

2022

ELEVATED EXCELLENCE

ENVIRONMENTAL, SOCIAL,
AND GOVERNANCE
(ESG) REPORT

ABOUT THIS REPORT

Our annual ESG Report focuses on the 2021 reporting period (January 1 to December 31, 2021), and unless otherwise stated, metrics or activities discussed relate to that period. The report's Environmental ("E"), Social ("S"), and Governance ("G") (collectively "ESG") disclosures were prepared in accordance with the following frameworks:

- The Global Reporting Initiative ("GRI") standards (core),
- the Sustainability Accounting Standards Board ("SASB") standards (Real Estate), and
- the Task Force on Climate Related Financial Disclosure ("TCFD").

These internationally recognized ESG frameworks and standards outline the most comprehensive ESG disclosures for the real estate industry.

Indexes to GRI, SASB, and TCFD can be found on pages 66, 79, and 83, respectively.

We developed this report using the most reliable information available to us but cannot guarantee 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 report are "forward looking statements" that by their nature involve estimates, projections, goals, forecasts, and assumptions. These are subject to risks and uncertainties that could result in actual outcomes differing materially from those expressed in a forward-looking statement. These risks are discussed in our Annual Report on Form 10-K and our Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission ("SEC") from time to time.

In this report, any use of the terms "material," "materiality," "immaterial," "substantive," "significant" and other similar terminology refers to the expected significance of our potential impact on economic, environmental and social topics or to topics or standards designated as "material" or "substantive" under the GRI standards, SASB standards or TCFD framework. These terms as used in this report are not used, or intended to be construed, as they have been defined by or construed in accordance with the securities laws or any other laws of the United States or any other jurisdiction, or as these terms are used in the context of financial statements and financial reporting.

At UDR, Inc. ("UDR" or the "Company"), we are doing our part to reduce the impact we have on climate change by implementing energy-efficient measures throughout our business operations and creating sustainable communities. As an environmental steward, **we ask you to please consider not printing this report.**



WHAT'S NEW / DEVELOPING COMPARED TO LAST YEAR'S REPORT

GENERAL

- Continued our high standards of GRESB Real Estate Survey performance with a 2022 score of 87, which is a 1 point increase from our 2021 score of 86.
- Awarded the GRESB 5 Star rating for the first time this year.
- Provided a message from our Chief ESG and People Officer, a newly created role at the Company.
- Summarized stakeholder engagement pertaining to material ESG topics in our Stakeholder Engagement Chart.
- Expanded our Sustainable Development Goals (“SDGs”) disclosure framework and aligned with an additional goal – Gender Equality.
- Recognized as one of Newsweek’s 2022 America’s Most Sustainable Companies for the first time.

ENVIRONMENTAL

- Committed \$20 million to Climate Technology and Sustainability Funds and served as a co-lead investor in the first closing of the new ESG innovation-focused “Housing Impact Fund” launched by RET Ventures.
- Certified the Company’s Environmental Management System (“EMS”) to ISO 14001 to demonstrate our commitment to robust environmental governance.
- Outlined climate-related risks by risk type (physical, transition, or regulatory) and severity of exposure in our new SASB Climate Risk Assessment Chart.
- Completed sustainability certification of five owned apartment communities in 2021.
- Exceeded our emissions reduction, energy procurement, and waste diversion targets ahead of schedule.
- Committed to setting Scope 1 + 2 and Scope 3 emissions reduction targets through the Science Based Target initiative (“SBTi”). Once approved, our new environmental targets will incorporate our science-based emissions reduction goals.
- Conducted Scope 3 screening processes to evaluate our emissions value chain as we embark on Scope 3 emissions reductions.

SOCIAL

- Formed a Human Resources (“HR”) Committee to better integrate HR into our evolving ESG and People Strategy.
- Conducted regular, and ongoing, associate engagement and benefits surveys, which resulted in new benefits and programs that better met our associates’ needs. These include:
 - A partnership with the Colorado Diversity Council to strengthen our equitable hiring processes.
 - The application of a new data tool to improve our associate compensation analysis to provide timely and insightful data to inform leadership decisions.
 - A more streamlined and enhanced training platform, Cornerstone, which was introduced to our associates in 2022.
 - A new, bespoke career mobility program, Level Up! was introduced in 2022, designed to enhance career development.
 - Introduced two new benefits programs in 2022, including a Roth 401(k) to help boost our associates’ long-term savings as well as our associate Lifestyle Spending Account, a flexible offering that provides associates with \$1,000 annually.
- Expanded the application of the “Rooney Rule”^{*} concept to the hiring process for all associates with the intention of increasing diversity throughout UDR’s workforce and, in 2022, incorporated DEI performance into executive compensation.
- Released a new UDR Resident App in 2022 that streamlined our residents’ ability to communicate with UDR and improve their experience while living at our communities.

GOVERNANCE

- Codified a long-held, internal political contributions and charitable donations policy.
- Increased Internal Audit involvement in ESG, expanding from review of external data submissions (GRESB) and disclosures (ESG Report) to compliance certification with our EMS for increased assurance.
- Elevated the monitoring of training compliance by utilizing features of our new training platform, Cornerstone, which enables better tracking.
- Added ESG and DEI specific criteria to short-term incentive compensation metrics for UDR’s senior executive team to ensure accountability for these important initiatives.
- Introduced a minimum vesting period of 12 months, subject to certain limited exclusions, for all equity grants associated with our executive compensation program.
- All grants beginning in 2021 are subject to a double trigger change in control provision.

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For any questions about this report, please contact UDR’s ESG Team at CR@UDR.com

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^{*}The “Rooney Rule” concept, in practice at UDR, helps promote equitable hiring practices by expecting at least one diverse candidate be interviewed to fill open job positions.

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CHAIRMAN & CEO MESSAGE

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

We are delighted to share with you our fourth annual ESG report, which highlights our ongoing commitment to being a leader in the environmental, social and governance space. Driving tangible progress towards ESG goals is imperative in today's environment as these results (1) help to support our cultural values, (2) illustrate UDR's commitment to doing its part on the ESG front, and (3) emphasize to our stakeholders how importantly we view ESG. I am pleased to have expanded our already robust ESG governance framework with the addition of Patsy Doerr, Chief ESG and People Officer, in 2022. The creation of this executive role signifies our commitment to sustainability and enhancing an already strong corporate culture while also continuing to drive engagement, productivity, and business success.

Our continued commitment to improving our ESG footprint is reflected in our actions as outlined within this report. Noteworthy achievements include, first, we fully

implemented our Next Generation Operating Platform portfolio-wide. By introducing a self-service model, we more actively and efficiently engage with our residents and prospective residents on their time through a touchless, sustainable interface. Second, our 2022 GRESB Real Estate survey score of 87 improved 1 point versus a year ago and we achieved GRESB's 5 Star rating. This is the first year we have received the 5 Star rating which is the highest designation and recognition for being an industry leader. And third, UDR was named to Newsweek's 2022 List of America's Most Responsible Companies. Collectively, these are significant accomplishments that have been driven by our innovative and dedicated associates.

