



UDR

2020 Corporate
Responsibility Report



Culture, Innovation, Execution

Resilience

ABOUT THIS REPORT

Our Corporate Responsibility Report (CRR) focuses on the 2019 reporting period. The report's Environmental, Social, and Governance (ESG) disclosures were prepared in accordance with the Global Reporting Initiative (GRI) Standards (core), the Sustainability Accounting Standards Board (SASB) standards, and the Task Force for Climate-related Financial Disclosure (TCFD) framework. The inclusion of SASB and TCFD disclosure is new to the 2020 report. We believe the addition of SASB and TCFD to our reporting enhances our disclosures and provides the most relevant and comprehensive ESG metrics for our business as defined by these leading organizations.

We developed this Corporate Responsibility Report using the best and most reliable information currently available to us but cannot guarantee that this information will not change due to conditions within or beyond our control. We undertake no duty to update any information included herein should a change occur.

Further, certain statements made in the Corporate Responsibility Report are "forward looking statements" that by their nature involve estimates, projections, goals, forecasts and assumptions and are subject to risks and uncertainties that could cause actual results and outcomes to differ materially from those expressed in a forward looking statement. These risks include those discussed in our Annual Report on Form 10-K and our Quarterly Report on Form 10-Q filed with the SEC from time to time.

WHAT'S NEW?

We believe that integrating ESG and sustainability targets into UDR's near and long-term strategic goals advances our objective to continuously improve our corporate citizenry, drives innovation, enhances operating results and cash flow growth, and ultimately results in better Total Shareholder Return (TSR) over time. This, when combined with constructive feedback received from a variety of UDR's internal and external stakeholders over the past year, have helped influence changes we have adopted regarding how we implement, track, and report our ESG efforts. Primary additions to our 2020 CRR include:

- Added SASB real estate-specific disclosures for energy management, water management, management of tenant sustainability impact, and climate change adaption.
- Enhanced disclosure around the Company's climate-related risk management approach through the addition of the TCFD framework.
- Obtained independent, third-party assurance that our processes for compiling, measuring, and reporting primary electric-, gas-, water-, and GHG-based metrics are accurate and complete.
- Updated our Associate training and human capital development programs with a greater focus on diversity, ethics, and safety.
- Automated the measurement and reporting of real-time whole-building energy and water consumption to ensure efficient usage, which improve operating margins.
- Increased our use of and investment in renewable energy by installing PV solar and solar thermal where possible, gained a better understanding of municipal green energy programs and their benefits, and purchased more Renewable Energy Certificates.
- Created a Government Affairs team to monitor and advise on regulatory matters, including potential environmental legislation that can impact our operating, capital allocation, and market selection strategies.

For any questions about this Corporate Responsibility Report, please contact our Corporate Services Department at **CR@UDR.com**.



The Arbory – Hillsboro, OR

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CHAIRMAN AND CHIEF EXECUTIVE OFFICER MESSAGE

(GRI 102-14, 102-18, 102-43)

UDR's culture is one based on innovation, inclusion, empowerment, adaptability, and execution. I start with our cultural cornerstones, as without them, the successes we have realized implementing and reporting on a wide variety of ESG objectives would not have been possible. These days, ESG influences and contributes to our day-to-day and long-term growth and risk mitigation strategies, both of which benefit our stakeholders in intangible (e.g., being part of a company that promotes strong corporate citizenry) and tangible (e.g., better net operating income and cash flow growth, etc.) ways.

In 2019, and to date in 2020 I am proud to write that our Associates continued to progress our ESG objectives, many of which are reported in this Report.

For “E,” we installed over 831,000 kilowatt hours of solar generation capacity at our properties, increased our purchase of Renewable Energy Credits, continued to retrofit our buildings with energy management systems and LED lighting, reported our emissions and carbon footprint for the first time, analyzed our portfolio against a variety of climate change risks, and committed to sector-leading energy, water and emissions-reduction goals – to name a few.

For “S,” we enhanced mandatory training for Associates, greatly expanded opportunistic Associate training that can lead to career advancement, increased our efforts to ensure our pay standards are not discriminatory due to race, ethnicity, or gender, paid our Associates for 2,558 hours of their time donated to charity (as actions speak louder than words), worked with residents

who experienced financial hardship as a result of the COVID-19 pandemic, and ensured that our Associates understood their value during the pandemic by offering additional time-off, one-time bonuses for our front-line workers, flexible work schedules, and vacation buyouts – along with other benefits.

For “G,” we continue to believe we have a strong governance structure in place, but we are consistently validating this view through conversations with UDR's investors and governance rating firms. During 2019, we directly engaged with 345 shareholders, representing approximately 79% of our shares outstanding. In general, our investors share our enthusiasm for advancing our ESG objectives and better understanding how UDR fits within their ESG investment frameworks. As such, continuing to improve how we report our ESG objectives and successes is paramount. In this Report, we enhanced our ESG disclosures, so they comply with the GRI Standards (core), the SASB standards, and the TCFD framework. We want to ensure that stakeholders understand what we are doing from an ESG perspective and can easily access the information we provide.

We believe that ESG is growing in importance and is key to being a strong corporate citizen, which is why we remain committed to consistently driving new ESG-related initiatives and further improving the transparency of our disclosures. In 2020, we have expanded our sustainability initiatives by installing Smart Home technology across an additional 10,000 apartment homes, again participating in the annual Global Real Estate Sustainability Benchmark (“GRESB”), installing an

incremental 840,000 kWh of solar energy production, and doubling our procurement of renewable energy to reduce the Company's carbon footprint. Looking ahead, UDR and the apartment industry face a variety of challenges. Risks such as the potential spread of rent control, future carbon tax legislation, changing customer preferences, climate change threats, cyber security threats, the long-term impact from Coronavirus, and sourcing and retaining talented Associates all will affect how we operate our business. When confronted with this laundry list of risks, I remind myself that our innovative, adaptive culture, which is driven by our diverse, dedicated group of Associates, will find a way to drive UDR's business and commitment to ESG forward.

We welcome your feedback on our progress towards our ESG goals, our transparency, and this Report.

Sincerely,



Thomas W. Toomey
Chairman and Chief Executive Officer



Fiori on Vitruvian Park – Addison, TX



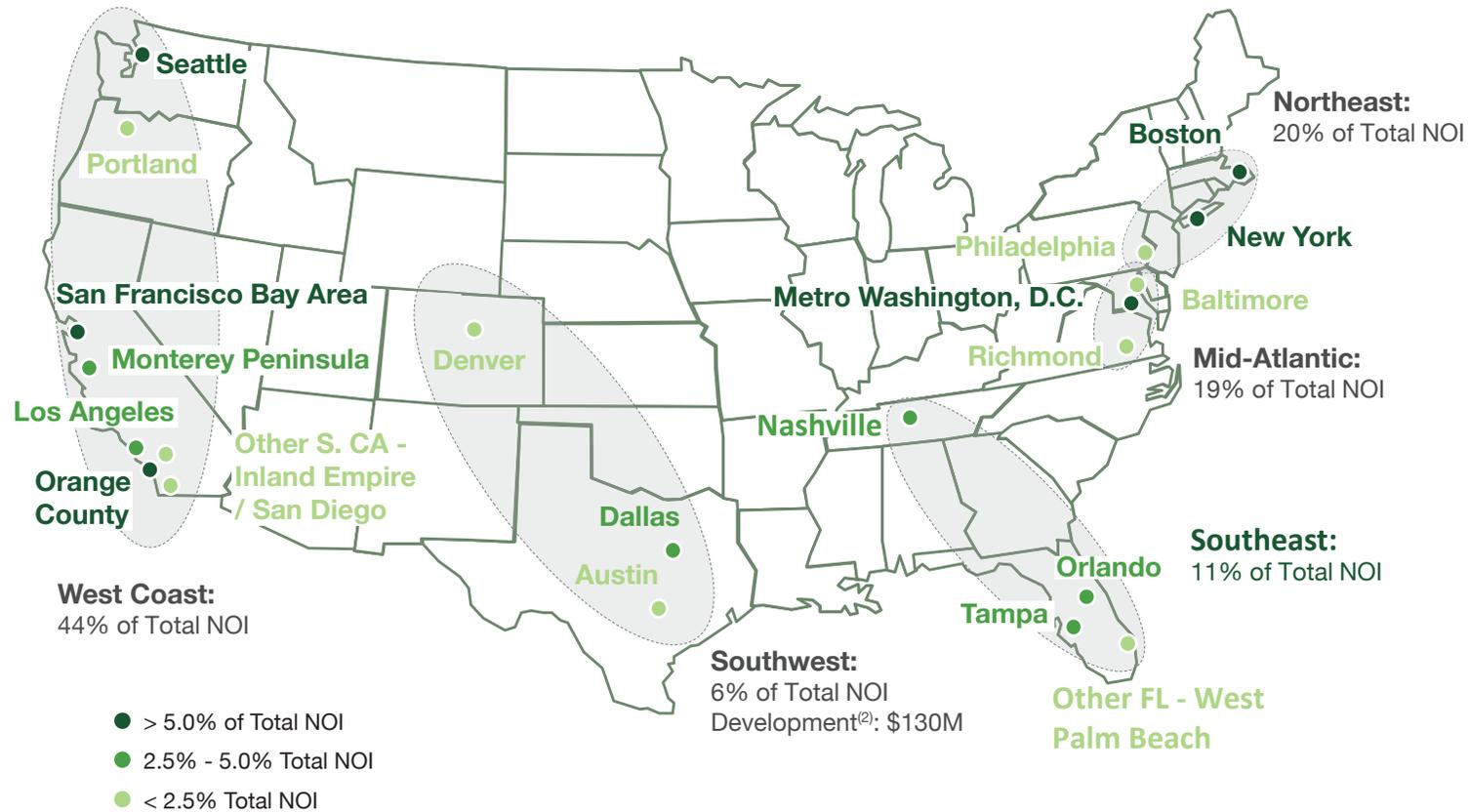
Highlands of Marin – San Rafael, CA

ABOUT UDR, INC.

(GRI 102-2, 102-4, 102-6)

UDR is a multifamily REIT that owns, operates, develops and redevelops a diversified portfolio of apartment homes across top-tier U.S. markets. Our primary goal is to consistently generate above-peer average total shareholder returns (“TSR”) while considering our stakeholders and the environments we operate in.

UDR'S MARKET COMPOSITION ⁽¹⁾



(1) As of September 30, 2019, except otherwise noted. Development includes wholly-owned homes and MetLife joint ventures at UDR's pro-rata ownership interest. NOI totals may not add to 100% due to rounding.

(2) As of October 30, 2019.

Source: Company documents.

UDR'S BUSINESS STRATEGY

(GRI 102-2)

WHY UDR?

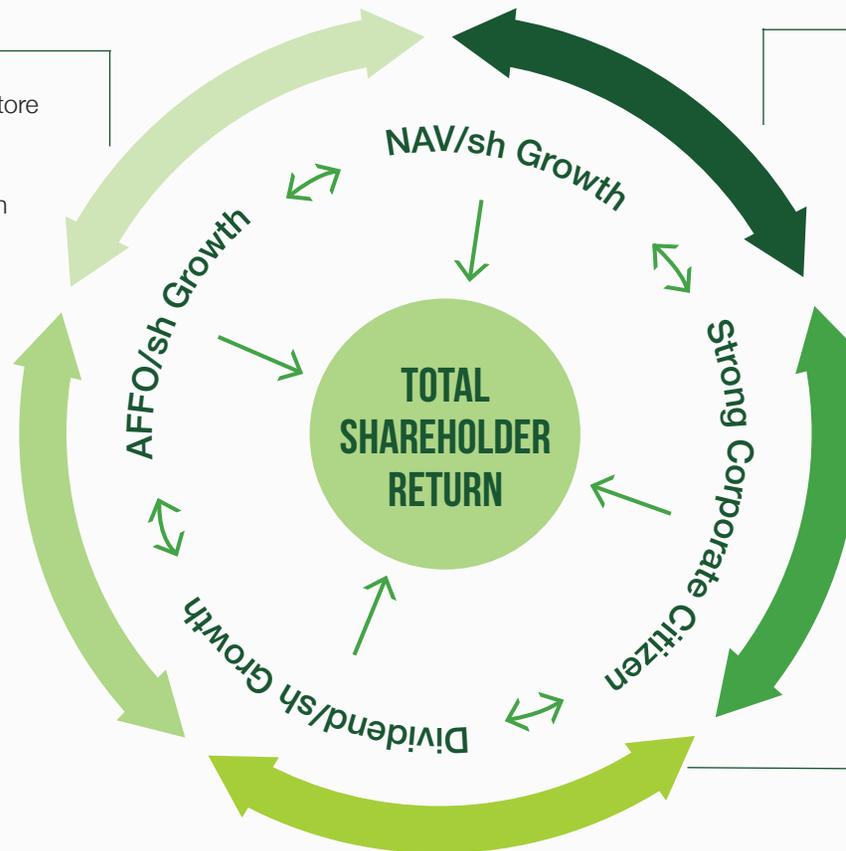
Strategy: Our primary goal is to consistently generate above-peer average TSR while considering our stakeholders and the environments in which we operate. The following attributes aid us in executing this objective through growth in Adjusted Funds from Operations (AFFO), Net Asset Value (NAV), and the Dividend per share combined with being a strong Corporate Citizen.

OPERATING EXCELLENCE

- Generate above-peer median same-store growth.
- Next Generation Operating Platform: Enhance controllable operating margin via innovative technological solutions.
- Improve Resident Satisfaction.

BALANCE SHEET STRENGTH

- Maintain a safe, liquid, and flexible balance sheet that can fully fund our needs throughout real estate cycles.



PORTFOLIO DIVERSIFICATION

- Reduces MSA-concentration risk/same-store growth volatility and appeals to a wide renter/investor audience.
- More “degrees of freedom” to implement our best-in-class operating and capital allocation platforms.

ACCRETIVE CAPITAL ALLOCATION

- Invest in and pivot to the best risk-adjusted return opportunities.
- Predictive analytics influence investments.

CULTURE AND ESG

- Promote an innovative, inclusive culture where Associate engagement is high, sustainability is more than a catch phrase and top-notch customer service is a central focus.
- Reduce our environmental footprint through accretive capital investments in energy, water, and waste initiatives.

