holocaust Memorial Museum Council](#)
- ▶ **1997:** Tower portfolio’s first Green Lease for a commercial office
- ▶ **1998:** Albert Abramson received the Presidential Citizens Medal from President Clinton
- ▶ **1999:** Tower’s first strategic “green” retrofit project at The Millennium Building
- ▶ **2001:** Designed The Tower Building with green building principles

— 2002 - 2007 —

- ▶ **2002:** *1st developer to receive AOBA’s Green Office Building of the Year
- ▶ **2003:** Green Power Leadership Award for Renewable Energy Purchases, U.S. Environmental Protection Agency (EPA)
- ▶ **2004:** *1st developer in the U.S. to earn [LEED Certification](#) for multifamily, Blair Towns
- ▶ **2005:** Climate Leader Partner and Recognized Carbon Neutral Developer, EPA
- ▶ **2006:** *1st ENERGY STAR Certification in the Tower portfolio
- ▶ **2007:** Business of the Year, DC Chamber of Commerce

— 2008 —

- ▶ *1st LEED Platinum multi-tenant office building in Washington Metro Area
- ▶ *Largest commercial application of Fortune-Creating™ Vastu Architecture in the world, [2000 Tower Oaks \(Tower HQ\)](#)
- ▶ Environmental Excellence Award, City of Rockville
- ▶ Corporate Green Award, Multi-Housing News
- ▶ Green Company of the Year, Washington Business Journal
- ▶ [Corporate Green Leader of the Year, Washington Magazine](#)
- ▶ Partner of the Year, USGBC National Capital Region (NCR)

— 2009 —

- ▶ Harvard Business School Case Study, 2000 Tower Oaks: [“Design Creates Fortune”](#)
- ▶ 1st LEED EBOM for a multi-tenant office building in D.C.
- ▶ Best Green Building of the Year Award, NAIOP DCIMD
- ▶ Tower HQ recognized as Greenest Office Building in Maryland

— 2010 —

- ▶ Development Company of the Year, Multi-Housing News
- ▶ 40 Environmentalists in 40 Years Award to The Abramson Family, Montgomery County
- ▶ Award of Excellence for Best Urban Office, NAIOP DCIMD

— 2011 —

- ▶ *1st [LEED-EBOM Platinum Certified multifamily building in the world](#)
- ▶ *1st developer to install EV charging stations in Montgomery County, MD
- ▶ *1st commercial real estate developer to partner with The Climate Registry

— 2012 —

- ▶ [ULI Lifetime Achievement Award, posthumously to Albert Abramson](#)
- ▶ Launched The Blairs Lifestyles Program to encourage healthy and sustainable living
- ▶ Launched TREE, Tower’s employee Health and Wellness program
- ▶ Inaugural USGBC Green Apple Day of Service employee volunteering event

— 2013 —

- ▶ 2000 Tower Oaks Recognized Internationally in [World’s Greenest Building book](#)
- ▶ Top 100 Green Power Leadership List, EPA
- ▶ Excellence for Sustainable Business of the Year Award, USGBC NCR
- ▶ Joined U.S. Department of Energy’s (DOE) Better Buildings Challenge
- ▶ Award of Excellence for [The Blairs Master Plan](#), Multi-Housing News
- ▶ Most Innovative Community Pace Award, Property Management Association
- ▶ *1st two-time winner of Washington D.C. Mayor’s Environmental Excellence Award
- ▶ [DC CAP Scholarship created to honor Albert Abramson](#)

— 2014 —

- ▶ *1st [solar PV array on a large, commercial, Class A office in Washington, D.C.](#)
- ▶ Member of Certification Nation, EPA ENERGY STAR Program
- ▶ Achieved ENERGY STAR for The Blairs, EPA’s inaugural year for multifamily
- ▶ Sustainable Business & Enterprise Roundtable’s Outstanding Landlord, Sustainability Roundtable
- ▶ Inaugural [Green Lease Leader](#), DOE & Institute for Market Transformation (IMT)
- ▶ Award of Excellence for Sustainable Business of the Year, USGBC NCR

— 2015 —

- ▶ SmartCEO Healthiest Employer Award
- ▶ [The Building of the Year Award \(TOBY\) in Earth Building Category, BOMA, The Millennium Building](#)

— 2016 —

- ▶ Firm of the Year, NAIOP DCIMD
- ▶ Largest property in region to achieve LEED Gold Certification, Dynamic Plaque
- ▶ *1st [commercial office building in the world to recertify as LEED Gold under LEEDv4](#)

— 2017 —

- ▶ Achieved DOE Better Buildings Challenge 20% energy reduction goal
- ▶ [Green Lease Transaction Award for Tower + NIKA Partnership, DOE & IMT](#)
- ▶ Best New Multifamily Development, The Pearl, NAIOP DCIMD
- ▶ Best New Green Community Award, Delta Associates
- ▶ Fitwel Champion commitment, Center for Active Design (CfAD)

— 2018 —

- ▶ Green Lease Leader Gold Award
- ▶ Achieved DOE Better Buildings Challenge 20% water reduction goal
- ▶ *1st [Multifamily Fitwel Certification in the world, CfAD](#)
- ▶ Best Health and Wellness Project, USGBC NCR
- ▶ Design Excellence Award, AIA Baltimore

— 2019 —

- ▶ Fitwel Advisory Council Member, CfAD
- ▶ Best in Building Health Award, Center for Active Design
- ▶ Published Inaugural Corporate Responsibility report