Next, I am pleased to announce that as of year-end 2021 we are on track to meet or exceed all our ESG goals set forth in last year's report. As a next step, we look forward to unveiling our new long-term ESG and People Strategy in the coming years, which will incorporate science-based targets and illustrate the vision set forth by UDR's ESG Committee. In the interim, we have updated the difficulty of satisfying several of our environmental goals that we achieved ahead of schedule.

As you read through our 2022 ESG Report, you will notice many of our ESG goals, sections, and disclosures tie to the UN SDGs as well as the GRI, SASB, and TCFD standards. Each serve as an important framework for decision making and goal setting across E, S, and G. Our aim is to provide full transparency around how UDR's ESG efforts meet external requirements while inspiring our associates and residents to take an active role in achieving our sustainability goals. Some examples of our actions include:

- In 2022, we committed \$20 million to ESG and Climate Technology Funds with the expectations that the companies these funds invest into can provide best-in-class ESG solutions moving forward.
- Exceeded our emissions reduction and energy procurement targets in 2021, four years ahead of target. This was accomplished by diligently lowering our Scope 1 and 2 Greenhouse Gas ("GHG") emissions through strong return on investment ("ROI") projects, conservation, and increasing renewable energy procurement.
- Exemplified sustainable consumption across our communities by exceeding our waste diversion rate goal through optimized waste management and compactor monitoring technology.

- During 2021, an additional five apartment communities were certified as sustainable. Expanding our portfolio of sustainable buildings creates more desirable communities for our residents while driving revenue and expense efficiencies that create value for other stakeholders.

2021 was a strong year for our Company after reaching the depths of COVID in 2020. At the onset of COVID, we made a pledge to take care of "UDR family" members to the best of our ability, and we continue to implement initiatives to meet their needs. We continuously assess the overall health of the workforce through associate surveys, all-associate calls, and performance reviews. This critical feedback has resulted in our introduction of several new programs that will enhance our inclusive and innovative culture while affording associates additional career mobility training. These programs include our new learning and development program, Cornerstone, our new career mobility program, Level Up!, and additional benefits such as our Roth 401(k) retirement plan, voluntary critical illness benefits, and a Lifestyle Spending Account (a unique offering that provides associates with \$1,000 annually that can be used on a wide variety of personal needs).

Last, UDR's capable and diverse executive team and Board of Directors ("Board") remain firmly committed to ESG and continuing to improve our footprint where appropriate. Fostering an environment that encourages honest discussion and that seeks to include diverse perspectives is key to our ultimate ESG success, and is already foundational to our culture.

I sincerely hope you find our 2022 ESG Report insightful and can appreciate the significant contributions UDR associates have made to turn our ESG goals into reality.

Sincerely,

Thomas W. Toomey
Chairman and Chief Executive Officer



CHIEF ESG AND PEOPLE OFFICER MESSAGE (NEW)

(GRI 102-18)

As UDR's first Chief ESG and People Officer, I am pleased to share with our stakeholders across the business the significant progress made along our Sustainability and ESG journey. Our momentum, in many cases, surpassed our goals, helped build organizational pride in our teams and culture, and remained a critical element of how we run our business.

UDR's business goals and sustainability are fundamentally aligned. Going forward, we will continue to be deliberate in our strategic approach to ESG yet remain agile and responsive to the ever-evolving needs of our stakeholders, communities, and regulators. Our strategy aims to incorporate all aspects of ESG including the continued strong management of social issues, environmental challenges, and commitment to good governance. It is based on the guidance of several frameworks including the TCFD, UN SDGs, GRI, and SASB, and is data and fact driven. We believe our enduring commitment to consistently improving our ESG accomplishments remains the right thing to do for UDR and our stakeholders.

Key to our purpose driven approach is the embedding of sustainability and ESG in all that we do across people, inclusion, innovative operations, data analysis, and technology. We aim to continue to address those areas we can directly impact within UDR as well as influence our resident and supplier decisions through education and engagement.

I joined UDR for many reasons, but one particular factor that stood out to me is the organization's strong commitment to ESG data collection and transparency, as well as the perceived value each aspect of ESG brings to the business. I'm excited that even in my short time at the Company, I've observed first-hand UDR's unique, performance-based culture which drives innovation, collaboration, commitment, and openness to change. This culture is one where inclusion and collective success go hand in hand.

People are at the heart of all that we do and it is my goal, together with the leadership team and our associates, to ensure that we drive a successful ESG and People Strategy that continues the legacy of this great Company. This strategy will help UDR build upon its past successes by ensuring these important topics remain at the forefront

across our organization and consistently exhibit our commitment to social impact.

I also want to ensure that we continue our ESG journey with a focus on environmental, social, and governance goals and deliverables that put us at the forefront of our industry. A large piece of this is integrating Human Capital into the broader scope of our ESG work in a strategic, thoughtful way. It is important to attract and recruit talent, engage, motivate, and retain our associates, as well as meet the growing expectations of our shareholders and other stakeholders. This integration will further drive impact on engagement, productivity, and the bottom line.

We are excited about taking our ESG efforts to the next level, to meet and exceed the expectations of our stakeholders. Our work will never be done, but we are proud of what the organization has achieved thus far and excited about what we can achieve together as we look to the years ahead.

Sincerely,

Patsy Doerr
Chief ESG and People Officer

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People are at the heart of all that we do and it is my goal, together with the leadership team and our associates, to ensure that we build a successful ESG and People Strategy that continues the legacy of this great Company.

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ABOUT UDR, INC.

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

UDR is a multifamily real estate investment trust (“REIT”) that owns, operates, develops and redevelops a diversified portfolio of apartment homes across top-tier U.S. markets. Founded in 1972, UDR is an S&P 500 company that consistently generates strong total shareholder return (“TSR”) through innovation, best-in-class operations, and flexible capital allocation across a wide range of opportunities. UDR is a \$22.1 billion⁽¹⁾ company with a highly diverse portfolio spread across 21 coastal and sunbelt markets.



UDR'S MARKET COMPOSITION

- > 5.0% Total NOI
- 2.5%-5.0% Total NOI
- < 2.5% Total NOI

⁽¹⁾ As of June 30, 2022, except otherwise noted. “NOI” is defined as Net Operating Income. Source: Company documents.

SCORES ALIGNMENTS MEMBERSHIPS AWARDS

(GRI 102-2)

ALIGNMENTS WITH INDUSTRY CODES + VOLUNTARY BEST PRACTICES

- Reporting Frameworks: GRI Core, SASB, and TCFD
- EPA Energy Star Benchmarking
- UN SDGs
- Commitment to set science-based emissions reduction targets through SBTi

REGIONAL INDUSTRY ASSOCIATIONS/MEMBERSHIPS

- Apartment & Office Building Association of Metropolitan Washington
- Apartment Association of Greater Dallas
- Apartment Association of Greater Orlando
- Apartment Association of Metro Denver
- Austin Apartment Association
- Bay Area Apartment Association, Tampa
- California Apartment Association
- Colorado Apartment Association
- Florida Apartment Association
- Greater Boston Real Estate Board
- Greater Nashville Apartment Association
- Maryland Multi-Housing Association
- Multifamily NW, Portland
- New Jersey Apartment Association
- Pennsylvania Apartment Association
- Rent Stabilization Association – New York
- San Francisco Apartment Association
- Washington Multi-Family Housing Association

ESG SURVEY SCORES

87

GRESB
REAL ESTATE
SURVEY

Achieved GRESB's 5 Star rating
Continuous improvement each year, with a 1 point improvement versus prior year survey.