UDR'S ESG METHODOLOGY

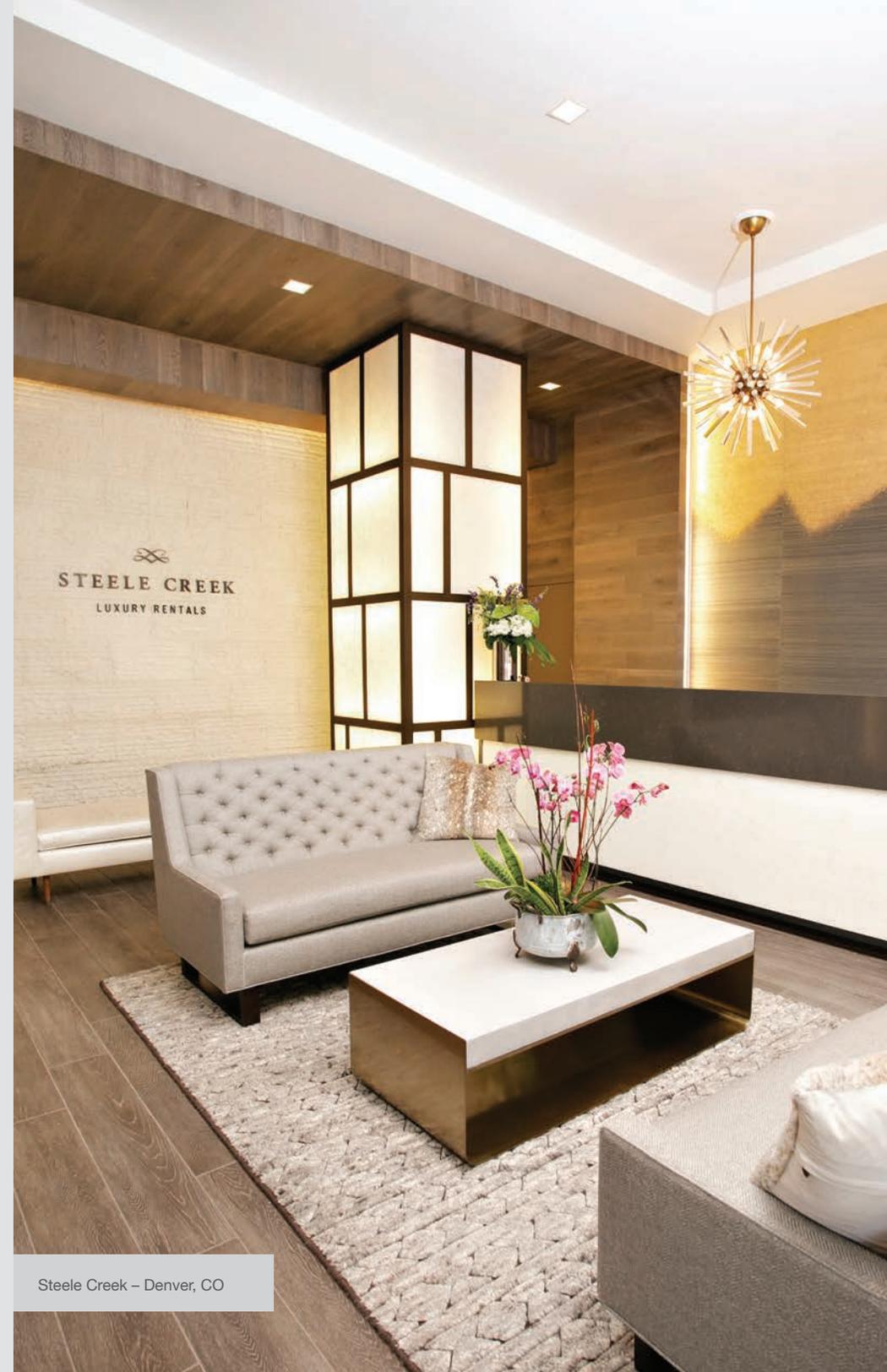
(GRI 102-40, 102-42, 102-43, 102-46, SASB IF-RE-130a.5, IF-RE-140a.4, IF-RE_450a.2, TCFD 2, 9, 11)

Incorporating ESG initiatives into our overarching business strategy helps to drive continued innovation, enhance operating results, increase our interactions with the markets and neighborhoods we operate in, and drive TSR. But the lack of industry accepted ESG reporting and measurement standards can create confusion. To address this, we performed a Materiality Assessment in 2018 that included feedback from investors, Associates, resident engagement surveys, and senior management to better understand which ESG topics were important to UDR's business, strategic goals, and stakeholders. UDR's Corporate Responsibility Committee, which consists of the CEO and senior management from across the Company, prioritized the ESG sustainability topics that have the greatest benefit to UDR and our stakeholders.

In 2019, we enhanced our Materiality Assessment by incorporating all SASB materiality topics for the Real Estate sector as well as additional sustainability-related topics to address a broad set of stakeholder interests.

We then evaluated UDR's ESG processes and controls for each topic to set resource allocation, frequency of performance measurement, goal setting, and reporting structures, with the objective of meeting the needs of our Corporate Responsibility Committee and aligning with the findings of our Materiality Assessment.

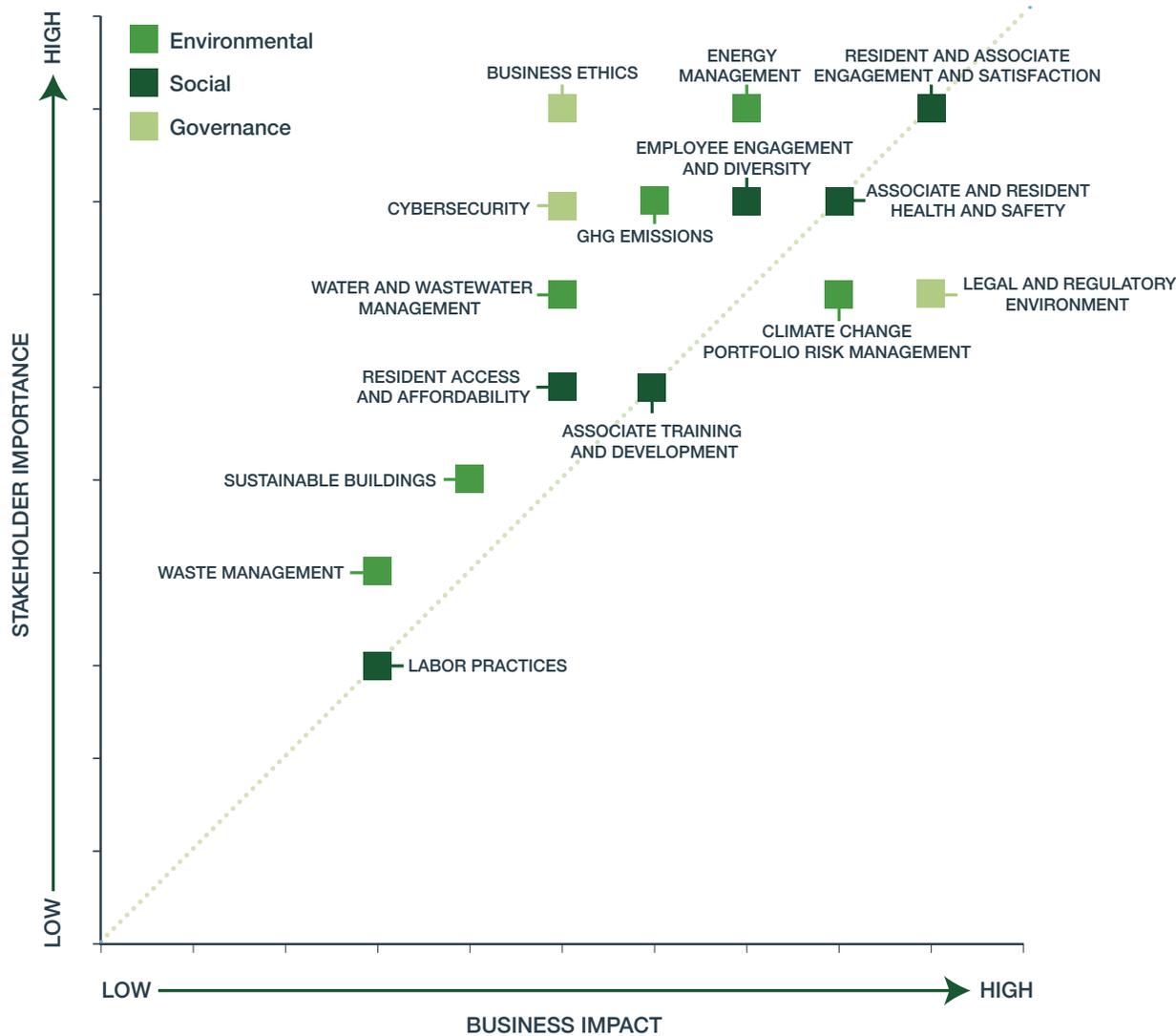
This process identified numerous opportunities for improvement, such as enhancing the measurement and reporting of our GHG emissions, updating our Associate and resident ESG-related training, better evaluating Associate engagement and diversity, as well as other areas of interest that drove clear and executable goals for 2019. This disciplined, top-down approach positively impacted our business results and ensured that our ESG goals aligned with the Company's strategic objectives to expand margin, generate long-term earnings growth, and drive strong TSR relative to peers.



Steele Creek – Denver, CO

MATERIALITY ASSESSMENT

(GRI-102-44, 102-47, GRI 103-1 and 103-2 for GRI 302, 303, 305, and 306, 103-2 for GRI 404, 103-2 and 103-3 for GRI 405, SASB IF-RE-130a.5, IF-RE-140a.4, IF-RE-450a.2, TCFD 6 and 9)



ESG GOVERNANCE

(GRI 102-18, 102-19, TCFD 2 and 8)

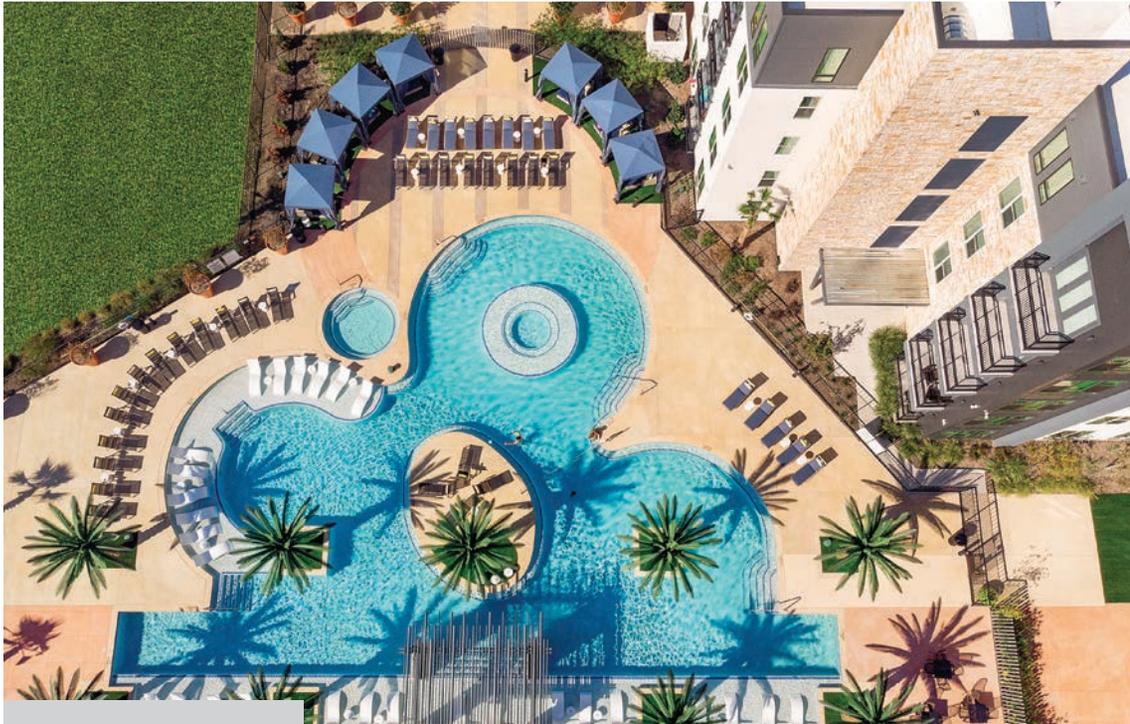
UDR's Corporate Responsibility Committee, which consists of senior officers at the Company, sets and manages its ESG targets and goals. Our Chairman and CEO, Tom Toomey, steers the Committee and is actively involved in determining and implementing our ESG strategies and initiatives. UDR's Senior Vice President of Corporate Services and Innovation, Matt Cozad, is responsible for the design and implementation of core ESG targets and goals, monitoring performance, and coordinating with all areas of the Company to ensure proper execution. During 2020, our Board of Directors has continued to expand their involvement in and contribution to the Company's overall ESG strategy and ongoing ESG initiatives that help to fulfill this strategy. Their influence can be seen in our annual update to the Company's three-year forward-looking Business Plan.

ESG MEASUREMENT AND REPORTING

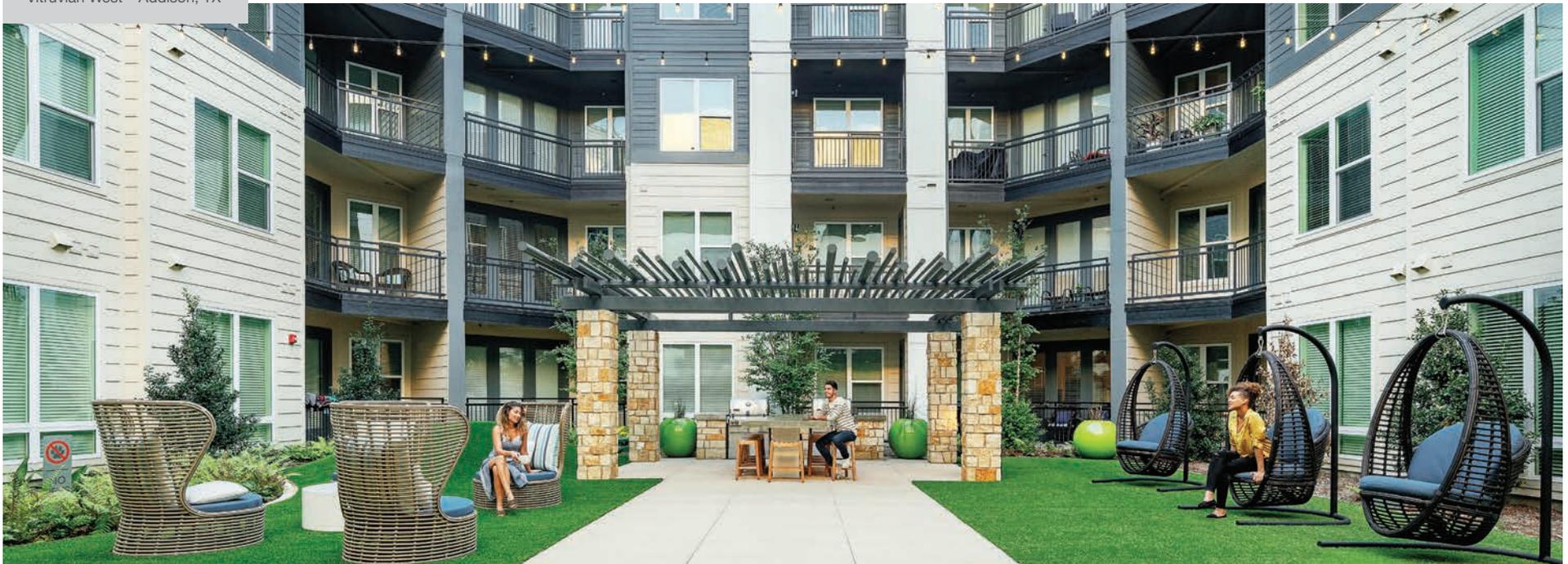
(GRI-102-46, 302-4, 305-5, 306-2, TCFD 9, 10, 11)

We have established ambitious, yet realistic, ESG efficiency targets and goals to mitigate expense growth and create long-term value for our stakeholders in the coming years. For each target and goal, we have developed a framework to report our progress to the Corporate Responsibility Committee and our Board of Directors. Each of our targets and goals is reviewed periodically to confirm alignment with the findings of our Materiality Assessment which identified areas of high importance to our business and stakeholders. In 2019, we advanced all our ESG targets and goals.