To see the full list of awards please visit [The Towers Companies website](#)

* designates “First” in the industry

THE TOWER COMPANIES AT A GLANCE

6 MILLION

square foot portfolio
(Tower and partner-operated)

13 MILLION

square feet in development

100

employees

90%

of portfolio operating under a green lease

100%

renewable energy commitment

Fitwel

Champion

2,000

employee volunteering hours used since 2012

15%

staff have been with the company for 20 years or more

42%

of our Senior Leadership team are women

95%

LEED Certified

80%

of Office Building Portfolio is ENERGY STAR® Certified

Two

dedicated sustainability team members; including senior leadership position

All data in this report represent Tower owned and managed properties unless otherwise noted

AQUATERRA - ROOFTOP AT THE PEARL OVERLOOKING ROCK CREEK PARK
PHOTO CREDIT: 2018 JOHN HARRINGTON

PEOPLE. PROPERTIES. PURPOSE.

At The Tower Companies, we are committed to making a difference through our business and community. We develop, own, and manage commercial, retail, and multifamily residential properties in the Washington D.C.-metro area while being mindful of our global impact. Our dedication to the nation's capital has allowed us to build long-term relationships and foster lasting community impact.

Since our founding in 1947, we have continued to thrive while staying true to the belief that our actions and business can positively benefit the health of our people and planet.

OUR VISION

We envision a world where buildings inspire and enrich the lives of their occupants. In this world, people seek out buildings that create positive social change by helping to sustain the environment, better their health and well-being, and connect them to thriving communities.



Our Story

OUR CORPORATE RESPONSIBILITY COMMITMENT

At every decision point, we consider our ability to advance the real estate industry, impact on the environment, and commitment to the well-being of people and local communities. Our Corporate Responsibility Program is integral to our mission, constantly shaping our company vision for the future, and focused in three key areas.

ELEVATING THE REAL ESTATE INDUSTRY

Through industry engagement, we demonstrate sustainability leadership, track trends, and advocate for mutually beneficial public policies and programs. We measure success through industry-recognized certifications and awards, case study collaborations, and the support of government and strategic local and national organizations.

ADDRESSING CLIMATE CHANGE AND PROMOTING WELLNESS

The core of our program drives sustainability and well-being through smart development and efficient operations. Our thoughtful program design and goals aim to mitigate climate change, promote energy efficiency, conserve water, reduce waste, operate healthy buildings, and encourage alternative transportation.

INSPIRING PEOPLE AND COMMUNITY

We build and operate our buildings for the people and communities in which they co-exist. We focus on training and education, wellness programming, volunteerism, and engaging internal and external stakeholders to share best practices and give back to our communities.



BY THE NUMBERS

91

average ENERGY STAR® score

77%

of portfolio is ENERGY STAR® Certified

95%

of portfolio is LEED Certified

3 MILLION

square feet operating under a green lease

85

awards and recognitions

20

active memberships, sponsorships, industry partners

2.5

million square feet committed to DOE's Better Buildings Challenge

75

industry certifications

THE CLIMATE REGISTRY

Climate Registered Gold Partner

20

leadership case studies

1 MILLION

square feet committed to Fitwel Certifications

D.C. Leader

Green Building Advisory Council Member

USGBC NCR

Market Leadership Advisory Board Member

Fitwel

Advisory Council Member



ELEVATING THE REAL ESTATE INDUSTRY

We rely on strong partnerships to lead by example so that together, we can push the industry forward. Our team collaborates with national organizations, local non-profits, and government agencies to share best practices and demonstrate thought leadership.

MAIN LOBBY AT THE PEARL, SILVER SPRING, MD
PHOTO CREDIT: MORGAN HOWARTH

LEED AND ENERGY STAR

LEED® guidelines and EPA’s ENERGY STAR® Portfolio Manager® are key industry platforms that provide a foundation for our environmental sustainability initiatives. Currently, 95% of our owned and managed commercial and multifamily residential properties are LEED certified and 77% are ENERGY STAR certified with an average rating score of 91.



FITWEL

Our team is committed to implementing evidence-based design and policy strategies that support the physical, mental, and social health of our building occupants. As a Fitwel Champion and member of the Fitwel Advisory Council, we are working with other leaders to advance Fitwel’s strategies and scientific rigor. In 2018, we achieved the first-ever [Fitwel certification for a multifamily residential building](#). This exemplary designation was awarded to The Pearl, our premier luxury apartment community in downtown Silver Spring, Maryland, for its transformative approach to health and well-being. We are not stopping there; we are currently pursuing Fitwel Certifications at several other buildings in our portfolio.



BETTER BUILDINGS INITIATIVE

We actively participate in the Department of Energy’s [Better Buildings Challenge](#), a program that fosters peer exchange and highlights leadership in energy and water efficiency. Since joining the Challenge in 2012, we have already improved our energy performance by 20% and our water performance by 25% – exceeding our goal of 20% energy and water reduction by 2020, three years ahead of schedule.



THE CLIMATE REGISTRY

As Climate-Registered Gold and the first-ever real estate partner, we have third party verified and publicly reported our greenhouse gas emissions to [The Climate Registry](#) since 2010 and before that to the EPA Climate Leaders Program. We do this in an effort to be transparent, understand our environmental impact, measure progress, and reduce our carbon footprint. Since 2008, we have committed to offsetting 100% of emissions from portfolio natural gas and fuel oil (Scope 1), electricity (Scope 2), and employee work travel (Scope 3) by purchasing local and national renewable energy and carbon credits. Since 2010, we have reduced our greenhouse gas emissions by over 45%.



