



2021 ENVIRONMENTAL METRICS



ENVIRONMENTAL METRICS

(GRI 302-1, 302-3, 302-4, 303-1, 303-3, 305-1, 305-2, 305-4, 305-5, 306-2, SASB IF_RE_130a.1, IF-RE-130a.2, IF-RE-130a.3, IF-RE-140a.1, IF-RE140a.2, IF-RE-140a.3, TCFD 9, 10)

		ABSOLUTE CONSUMPTION ⁽¹⁾					
Energy Performance	2019 (kWh)	2020 (kWh)	Data Coverage (SF) ⁽²⁾	Max Coverage (SF)	Total Coverage (%)		
Natural Gas / Steam	88,108,860	82,297,759	10,311,573	46,906,357	22%		
Electric	109,242,057	101,681,128	13,446,030	62,488,035	22%		
Total Energy Consumption	197,350,917	183,978,887					
		LIKE-FOR-LIKE CONSUMPTION ⁽³⁾					
Energy Performance	2019 (kWh)	2020 (kWh)	Data Coverage (SF) ⁽²⁾	Max Coverage (SF)	Total Coverage (%)	YOY Change	Intensity Equals 2020 (kWh) / Data Coverage SF
Natural Gas / Steam	54,956,252	52,788,083	5,983,447	29,380,276	20%	-4%	8.8
Electric	61,691,135	57,298,555	8,668,864	42,804,816	20%	-7%	6.6
Total Energy Consumption	116,647,387	110,086,638				-6%	
		ABSOLUTE EMISSIONS ⁽⁴⁾		FIXED BASE YEAR LIKE-FOR-LIKE EMISSIONS ⁽⁵⁾			
GHG Performance	2019 Emissions (Metric Tons of CO2e)	2020 Emissions (Metric Tons of CO2e)	2015 Emissions (Metric Tons of CO2e)	2020 Emissions (Metric Tons of CO2e)	5 Year Change	Intensity Equals 2019 Emissions / 2019 Revenue \$'s	
Scope 1	15,656	14,564	13,207	14,564	10%	0.001%	
Scope 2 Location Based	34,937	31,198	40,354	31,198	-23%	0.002%	
Scope 2 Market Based	34,350	27,889	40,354	27,889	-31%	0.002%	
Total Emissions (Scope 1 + Scope 2 Market Based)	50,006	42,453	53,561	42,453	-21%	0.003%	
		ABSOLUTE RENEWABLE PRODUCTION		LIKE-FOR-LIKE RENEWABLE PRODUCTION			
Renewable Energy Production ⁽⁶⁾	2019 (kWh)	2020 (kWh)	2019 (kWh)	2020 (kWh)	YOY Change		
	1,022,000	1,685,393	126,445	1,063,388	741%		
		ABSOLUTE CONSUMPTION ⁽¹⁾					
Water Performance	2019 (kgal)	2020 (kgal)	Data Coverage (SF) ⁽²⁾	Max Coverage (SF)	Total Coverage (%)		
Total Water Consumption	2,205,181	2,261,840	61,648,295	62,488,035	99%		
Total Recycled Water Consumption	25,693	19,476					
Total Water Consumption in Water Stressed Areas ⁽⁷⁾	643,233	664,882	15,720,403	15,720,403	100%		
		LIKE-FOR-LIKE CONSUMPTION ⁽³⁾					
Water Performance	2019 (kgal)	2020 (kgal)	Data Coverage (SF) ⁽²⁾	Max Coverage (SF)	Total Coverage (%)	YOY Change	Intensity Equals (Consumption / Homes)
Total Water Consumption	1,724,723	1,753,607	42,476,216	42,804,816	99%	2%	46.9
Total Water Consumption in Water Stressed Areas ⁽⁷⁾	512,134	542,540	11,423,200	11,423,200	100%	6%	51.0
		ABSOLUTE WASTE METRIC TONS		LIKE-FOR-LIKE WASTE METRIC TONS ⁽⁸⁾		RECYCLING	DIVERSION
Waste	2019	2020	2019	2020	YOY Change	2020	2020
	33,488	35,276	27,488	28,219	3%	3,750	13%

(1) Absolute consumption includes all gas, electric, steam, district chilled water, and water consumption for all properties owned during the year, including Joint Venture properties, where UDR had operational control.