A

GRESB
PUBLIC
DISCLOSURE

97 - For the 4th year in a row, our annual GRESB Public Disclosure score is an "A" and we remain #1 among our comparison group.

12

SUSTAINALYTICS
ESG RISK
RATING REPORT

Classified as "Low-risk"
Score improved by one point compared to previous year

BB

MCSI ESG

Opportunity to Improve

MEMBERSHIPS

- National Association of Real Estate Investment Trusts (**"NAREIT"**)
- National Multifamily Housing Council (**"NMHC"**)
- National Apartment Association (**"NAA"**)
- Urban Land Institute (**"ULI"**)
- Urban Land Institute Greenprint
- Real Estate Round Table
- GRESB Participating Member

AWARDS

- Received 5 Star rating from GRESB
- Named Smart Buildings Innovator of the Year by Logical Buildings for the third consecutive year
- Named to Newsweek's 2022 list of America's Most Sustainable Companies



GRESB
★★★★★ 2022

UDR'S BUSINESS STRATEGY AND VALUE PROPOSITION⁽¹⁾

(GRI 102-2)

UDR's business strategy integrates best-in-class operations, a focus on improving the resident experience, accretive capital allocation, durable and repeatable competitive advantages, a strong and liquid balance sheet, and an innovative culture – all with the overarching goal of remaining a strong corporate citizen. We believe these attributes enhance our same-store, earnings, dividend, and net asset value (“NAV”) per share results and growth trajectories, TSR, and the high-quality living experience our residents have come to expect. Evidence for this comes from above-peer-average earnings per share growth in seven of the past nine years, an annualized TSR compounded annual growth rate (“CAGR”) of almost 11% over the last 20 years, and 25% growth in our net promoter score (“NPS”) since the second quarter of 2018.

OPERATING EXCELLENCE

- Superior long-term same-store NOI growth
- History of innovative, margin- and growth-enhancing operating initiatives
- ~\$20 million in NOI upside realized from Next Generation Operating Platform with maximum potential of more than \$140M in NOI upside from future initiatives

DIVERSIFIED PORTFOLIO COMPOSITION

- Highly diversified portfolio by market mix, price point, and location within market reduces market-specific risk
- 45%/55% A/B and 33%/67% Urban/Suburban portfolio mix appeals to wider renter and investor bases
- High-quality renter base with incomes 160% above the MSA median

ACCRETIVE, FLEXIBLE CAPITAL ALLOCATION

- History of adhering to public market cost of capital signals
- Variety of investment options and history of actively pivoting to seek the best risk-adjusted return
- Predictive analytics and qualitative analyses help to identify favored investment/divestment markets

WELL-POSITIONED BALANCE SHEET

- Investment grade, primarily unsecured borrower with well-laddered maturity schedule
- Sector-best weighted average interest rate of 2.9%
- Only 6% of consolidated debt is scheduled to mature through 2025⁽²⁾ (i.e., minimal near-term interest rate risk)
- Diversified capital sources including lower-cost (relative to other debt) commercial paper

INNOVATIVE CULTURE THAT EMBRACES CHANGE

- High employee engagement and resident satisfaction with an ESG focus
- History of embracing innovation and change to drive greater efficiencies
- Awarded Smart Buildings Innovator of the Year in 2019, 2020, and 2021

ANNUALIZED TSR CAGRS



(1) Data as of June 30, 2022.

(2) Excludes principal amortization and amounts outstanding on the Company's commercial paper program and working capital facility. Source: Company and peer documents.

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)

UDR seeks to cultivate a high standard for ESG results and reporting that will continue to evolve as we look towards the future. We have identified material ESG topics through engagement with our stakeholders, evaluation of relevant ESG reporting frameworks, and review of the current and upcoming regulatory landscape. In past years we set initial ESG goals and built a robust disclosure process, which has aided in the achievement of many of these goals. We will continue to elevate our ESG strategy with consistent reviews of our ESG processes and initiatives to ensure that they (1) remain aligned with and enhance our strategic goals, (2) address the evolving needs and expectations of our stakeholders, and (3) continue to provide useful and actionable ESG data metrics. Ongoing reviews and continued improvement are critical to our long-term success as a Company, the results and TSR we generate, our cultural evolution, and our residents' experience.

Our ESG review process is integrated at the highest level, as UDR's Board provides oversight on and review of:

- Progress towards our environmental, social, and governance goals,
- Assessments of risks and opportunities posed to our portfolio by climate change, including physical, transitional, and regulatory risks,
- Feedback from stakeholder engagement on material ESG topics, and
- The development of our long-term ESG and People Strategy.

Stakeholder engagement is also a pivotal part of both our review process and identification of new ESG opportunities.

Additional information on stakeholder engagement around ESG is available on Page 12, while a few examples of stakeholder groups and our methods of engagement include:

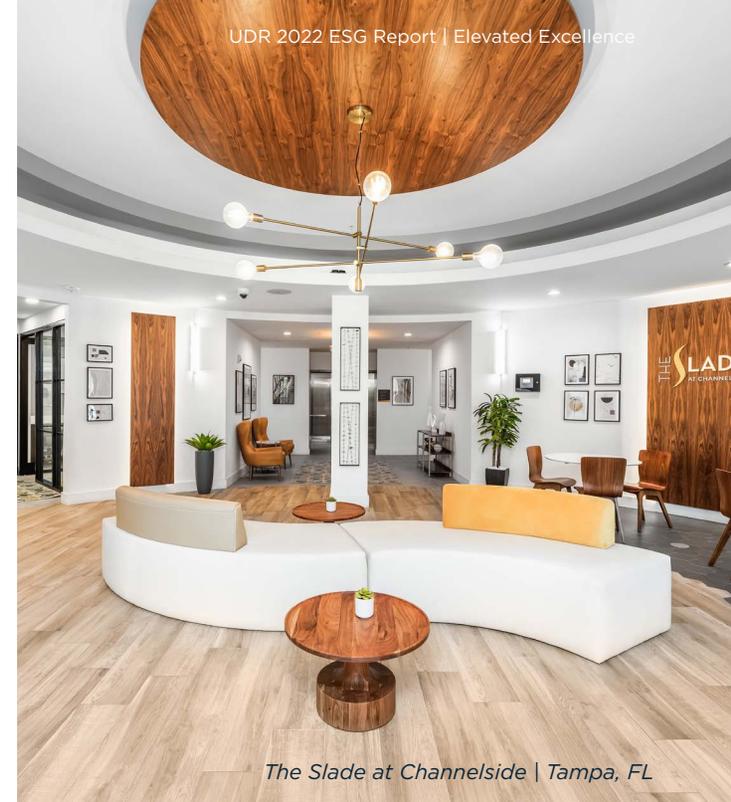
- **Investors:** In 2021 and early 2022, we had 559 interactions with our investors through meetings and community tours, representing ownership of approximately 82% of our outstanding common stock.
- **Residents:** In 2021, we engaged with over 90% of our residents through our smart home technology offerings and resident app; a very high penetration rate as compared to periods prior to us utilizing these technologies
- **Associates:** Our most recent engagement survey received responses from 97% of associates. We continue to hold regular all-associate calls with UDR executive management where associates are provided a business update and are encouraged to ask questions on a wide variety of topics.