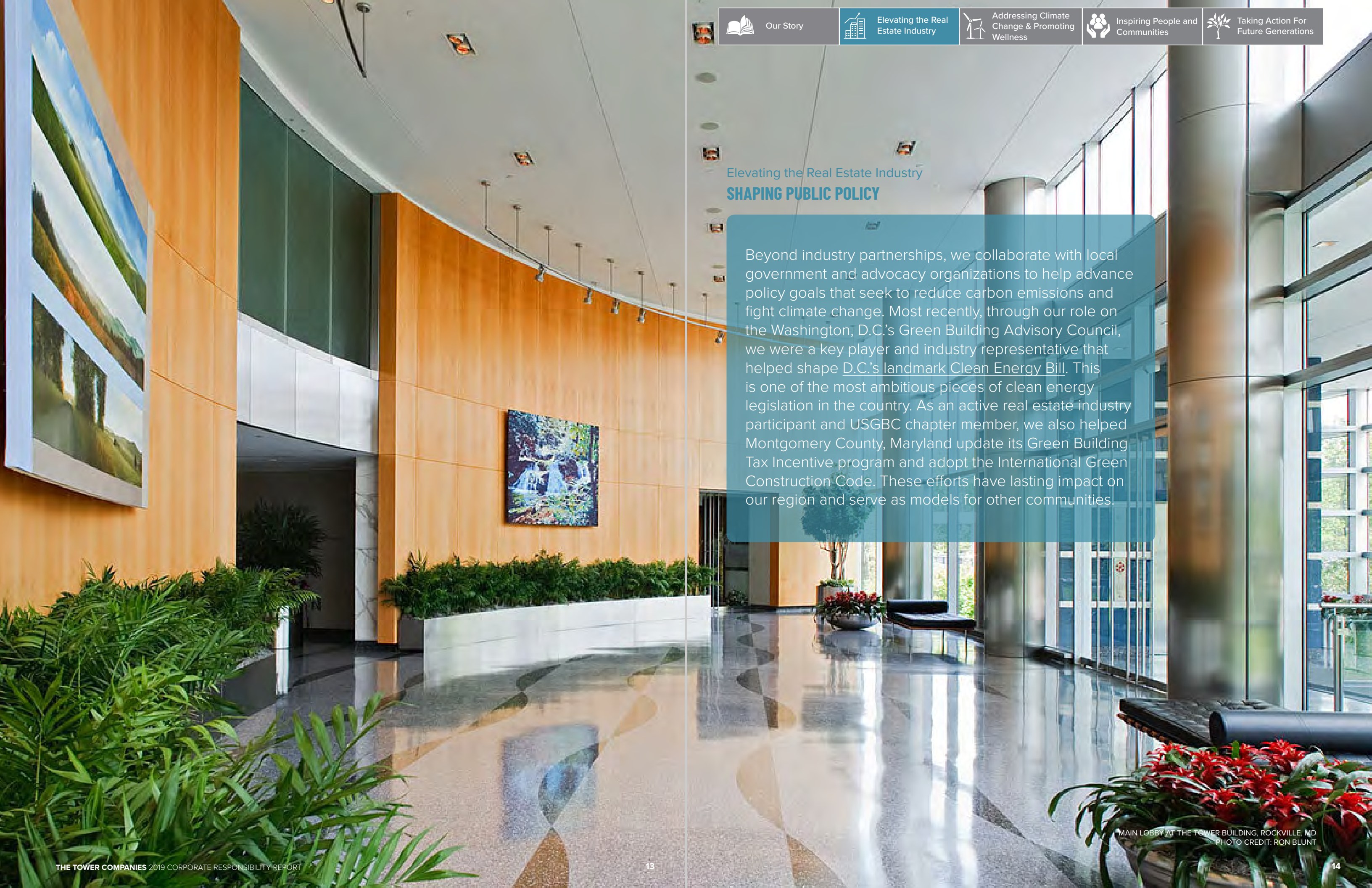
GREEN LEASE LEADERS

We began our green leasing efforts in 1997 to drive efficiency and sustainability through the leasing process. It helps us create strong relationships with our tenants from the very beginning. Through the [Green Lease Leaders](#) program, we have honed our approach to integrating sustainability best practices into leasing. As a result, we have executed green leases that span 90% of our portfolio, including commercial office, multifamily, and retail properties and have educated tenants and brokers in smart design strategies and operations.



2000 TOWER OAKS BLVD (TOWER HQ), ROCKVILLE, MD
PHOTO CREDIT: RON BLUNT

“Our green lease lays the foundation for a mutually beneficial tenant-landlord partnership on sustainability. Green leasing is the best tool to build efficient, healthy, productive, and appealing leased spaces and we are committed to this practice across our entire portfolio.”
- JEFFREY ABRAMSON, PARTNER OF THE TOWER COMPANIES



Elevating the Real Estate Industry
SHAPING PUBLIC POLICY

Beyond industry partnerships, we collaborate with local government and advocacy organizations to help advance policy goals that seek to reduce carbon emissions and fight climate change. Most recently, through our role on the Washington, D.C.'s Green Building Advisory Council, we were a key player and industry representative that helped shape [D.C.'s landmark Clean Energy Bill](#). This is one of the most ambitious pieces of clean energy legislation in the country. As an active real estate industry participant and USGBC chapter member, we also helped Montgomery County, Maryland update its Green Building Tax Incentive program and adopt the International Green Construction Code. These efforts have lasting impact on our region and serve as models for other communities.