(2) Data Coverage square footage (SF) for gas, electric, GHG Emissions, and water is SF where UDR has operational control.

(3) Operational controlled like-for-like gas, electric, and water consumption includes properties that are stabilized for two calendar years.

(4) Absolute Scope 1 emissions includes operational controlled natural gas consumption. Absolute Scope 2 emissions includes operational controlled electric, district chilled water, and steam consumption. We do not include emissions from diesel fuel use in emergency generators or mobile emissions from vehicle on the basis of their de minimis contribution to the total GHG Inventory. We also do not include Scope 1 fugitive GHG emissions from refrigerants consistent with GRESB requirements regarding data estimates.

(5) Fixed base year Scope 1 and Scope 2 emissions was calculated using the World Resource Institute Green House Gas Protocol guidelines.

(6) SASB defines renewable energy from geothermal, wind, solar, hydro, and biomass that produce more energy than used during the energy production process. The Company's total 2020 renewable energy production is less than 1% of total operational controlled energy consumption.

(7) Recycled Water Consumption represents purchased reclaimed water.

(8) The World Resource Institute's defines the state of Colorado and California as the only states we currently own properties in that are high risk or extremely high risk water stressed areas.

LRQA INDEPENDENT ASSURANCE STATEMENT

RELATING TO UDR, INC'S GREENHOUSE GAS INVENTORY AND ENVIRONMENTAL DATA FOR THE 2020 CALENDAR YEAR.

(GRI 102-56, 302-1, 302-4, 303-1, 303-3, 305-1, 305-2, 305-5, TCFD 9, 10, 11)

This Assurance Statement has been prepared for UDR, Inc. in accordance with our contract.

TERMS OF ENGAGEMENT

Lloyd's Register Quality Assurance, Inc. (LR) was commissioned by UDR, Inc. (UDR) to provide independent assurance of its Greenhouse Gas (GHG) Inventory and environmental data (the Report) for the 2020 calendar year (CY 2020) against the assurance criteria below to a limited level of assurance using LR's verification procedure and ISO 14064 - Part 3 for greenhouse gas data.

Our assurance engagement covered UDR's operations and activities in operationally controlled properties throughout the United States. Specifically, this engagement covered the following requirements:

- Verifying conformance with:
 - UDR's reporting methodologies for the selected datasets;
 - World Resources Institute / World Business Council for Sustainable Development Greenhouse Gas Protocol: A corporate accounting and reporting standard, revised edition (otherwise referred to as the WRI/WBCSD GHG Protocol) for the GHG data¹; and
 - GRESB 2021 Real Estate Reference Guide.
- Evaluating the accuracy and reliability of data and information for only the selected indicators listed below:
 - Direct (Scope 1) and Energy Indirect (Scope 2) GHG emissions;
 - Energy consumption (Direct and Indirect);
 - Water consumption;
 - Waste generated; and
 - Changes over time for environmental data parameters.

Our assurance engagement excluded Scope 1 fugitive GHG emissions from refrigerants, consistent with GRESB requirements regarding data estimates. Scope 1 GHG emissions from diesel fuel use in emergency generators, and mobile emissions from vehicles were also excluded on the basis of their de minimis contribution to the total GHG Inventory. Waste data is currently available for 93% of the total portfolio leasable floor area, and LR was commissioned to verify only the portion of waste data currently being gathered.

¹ <http://www.ghgprotocol.org/>

LR's responsibility is only to UDR. LR disclaims any liability or responsibility to others as explained in the end footnote. UDR's responsibility is for collecting, aggregating, analyzing 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 UDR.

LRQA'S OPINION

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

- Met the requirements of the criteria listed above; and
- Disclosed accurate and reliable performance data and information as summarized in Table 1 and Table 2 below.