Feedback from stakeholders and changes to our business environment emphasize the importance of environmental, regulatory, and social-related sustainability topics. Additional information about stakeholder engagement, identified ESG risks and opportunities, and our commitment to ESG is found throughout the body of this report and on the ESG section of our website, <https://www.udr.com/ESG/>.

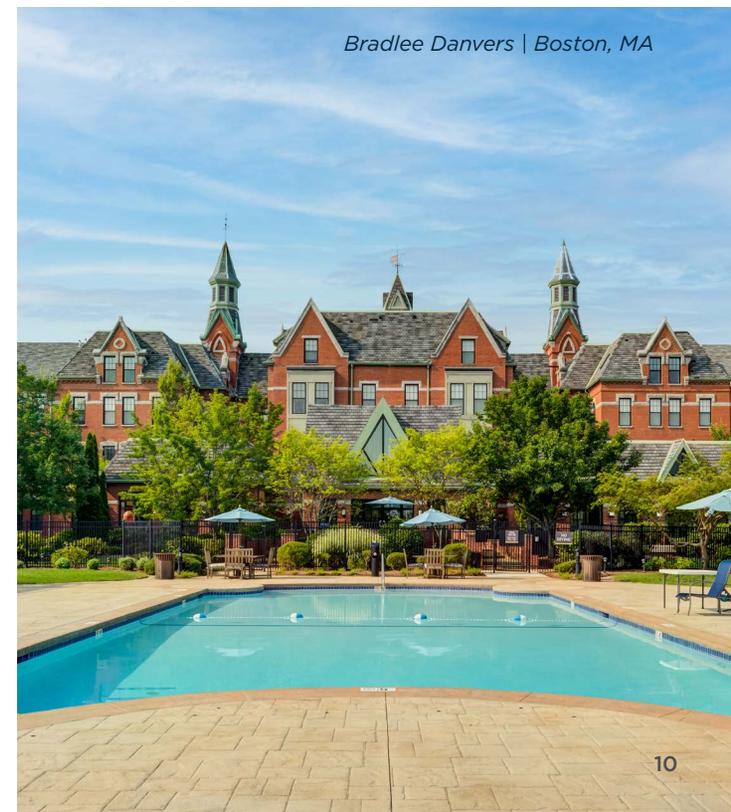
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We will continue to elevate our ESG strategy with consistent reviews of our ESG processes and initiatives to ensure that they (1) remain aligned with and enhance our strategic goals, (2) address the evolving needs and expectations of our stakeholders, and (3) continue to provide useful and actionable ESG data metrics.

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The Slade at Channelside | Tampa, FL



Bradlee Danvers | Boston, MA



ESG GOVERNANCE

(GRI 102-18, 102-19; TCFD 2 AND 8)

Our robust ESG governance expanded in 2022 with the addition of Patsy Doerr, Chief ESG and People Officer. The creation of this role signifies our commitment to improving sustainability, helping strengthen and align our corporate culture to ESG, and helping implement best practices to drive success.

In 2020, our Governance Committee Charter was amended to assign the Governance Committee oversight of the Company’s ESG disclosures, including any ESG report that is published. Sustainability is incorporated into UDR’s overall risk assessments and the Board provides risk oversight. Current ESG discussions during Board meetings focus on further integration of human capital into our overall business and evolving ESG and People Strategy as well as increased analysis of climate risks and opportunities. These discussions will continue to evolve as we seek to expand our commitment to ESG enhancement and further align the Company’s sustainability objectives with those of our stakeholders.

UDR’s ESG Committee, made up of senior officers at the Company, sets Company-wide ESG targets, goals, and strategy. Chairman and CEO, Tom Toomey, steers the Committee which approves the ESG strategy, while UDR’s Chief ESG and People Officer, Patsy Doerr, is responsible for leading, implementing, and monitoring progress towards meeting ESG targets and goals, evaluating the integrity of the Company’s overall ESG reporting processes, and assessing the vision of our sustainability objectives. As part of our EMS process and our ongoing commitment to stakeholders, we conduct third-party and internal assurance testing of the accuracy and completeness of significant ESG metrics. These include GHG emissions, energy usage, water usage, waste diversion, associate compensation, diversity, training, and gender metrics included in this report and the 2022 GRESB survey. As the ESG reporting landscape changes with influences from regulatory requirements and

stakeholder interests, we will continue to evolve our ESG control environment.

In 2022, we created a new HR Committee, which is led by our Chief ESG and People Officer and is comprised of leaders from across the organization. The diverse membership of this committee, is designed, with the ESG Committee, to help further integrate human capital, corporate responsibility, and sustainability into our business strategy.

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Current ESG discussions during Board meetings focus on further integration of human capital into our overall business and evolving ESG and People Strategy as well as increased analysis of climate risks and opportunities.

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STAKEHOLDER ENGAGEMENT (NEW)

(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 IR-RE-130a.5; IF-RE-140a.4, IF-RE-450a.2; TCFD 6 and 9)

UDR consistently engages with a variety of stakeholder groups regarding ESG. These stakeholder groups, and how we interact with them, are presented in the chart below. Input from our stakeholders is one of several factors that influence which ESG topics we disclose as well as our overall ESG strategy. Each of these topics is presented with its relative stakeholder importance, i.e., how they influence stakeholder assessments and decisions, and the relative significance of our potential economic, environmental, and social impacts on these topics in our materiality assessment table on the following page.

As a note, these groups and methods of engagement are not wholly representative of all stakeholder engagement, but rather are representative of ESG-related interactions with stakeholders.



Andover Place at Cross Creek | Tampa, FL

STAKEHOLDER GROUP	METHODS OF ENGAGEMENT
ASSOCIATES	<ul style="list-style-type: none"> • All-Associate Calls • Annual Performance Reviews • Associate Engagement Surveys • Monthly and Quarterly Newsletters
SHAREHOLDERS	<ul style="list-style-type: none"> • Annual Proxy Communication • Industry Events and Investor Conferences • Investor Calls, Meetings, and Ongoing Outreach • Press Releases, SEC Disclosures, and Earnings Calls
RESIDENTS	<ul style="list-style-type: none"> • Third-Party Satisfaction Surveys • UDR Resident App • UDR Surveys and NPS Scores
LOCAL COMMUNITIES/ GOVERNMENTS	<ul style="list-style-type: none"> • Affordable Housing • Charitable Giving and Organized Fundraisers • State/Local/Municipal Regulatory “E” Compliance • UDR Volunteer Days
VENDORS AND SUPPLIERS	<ul style="list-style-type: none"> • Vendor Contracts and Service Level Agreements (“SLAs”) • Vendor Relations Contact Line • Vendor Screening, Credentialing, and Compliance
BOARD OF DIRECTORS	<ul style="list-style-type: none"> • Board Meetings • Oversight of: <ul style="list-style-type: none"> - Business Enterprise and Strategy - ESG and Human Capital Management - Risk Management
ASSOCIATIONS⁽¹⁾	<ul style="list-style-type: none"> • GRESB and Other ESG Surveys • Industry Events and Conferences • Memberships and Partnerships • Participation on Boards and Committees

⁽¹⁾ Both Industry and ESG associations.