MAIN LOBBY AT THE TOWER BUILDING, ROCKVILLE, MD
PHOTO CREDIT: RON BLUNT

BY THE NUMBERS

20%

reduction in energy consumption from a 2010 baseline

45%

GHG emissions reduction from a 2010 baseline (Validated by TCR)

75,000

CO2e metric tons avoided since 2010

100,000

miles of driving powered from our EV charging stations

90,000

acres of U.S. forest required to absorb avoided carbon emissions – enough to cover Washington D.C.'s National Mall 616 times!

100%

energy consumption offset with wind power and carbon credit purchases since 2008

200,000 kWh

of on-site solar energy generated annually

25%

reduction in water use, enough to fill nearly 140 Olympic-sized swimming pools

82

average Walk Score

58%

waste diversion from landfills in 2018

3,600

tons of waste diverted from landfills since 2014

200,000

lbs. of composting diverted from landfills since 2013

ADDRESSING CLIMATE CHANGE AND PROMOTING WELLNESS

We're family-owned and locally-focused, with a global perspective. We recognize the importance of global issues and firmly believe in leading with purpose and focusing on the long-term interests of all of our stakeholders. As environmental stewards and leaders in the real estate industry, we challenge ourselves and our peers to be part of the solution by implementing strategies to address climate change and resource scarcity and improve public health.

SOLAR PV ARRAY AT 1909 K STREET, WASHINGTON, DC
PHOTO CREDIT: JIM LEWIS



Combating Climate Change and Promoting Wellness

CARBON AND RENEWABLE ENERGY

Focused on supporting a transition to clean energy, we have reduced our greenhouse gas (GHG) emissions by over 45% since 2010 through capital improvements and efficient operations. To go one step further, we have purchased renewable energy and carbon credits to offset 100% of our buildings' energy consumption and employee work travel since 2008, which has helped fund Green-e Certified and Verified Carbon Standard (VCS) renewable energy projects in our backyard and across the nation.

In 2014, we installed our first on-site solar photovoltaic (PV) project at the [Millennium Building](#) in Washington, D.C. At the time, this [30kW solar PV system](#) was the largest installation completed by a

privately-held real estate developer on a Class A commercial office building in the nation's capital. Since then, we have continued our commitment to expand our on-site renewable energy portfolio, with a focus on our multifamily properties. We [completed one of the first green roof-solar PV integration projects](#) in the mid-Atlantic at The Pearl in 2017 and in 2019, 300 American-made panels were installed on a 1960s high-rise at [The Blairs](#) to reduce electricity consumption by more than 10%.



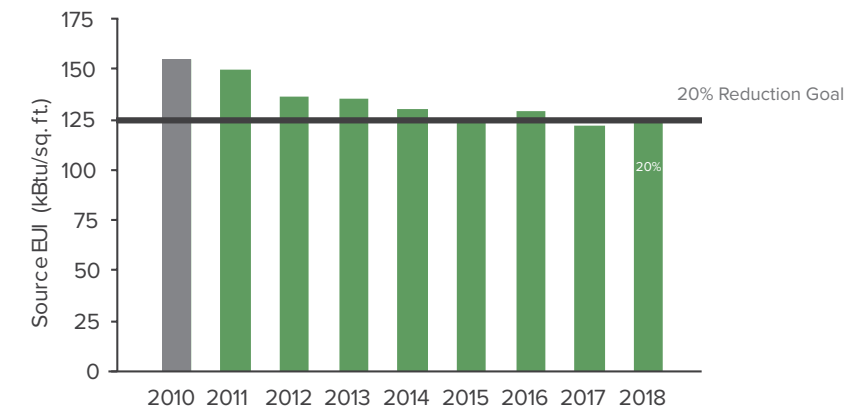
ENERGY AND WATER EFFICIENCY

Realizing that buildings represent nearly 40% of U.S. greenhouse gas emissions and more than 12% of U.S. water use, we are committed to reducing our footprint, supporting resource conservation, and implementing practical solutions. Our efforts have **already produced over 20% energy and water reductions from a 2010 baseline, three years ahead of schedule, and realizing over 10 million dollars in operating cost avoidance.**

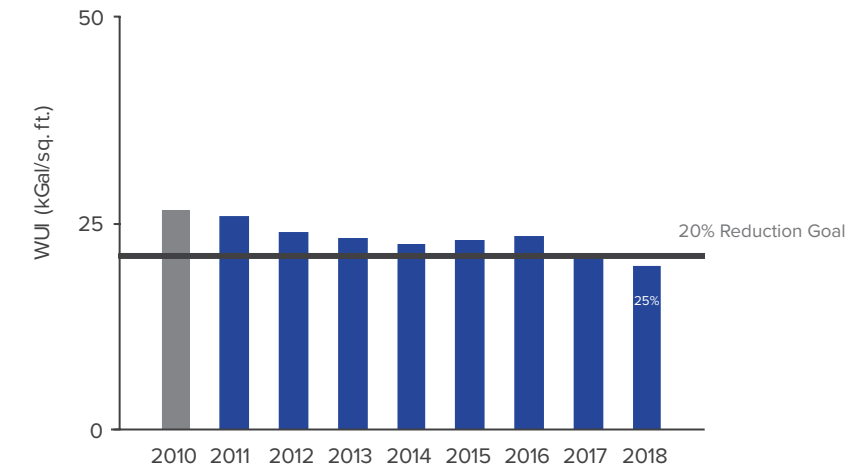
We have spent the last two decades strategically investing in energy and water efficiency projects and working closely with property teams to optimize operations. To achieve our goals, we benchmark both energy and water data through ENERGY STAR® Portfolio Manager®, have thorough preventative maintenance programs, and develop engagement programs to influence the conservation habits of staff, vendors, and tenants across our portfolio. Best practices include:

- ▶ Benchmarking & Goal Setting
- ▶ Green Building Policies
- ▶ Night and Day audits
- ▶ Operational set points
- ▶ Lighting and equipment upgrades
- ▶ Real-time monitoring
- ▶ Green lease guidelines
- ▶ Employee and vendor training
- ▶ Tenant education
- ▶ Energy procurement
- ▶ Demand response
- ▶ Renewable energy

Portfolio EUI Improvement vs. 2010 Baseline



Portfolio WUI Improvement vs. 2010 Baseline



Data provided by DOE Better Buildings Challenge. For more information visit: [The Tower Companies Partner Profile](#)

Learn more about the energy conservation measures we have implemented through our [real-time monitoring program](#) and three of our showcase properties: the [Blair Office Building](#), the [Millennium Building](#), and [The Pearl](#).

WASTE REDUCTION AND DIVERSION

Humanity's dependence on non-recyclable materials and plastic causes detrimental pollution, unnecessary use of natural resources, and threatens biodiversity in all corners of the world. In response to this crisis, we are reducing our waste generation and increasing our portfolio's landfill diversion rate.

We offer comprehensive recycling programs at all our properties and work closely with our employees, vendors, and tenants to promote recycling best practices. Through these efforts, we diverted 58% of our portfolio's waste from landfills in 2018. We also support reuse opportunities through clothing drives, eye glasses collections, and shoe recycling programs. In 2012, we launched a [pilot program](#) for composting at our multifamily properties, which we have expanded to our commercial office buildings, including our company offices. Since its inception, we have diverted 200,000 lbs. of food waste and other compostable materials from landfills.

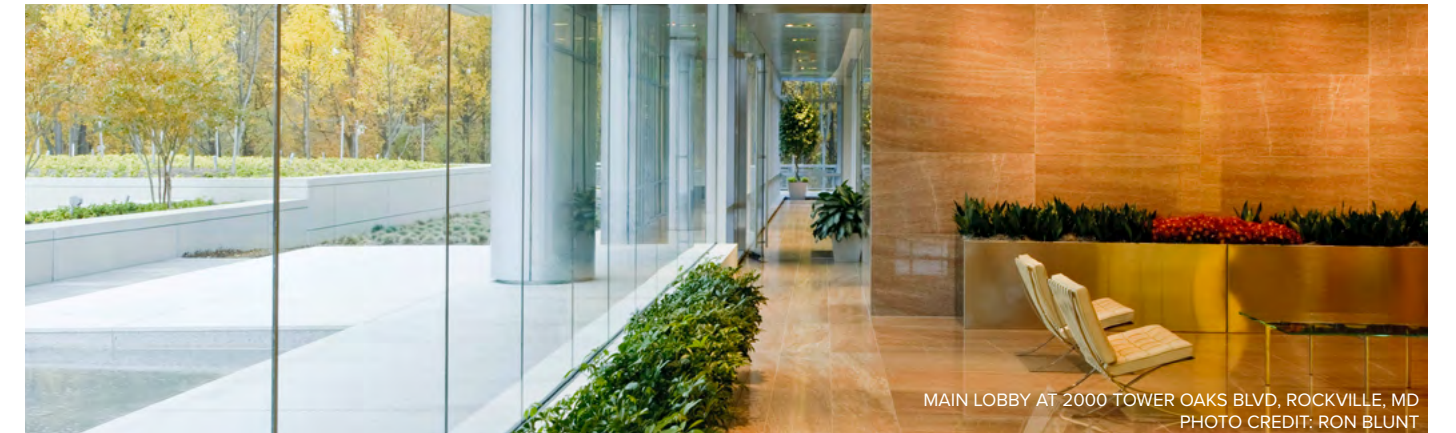
Collaborating with government agencies and waste haulers has contributed significantly to our success, and we seek to extend that impact to our employees and tenants. We utilize our green lease to encourage tenants to pursue waste management strategies from the very beginning and offer education and engagement opportunities through lunch-and-learns, waste audits, signage, and events.



WASTE & RECYCLING TRAINING FOR NIKA, 2000 TOWER OAKS BLVD, ROCKVILLE, MD

For more information, [watch this video](#)

HEALTHY BUILDINGS



MAIN LOBBY AT 2000 TOWER OAKS BLVD, ROCKVILLE, MD
PHOTO CREDIT: RON BLUNT

We view buildings as a foundation for change. It's important to consider how people will feel when they walk in, how they will feel hours later, and what they will need in between. Buildings can support and improve occupant health, wellness, and productivity by creating an experience designed to stimulate senses, improve indoor air quality, provide convenience, and optimize potential. Throughout our existing and development portfolios, we are constantly striving to connect our buildings, occupants, and environment in a harmonious way.