	GOAL	RESULTS	STATUS
ENVIRONMENTAL	Reduce the Company's total energy consumption by 15% between 2015 and 2025.	13% cumulative reduction achieved.	↓ 5% reduction
	Procure 10% of operational controlled electricity through renewable energy sources by 2025.	2% procured in 2019.	↑ 2%
	Reduce GHG (Scope 1 and Scope 2 Market Based combined) emissions by 15% between 2015 and 2025.	13% reduction achieved from 2015 through 2019.	↓ 3% reduction
	Reduce water consumption intensity by 10% between 2015 and 2025.	1% cumulative reduction achieved from 2015 through 2019.	↓ 2% reduction
	Increase the Company's recycling diversion rate to 15% between 2015 and 2025.	Current diversion rate is 14%.	
	Obtain sustainability certification for new developments.	Since 2015 we have developed 9 communities (3,176 homes) that have received certificate of occupancy. 8 have received a green building certification with the 9th community pending LEED silver.	
SOCIAL	Maintain an Associate Engagement Score above the average for high performing companies as determined by the third party that conducts our engagement surveys.	Based on the results of our Associate Engagement Survey conducted by an independent third party, UDR's score ranked above the average for high performing companies as it relates to associate engagement.	
	Increase Associate volunteer hours by 10% between 2017 and 2020.	UDR's Associate volunteer hours increased 2018 to 2019 by 25%.	↑ 25% increase
	Install Smart Home Program across 50% of the portfolio by year end 2019.	In 2019, UDR completed installation of 30,370 Smart Homes covering over 50% of the portfolio.	
	Increase our average resident engagement score by more than 19% in 2019.	UDR achieved an 11% increase year over year after two consecutive years of more than double digit improvement. We will continue to look for opportunities to improve services for and responses to our residents' needs. Maintaining high resident engagement scores remains a priority.	↑ 11% increase
GOVERNANCE	Provide 100% of Associates training and confirm 90% or higher completion at any given time for the following training courses in 2020: Business Ethics, Diversity and Inclusion, Fair Housing, IT Security Awareness, Sexual Harassment, and Workplace Harassment.	Achieved 2019 goal of providing workplace harassment, IT Security Awareness, and Sustainability/Risk training to all Associates.	
	Perform internal and external compliance screening for all new vendors to confirm compliance with Federal Laws including the Patriot Act, The Money Laundering Control Act, and Executive Order 13224.	Achieved 2019 goal of screening all new vendors.	
	Participate in the Global Real Estate Sustainability (GRESB) survey in 2020 and expand ESG disclosures.	We participated in the GRESB survey and expanded our disclosures to include the Sustainability Accounting Standards Board (SASB) reporting standards for our industry and the Task Force on Climate-related Financial Disclosures (TCFD) framework within our Corporate Responsibility Report to enhance our ESG disclosures for our stakeholders.	
	Further evaluate the risk of climate change as part of our Enterprise Risk Management process.	Achieved 2019 goal of evaluating risk of climate by asset and market change as part of our Enterprise Risk Management process.	



Vitruvian West – Addison, TX



OUR COMMITMENT TO THE ENVIRONMENT



ENVIRONMENTAL GOVERNANCE

(GRI 103-1, 103-2 and 103-3 for GRI 302, 303, 305 and 306, SASB IF-RE-130a.5, IF-RE-140a.4, IF-RE-410a.3, IF-RE-450a.2, TCFD 11)

The Company's Environmental Management System (EMS) governs our approach to evaluating the potential economic benefits of sustainable investments and monitors ongoing asset performance. Investment decisions are based on two primary factors, financial return and the expected impact to the environment. These are then appropriately weighted to align with our objectives of improving operating margin, lowering controllable expense growth, reducing our carbon footprint, and remaining cognizant of the expectations of our stakeholders and the markets we operate in.

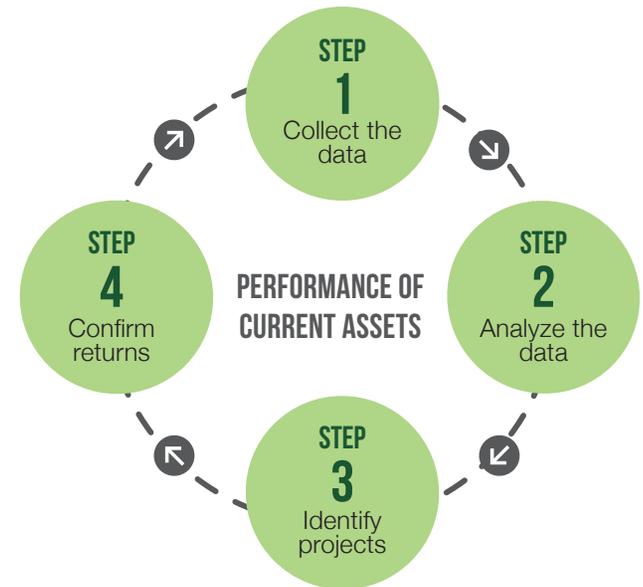
The Company's EMS is designed to collect and categorize energy, water, and waste data in a timely manner. Over the last 12 months, we have invested in and implemented numerous technological advances that have helped us to better analyze these data, including predictive analytics, mobile applications, utility smart meters, and interrelated computing sensors to more efficiently monitor equipment

operations, energy, and water usage on a centralized, real-time dashboard housed at our Corporate office.

Our EMS process has also incorporated ISO 14001 which is designed to improve our environmental footprint and enhance our compliance with existing legislation such as energy benchmarking. Automating our processes through robotics has greatly improved the collection of energy, emissions, and water consumption data, as well as the subsequent verification for accuracy of these data.

These enhanced processes allow us to effectively evaluate unfavorable asset-level trends in environmental performance. The results may be indicators of needed building maintenance, environmental audits, represent opportunities for enhanced Associate and resident training on energy/water conservation, or accretive investments in new systems and technologies. The Corporate Services Team works with the Company's asset managers,

Asset Quality Team, and external vendors to address issues that are identified through the EMS analysis and to process and communicate best practices across the portfolio. Throughout this process, we identify new energy, water, and waste initiatives to reduce our carbon footprint and improve financial operating results.



SUSTAINABLE RESULTS

(SASB IF-RE-130a.5, IF-RE-140a.4)

Since 2015, UDR has completed, on average, over 30 sustainable capital projects annually, which have reduced energy, waste, and water consumption. These successful initiatives, along with our disciplined EMS approach, drove the lowest utility expense growth rate in the multifamily REIT space over the past four years.

This translates into more than \$3.5M in annual run rate utility expense savings. Integrating financial objectives into our EMS process supports our ongoing and accretive investments into sustainability projects and is mutually beneficial to our environmental goals and stakeholder needs.

SAME STORE UTILITY EXPENSE GROWTH (2015-2019)



2019 ENVIRONMENTAL HIGHLIGHTS

Honored for excellence in execution and implementation of building energy and water management technologies by Logical Buildings and the National Apartment Association.

Obtained third-party assurance that our energy, GHG, and water data **is accurate, reliable, and in compliance** with standards set forth by the World Resource Institute / World Business Council for Sustainable Development Greenhouse Gas Protocol.

Installed **Smart Building Technology** that is expected to reduce common area HVAC energy consumption and expense by 10%-15%.

Reduced electric demand in 2019 by 4,241 KW through Demand Response programs resulting in over \$200K in additional net operating income.

Invested in **rooftop solar** to produce over 831,000 kWh annually.

Procured over 12M kWh in **Green-e Certified Renewable Energy Certificates** to offset the Company's carbon footprint. This is equivalent to 1,039 homes of annual GHG emissions.

Installed smart irrigation at properties resulting in an over 5-million-gallon reduction in water usage in 2019.

Used 25 million gallons of reclaimed water for irrigation in 2019, thereby reducing our consumption of potable water.

In 2019 Reduced trash waste by 337 metric tons at our same store properties.

Issued a \$300 million Green Bond, the net proceeds of which were used for eligible green projects.

The following provide greater detail about selected initiatives.



AWARDS

(GRI 302-4, 303-3, 305-5, SASB IF-RE-130a.5, IF-RE-140a.4)

As UDR's ESG initiatives have lessened the Company's environmental footprint, expanded our operating margin, and increased our bottom-line we have received a variety of accolades from industry peers.

- UDR was named the *Smart Building Innovator of the Year in 2019* by Logical Buildings for our work to implement innovative technological solutions to better manage our buildings' energy consumption.
- UDR was awarded the *Silver Sustainable Living Innovation Award* from the National Apartment Association for our water conservation project at Lenox Farms that reduced water consumption by over 3 million gallons in the 12 months post implementation.
- UDR is a *Technology Innovation Award Finalist* for our View 34 property located in New York City. This award is bestowed by the National Apartment Association for technological advancements in energy management.

“

REDUCED TRASH WASTE BY 337 METRIC TONS WITHIN SAME STORE PORTFOLIO YEAR OVER YEAR.

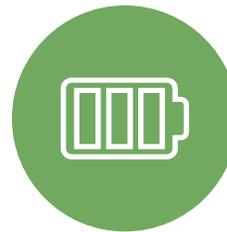
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SMART BUILDING TECHNOLOGY

(GRI 302-4, 305-5, SASB IF-RE-130a.5)

In 2019, UDR's Corporate Services Team installed Smart Building technology at 15 properties in Los Angeles, Seattle, and Metro Washington D.C., which should reduce common area HVAC expenses at these properties by 10%-15% annually. Smart Building technology provides real time whole-building energy consumption and allows us to implement energy protocols to operate our buildings more efficiently. The technology consists of “smart” meters, sensors, thermostats, and other wireless equipment. We are now able to actively set heating/cooling schedules and temperature ranges from a centralized location. Alert notifications are easily monitored through secure authorized access via a mobile device and / or a computer. In 2020, we plan to expand this technology to an additional 20 properties.

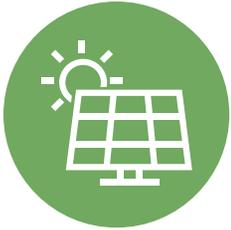


DEMAND RESPONSE

(GRI 302-4, 305-5, SASB IF-RE-130a.5)

In 2019, UDR participated in 14 different Demand Response events which resulted in 4,241KW of demand reduction and generated \$209K in additional net operating income (NOI). These programs are designed to lower energy consumption during peak energy usage times, thereby de-stressing the utility's electric grid.

We continue to look for opportunities to expand our participation in Demand Response programs because of their beneficial environmental and financial outcomes.



SOLAR

(GRI 302-4, 305-5, SASB IF-RE-130a.5)

UDR installed rooftop solar on five communities in 2019 with annual generating capacity of 831,000 kWh. The installations are expected to provide enough electricity to cover 62% of the common area load at these properties. In 2020 we have targeted an additional six communities for installation which will generate 840,000 kWh of clean solar energy. Solar and battery storage potential will continue to be evaluated through our EMS process.



RENEWABLE ENERGY PROCUREMENT

(GRI 305-5, TCFD 11)

We purchased over 12 million kwh of Green-e Certified Renewable Energy Credits in 2019 as a part of our energy procurement program. Green-e Certified Renewable Energy Credits (RECs) offsets a portion of the environmental impact of our buildings. Our goal is to procure 10% of our total common area electricity through renewable energy sources by the end of 2025. In 2019, 2% of our common area electricity consumption was offset by Green-e Certified RECs.



ELECTRICAL PANEL UPGRADES

(GRI 302-4, 305-5, SASB IF-RE-130a.5)

In 2018, UDR upgraded common area electrical panels at 33 different properties. In 2019, these upgrades reduced electrical waste by mitigating building voltage inconsistencies during high electric demand periods. As a result, electricity consumption was reduced by an aggregate 5% at these properties.

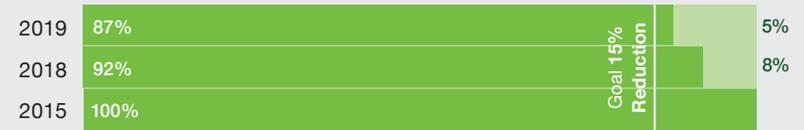
ENVIRONMENTAL IMPACT

(TCFD 10, 11)

At UDR, we're doing our part to reduce our impact on the environment. We actively track and aim to further this impact.

Progress Towards Energy Goal

13% Cumulative Reduction

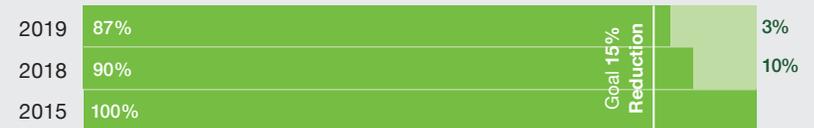


Operational controlled like-for-like energy consumption includes properties that are stabilized for two calendar years.