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)

To prioritize ESG topics to include in our disclosures, we rank each topic in terms of relative stakeholder importance, i.e., how a topic may influence stakeholder assessments and decisions about the Company against the relative significance of our potential economic, environmental, and social impacts on these topics in our Materiality Assessment Table, shown to the right. We periodically review the ranking of each of these topics as it relates to our ESG disclosures and the GRI Reporting Principles to reflect current ESG initiatives and relevant ESG engagement across our stakeholder groups. Our internal ranking review involves a survey process where certain members of the executive team and the ESG Committee provide their views on appropriate topics, the addition/removal of topics, and the relative significance of how each topic influences stakeholder decision and our potential influences on economic, environmental, and social impacts with respect to each topic.

In 2022, for this report we added three new topics: Community Engagement/Philanthropy, Corporate Governance, and Responsible Investing. Community Engagement/Philanthropy captures associate and other stakeholder commitment to giving back and “doing good” in the communities in which we operate. Corporate Governance captures both governance as it relates to E, S, and G in our business but also the importance of strong Corporate Governance to our stakeholders. Responsible Investing captures the importance of investing in strategic ESG / Climate funds that in turn, invest in portfolio companies that focus on emissions reduction and sustainability. We expect the innovative technologies that are borne out of the portfolio companies in which such funds invest to create opportunities for us to improve operating efficiencies, thereby providing the potential for margin expansion.

TOPIC (AS APPLICABLE TO ESG)	Relative Impact the Organization has in Regard to Economic, Environmental, and Social Aspects of Each Topic	Relative Influence of Each Topic on the Decisions of Stakeholders
Waste Management	Low	High
GHG Emissions	High	High
Energy Management	Medium	Medium
Sustainable Buildings	Medium	Medium
Water and Wastewater Management	Medium	Low
Inclusion and Diversity	Medium	High
Labor Practices	Low	Medium
Associate Career Development	High	Medium
Associate and Resident Health and Safety	Medium	Medium
Resident Experience (Engagement and Satisfaction)	High	High
Resident Access and Affordability	Low	Medium
Climate Change Portfolio Risk Management	Medium	High
Cybersecurity	Medium	High
Legal and Regulatory Environment	Medium	High
Business Ethics	Medium	Medium
Technology and Innovation	High	High
Community Engagement/Philanthropy	Low	Low
Responsible Investing	Medium	Medium
Corporate Governance	High	High



UN SUSTAINABLE DEVELOPMENT GOALS

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

In our 2021 ESG Report, UDR announced the alignment of our ESG goals with 9 of the 17 United Nations SDGs that we believe are the most relevant to our industry. In this report, we are proud to announce alignment with an additional goal, Gender Equality, which is addressed via UDR's inclusive culture and multitude of initiatives focusing on recruiting strategy, leadership development, associate compensation, and benefits.

To illustrate our continued commitment to these 10 goals, we have listed examples of contributions and aligned disclosures towards each selected goal. Our disclosure alignment process utilizes guidance from Integrating the SDGs into Corporate Reporting, published in 2018 and updated in 2022, a collaborative effort from the GRI and the UN Global Compact. We provide our disclosure alignment using a combination of the recommended disclosures for each SDG goal and target outlined in An Analysis of the Goals and Targets 2022.

UDR CONTRIBUTIONS TOWARDS EACH SDG

DISCLOSURE ALIGNMENT



In 2021, UDR expanded access to mental and physical health resources to all associates. In 2022, we engaged with associates through a company-wide benefits survey and we continue to put the health and well-being of our associates at the forefront with the introduction of a Lifestyle Spending Account for all full-time associates.

GRI 401-2, UDR Social Goals



NEW THIS YEAR - UDR is aligning with this goal because it reflects our inclusive culture and many of our initiatives towards gender equality in associate compensation, leadership roles, and benefits. We incorporate gender-based compensation ratios into our compensation analysis, which is also disclosed annually within this report. We also disclose promotion metrics by gender to provide transparency and track our efforts on this matter over time.

GRI 401-1, 401-2, 405-1, 405-2, 406-1; UDR Social Goals



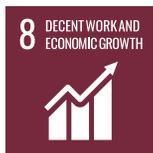
Throughout 2021, UDR continued investing in water efficiency technology, using reclaimed water, and submetering resident consumption where possible to enhance water management and leak detection. During 2021, we completed water conservation projects at four communities with an estimated annual reduction of over 14 million gallons of water representing nearly 20% of total annual water consumption for these communities and used over 24 million gallons of reclaimed water for irrigation.

GRI 303-1, 303-3, 306-2; SASB IF-RE-140a; UDR Environmental Goals



In 2021, UDR achieved our renewable energy procurement goal early with the procurement through renewable energy certificates of 30% of our common area electricity through renewable sources. We have also initiated pilot projects for onsite wind energy and battery storage for onsite renewable energy and are evaluating opportunities to scale our onsite solar to additional communities.

GRI 302-1, 302-4; SASB IF-RE-130a; UDR Environmental Goals



In 2022, UDR hired our first Chief ESG and People Officer, Patsy Doerr. We are committed to maintaining high levels of corporate governance and will continue to integrate our human capital and overall ESG strategy into our business plan to drive financial results.

GRI 102-16, 102-41, 102-8, 201-1, 401-1, 401-2, 404-1, 404-2, 404-3, 405-1, 405-2, 406-1; UDR Social and Governance Goals