The opinion expressed is formed on the basis of a limited level of assurance² and at the materiality of the professional judgment of the verifier.

TABLE 1. SUMMARY OF UDR'S GHG EMISSIONS AND ENVIRONMENTAL DATA FOR CY 2020

PARAMETER	QUANTITY	UNITS
Scope 1 GHG emissions ¹	14,564	Metric Tons CO ₂ e
Scope 2 GHG emissions (Location-based) ²	31,198	Metric Tons CO ₂ e
Scope 2 GHG emissions (Market-based) ²	27,889	Metric Tons CO ₂ e
Energy ³	183,978,887	kWh
Water Consumption	2,261,840	kgal
Waste Generation ^{4,5}	35,276	Metric Tons

1. Scope 1 emissions do not include fugitive emissions from refrigerants, consistent with GRESB requirements for data estimates. Additionally, emissions from diesel fuel use in emergency generators and mobile emissions from vehicles are not included on the basis of their de minimis contribution to the total GHG inventory.

2. Scope 2, Location-based and Scope 2, Market-based are defined in the GHG Protocol Scope 2 Guidance, 2015.

3. Energy use includes kWh equivalent energy from electricity, steam, chilled water, and natural gas.

4. Waste value includes municipal solid waste and recycling combined per GRESB reporting requirements.

5. Waste data is currently available for a portion of the properties in UDR's portfolio. Consistent with GRESB requirements for data estimates, LR was commissioned to verify the portion of data currently being gathered, presented as a percentage of the total portfolio leasable floor area with reported data, 93% for CY2020.

TABLE 2. SUMMARY OF UDR'S CHANGES OVER TIME RELATED TO ENVIRONMENTAL DATA PARAMETERS

PARAMETER	2019	2020	% CHANGE
Energy			
Like-for-Like Natural Gas and Steam Change (kWh) ¹	54,956,252	52,788,083	-4%
Like-for-Like Electric and District CHW Change (kWh) ¹	61,691,135	57,298,555	-7%
Like-for-Like Energy Change (kWh) ¹	116,647,386	110,086,638	-6%
Water			
Like-for-Like Water Change (kGal) ¹	1,724,723	1,753,607	2%
Like-for-Like Water Intensity Change (kGal) ^{1,2}	46	47	2%
Waste			
Like-for-Like Waste Change (Metric Tons) ^{1,3}	27,488	28,219	3%
Other			
Percentage of electricity consumption procured from renewable sources ⁴			12%
GHG Emissions Change from 2015 Base Year (percent) ⁵			-21%
Like-for-Like Waste Diversion Rate (percent) ¹			13%

1. UDR defines "like-for-like" as operationally controlled gas, electric, water, and waste consumption that includes properties stabilized for two calendar years.

2. Water Intensity is calculated as water consumption divided by number of homes, for properties stabilized for two calendar years.

3. Waste is waste and recycling data combined from properties included in the CY2020 verification.

4. Electricity consumption procurement percentage applies to operationally controlled electricity consumption verified for CY2020.

5. Base year (CY 2015) was not verified by Lloyd's Register. Scope 1 and Scope 2 market-based GHG emissions used for comparison.

LRQA'S APPROACH

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

- reviewing processes related to the control of GHG emissions and environmental data and records;
- interviewing relevant employees of the organization responsible for managing GHG emissions and environmental data and records;
- reviewing data management systems to confirm there were no significant errors, omissions or mis-statements in the inventory; and
- verifying historical GHG emissions and environmental data and records at an aggregated level for the calendar year 2020.

²The 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 lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

LRQA'S STANDARDS, COMPETENCE AND INDEPENDENCE

LR implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition and ISO/IEC 17021 Conformity assessment – Requirements for bodies providing audit and certification of management systems that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

LR 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 is the only work undertaken by LR for UDR and as such does not compromise our independence or impartiality.

Signed:

Dated: 27 July 2021



Brooke Farrell

LRQA Lead Verifier

On behalf of Lloyds' Register Quality Assurance, Inc.

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