Progress Towards Greenhouse Gas Emissions

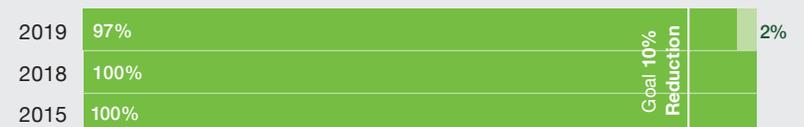
(Scope 1 and Scope 2 Combined)

13% Reduction Compared to Base Year

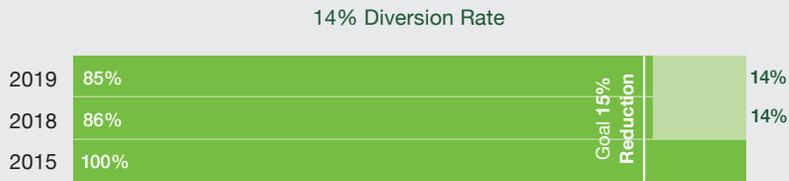


Progress Towards Renewable Energy Procurement

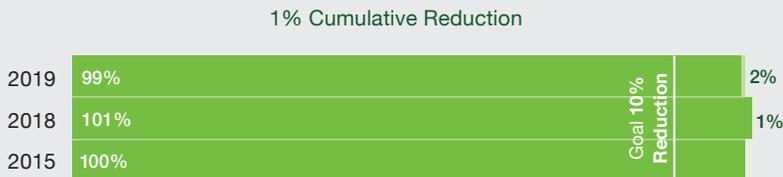
2% Energy Procured



Progress Towards Recycling Diversion Rate



Progress Towards Water Goal



Operational controlled like-for-like water consumption includes properties that are stabilized for two calendar years.

“ **IN 2019, WE USED 25M GALLONS OF RECLAIMED WATER FOR IRRIGATION** ”



LIGHTING RETROFITS TO LED

(GRI 302-4, 305-5, SASB IF-RE-130a.5)

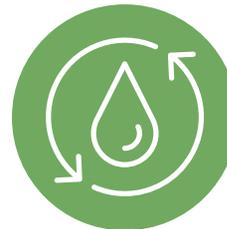
Since 2015, we have completed LED lighting retrofits at over 60% of our properties. These projects have resulted in annualized electric expense savings of \$1.9M and reduced electric consumption by 12.3 million kWh.



SMART IRRIGATION

(GRI 303-3, SASB IF-RE-140a.4)

The installation of smart irrigation and monitoring at properties across our portfolio reduced water consumption by 5,138,300 gallons in 2019.



RECLAIMED / RECYCLED WATER

(GRI 303-3, SASB IF-RE-140a.4)

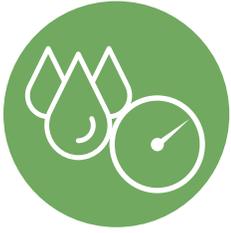
In 2019, we used 25 million gallons of reclaimed water for irrigation, thereby reducing potable water consumption at several of our properties in the Southeast. Reclaimed water is storm sewer water that is processed into non potable water to be used for irrigation purposes. It is both environmentally friendly to use and less expensive than purchasing potable water from the municipal water provider which lowers our water/sewer expenses.



RESIDENT LEAK DETECTION

(GRI 303-3, SASB IF-RE-140a.4)

In 2019 we started a process to compile daily residential sub meter readings from over 24,000 homes in our portfolio. The goal is to notify our residents of potential leaks or excessive water usage within their homes. This should lower water consumption and potentially reduce expenses associated with fixing leaks.



REAL-TIME WATER USAGE

(GRI 303-3, SASB IF-RE-140a.4)

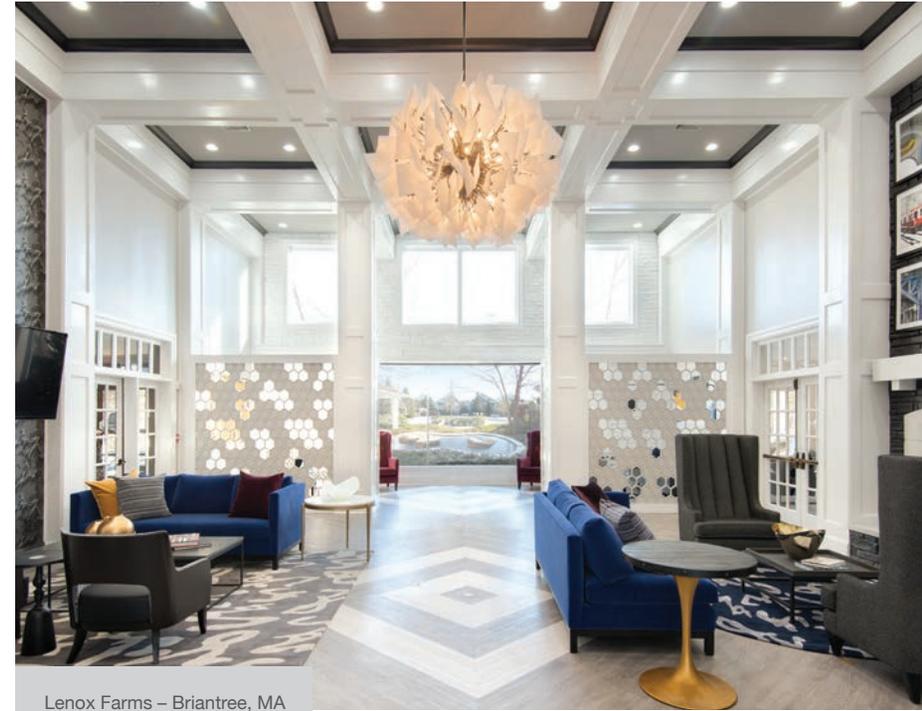
In 2019 we developed a process to install smart metering devices on the common area water lines at our properties to monitor water usage and take action where appropriate. In 2020, we intend to continue making accretive investments in real-time monitoring of water usage.



WASTE

(GRI 306-2)

UDR consistently interacts with our waste partners to optimize weekly pick-ups, increase recycling, and reduce carbon emissions to help the environment. In 2019, this work reduced trash waste by an estimated 337 metric tons, and increased recycling by 4 metric tons in our same-store portfolio. In addition, UDR utilizes trash monitoring services that reduce carbon emissions through automated, on-demand pick-ups, thus eliminating unnecessary services. Over the past year, UDR has increased the number of trash monitors at our properties by 24%.



Lenox Farms – Briantree, MA



View 34 – New York, NY

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-RE-140a.2, IF-RE-140a.3, TCFD 9, 10)

ABSOLUTE CONSUMPTION ⁽¹⁾							
Energy Performance	2018 (kWh)	2019 (kWh)	Data Coverage (SF) ⁽²⁾	Max Coverage (SF)	Total Coverage (%)		
Natural Gas / Steam	85,029,377	88,108,860	9,571,880	45,648,674	21.0%		
Electric	106,478,303	109,242,057	12,674,800	60,561,519	20.9%		
Total Energy Consumption	191,507,680	197,350,917					
LIKE-FOR-LIKE CONSUMPTION ⁽³⁾							
Energy Performance	2018 (kWh)	2019 (kWh)	Data Coverage (SF) ⁽²⁾	Max Coverage (SF)	Total Coverage (%)	Year-Over-Year (YOY) Change	Intensity Equals 2019 (kWh) / Data Coverage SF
Natural Gas / Steam	56,158,465	53,306,656	5,895,535	28,883,690	20.4%	-5.1%	9.0
Electric	63,021,830	60,477,905	8,580,952	42,308,230	20.3%	-4.0%	7.0
Total Energy Consumption	119,180,295	113,784,561				-4.5%	
ABSOLUTE EMISSIONS ⁽⁴⁾			FIXED BASE YEAR LIKE-FOR-LIKE EMISSIONS ⁽⁵⁾				
GHG Performance	2018 Emissions (Metric Tons of CO2e)	2019 Emissions (Metric Tons of CO2e)	2018 Emissions (Metric Tons of CO2e)	2019 Emissions (Metric Tons of CO2e)	YOY Change	Intensity Equals 2019 Emissions / 2019 Revenue \$'s	
Scope 1	15,100	15,656	15,100	15,656	3.7%	0.001%	
Scope 2 Location Based	36,690	34,937	36,690	34,937	-4.8%	0.003%	
Scope 2 Market Based	36,690	34,350	36,690	34,350	-6.4%	0.003%	
Total Emissions (Scope 1 + Scope 2 Market Based)	51,790	50,006	51,790	50,006	-3.4%	0.004%	
ABSOLUTE RENEWABLE PRODUCTION			LIKE-FOR-LIKE RENEWABLE PRODUCTION				
Renewable Energy Production ⁽⁶⁾	2018 (kWh)	2019 (kWh)	2018 (kWh)	2019 (kWh)	YOY Change		
	896,219	1,022,000	9,950	135,731	1264.1%		
ABSOLUTE CONSUMPTION ⁽¹⁾							
Water Performance	2018 (kgal)	2019 (kgal)	Data Coverage (SF) ⁽²⁾	Max Coverage (SF)	Total Coverage (%)		
Total Water Consumption	2,140,930	2,205,181	60,232,919	60,561,519	99.5%		
Total Recycled Water Consumption	24,987	25,693					
Total Water Consumption in Water Stressed Areas ⁽⁷⁾	650,798	643,233	16,503,941	60,561,519	27.3%		
LIKE-FOR-LIKE CONSUMPTION ⁽³⁾							
Water Performance	2018 (kgal)	2019 (kgal)	Data Coverage (SF) ⁽²⁾	Max Coverage (SF)	Total Coverage (%)	YOY Change	Intensity Equals (Consumption / Homes)
Total Water Consumption	1,743,818	1,715,148	41,979,630	42,308,230	99.2%	-1.6%	46.3
Total Water Consumption in Water Stressed Areas ⁽⁷⁾	528,959	512,134	11,423,200	11,423,200	100.0%	-3.2%	48.2
ABSOLUTE WASTE METRIC TONS		LIKE-FOR-LIKE WASTE METRIC TONS ⁽⁸⁾			RECYCLING	DIVERSION	
Waste	2018	2019	2018	2019	YOY Change	2019	2019
	32,828	33,488	27,568	27,231	-1.2%	3,768	14%

(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. The number of properties increased in 2019 and 2018 are different due to acquisition, disposition, and development activity.

(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 like-for-like Scope 1 and Scope 2 emissions was calculated using the World Resource Institute Greenhouse 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 2019 renewable energy production is less than 1% of total operational controlled energy consumption.

(7) 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.

(8) Like-for-like waste includes properties that are stabilized for two calendar years.

LRQA INDEPENDENT ASSURANCE STATEMENT

RELATING TO UDR INC'S GREENHOUSE GAS INVENTORY FOR THE 2019 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. (LRQA) was commissioned by UDR, Inc. (UDR) to provide independent assurance of its Greenhouse Gas (GHG) Inventory for the 2019 calendar year (CY 2019) against the assurance criteria below to a limited level of assurance using LRQA'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: UDR's GHG Inventory Management Plan (UDR Environmental Management System (EMS), Revised June 2020, Version 3.0)
 - 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
 - GRESB 2019 Real Estate Reference Guide
- Evaluating the accuracy and reliability of data and information for only the selected indicators listed below:
 - Direct (Scope 1), Energy Indirect (Scope 2) GHG Emissions
 - Energy Consumption
 - Water Consumption

Our assurance engagement excluded Scope 1 fugitive GHG emissions from refrigerants, consistent with GRESB requirements regarding data estimates.

Our assurance engagement excludes Scope 1 GHG emissions from diesel fuel use in emergency generators, and mobile emissions from vehicles on the basis of their minimis contribution to the total GHG Inventory.

LRQA's responsibility is only to UDR. LRQA disclaims any liability or responsibility to others as explained in the end footnote. UDR'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 UDR.

LRQA'S OPINION

Based on LRQA'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 below.

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

TABLE 1. SUMMARY OF UDR'S GHG EMISSIONS AND ENVIRONMENTAL DATA FOR CY 2019:

SCOPE OF GHG EMISSIONS	QUANTITY	UNITS
Scope 1 GHG emissions ¹	15,656	Metric Tons CO ₂ e
Scope 2 GHG emissions (Location-based) ²	34,937	Metric Tons CO ₂ e
Scope 2 GHG emissions (Market-based) ²	34,350	Metric Tons CO ₂ e
Energy ³	197,350,917	kWh
Water Consumption	2,205,181	kgal

1. Scope 1 Emissions does not include fugitive emissions from refrigerants, consistent with GRESB requirements for data estimates
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.

¹ <http://www.ghgprotocol.org/>

LRQA'S APPROACH

LRQA'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 data and records;
- interviewing relevant employees of the organization responsible for managing GHG emissions 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 data and records at an aggregated level for the calendar year 2019.

LRQA'S STANDARDS, COMPETENCE AND INDEPENDENCE

LRQA 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.

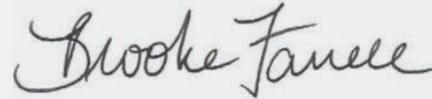
² The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

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.

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

Signed:

Dated: 16 July 2020



Brooke Farrell

LRQA Lead Verifier

On behalf of Lloyds' Register Quality Assurance, Inc.

1330 Enclave Pkwy, Suite 200

Houston, TX 77077

LRQA reference: UQA00001495

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OUR COMMITMENT TO SOCIAL RESPONSIBILITY

UDR IS A COMPANY THAT CARES



CULTURE STATEMENT

(GRI 102-16)

UDR's Culture is achievement based, goal oriented, forward thinking, and driven by innovation and technology. These principles support an empowered, merit-based structure that rewards strong financial results and top performance while also ensuring accountability. The UDR Culture encourages trust in our colleagues and encourages work/life balance. We strive to build an inclusive work environment that encourages, supports, and celebrates the diverse voices of our Associates across the country. Our Associates are the cornerstones of our culture as they create, mold, embrace and promote it daily. Their engagement makes it possible for UDR to consistently deliver financial results that enable the Company to provide the tools our Associates need to take advantage of career and compensation advancement opportunities, provide long-term cash-flow growth and total return for our shareholders, and deliver superior customer service to our residents. These accomplishments are achieved in concert with UDR striving to be a responsible steward of the environment, a socially conscious corporate citizen, and a promoter of sound corporate governance.



RESPECT

Treating each other with courtesy and fairness, we will learn from a diversity of perspectives and accept that doing so is the way to greater balance in our lives.



INTEGRITY

We will use sincerity and honesty in both words and our actions, seeking to do the right thing, the right way, every time.



TEAMWORK

As we work together and share ideas, we will find better ways to develop effective solutions, challenge our thinking, and overcome obstacles.



OWNERSHIP

In order to succeed together, we will hold ourselves accountable when it comes to meeting our goals while we proudly share in our victories.