UN SUSTAINABLE DEVELOPMENT GOALS *(cont.)*

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

UDR CONTRIBUTIONS TOWARDS EACH SDG

DISCLOSURE ALIGNMENT

 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>In 2021, UDR continued investing in smart building, SmartHome, and sustainability related projects at our communities as well as expanded our investment in strategic ESG and Climate Technology Funds, with \$20 million committed to identify in-home and community-wide real estate technologies that are intended to help UDR, its residents, and others address climate change by reducing our collective carbon footprint.</p>	<p>GRI 201-1; SASB IF-RE-130a, IF-RE-140a, IF-RE-410a, IF-RE-450a; UDR Environmental Goals</p>
 <p>10 REDUCED INEQUALITIES</p>	<p>In 2021 and 2022, UDR continued to expand its commitment to DEI by applying the “Rooney Rule” concept to the hiring of all positions, utilizing new compensation analytics to reinforce equitable compensation practices, and implemented additional ESG and “Health of the Workforce” metrics into the executive level short term incentive (“STI”) structures. Additionally, UDR has created an HR committee to continue the enhancement of our DEI initiatives and our new training module, Cornerstone, includes two new courses on DEI and bias that we are integrating into our learning and development requirements.</p>	<p>GRI 102-8, 405-1, 405-2, 406-1, UDR Social Goals</p>
 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<p>As of year end 2021, UDR continued to develop sustainably certified assets, obtained 5 sustainability certifications for existing assets, participated in demand response programs, and installed onsite renewable energy. These efforts helped us achieved our emissions reduction, energy procurement, and waste diversion goals, each which contributes to cleaner and more sustainable communities in which we operate.</p>	<p>GRI 306-2, UDR Environmental Goals</p>
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Throughout 2021, UDR continued to engage our communities, residents, and associates in efficient energy, water, and waste consumption strategies. We are in the process of expanding our use of resident demand response programs to additional markets and communities. These utility provider programs help communicate opportunities to and reward residents when they consume less energy.</p>	<p>GRI 302-1, 302-3, 302-4, 306-2; SASB IF-RE-130a, IF-RE-140a, IF-RE-410a; UDR Environmental Goals</p>
 <p>13 CLIMATE ACTION</p>	<p>To exhibit our commitment to the protection of the environment and climate resilience, in 2021 and 2022 UDR updated our Environmental Policy, achieved third-party certification of our Environmental Management System to the ISO 14001 standard, and is in the process of setting science-based emissions reduction targets through the Science Based Targets initiative.</p>	<p>GRI 201-2, 302-1, 302-3, 302-4, 305-1, 305-2, 305-4, 305-5; SASB IF-RE-450a; TCFD 5, 10, 11; UDR Environmental Goals</p>

ESG MEASUREMENT AND REPORTING

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

As shown in the chart below, we have achieved or are on track to achieve all our previously determined ESG goals. These ambitious, yet realistic, goals were originally established to promote sustainability across our business operations, further our inclusive and innovative culture, and create long-term value for our stakeholders.

We report our progress on each goal and target to our ESG Committee, Board, and our stakeholders. Periodically, our goals and targets are reviewed to confirm alignment with our business strategy and our stakeholders. No new goals were introduced between our last ESG report and this Report, but we updated the difficulty of satisfying several environmental goals that we achieved ahead of schedule. These updated goals include our GHG emissions reduction, renewable energy procurement, and waste diversion goals and represent interim targets as we work to set science-based targets through SBTi. Once approved, our science-based targets will be incorporated into new ESG targets as part of the development of our long-term ESG and People Strategy. We look forward to unveiling these updated goals and our progress in future reports.

PROGRESS TOWARDS ESG GOALS AND TARGETS

LEGEND:



UPDATED



GOAL ACHIEVED



ONGOING



ON TRACK

	STATUS	GOAL	RESULT AS OF 12/31/21	UN SDG ALIGNMENT
ENVIRONMENTAL		Reduce the Company's total energy consumption by 20% between 2015 and 2025.	YOY increase of 5%. On track with 13% cumulative reduction between 2015 and 2021.	
		Procure 35% (updated target) of operationally controlled electricity through renewable energy sources by 2025.	Achieved 30% of operationally controlled electric procured through renewable energy sources outperforming the original target of 15% by 2025.	
		Reduce GHG (Scope 1 and Scope 2 Market Based combined) emissions by 32% (updated target) between 2015 and 2025.	Achieved 30% reduction compared to 2015 fixed base year outperforming the original 25% reduction target.	
		Reduce water consumption intensity by 10% between 2015 and 2025.	Achieved 5% reduction when compared to the 2015 water intensity (kgal water consumed per home).	
		Increase the Company's diversion rate to 20% (updated target) between 2015 and 2025.	Our 2021 like-for-like diversion rate was 19%, outperforming the original diversion rate goal of 15%.	
		Obtain sustainability certification for new developments and added the evaluation of sustainability building certifications for existing assets.	Actively meeting target to obtain sustainability building certification for new developments as well as achieved 5 operational building certifications (2 LEED and 3 Fitwel) in 2021.	

ESG MEASUREMENT AND REPORTING *(cont.)*

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

PROGRESS TOWARDS ESG GOALS AND TARGETS

LEGEND:  UPDATED |  GOAL ACHIEVED |  ONGOING |  ON TRACK

	STATUS	GOAL	RESULT AS OF 12/31/21	UN SDG ALIGNMENT
SOCIAL		Maintain an Associate Engagement Score above the average for high performing companies as determined by the third party that conducts our engagement surveys.	Achieved per last Korn Ferry Survey, conducted in 2021.	
		Increase associate volunteer hours by 25% between 2017 and 2022.	On track to meet our goal.	
		Maintain an average Net Promoter Score greater than 33 throughout 2021 and integrate new methods and metrics for measuring resident satisfaction for our 2022 reporting.	NPS score was greater than 33 throughout 2021 and we are excited to incorporate new metrics of resident satisfaction as part of our long term ESG and People strategy for our 2022 reporting.	
		Perform a Diversity, Equity, and Inclusion study and share the results with our associates and the Board.	DEI study was completed, focus groups were consulted, and results were shared with our associates and the Board in 2021.	
		Provide 100% of associates with access to some form of health and well-being opportunities throughout the year.	Associates have access to multiple wellness and behavioral health support opportunities as well as monthly wellness newsletters and health and wellness fairs.	

ESG MEASUREMENT AND REPORTING *(cont.)*

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

PROGRESS TOWARDS ESG GOALS AND TARGETS

LEGEND:  **UPDATED** |  **GOAL ACHIEVED** |  **ONGOING** |  **ON TRACK**

	STATUS	GOAL	RESULT AS OF 12/31/21	UN SDG ALIGNMENT
GOVERNANCE		Provide 100% of associates training opportunities and confirm 95% or higher completion at any given time for the following training courses in 2021: Business Ethics, Diversity and Inclusion, Fair Housing, IT Security Awareness, Sexual Harassment, and Workplace Harassment.	As of our 2021 year end measurement, our average training completion rate was greater than 95%. 91% of associates completed annual technology IT security training, 99% of associates completed fair housing training, 96% of associates completed annual harassment training, 97% of associates completed diversity and inclusion training, and 95% of associates completed our annual business ethics training.	
		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.	UDR is actively performing internal and external compliance screening for all new vendors to confirm compliance.	
		Continue to evaluate the risk of climate change as part of our Enterprise Risk Management process.	Used the SASB Climate Risk Categories (Physical, Transition, and Regulatory) to holistically gauge risks and opportunities to our real estate portfolio. Our most recent third-party assessment of physical climate risks across our portfolio was completed in 2022.	
		Regularly engage with key stakeholders throughout the year through meetings and participation surveys in order to understand their ESG related priorities and further improve the Company's ESG disclosures.	UDR had over 500 engagements with key stakeholders in 2021.	n/a

Arbors at Maitland | Orlando, FL



**OUR COMMITMENT TO
THE ENVIRONMENT**

ENVIRONMENTAL GOVERNANCE AND MANAGEMENT

(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)

We remain committed to our ESG goals as demonstrated by our accomplishments and refreshed targets.