Many of our policies are developed using international standards such as LEED and Fitwel as well as guiding principles from Maharishi Vastu Architecture. Using this guidance and our green lease, we strive to use a balanced approach across our portfolio, considering strategies such as:

- ▶ Proactively monitoring indoor air quality through preventive maintenance programs, tenant comfort reports, tobacco-free policies, measuring CO2 and volatile organic compounds (VOC) levels regularly, and designing entryway systems that capture dirt and particulates
- ▶ Partnering with green cleaning companies
- ▶ Thoughtfully designing spaces using daylight, views, and active stairwells
- ▶ Training staff and vendors to follow integrated pest management policies
- ▶ Requiring low-emitting materials during design and construction

"The building and interiors make for a relaxing and welcoming work environment that has transformed the way our staff feels about coming to the office. We face the day more stimulated, more creative, more collaborative, and ready to meet virtually any challenge."

- Kabir Chaudhary, CEO of NIKA and a tenant of [2000 Tower Oaks \(Tower H0\)](#)

PROMOTING ALTERNATIVE TRANSPORTATION

We believe the impact of our properties does not stop at the door. Access to alternative transportation lowers stress, reduces noise and pollution, promotes physical activity, improves air quality, saves money, supports healthier lifestyle choices, and keeps communities lively and connected. Tower encourages employees, building tenants, and visitors to take advantage of nearby public transportation, bike share programs and secure bike infrastructure, safe walking paths, carpool and low emitting vehicle spaces, and electric vehicle (EV) charging stations at all our properties.

We have always recognized the need to provide alternatives, stay ahead of trends, and meet the needs of our tenants. All of our properties have an average walkability score of 82 and are located within a quarter-mile of a Metro or bus station. To facilitate the use of electric vehicles, we offer EV charging stations at our managed properties and have charged enough vehicles to offset the carbon emissions from driving a typical passenger car 100,000 miles. We also encourage cycling, either via Bikeshare stations or directly to our secured bike rooms that include maps and fix-it stations. In addition, we utilize building surveys to understand what people need and want when it comes to transportation.



BIKE ROOM AT THE BLAIRS, SILVER SPRING, MD
PHOTO CREDIT: 2017 JOHN HARRINGTON



EV CHARGING STATION AT THE TOWER BUILDING, ROCKVILLE, MD
PHOTO CREDIT: 2015 DANIEL PECK PHOTOGRAPHY



BLOOM COMMUNITY GARDEN PLOTS AT THE BLAIRS, SILVER SPRING, MD
PHOTO CREDIT: 2017 JOHN HARRINGTON

BY THE NUMBERS

600
sustainability communications and educational workshops offered

2,000
employee volunteering hours used since 2012

5,000
occupants reached through sustainability and wellness initiatives

500
Urban Farm baskets delivered to The Pearl residents since 2017

2,500
fitness and wellness classes organized

55%
of management level employees are women

80%
company participation in community service program

\$300,000
donated to charitable causes through employee giving and corporate matching

575 MILLION
steps walked by Tower employees since July 2013, enough to circle the Earth 12 times

500
courses on the Tower University e-learning platform

15%
of Tower employees have LEED or Fitwel credentials

INSPIRING PEOPLE AND COMMUNITIES

Albert “Sonny” Abramson, the founder of The Tower Companies, sincerely believed in building strong relationships with people and giving back to others. This commitment was instilled in his sons Gary, Ronald, and Jeffrey, and is a defining element of our culture. We seek to facilitate an enjoyable, collaborative, and productive workplace environment for our team. Additionally, we foster communities inside our buildings by creating spaces and opportunities for collaboration, education, and positive impact. With encouragement from the top down, we focus on supporting our broader community through philanthropy, volunteerism, and charitable giving.

EMPLOYEE TRAINING AND PROFESSIONAL DEVELOPMENT



Our team members are paramount to the success of our company and we are dedicated to supporting them through opportunities for professional development, team building, and well-being. Our commitment to nurturing growth within the company speaks for itself, as over 15% of our staff have been with us for 20 years or more. Our training and development programs offer an opportunity to extend corporate responsibility principles and practices throughout our organization. We offer regular educational opportunities on sustainability best practices and provide support to our employees to achieve LEED Green Associate, LEED Accredited Professional, and Fitwel Ambassador credentials. Additionally, we offer a continuous path for learning through Tower University, which provides over 500 online and custom training modules to engage our accounting, legal, leasing, construction, information technology, property management, engineering, and sustainability teams to improve processes and operations.