GROWTH

We will shape our own futures by increasing our skills, gaining more knowledge, trying new things, learning from our mistakes, and maintaining a positive outlook.

ASSOCIATE ENGAGEMENT

UDR creates a significant amount of value through its operating platform, capital allocation expertise, and innovative culture. We measure the effectiveness of our culture through bi-annual Associate engagement surveys conducted by an independent third-party vendor. Historically, our Associate participation rate in these surveys have ranged between 94% and 96%. Our last survey, conducted in 2019, had a 96% participation rate.

2019 survey results indicated that 97% of our Associates are proud to work for UDR and 87% of Associates feel that people from diverse backgrounds can succeed at UDR, both of which validate the Company's Culture Statement. We believe that when our Associates are engaged, the Company more successfully drives value creation for our shareholders and superior customer service for our residents. Other key facts from the survey include:

- Associate Engagement and Enablement is well above the high performing companies.
- Associates are motivated; they have pride in the organization and would recommend UDR as a good place to work.
- Associates believe the Company is innovative and incorporates technology in a way that supports them in their work and benefits residents.
- Associates appreciate the benefits (e.g., health-care, 401K match, etc.) that UDR provides and indicate that these meet their individual needs.
- Responses from Associates show improvement in nearly every topic area as compared to our last survey.

To demonstrate UDR's commitment to maintaining a high level of Associate engagement, an "Associate Engagement" performance metric was added to Senior Management's short-term incentive compensation plan in 2018. This remains in place for 2020, helping to keep UDR's unique culture top of mind.

HIGHLIGHTS:

- UDR's survey results indicate Associates are both highly engaged and highly enabled.
- 81% of our Associates are "engaged", 7% above the average for high performing companies.
- 93% of Associates have a good understanding of UDR's strategy and goals.
- 84% of Associates feel that UDR is innovative.
- 97% of our Associates said they were proud to work at UDR.

Associate Training Indicators

(GRI 103-3 for GRI 404)



Health and Safety Indicators

(GRI 103-3 for GRI 401)



Other 2019 GRI Indicators

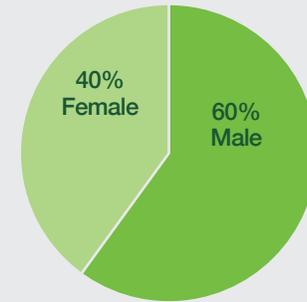
(GRI 102-7, 401-1)



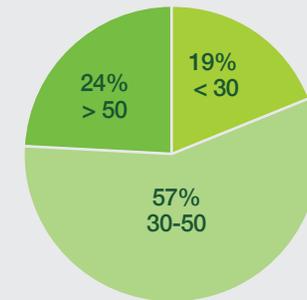
UDR ASSOCIATES

(GRI 405-1)

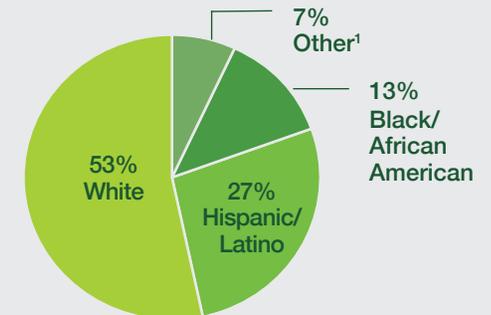
Associates by Gender



Associates by Age



Diverse Workforce



⁽¹⁾ American Indian or Alaskan Native, Asian, Two or more Races, or Non-specified are included in "Other"

TRAINING

(GRI 404-1, 404-2, 404-3)

We believe that training is important to our Associates' job satisfaction, is essential to furthering their effectiveness, and helps in career advancement and Associate retention. Accordingly, we offer a wide variety of training opportunities. In addition to training designed to address regulatory and statutory matters (e.g., harassment, cybersecurity, fair housing, etc.), Associates have the option of participating in management development through our Certified Manager and Career Mobility Programs. These programs are designed to enable our Associates to acquire skills that will be useful to them as they progress in their career. In total, there are over 5,000 courses available to our Associates. Examples of program topics include: leasing skills, basic property maintenance, customer service, project management, and system applications.

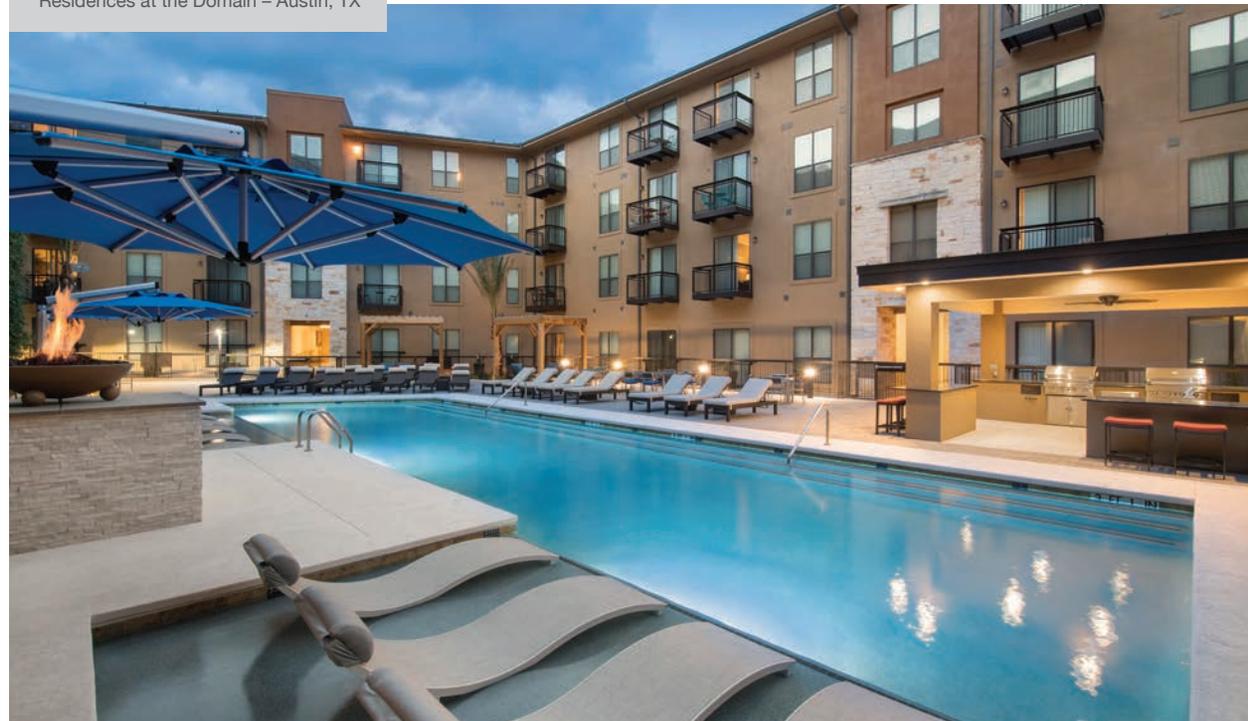
Certifications are important in the apartment business and we encourage our Associates to become professionally certified in areas that interest them and are beneficial to the Company. Certifications range from master's degree programs to certified property manager programs, to technical licenses for HVAC systems; all of which equip our Associates with knowledge and career-expansion opportunities. UDR offers partial tuition reimbursement related to attaining these certifications.

Each UDR Associate engages in an annual performance review with their direct supervisor. These interactions develop Associates' training plans for the upcoming year and provide feedback on career development for each Associate. Our training programs contribute to a more skilled Associate pool. Over the three-year period ending December 31, 2019, 716 Associates were promoted. 57% of the Associates that were promoted to the positions of community director, director, or a higher job classification were female and 28% were of an ethnic background other than caucasian.

All Associates receive required training or communication on environmental, social, and governance topics at the time of their hire depending on their job requirements and base of operations. Annually, all Associates are required to take refreshment training on harassment, IT security, diversity, sustainability, and risk.



Residences at the Domain – Austin, TX



In 2019, we enhanced our training compliance controls with the goal of having 90% or more of our Associates completing their required, annual refreshment training at any given time during the year.

In 2019, our Associates utilized 26,700 hours of training, or an average of 20 hours per Associate. This statistic demonstrates UDR's commitment to continuously investing in our Associates, so they can develop further both personally and professionally.

ASSOCIATE DIVERSITY

(GRI 405-1)

87% of Associates feel that people from diverse backgrounds can succeed at UDR. This statistic indicates that the Company is succeeding in making most Associates feel valued, but also engaging them in such a way that they are confident in their ongoing career development. Creating and maintaining a diverse and inclusive workplace, that supports the development and advancement of our workforce, is not just a buzz word for UDR, but rather a commitment to our Associates that we hold dearly.

ASSOCIATE COMPENSATION

(GRI 405-2)

Attracting, developing, and retaining high-quality, and diverse Associates across our business is critical to the long-term success of the Company. A crucial factor in ensuring this occurs is implementing compensation practices are fair and non-biased. We annually evaluate our compensation policies on gender and diversity bases for each job title and provide the results to our Board of Directors for further discussion.

A compensation ratio is an indicator of pay ratios within a given job type. A score of 100% is average with a score of 101% being just above average and 99% just below average.

2019 GENDER COMPENSATION RATIOS

Male	101.0%
Female	98.5%

2019 DIVERSITY COMPENSATION RATIOS

Asian	102.2%
Black	100.3%
Hispanic or Latino	98.6%
Other	101.0%
White	100.4%

UDR WELLNESS AND BENEFITS

In each month in 2019, a Wellness Newsletter that addressed physical and mental wellbeing was sent via email to every Associate. Associates are provided resources within the email, including a 24-hour 1-800 number to call if they are in need, to better educate themselves on how to achieve healthy outcomes across a variety of wellbeing topics. Topics covered in 2019 included stress management, mental health, and sun safety. UDR recognizes that a holistic approach to our Associates' health is beneficial. These types of initiatives are useful reminders to our Associates that they need to be aware and engaged when it comes to their wellbeing.



Park Square – King of Prussia, PA



PARK SQUARE

Park Square – King of Prussia, PA

BENEFITS

(GRI 401-2)

88% of Associates, when surveyed, believe UDR offers benefits that meet their needs. We appreciate that our team works hard, and that is why we offer a comprehensive selection of benefits for full time Associates. Part time Associates are eligible for those benefits denoted with an asterisk (*).

Highlights:

- Medical Insurance*
- Dental Insurance
- Vision Insurance
- Disability Insurance
- Voluntary Cancer Insurance Long Term Care Plan
- Vacation Time
- Sick Time
- Personal Time
- Bereavement Benefit*
- 401(k) Retirement Plan (which includes a matching component)*
- Medical Flexible Spending Account
- Commuter Expense Reimbursement Plan*
- Tuition Reimbursement
- Associate Rent Discount*
- Business Travel Insurance*
- Identity Theft Program

ASSOCIATE OUTREACH

(GRI 413-1)

In 2019, UDR provided 2,558 hours of paid time off for our Associates to be used for volunteer work with more than 25 local organizations that make a difference in the communities in which we operate. UDR provides paid time off during specified, Company-wide volunteer days and our Associates responded with a 25% year-over-year increase in volunteer hours in 2019.

In addition, our Associates strive to connect our residents with the neighborhoods and communities in which they live. Examples of 2019 resident/neighborhood events included a Summer Jazz BBQ event, Breakfast on the Go, an Ice Cream Social, and a Carnival. These events encourage community growth and outreach.

“ WE APPRECIATE THAT OUR TEAM WORKS HARD, AND THAT’S WHY WE OFFER A COMPREHENSIVE SELECTION OF BENEFITS. ”



Savoye – Addison, TX

RESIDENT ENGAGEMENT

(GRI 102-43)

Satisfied residents renew their leases more often and bring an optimistic energy to our communities.

UDR uses the Net Promoter Score (NPS) to measure customer satisfaction. Feedback from our residents is requested throughout their lifecycle with UDR. That is, pre-move-in, during residency, and after move-out. We want to know how they honestly view their experience with UDR. Our NPS surveys aim to understand resident needs and how we can better address those needs. We obtain approximately 8,000 monthly survey responses and 300 monthly online reviews.

This data is then analyzed to identify opportunities for policy and procedural improvement. Feedback also influences where we invest capital to upgrade amenities, or apartment interiors, for example. We strive to improve our aggregate NPS score annually and have succeeded in doing this each year between 2016 and 2019. Since the second quarter of 2018, when we implemented the first phase of our Next Generation Operating Platform, NPS scores have improved by 15%.

“

UDR KNOWS THAT HAPPY
RESIDENTS MAKE FOR GREAT
PLACES TO LIVE.

”



Inlet Bay at Gateway – St. Petersburg, FL

RESIDENT TECHNOLOGY

Our residents have access to a wide variety of technologies that save them time when interacting with our operating teams allowing us to improve our margin and our residents' experience. In 2019, over 80% of our resident interactions for rent payments, leasing, and service requests took place online further promoting sustainability by reducing our use of paper and printing resources. We continue to make investments in technologies that improve our resident's quality of life and UDR's bottom-line.

In 2019, we installed SmartHome technology packages in 30,370 homes. The upgrades provide our residents home control through smart locks, smart thermostats, and smart outlets. The smart locks are controlled through resident smart devices, such as phones, and are adaptable to tasks such as allowing dog walkers into an apartment via a temporary access code. Smart thermostats allow our residents to remotely control their heating and cooling needs, allowing them to lower their utility bills and reduce their impact on the environment. Smart outlets give our residents the ability to create a custom lighting schedule, turning lights on and off for security or comfort reasons via a smart home app. Our residents want these types of technological advancements in their lives as the technologies save them time and money. Given this, UDR will continue to examine additional "smart" investments that are a win-win for our customers, the environment, and us.

MY UDR BENEFITS

Our residents can conduct apartment-related business conveniently through the MyUDR Resident Portal. This online portal allows residents to pay rent, renew their lease, schedule maintenance requests, and connect socially with other residents. In 2019, 82% of our everyday resident interactions (lease renewal, service requests, and online payments) occurred online through the resident portal.



“ IN 2019, WE INSTALLED SMARTHOME TECHNOLOGY PACKAGES IN 30,370 HOMES ACROSS OUR PORTFOLIO. ”





Peridot Palms – St. Petersburg, FL



COMMUNITIES

(GRI 103-1 and 103-2 for GRI 413, 413-1)

UDR also supports our broader communities by providing affordable housing at over 45 communities (covering over 3,800 homes). These communities offer municipality required rent stabilized homes, or a level of affordability as compared to market-rent homes.