Environmental governance and management are critical to our ESG efforts as we expect additional focus on climate-based targets from investors, regulators, and other stakeholders as the broader implementation of net-zero emissions continues.

EMS and newly achieved third-party certification to the ISO 14001 Standard

While our EMS has historically aligned with the ISO 14001 standard, in the spring of 2022, the Company achieved third-party certification of our EMS to the ISO 14001 standard. This demonstrates the Company's commitment to strong environmental governance and robust internal and external controls around our environmental management. In alignment with the standard, UDR's EMS utilizes the model of Plan -Do - Check - Act ("PDCA") which is summarized below

1. **PLAN** - create environmental and financial objectives and collect the appropriate data to measure results confirming alignment with the EMS.
2. **DO** - implement the EMS as planned.
3. **CHECK** - assess the results achieved through the EMS processes.
4. **ACT** - make process improvements to the EMS, as needed, to improve results moving forward.

Our EMS is an iterative process that allows for incremental improvement through its four progressive steps. The objective of our EMS is to utilize these steps to achieve the following:

- Maintain compliance with environmental regulations;
- Identify opportunities to reduce energy, water, and waste consumption at our communities;
- Ensure completeness and accuracy of environmental performance;
- Add greater transparency around community level consumption; and

- Measure our progress towards our environmental goals.

At each step of the PDCA cycle we, can layer in additional information, such as new climate-related risks and opportunities and the evolving needs of our stakeholders.

To that end, in early 2022 UDR updated our Environmental Policy, which states the Company's commitment to the protection of the environment. This commitment is evidenced through the setting and updating (as appropriate) of long-term environmental goals, taking action to meet those goals, and the consideration of sustainable practices throughout the Company's operations, development, and transactions processes.

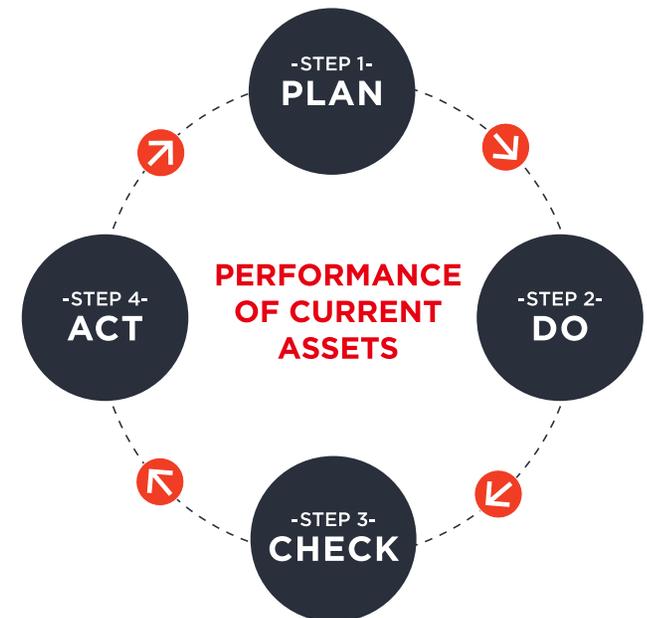
The Company's EMS, in tandem with our updated Environmental Policy, provides a systematic governance approach to identify climate-related risks and opportunities, evaluate the economic and environmental effects in both mitigating these risks and investing in new technologies and other opportunities, and assesses the results achieved through our EMS processes against our environmental goals.

The data collection and analysis of our GHG emissions, energy, water, and waste databases are completed at the community, market, and portfolio levels. These databases are reviewed and incorporated throughout our business strategy through our EMS, including but not limited to the identification of trends and outliers over time, confirmation that efficiency investments are producing intended usage reductions, and an overall better understanding of the potential efficacy of future investments. In addition, Company-level GHG inventory and avoided emissions are calculated and monitored for completed capital investments and reviewed for climate-related regulatory risks.

Ongoing technological advancement in our EMS processes is key to deriving further efficiencies. Our recent investments have included robotics, mobile applications, smart utility meters, and interrelated computing sensors to monitor energy and water usage more efficiently via a centralized real-time dashboard housed at our corporate office. The expected financial return and environmental impact for each current and potential sustainability

investment undertaken by the Company is rigorously underwritten and subsequently reviewed to enhance our "go / no-go" decision-making process. Our EMS process creates a baseline for each investment from which the investment's successes and failures can be assessed, with lessons learned that are applied to future initiatives.

To request a copy of the Scope of UDR's EMS or a copy of UDR's Environmental Policy, please contact Investor Relations at ir@udr.com.



ENVIRONMENTAL GOVERNANCE AND MANAGEMENT *(cont.)*

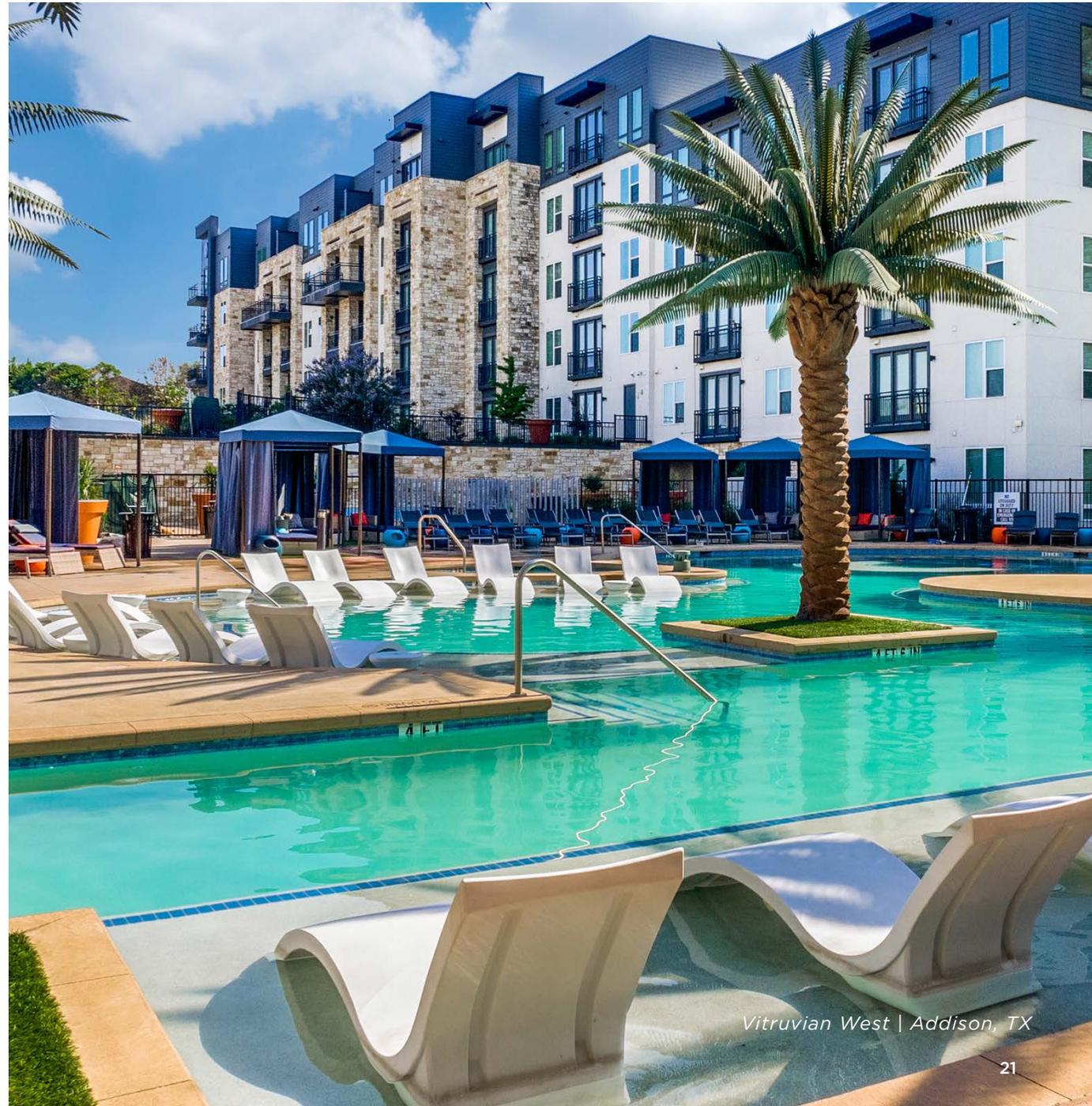
(GRI 103-1, 103-2, and 103-3 for GRI 302, 303, 305, and 306, SASB IF-RE-130a.5, IF-RE-140a.4, IF-RE-410a.3, IF-RE-450a.2, TCFD 11)