WELLNESS PROGRAMS

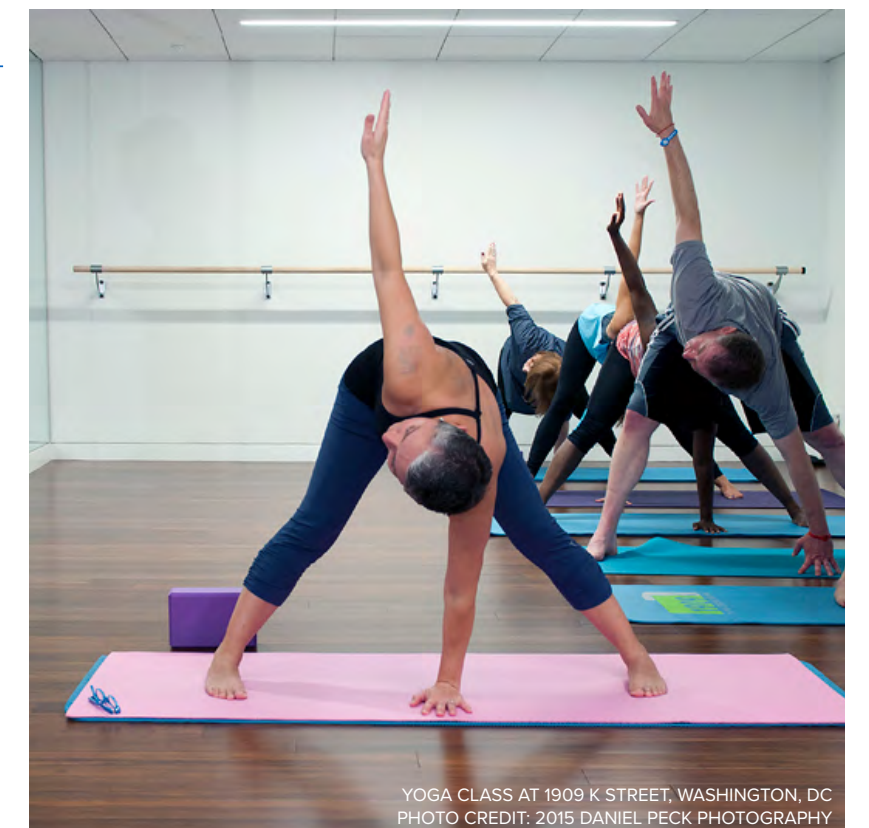
At Tower, our leadership is committed to supporting individual health and well-being because we recognize that people are at their best when they feel good. As such, since 2013 we have partnered with [Virgin Pulse](#) to empower our employees to go the extra mile and live a healthier lifestyle. The online platform rewards individuals for achieving daily and quarterly milestones for step counts, completing healthy learning objectives, and tracking health metrics. In addition, we hire third-party health and fitness experts to provide training on topics such as motivation, healthy eating, stretching, fitness, breathing techniques, and meditation.

For over 20 years, we have provided education, training, and financial support to encourage our employees to practice [Transcendental Meditation \(TM\)](#), which is a simple practice that increases creativity, energy, and focus. Over 25% of our employees practice TM regularly in our dedicated meditation rooms and monthly we gather to do group meditations at work.

Our wellness values extend beyond our employees, offering a balanced, productive, and creative environment for tenants and visitors who work, live, and play in our buildings and communities. Our property management teams offer a multitude of wellness amenities, educational programs, and design features ranging from workout facilities and exercise classes to abundant open areas and spaces designed with natural elements.

“Earlier this summer I was stopped by a resident and she gave me a huge hug. She thanked me because she said The Blairs has genuinely changed her life. After she moved in, she started taking our free Tai Chi and Kickboxing classes, had lost 60 pounds over the past year, and was feeling much better about herself. She started adventuring out to our other Lifestyles Program’s social activities now that she had more confidence. By the end, she was crying, I was crying. It was a great day to work at The Blairs.”

- Amber Downtin, Lifestyles Coordinator at The Blairs, a Tower owned and managed residential community



Inspiring People and Communities

THE PEARL'S URBAN FARM

The Pearl is the newest Tower development and a cornerstone of The Blairs Community. Focused on health and wellness, The Pearl hosts a 5,000-square-foot urban farm providing an accessible urban oasis right in the heart of Silver Spring, Maryland. Working with local, woman-owned company, Love and Carrots, the farm supplies fresh and local produce, herbs, and flowers through a residential basket-sharing program each month, supporting over 30 families. We host frequent pop-up dinners in the entertainment kitchen with healthy meals prepared by professional chefs using harvests from the Urban Farm. This program fosters community building and teaches residents about the importance of supporting local farmers and healthy cooking practices.



LOVE & CARROTS STAFF WORKING IN URBAN FARM AT THE PEARL, SILVER SPRING, MD PHOTO CREDIT: MAT RAMSEY



"It's not very often that I've been able to sit down at my kitchen table while looking out the window at the very plot of land where my dinner was grown. We enjoy extremely fresh vegetables just hours after harvest. Other farm share programs cannot offer this unique experience. I'm grateful to be living in a place that makes an effort to promote programs that demonstrate such care and concern for our environment and me."

- Justin and Kyoko, residents at The Pearl

ON-SITE URBAN FARM AT THE PEARL, SILVER SPRING, MD PHOTO CREDIT: 2018 JOHN HARRINGTON



Inspiring People and Communities

COMMUNITY VOLUNTEERISM AND PHILANTHROPY

We believe in contributing to local, national, and global communities through employee volunteerism and philanthropy with a strategic approach that aligns with our core business and values. Following in the footsteps of our founder, Albert Abramson, we prioritize giving back to our local community. It's so important to us that we developed a community service policy to support employees who want to volunteer during the work day either in a company-organized event or with another cause that has personal meaning. Tower partners with local organizations including the [Chesapeake Bay Foundation](#), [Shepherd's Table](#), [Montgomery County Coalition for the Homeless](#), [So Others Might Eat \(SOME\)](#), the [Komen Race for the Cure](#), and many more. In addition, The Abramson Family supports philanthropic causes related to education, art, health, and the environment through their foundations locally and across the world.