AMENITIES

126 Swimming pools

Over 80% of our communities include a swimming pool allowing residents to relax and work out.

+65% Storage facilities

The majority of our communities provide additional storage facilities.

+70% Package lockers

Over 70% of our communities had package lockers as of year end 2019.

Over 100 Business centers

We have over 100 business centers, enabling our residents to work close to home. 23% have a community kitchen and over 75% have lounge areas where residents can meet their neighbors.

+60 Dog parks

All our communities are pet-friendly and 68 communities include dog parks.

+20% EV stations

UDR has expanded the number of EV charging ports in 2019, now offering this amenity to residents across 33 communities.

93% Fitness facilities

Over 140 communities provide exercise facilities to promote the residents' health and well-being.

OUR COMMITMENT TO CORPORATE GOVERNANCE



CORPORATE GOVERNANCE OVERVIEW

(GRI 102-18)

We believe that effective and transparent corporate governance is critical to our long-term success and our ability to create value for our shareholders. We frequently review our corporate governance policies, monitor emerging developments in corporate governance, and enhance our policies and procedures when our Board determines that it would benefit the Company and our shareholders to do so.

We maintain a corporate governance page on our website that includes key information about UDR's corporate governance, including our:

- Statement on Corporate Governance;
- Code of Business Conduct and Ethics;
- Code of Ethics for Senior Financial Officers;
- Related Person Transactions Policy;
- Amended and Restated Insider Trading Policy;
- Recoupment of Performance-Based Incentives Policy;
- Executive Stock Ownership Guidelines;
- Charter of the Audit Committee;
- Charter of the Compensation Committee;
- Charter of the Governance Committee; and
- Charter of the Nominating Committee.

These documents can be found by accessing the "Investor Relations" page at ir.udr.com and then clicking on "Corporate Governance" and "Governance Documents."

SUCCESSION PLANNING

(GRI 102-18)

One of the primary responsibilities of UDR's Board of Directors is to ensure that the Company has talented individuals who can execute our strategies and drive us forward. The Company's Statement on Corporate Governance states that the Board is responsible for appointing the CEO of the Company, and planning for his or her succession, as well as the succession of other senior executive officers. The Board's Compensation Committee, which is responsible for annually reviewing the development and retention plans for the Company's key senior executive officers, prepares and

reviews succession plans which are then discussed with the entire Board. This effort involves potential candidates working with third party consultants and completing a series of leadership assessment programs with the goal of determining skill sets and each candidate's fit as a potential successor for a key executive officer.

The graphic below illustrates the activities taken in connection with succession planning.



MAY

Topic: Organizational health - how the organization recruits, develops and retains people
Primary Focus: Systematic approach to talent development

JULY

Topic: CEO/Senior leadership succession planning

Primary Focus:

- Key leader development and retention
- Internal succession alternatives in three time periods - immediate, 3-5 years, and long-term

NOVEMBER

Topic: CEO and senior leadership succession - "what if" scenario planning

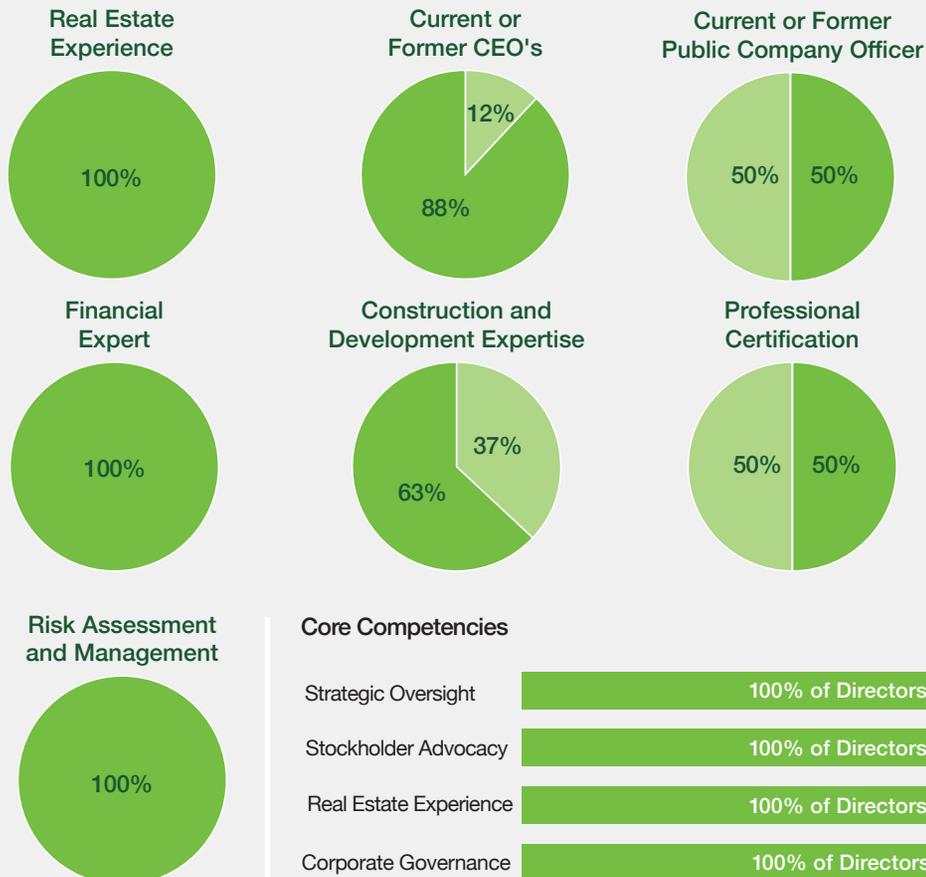
Primary Focus: Board dialogue in advance of unexpected succession issues

BOARD COMPOSITION AND EXPERTISE

(GRI 102-18)

Each member of the Board brings an experienced and differentiated background and set of skills, including expertise in corporate governance and Board service, executive management development, corporate finance and financial markets, real estate investment, and civic leadership.

In 2019, the Company was honored at the biennial Breakfast for Corporate Champions for having at least 30% of its Board seats held by women. At UDR, we believe that diverse backgrounds and perspectives are key aspects of ensuring a well-functioning Board. Collectively, the members of our Board embody a wide range of viewpoints, backgrounds and expertise:



We remain focused on refreshing the membership of the Board when appropriate. Over the last several years, we have added new independent directors to the Board, most recently Clint D. McDonnough in 2016, Mary Ann King in 2015, and Robert A. McNamara and Mark R. Patterson in 2014.

In early 2020, our Board adopted modifications to the Company's Statement on Corporate Governance and Nominating Committee Charter to enhance these documents by specifically requiring that diverse candidates, based on gender and ethnicity, be included in the initial pool for any search for new director candidates and any external search for a CEO. Further, the documents state that any search firm used for identifying new director candidates or a CEO will be required to include such candidates in their initial pool. While our Board has always considered diverse candidates in such searches, these modifications crystalize our commitment to diversity in our Nominating Committee Charter and Statement on Corporate Governance.



BUSINESS INTEGRITY (GRI 102-16)

The UDR Code of Business Conduct and Ethics encompasses a wide range of business practices and procedures. All UDR Directors, Officers, and Associates must follow these principles. This code is published online and is available for the Company's agents and representatives, including consultants, to review. Bribery and corrupt practices are forbidden. Furthermore, no contributions to any political candidate were made in 2019 by the Company.

We also monitor our corporate governance policies and practices to maintain compliance with the provisions of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act"), the rules of the SEC, and the corporate governance rules of the NYSE.

We have a hotline with a 1-800 number and a third-party anonymous reporting system at www.mysafeworkplace.com available to all employees. Our Audit and Risk Management Committee has procedures in place for the anonymous submission of any employee complaint, including those relating to accounting, internal controls, or auditing matters. Instructions for making a report are published in the Corporate Governance subsection of the Investor Relations page of the Company's website at ir.udr.com.

DIVERSITY AND EQUAL OPPORTUNITIES (GRI 405-1)

UDR is an equal opportunity employer. We're committed to treating our Associates in a non-discriminatory manner with regard to race, religion, color, sex, sexual orientation, gender, sexual / gender identity, age, disability, pregnancy, national origin, military or veteran status or any other characteristic

protected by law. All Associates were offered required training in 2019 to increase awareness of harassment, including classes which stressed that any kind of harassment is forbidden and, that when it does occur, it must be quickly identified, reported, and remedied.

ENTERPRISE RISK MANAGEMENT

(GRI 103-1, SASB IF-RE-450a.2, TCFD 1, 2, 3, and 6)

Enterprise Risk Management (ERM) provides a proactive framework for the evaluation of threats and risks to our business and assists in the development of mitigation strategies to protect the Enterprise. ERM oversight is the responsibility of the Board. Our existing ERM dashboard is reviewed by the Audit and Risk Management Committee as part of our regularly scheduled Board meetings. Our approach to ERM includes:

- Identifying risks that could materially impact our enterprise
- Assessing risks, including impact, timing, likelihood, and trend (short and long term)
- Identifying and evaluating controls and risk mitigation to determine sufficiency
- Adjusting resources, processes, and strategy if necessary to reduce risk.

We believe our systematic approach is effective in the timely identification of new risks or changes in risks to our enterprise. Within our risk universe, we have identified and incorporated climate change as a risk that can impact our enterprise and that is important to our stakeholders.

We use our internal climate risk scoring to help shape our portfolio strategy, to understand the potential of both current and future risks, and to evaluate insurance



premiums. This process includes review of the climate risk scores (as determined by several climate change vendors) assigned to each market and asset, followed by a comprehensive review of any change in municipal regulations that could impact the risk level assigned. As part of our 2019 Corporate Responsibility Report, we have expanded our disclosures to include the Task Force On Climate-Related Disclosures within the Appendix of this Report.

ENTERPRISE SECURITY PROGRAM (GRI 103-1)

UDR has an Enterprise Security Program that provides real-time monitoring of cyber security threats. This comprehensive program monitors the health of the Company's overall security performance including:

- Governance
- Associate Training
- Risk
- Business Continuity
- Application Health
- Compliance Against Standards
- Building Management Systems

The Company has implemented a centralized security management strategy with a customized Security Information and Event Management (SIEM) system as the core. In 2019, the Company:

- Blocked over 55,000 malware threats using enhanced email security tools
- Mitigated an average of over 1,000 threats per month with end-point protection on all devices operated by the Company's Associates
- Leveraged state-of-the-art firewalls to stop hundreds of millions of probes, scans, and attacks per month

All new hires must successfully complete the Company's Cyber Security Awareness training and pass competency testing. Competence testing is required for all Associates each year.

Monthly, the Cyber Security team conducts phishing tests with the Company's Associates to maintain a posture of high awareness. A newsletter is published each month to all Associates depicting new threats and showcasing in greater depth methods to protect the Company's digital assets.

Quarterly, the Company's Chief Information Officer reports the results of the Company's Security Governance to the Audit and Risk Management Committee. In 2019, the Company maintained an overall average score above 94 on a 100 point scale of cyber readiness. The performance scoring is calculated using a leading security application software to pool, gather, and objectively report security efforts.

In 2019, the Company expanded its Enterprise Security Program and developed a Personal Identifiable Information (PII) Task Force and a Bank Fraud Committee to further enhance security awareness among Associates; evaluate the sufficiency of existing processes and controls; and continue to ensure strong governance surrounding the prevention of data security breaches, theft, and business interruptions.



VENDOR COMPLIANCE

(GRI 102-9, GRI 102-16)

The Company has an established compliance program that is designed to ensure business is conducted ethically in accordance with company policy without influence. This reduces third-party risk, including fraud risk. Periodically, a due diligence review is performed of the Company's vendors to confirm licenses, tax identification numbers, criminal, and other background searches, insurance, and that Company required standards of performance are met. This review ensures compliance with Federal Laws including the Patriot Act, The Money Laundering Control Act, and Executive Order 13224.

Additional verifications include:

- Bankruptcy, lien, and judgement check
- Business license verification
- National criminal and sex offender background check – for principals

The Company also performs screening of vendors to confirm compliance with the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"). OFAC is designed to enforce economic and trade sanctions based on US foreign policy and national security goals against targeted foreign countries and regimes, terrorists, international narcotics traffickers, those engaged in activities related to the proliferation of weapons of mass destruction, and other threats to the national security, foreign policy, or economy of the United States. Other searches performed for compliance include the Money Laundering database, Terrorist Watch List, and FBI Most Wanted databases.

All vendors must agree to comply with all applicable laws and regulations, including non-discrimination laws.



INTERNAL AUDIT (GRI 102-18)

Our Internal Audit group is independent and reports directly to the Audit and Risk Management Committee of the Board of Directors. Our Internal Audit group is comprised of Associates with professional backgrounds in accounting, auditing, and public accounting. Our Internal Audit group holds professional certifications including the following: Certified Public Accountant (CPA), Certified Internal Auditor (CIA), Certified Fraud Examiner (CFE), and Certification in Risk Management Assurance (CRMA).

The Internal Audit group utilizes data analytics software and robotic process automation to audit and test whole populations of significant Company operational and financial transactions. The audit results are summarized and provided to senior management and the Audit and Risk Management Committee. Internal Audit's utilization of automated data scripts and robotics results in more efficient compliance testing and more timely reporting of significant Company transactions.

GOVERNMENT AFFAIRS

Our Government Affairs group was formed to track, monitor, and advise on regulatory matters at the federal level and in the states, counties, and municipalities in which UDR operates. Regulatory matters may include legislation such as COVID-19 emergency measures, other housing statutes, mandated emission targets, changes to tax rules, general liability, as well as numerous other areas of interest to UDR. The group works closely with the Company's Legal and Operations teams to ensure that UDR is considering legislative and regulatory items that may impact our business, Associates, and residents in a timely manner. Daily reports on regulatory changes are provided to senior management, UDR's operating team, and other Company leaders that help to guide our operating and capital allocation strategies.

GLOBAL REPORTING INITIATIVE CONTENT INDEX

THIS REPORT HAS BEEN PREPARED IN ACCORDANCE WITH THE GRI STANDARDS: CORE OPTION.

GENERAL DISCLOSURES

ORGANIZATIONAL PROFILE

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
102-1	Name of the organization	UDR, Inc.
102-2	Activities, brands, products, and services	UDR is an S&P 500 company. UDR is a leading multifamily real estate investment trust that manages, buys, sells, develops and redevelops real estate properties primarily located in Boston, New York, Washington, D.C., Orlando, Tampa, Dallas, Orange County, Los Angeles, San Francisco, Seattle, and other markets. https://www.udr.com/search-apartments/ Also refer to About UDR, INC., Page 6; and UDR's Business Strategy, Page 7.
102-3	Location of headquarters	UDR's corporate headquarters is located in Highlands Ranch, Colorado.
102-4	Location of operations	UDR's operations are limited to the United States of America.
102-5	Ownership and legal form	UDR, Inc. (NYSE:UDR), a Maryland corporation, and United Dominion Realty, L.P., a Delaware limited partnership, of which UDR, Inc. is the parent company and sole general partner. 2019 10K http://ir.udr.com/Docs
102-6	Markets served	November 2019 Investor Presentation, Page 3 http://ir.udr.com/Presentations 2019 10-K Schedule III, S-1 http://ir.udr.com/Docs Also refer to About UDR INC., Page 6.
102-7	Scale of the organization	As of December 31, 2019 UDR had 1,345 FTEs. Refer to 102-8 for further breakdown of employees by employment contract and employment type. Also refer to Other 2019 Indicators, Page 24. 4th Quarter 2019 Earnings Release provides revenue from operations, debt, equity and other operational information. http://ir.udr.com/Docs

GRI INDICATOR

102-8

DESCRIPTION

Information on employees and other workers

PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE

Total Associates by Gender
 Female: 550 / 40%
 Male: 820 / 60%
 Total: 1,370 / 100%

ASSOCIATES BY REGION				FULL TIME		PART TIME	
Markets	All	Full Time	Part Time	Male	Female	Male	Female
Austin TX	24	22	2	12	10	1	1
Baltimore	29	28	1	15	13	1	0
Boston	87	85	2	51	34	1	1
Dallas TX	63	61	2	43	18	1	1
Denver	324	324	0	156	168	0	0
LA County	35	35	0	24	11	0	0
Metro DC	164	155	9	98	57	1	8
Monterey (Salinas)	35	35	0	25	10	0	0
Nashville TN	41	41	0	18	23	0	0
New York	144	143	1	129	14	1	0
Orange County	102	102	0	62	40	0	0
Orlando	49	47	2	30	17	1	1
Other Florida	9	9	0	4	5	0	0
Other SoCal	13	12	1	6	6	0	1
Philadelphia	17	17	0	8	9	0	0
Portland, OR	18	18	0	10	8	0	0
Richmond	24	24	0	14	10	0	0
San Diego County	12	12	0	7	5	0	0
Seattle, WA	60	60	0	35	25	0	0
SF Bay Area	69	66	3	37	29	1	2
Tampa FL	51	49	2	27	22	1	1
Total	1,370	1,345	25	811	534	9	16

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
102-9	Supply chain	<p>UDR's operation and management of real estate includes a diverse supply chain that includes the use of a variety of vendors to assist with the following activities:</p> <ul style="list-style-type: none"> • Resident services • Building maintenance and management, including utilities, insurance, real estate taxes, and other administrative services • Purchasing of building materials and supplies • Capital improvements, including renovations and development of new assets • Data gathering and analysis <p>The UDR Code of Business Conduct and Ethics encompasses a wide range of business practices and procedures. This Code is also provided to the Company's agents and representatives, including consultants. Bribery and corruption practices are strictly forbidden.</p> <p>Also refer to Vendor Compliance, Page 37.</p>
102-10	Significant changes to the organization and its supply chain	<p>In 2019, there were no changes to UDR's supply chain that would significantly impact the economy, environment, or our communities.</p>
102-11	Precautionary Principle or approach	<p>The Precautionary Principal was defined in the United Nations 1992 Rio Declaration. It outlines that precautionary measures should be taken to protect against environmental degradation even if full cause and effect relationships have not been scientifically proven. UDR does not use the Precautionary Principal to protect against environmental degradation. Refer to our SASB and TCFD indices for further discussion surrounding UDR's climate change risk management process and strategies.</p>
102-12	External initiatives	<p>In 2019, UDR started construction on three communities totaling 878 homes with a total budgeted cost to construct of \$279M.</p> <p>4Q19 Earnings Supplement Attachment 9, Page 31; http://ir.udr.com/Docs.</p> <p>Further information regarding UDR's developments can be found at https://www.udr.com/new-developments/</p>
102-13	Membership of associations	<p>Real Estate Round Table, Urban Land Institute, NAREIT, NMHC, NAA, ULI Greenprint.</p>

STRATEGY

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
102-14	Statement from senior decision-maker	<p>Chairman and Chief Executive Officer Message, Pages 4-5.</p>

ETHNICS AND INTEGRITY

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
102-16	Values, principles, standards, and norms of behavior	Culture Statement, Page 23; Business Integrity, Page 35; Vendor Compliance, Page 37. Further information regarding values, principles, standards, and norms of behavior can be found at http://ir.udr.com/govdocs . See UDR Code of Business Conduct and Ethics.

GOVERNANCE

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
102-18	Governance structure	Chairman and Chief Executive Officer Message, Pages 4-5; ESG Governance, Page 9; Corporate Governance Overview, Page 33; Succession Planning, Page 33; Board Composition, Page 34; and Internal Audit, Page 37. Further information regarding UDR's governance structure can be found at http://ir.udr.com/govdocs , including Audit Committee Charter, Compensation Committee Charter, Governance Committee Charter, and Statement on Corporate Governance.
102-19	Delegating authority	The process for delegation authority for environmental and social topics to senior executives can be found on Page 9.

STAKEHOLDER ENGAGEMENT

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
102-40	List of stakeholder groups	UDR's ESG Methodology, Page 8.
102-41	Collective bargaining agreements	7.88%
102-42	Identifying and selecting stakeholders	UDR's ESG Methodology, Page 8. Any interested party may contact UDR through our corporate website at UDR.com
102-43	Approach to stakeholder engagement	Message from the Chairman and CEO, Pages 4-5; UDR's ESG Methodology, Page 8; and Resident Engagement, Page 29.
102-44	Key topics and concerns raised	Materiality Assessment, Page 9.

REPORTING PRACTICE

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
102-45	Entities included in the consolidated financial statements	2019 10K.
102-46	Defining report content and topic Boundaries	UDR's ESG Methodology, Material Assessment, ESG Governance, and ESG Targets are defined on Pages 8-10.

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
102-47	List of material topics	<p>UDR's Corporate Responsibility Report includes material information for energy, resident and Associate engagement, workforce diversity, Associate training, developments, investor interactions, Associate community service, governance, and other material information. UDR's material topics include environmental, social, and governance and how we management those topics, including defining, measure, and set future goals and targets.</p> <p>Also refer to the Materiality Assessment, Page 9.</p>
102-48	Restatements of information	None.
102-49	Changes in reporting	None.
102-50	Reporting period	Environmental, social, and governance data covers the 2019 calendar year. Financial data is current as the Q4 2019 Supplemental Report unless otherwise stated.
102-51	Date of most recent report	July 2019.
102-52	Reporting cycle	Annual.
102-53	Contact point for questions regarding the report	CR@udr.com
102-54	Claims of reporting in accordance with the GRI standards	<p>This report has been prepared in accordance with GRI Standards (core), including Disclosures 102-1 to 102-14, 102-16, 102-18, 102-19, and 102-40 to 102-56 from GRI 102: General Disclosures. Followed by at least one Topic Specific Disclosure from GRI 200 Economic Performance, GRI 302 Energy, GRI 303 Water and Effluents, GRI 305 Emissions, GRI 404 Training and Education, GRI 405 Diversity and Equal Opportunity, and GRI 406 Non Discrimination.</p>
102-55	GRI content index	GRI Content Index, Pages 38-48.
102-56	External assurance	<p>UDR's management was responsible for preparing the 2019 Corporate Responsibility Report and for maintaining effective internal controls over the data and information disclosed. The internal controls surrounding the recording, reporting, and monitoring of key metrics outlined in this Report were effective during the reporting period based on internal reviews.</p> <p>Assurance Statement, Pages 20-21.</p>
103-1	Explanation of the material topic and its Boundary.	<p>UDR's material topics outlined in Disclosure 102-47 are material because they can impact UDR's financial and or operational performance. These topics are monitored to allow the Company to better manage the risks and or opportunities presented by each topic. The impact of any material topic on which we report occurs within the reporting boundary we have as a company.</p> <p>Also refer to the Materiality Assessment, Page 9; Environmental Governance, Page 13; Enterprise Risk Management, Page 35; and Enterprise Security System, Page 36.</p>

TOPIC SPECIFIC DISCLOSURES

GRI 201 ECONOMIC PERFORMANCE

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
103-1	Explanation of the material topic and its boundary.	4th Quarter 2019 Earnings Release, Pages 1-5; http://ir.udr.com/Docs
103-2	The management approach and its components.	4th Quarter 2019 Earnings Release, Page 5; http://ir.udr.com/Docs
103-3	Evaluation of the management approach.	2019 10K, Pages 3-25; http://ir.udr.com/Docs
201-1	Direct economic value generated and distributed.	2019 10K, Pages 39; 4Q19 Earnings Supplement, Attachment 1; http://ir.udr.com/Docs
201-2	Financial implications and other risks and opportunities due to climate change.	2019 10K, Pages 1, 16-17, 35; http://ir.udr.com/Docs

GRI 302 ENERGY

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
103-1	Explanation of the material topic and its boundary.	Materiality Assessment, Page 9; Environmental Governance, Page 13.
103-2	The management approach and its components.	Materiality Assessment, Page 9; Environmental Governance, Page 13.
103-3	Evaluation of the management approach.	Environmental Governance, Page 13.
302-1	Energy consumption within the organization	Assurance Statement, Pages 20-21; Environmental Metrics, Page 19.
302-3	Energy intensity	Environmental Metrics, Page 19.
302-4	Reduction of energy consumption	ESG Measurement and Reporting, Page 10; Awards, Page 15; Smart Building Technology, Page 15; Demand Response, Page 15; Solar, Page 16; Electrical Panel Upgrades, Page 16; Lighting Retrofits to LED, Page, 17; Environmental Metrics, Page 19; Assurance Statement, Pages 20-21.

GRI 303: WATER AND EFFLUENTS

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
103-1	Explanation of the material topic and its boundary.	Materiality Assessment, Page 9; Environmental Governance, Page 13.
103-2	The management approach and its components.	Materiality Assessment, Page 9; Environmental Governance, Page 13.
103-3	Evaluation of the management approach.	Environmental Governance, Page 13.
303-1	Interactions with water as a shared resource	Environmental Metrics, Page 19; Assurance Statement, Pages 20-21.
303-3	Water withdrawal	Awards, Page 15; Smart Irrigation, Page 17; Reclaimed / Recycled Water, Page 17; Resident Leak Detection, Page 17; Real-Time Water Usage, Page 18; Environmental Metrics, Page 19; and Assurance Statement, Pages 20-21.

GRI 305: EMISSIONS

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
103-1	Explanation of the material topic and its boundary.	Materiality Assessment, Page 9; Environmental Governance, Page 13.
103-2	The management approach and its components.	Materiality Assessment, Page 9; Environmental Governance, Page 13.
103-3	Evaluation of the management approach.	Environmental Governance, Page 13.
305-1	Direct (Scope 1) GHG emissions	Environmental Metrics, Page 19; Assurance Statement, Pages 20-21.
305-2	Energy indirect (Scope 2) GHG emissions	Environmental Metrics, Page 19; Assurance Statement, Pages 20-21.
305-4	GHG emissions intensity	Environmental Metrics, Page 19.
305-5	Reduction of GHG emissions	ESG Measurement and Reporting, Page 10; Awards, Page 15; Smart Building Technology, Page 15; Demand Response, Page 15; Solar, Page 16; Renewable Energy Procurement, Page 16; Electric Panel Upgrades, Page 16; Lighting Retrofits to LED, Page 17; Environmental Metrics, Page 19; and Assurance Statement, Pages 20-21.

GRI 306: WASTE AND EFFLUENTS

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
103-1	Explanation of the material topic and its boundary.	Materiality Assessment, Page 9; Environmental Governance, Page 13.
103-2	The management approach and its components.	Materiality Assessment, Page 9; Environmental Governance, Page 13.
103-3	Evaluation of the management approach.	Environmental Governance, Page 13.
306-2	Waste by type and disposal method.	ESG Measurement and Reporting, Page 10; Waste, Page 18; Environmental Metrics, Page 19.

GRI 401: EMPLOYMENT

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
103-1	Explanation of the material topic and its boundary.	UDR Proxy, Page 27 Human Capital Management; http://ir.udr.com/Docs
103-2	The management approach and its components.	UDR Proxy, Page 27 Human Capital Management; http://ir.udr.com/Docs
103-3	Evaluation of the management approach.	UDR Proxy, Page 27 Human Capital Management; http://ir.udr.com/Docs ; Also refer to Health and Safety Indicators, Page 24.
401-1	New employee hires and employee turnover	Other 2019 Indicators, Page 24.

NEW HIRES BY REGION			
Markets	Total New Hires	New Hires - Male	New Hires - Female
Austin TX	12	3	9
Baltimore	16	11	5
Boston	34	23	11
Dallas TX	23	17	6
Denver	52	24	28
LA County	27	21	6
Metro DC	35	19	16
Monterey (Salinas)	6	5	1
Nashville TN	15	8	7
New York	22	18	4
Orange County	52	29	23
Orlando	28	20	8
Other Florida	12	6	6
Other SoCal	4	3	1
Philadelphia	8	5	3
Portland, OR	5	4	1
Richmond	2	1	1
San Diego County	0	0	0
Seattle, WA	20	8	12
SF Bay Area	31	17	14
Tampa FL	17	9	8
Total	421	251	170

TERMS BY REGION		
Total Terms	Terms - Male	Terms - Female
13	4	9
9	5	4
23	13	10
38	26	12
38	18	20
40	25	15
45	22	23
6	4	2
13	8	5
21	18	3
59	31	28
31	26	5
7	5	2
4	3	1
2	2	0
7	5	2
4	2	2
0	0	0
23	13	10
40	24	16
18	9	9
441	263	178

TURNOVER BY REGION		
Turnover	Turnover - Male	Turnover - Female
54%	31%	82%
31%	31%	31%
26%	25%	29%
60%	59%	63%
12%	12%	12%
114%	104%	136%
27%	22%	35%
17%	16%	20%
32%	44%	22%
15%	14%	21%
58%	50%	70%
63%	84%	28%
78%	125%	40%
31%	50%	14%
12%	25%	0%
39%	50%	25%
17%	14%	20%
0%	0%	0%
38%	37%	40%
58%	63%	52%
35%	32%	39%
32%	32%	32%

ASSOCIATES BY REGION			
Markets	All Associates	Full Time	Part Time
Austin TX	24	22	2
Baltimore	29	28	1
Boston	87	85	2
Dallas TX	63	61	2
Denver	324	324	0
LA County	35	35	0
Metro DC	164	155	9
Monterey (Salinas)	35	35	0
Nashville TN	41	41	0
New York	144	143	1
Orange County	102	102	0
Orlando	49	47	2
Other Florida	9	9	0
Other SoCal	13	12	1
Philadelphia	17	17	0
Portland, OR	18	18	0
Richmond	24	24	0
San Diego County	12	12	0
Seattle, WA	60	60	0
SF Bay Area	69	66	3
Tampa FL	51	49	2
Total	1,370	1,345	25

ASSOCIATES BY REGION			
Male Full Time	Female Full Time	Male Part Time	Female Part Time
12	10	1	1
15	13	1	0
51	34	1	1
43	18	1	1
156	168	0	0
24	11	0	0
98	57	1	8
25	10	0	0
18	23	0	0
129	14	1	0
62	40	0	0
30	17	1	1
4	5	0	0
6	6	0	1
8	9	0	0
10	8	0	0
14	10	0	0
7	5	0	0
35	25	0	0
37	29	1	2
27	22	1	1
811	534	9	16

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
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401-2

Benefits provided to full-time employees that are not provided to temporary or part-time employees

Benefits, Page 28.