Green Apple Day

Our employees have participated in the [Green Apple Day of Service](#), a creation of the USGBC's Center for Green Schools, since its inception in 2012. In collaboration with partners and generous vendors, we have enjoyed planting trees, building conservation landscapes and vegetable gardens, and creating outdoor learning spaces for students. For five years we had the opportunity to work with two schools in the same district as our largest residential community, The Blairs. Most recently in 2018, we collaborated with the [Audubon Naturalist Society](#), a local organization that inspires people to appreciate, understand, and protect their natural environment through education and outdoor experiences. Our Tower Team planted more than 20 trees and had the opportunity to learn about why forest health is one of the most important lines of defense against a changing climate.



JEFFREY ABRAMSON WITH KIDS AT SLIGO CREEK ELEMENTARY SCHOOL FOR GREEN APPLE DAY OF SERVICE



TOWER VOLUNTEERS AT WOODEND SANCTUARY WITH AUDUBON NATURALIST SOCIETY

Shepherd's Table

Over the past several years, 60% of our employees have spent more than 130 hours assisting with the lunch service at Shepherd's Table and helped serve more than 2,000 lunches to those in need in our local community. Once lunch service starts, our team provides meals to roughly 100-150 visitors per day who come through the doors. The Team also helps wash the dishes and clean the kitchen and dining room after the lunch service is complete. In addition to volunteering, we have provided leadership and financial support as well as space for fundraising events.



TOWER VOLUNTEERS AT SHEPHERD'S TABLE

ENCOURAGING OUR STAKEHOLDERS

We seek to serve as an educational resource for all of our stakeholders, recognizing our ability to lead by example and positively influence others to do the right thing. Our motivated property teams sincerely enjoy providing tenants with resources, programs, and amenities to live sustainable, healthy lives and we challenge our suppliers and vendors to operate in a more socially responsible manner.

Our teams engage over 5,000 people every day, week, and year with powerful messages to promote sustainable and healthy values both at home and at work. In addition to regular communications, national campaigns like Bike to Work Day, Car Free Day, America Recycles Day, and Earth Day are just a few initiatives that we use to excite our stakeholders and encourage them to take action. Our enthusiastic property teams organize events to partner with local vendors and together, offer services and educational opportunities for our tenants. Some local organizations we have worked with include Commuter Connections, 4P Foods, Compost Crew, D.C. Sustainable Energy Utility, and healthy cooking demonstrations with Geppetto Catering.

TAKING ACTION FOR FUTURE GENERATIONS

We're proud of our accomplishments, and we recognize our responsibility to capitalize on real estate's potential by continuing to challenge and educate our colleagues, government, vendors, tenants, and other partners. We look forward to extending our successes, finding innovative ways to have a positive impact, and encouraging our friends and colleagues to do the same. As we look to the future, we are eager to enhance our Corporate Responsibility Program and continue our progress on new initiatives such as:

- ▶ Setting new performance goals for 2030 and beyond by aligning with local, national, and global plans and considering Science-Based Targets that motivate our teams to strive continuously for operational excellence.
- ▶ Pursuing resiliency strategies that ensure our buildings meet the needs of our people and communities in the face of climate change.
- ▶ Incorporating more healthy building practices and wellness programs built on the latest scientific research that protect public health.
- ▶ Evaluating cutting-edge technologies for energy and water efficiency, renewable energy, and battery storage that enable us to further reduce our environmental impact.
- ▶ Reducing our generation of waste, improving waste diversion, and developing innovative strategies to work towards a zero-waste future.
- ▶ Promoting and restoring biodiversity through thoughtful design and operations to enrich our local environments.

Real estate is a foundation for change and we all must do our part to realize its transformational power. We're committed to enriching the lives of people and communities through the buildings in which we live, work, and play.

WE CHALLENGE YOU TO JOIN US AS WE BUILD A FUTURE THAT BENEFITS US ALL.



The Blairs redevelopment plan is a project in progress that takes a 1960's campus and creates a modern, 30 acre mixed-use, transit-oriented neighborhood that connects to the regional park system and downtown Silver Spring, MD. It's a model for smart growth development that will create a lively, connected, sustainable, and convenient community.



PHOTO CREDITS: SASAKI



“When we walked around The Pearl, we noticed that we were smiling. We felt like we were in an elevated space. It’s like a resort vacation, but it’s also homey and friendly. The Pearl is classy, it’s conscious of nature and the environment. We’d like to think maybe those qualities can rub off on us too. What did we get at The Pearl that we didn’t get elsewhere? The Pearl gave us that relaxed feeling you get in your neck and shoulders when you don’t have stress. The Pearl gives us inspiration.”

- Gil, resident at The Pearl

ACTIVE STAIRWELL DESIGN IN LOBBY AT THE PEARL, SILVER SPRING, MD
PHOTO CREDIT: TOM HOLDSWORTH AND DESIGN COLLECTIVE

ABOUT THE REPORT

This is The Tower Companies’ first-ever Corporate Responsibility Report. Published in April 2019, the results and initiatives described are the culmination of our continuous commitment to corporate responsibility since the company was founded in 1947, with a focus on the last 20 years. The report is the result of an amazing team effort spanning several months, and we extend a special thanks to Tower staff and other dedicated partners for their support. The sustainability team partnered with RE Tech Advisors to provide strategy, content, and design.

We welcome your feedback! Please contact sustainability@towercompanies.com with any questions or comments.



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