GRI 404: TRAINING AND EDUCATION

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
103-1	Explanation of the material topic and its boundary.	UDR Proxy, Page 27 Human Capital Management; http://ir.udr.com/Docs
103-2	The management approach and its components.	UDR Proxy, Page 27 Human Capital Management; http://ir.udr.com/Docs ; Materiality Assessment, Page 9.
103-3	Evaluation of the management approach.	UDR Proxy, Page 27 Human Capital Management; http://ir.udr.com/Docs ; Also refer to Associate Training Indicators, Page 24.
404-1	Average hours of training per year per employee	Training, Pages 25-26.
404-2	Programs for upgrading employee skills and transition assistance programs.	Training, Pages 25-26.
404-3	Percentage of employees receiving regular performance and career development reviews	Training, Pages 25-26.

GRI 405: DIVERSITY AND EQUAL OPPORTUNITY

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
103-1	Explanation of the material topic and its boundary.	UDR Proxy, Page 27 Human Capital Management; http://ir.udr.com/Docs
103-2	The management approach and its components.	Materiality Assessment, Page 9.
103-3	Evaluation of the management approach.	Materiality Assessment, Page 9.
405-1	Diversity of governance bodies and employees	Governance Body Diversity: UDR Proxy, Page 2; http://ir.udr.com/Docs UDR Associates, Page 24; Associate Diversity, Page 26; and Diversity and Equal Opportunities, Page 35.
405-2	Ratio of basic salary and remuneration of women to men.	Associate Compensation, Page 26.

GRI 406: NON-DISCRIMINATION

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
103-1	Explanation of the material topic and its boundary.	Code of Business Conduct and Ethics, Page 3 Discrimination and Harassment; http://ir.udr.com/govdocs
103-2	The management approach and its components.	Code of Business Conduct and Ethics, Page 3 Discrimination and Harassment; http://ir.udr.com/govdocs
103-3	Evaluation of the management approach.	UDR Proxy, Page 27 Human Capital Management; http://ir.udr.com/Docs
406-1	Incidents of discrimination and corrective actions taken.	UDR 10K, Page F-54 Contingencies, Litigation and Legal Matters.

GRI 413: LOCAL COMMUNITIES

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
103-1	Explanation of the material topic and its boundary.	Communities, Page 31.
103-2	The management approach and its components.	Communities, Page 31.
413-1	Operations with local community engagement, impact assessments, and development programs.	Associate Outreach, Page 28; and Communities, Page 31.

SASB INDEX

TOPIC	QUESTION	CODE	UDR RESPONSES
Energy Management	Energy consumption data coverage as a percentage of total floor area by property subsector.	IF-RE-130a.1	Refer to Page 19 for total energy consumption and percentage of total floor area.
Energy Management	1) Total energy consumed by the portfolio area with data coverage; 2) Percentage grid electricity; and 3) Percentage of renewable by property subsector.	IF-RE-130a.2	Refer to Page 19 for total energy consumed, percentage grid electricity, and percentage of renewable energy.
Energy Management	Like-for-like percentage change in energy consumption for the portfolio area with data coverage by property subsector.	IF-RE-130a.3	Refer to Page 19 for like-for-like energy consumption and GHG emissions.
Energy Management	Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR by property subsector.	IF-RE-130a.4	43% of the Company's portfolio has an energy rating and 0% of the portfolio is certified by ENERGY STAR.
Energy Management	Description of how building energy management considerations are integrated into property investment analysis and operational strategy.	IF-RE-130a.5	<p>The Company's Environmental Management System (EMS) informs our approach to evaluating potential investments in sustainability and monitoring ongoing asset performance. To make business decisions that are financially responsible and environmentally friendly, a flexible approach must be taken that includes both financial returns and environmental impact. This aligns with our business strategy to improve operating margin and lower controllable expenses, while considering our stakeholders and the environments we operate. Refer to Page 14 for further discussion and our five-year utility expense CAGR relative to the peers which supports the effectiveness of our investment analysis, approach, and execution.</p> <p>Refer to UDR's ESG Methodology, Page 8; Materiality Assessment, Page 9; Environmental Governance, Page 13; Sustainable Results, Page 14; Awards, Page 15, Smart Building Technology, Page 15, Demand Response, Page 15; Solar, Page 16; Electrical Panel Upgrades, Page 16; and Lighting Retrofits to LED, Page 17 for examples of energy management considerations and operational strategy.</p>
Water Management	Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress by property subsector.	IF-RE-140a.1	Refer to Page 19 for total water consumption, data coverage, and regions with High or Extremely High Baseline Water Stress.
Water Management	Total water withdrawn by portfolio area with data coverage an percentage in regions with High or Extremely High Baseline Water Stress, by property subsector.	IF-RE-140a.2	Refer to Page 19 for total water consumption, data coverage, and regions with High or Extremely High Baseline Water Stress.
Water Management	Like-for-like percentage change in water withdrawn for portfolio area with data coverage by property subsector.	IF-RE-140a.3	Refer to Page 19 for like-for-like water consumption.

TOPIC	QUESTION	CODE	UDR RESPONSES
Water Management	Description of water management risks and discussion of strategies and practices to mitigate those risks.	IF-RE-140a.4	<p>Water Stress is one of various climate change risks we evaluate as part of our overall climate change risk management process. Water and wastewater management is incorporated in to our materiality assessment as a key ESG metric consistent with SASB's metrics specific to our industry. Through real-time monitoring, reporting, and analytics, we monitor residential and common area water consumption at our communities for conservation and investment opportunities. Investments in water conservation and continued stakeholder education is integrated in to our overall EMS process and includes, but is not limited to, investments and continued maintenance in cooling towers, submeters, irrigation systems, preventive maintenance plans, training and education, etc.</p> <p>Refer to UDR's ESG Methodology, Page 8; Materiality Assessment, Page 9; Environmental Governance, Page 13; Sustainable Results, Page 14; Awards, Page 15; Smart Irrigation, Page 17; Reclaimed / Recycled Water, Page 17; Resident Leak Detection, Page 17; and Real - Time Water Usage, Page 18 for examples of practices to mitigate water risks.</p>
Management of Tenant Sustainability Impacts	(1) Percentage of new leases that contain a cost recovery clause for resource efficiency related capital improvements and (2) associated leased floor area by property subsector.	IF-RE-410a.1	0% of our new leases contain a cost recovery clause for resource efficiency related capital improvements.
Management of Tenant Sustainability Impacts	Percentage of tenants that are separately metered or sub metered for (1) grid electricity consumption and (2) water withdrawals by property subsector.	IF-RE-410a.2	97.6% of homes are direct billed or separately metered for grid electric consumption. 47.5% of homes are direct billed or separately metered for water withdrawals.
Management of Tenant Sustainability Impacts	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants.	IF-RE-410a.3	Every new and renewal residential lease is required to have a Green Lease Addendum. The Green Lease Addendum encourages residents to participate in the conservation of water, gas, and electric consumption, including recycling, thermostat programming, and the timely reporting of energy and water service issues. Also refer to Environmental Governance, Page 13.
Climate Change Adaption	Area of properties located in 100-year flood zones by property subsector.	IF-RE-450a.1	12,800,435 leasable SQFT out of 49,592,670 leasable SQFT.
Climate Change Adaption	Description of climate change risk exposure analysis; degree of systematic portfolio exposure; and strategies for mitigating risks.	IF-RE-450a.2	<p>UDR utilizes external climate change data firms to assess current and future climate change risk to our communities and the markets in which we operate. Risk categories used to assess, and then score, each UDR community and market for climate change risk include Heat Stress, Water Stress, Sea-Level Rise, Flooding Risk, Hurricane Risk, and Earthquake Risk. Once risk parameters are known, an analysis is undertaken where we assess whether these risks are short-term or long-term in nature and how each community or market scores with regard to these metrics on a relative basis as well as versus multifamily peer portfolios. These findings are considered when making buy and sell capital decisions (i.e., influence portfolio strategy decisions); to better understand the future cost of hardening communities against these risks; and to better assess the potential for higher/lower insurance premiums and overall insurability moving forward.</p> <p>Refer to UDR's ESG Methodology, Page 8; Materiality Assessment, Page 9; Environmental Governance, Page 13, and Enterprise Risk Management, Page 35 for examples of strategies to mitigate risks.</p>
Activity Metric	Number of assets by property subsector.	IF-RE-000.A	178 multifamily apartment complexes.
Activity Metric	Leasable floor area by property subsector.	IF-RE-000.B	49,592,670 leaseable SQFT.
Activity Metric	Percentage of indirectly managed assets by property subsector.	IF-RE-000.C	0% in 2019.
Activity Metric	Average occupancy rate by property subsector.	IF-RE-000.D	96.5% was the average multifamily property sector occupancy rate in 2019.

TCFD INDEX

QUESTION NUMBER	SECTION	QUESTION	UDR RESPONSE
1	Governance	Describe the Board's oversight of climate related-risks and opportunities.	UDR's Board of Directors has oversight responsibility with respect to risk management. The Board's role in the Company's risk oversight process includes receiving regular reports from members of senior management on areas of material risk to the Company, including but not limited to, operational, financial, legal, strategic, cybersecurity, climate change, etc. Refer to Enterprise Risk Management, Page 35 for additional discussion.
2	Governance	Describe management's role in assessing and managing climate related risks and opportunities	UDR formed a Corporate Responsibility Committee made up of members of senior management and headed by our Chairman and Chief Executive Officer. The Committee was formed to formalize our efforts with respect to environmental, social, and governance initiatives and to allow us to better recognize and manage risks and opportunities. The Committee receives ESG performance reports and trends, including energy, emissions, regulatory, etc. to evaluate environment opportunities to enhance short and long-term goals and targets. Refer to UDR's ESG Methodology, Page 8; ESG Governance, Page 9; and Enterprise Risk Management, Page 35 for additional discussion.
3	Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	UDR utilizes external climate change data firms to assess current and future climate change risk to our communities and the markets in which we operate. Risk categories used to assess, and then score, each UDR community and market for climate change risk include Heat Stress, Water Stress, Sea-Level Rise, Flooding Risk, Hurricane Risk, and Earthquake Risk. Once risk parameters are known, an analysis is undertaken where we assess whether these risks are short-term or long-term in nature and how each community or market scores with regard to these metrics on a relative basis as well as versus multifamily peer portfolios. These findings are considered when making buy and sell capital decisions (i.e., influence portfolio strategy decisions); to better understand the future cost of hardening communities against these risks; and to better assess the potential for higher/lower insurance premiums and overall insurability moving forward. Refer to Enterprise Risk Management, Page 35 for additional discussion.
4	Strategy	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	UDR uses asset and market-level climate change risk scores as part of the portfolio strategy model. The portfolio strategy model is used to help make more informed buy and sell capital decisions (i.e., influence portfolio strategy decisions); to better understand the future cost of hardening communities against climate change risk factors (i.e., what is our Return on Investment); and to better assess the potential for higher or lower insurance premiums and overall insurability moving forward.
5	Strategy	Describe the resilience of the organization's strategy taking into consideration different climate-related scenarios including a 2 degree celcius (C) or lower scenario.	The goal of the 2015 Paris Agreement is to limit global warming to below 2 degrees C and to pursue efforts to limit global warming to 1.5 degree C by 2050. These goals are based on Science Based Target initiatives (SBTi). These targets are designed to reduce GHG emissions. As shown on Page 10 of our Report, we have established long-term goals to reduce the Company's carbon footprint and we have established reporting criteria in accordance with the World Resource Institute Greenhouse Gas Protocol guidelines which align with the goal of the 2015 Paris Agreement.
6	Risk Management	Describe the organization's process for identifying and assessing climate related risks.	Refer to Questions 2-4 above.
7	Risk Management	Describe the organization's process for managing climate-related risks.	Periodically, UDR reassesses climate change risk for each of its assets and markets, which is considered in the Company's Enterprise Risk Management process. This helps Senior Management and the Board of Directors to better evaluate overall risk to the Enterprise from climate change and whether our operating, capital allocation, or balance sheet strategies should be adjusted.

QUESTION NUMBER	SECTION	QUESTION	UDR RESPONSE
8	Risk Management	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Refer to Questions 2-4 and 7 above.
9	Metrics & Targets	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management processes.	The Company's identified climate-related risks discussed above are integrated into our overall ESG, ERM, and strategic business plan processes. The metrics used to assess the significance or materiality of those related risks are disclosed on Pages 8-10 of our Report.
10	Metrics & Targets	Disclose Scope 1 and Scope 2 and if appropriate Scope 3 greenhouse gas emissions and the related risks.	Refer to Pages 10, 16, and 19 and for our Scope 1 and Scope 2 GHG emissions and Page 16 for our long-term goals and progress to achieving those goals. Scope 3 emissions are measured and reported annually as part of our participation in the Global Real Estate Sustainability Benchmark (GRESB). Also refer to Pages 20-21 of our Assurance Statement.
11	Metrics & Targets	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against those targets.	UDR has established long-term energy, GHG, water, and renewable energy targets and has developed internal controls and reporting processes to measure and report on our progress for those targets to the ESG Committee and the Board of Directors. Refer to Pages 8-10, 13, and 16-17 for further discussion surrounding our ESG governance, materially assessment process, and progress towards our goals. Also refer to Pages 20-21 of our Assurance Statement.



1745 Shea Center Drive, Ste 200
Highlands Ranch, CO 80129