FUTURE LONG-TERM ENVIRONMENTAL STRATEGY

As we have met many of our environmental goals ahead of schedule, we are actively developing an updated long-term environmental strategy and targets as part of the “Plan” step of our EMS. We are working to develop and refine our long-term environmental strategy and goals, in alignment with the needs of our stakeholders, climate risks and opportunities (including physical, transition, and regulatory), and business strategy. These updated environmental goals, which will incorporate our science-based emissions targets once approved by SBTi, will be integrated into our evolving long-term ESG and People Strategy. While this long-term environmental strategy is still in development, we can continue to demonstrate our commitment to the environment and contribute towards our science-based targets by making accretive progress on our current and interim environmental goals. Our efforts towards this progress are expected to include promoting sustainable consumption by our associates and residents, the reduction of our carbon footprint (including Scope 1, Scope 2, and Scope 3 emissions) through energy procurement and onsite renewable energy, as well as innovation and investment in new technologies and initiatives across our entire corporate value chain.

Some of these new technologies and initiatives identified by our EMS processes in 2020 and 2021 include pilot programs for wind power and battery storage, additional onsite solar, expanded Electric Vehicle (“EV”) charging access across our portfolio, additional green power procurement, and residential demand response programs scaled to more markets across our portfolio.

“ **We are working to develop and refine our long-term environmental strategy and goals, in alignment with the needs of our stakeholders, climate risks and opportunities (including physical, transition, and regulatory), and business strategy.** ”



Vitruvian West | Addison, TX

SASB: CLIMATE RISK

(GRI 103-2 for GRI 302, 303, 305, and 306, SASB IR-RE-130a.5, TCFD 3, 6, 7, 8, 9) (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)

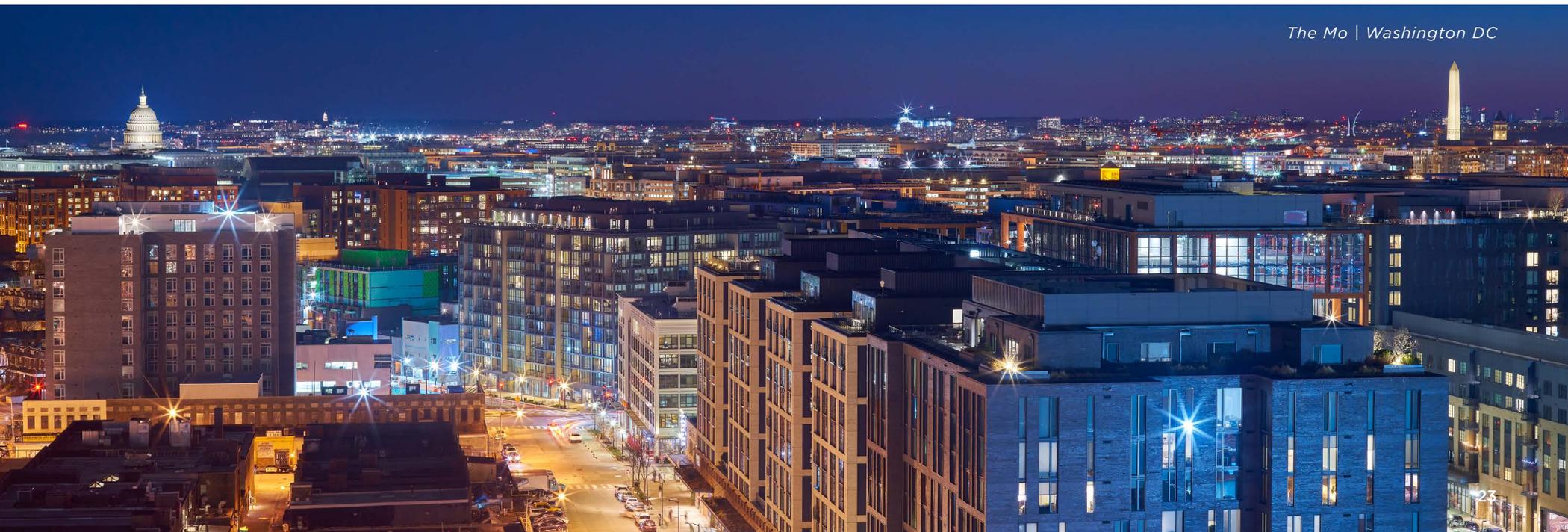
UDR incorporates the SASB Climate Risk technical bulletin, updated in 2022, into our climate risk assessment, material reporting topics, and overall ESG strategy. This bulletin provides guidance to companies and their stakeholders on climate risk exposure, first by identifying what types of risks a company might be exposed to and second, by assessing how these risks might impact a company.

The SASB bulletin outlines three climate risk categories: (1) physical risk (e.g., loss risk from sea level rise), (2) transition risk (e.g., new technologies leading to obsolescence), and (3) regulatory risk (e.g., environmental legislation mandating greater energy efficiency). SASB states that each of these risk categories are applicable to real estate companies and should be evaluated by both the companies and their stakeholders. To that end, UDR incorporates three primary climate risk assessments, conducted at least annually, into our Environmental Governance and business strategies. These assessments, outlined below, are presented to UDR's ESG Committee in detail and to our Board in summary form.

- For the first assessment, we compile asset- and market-level E performance and reduction progress reports. These reports include our progress toward reaching our energy, emissions, and water reduction goals, as well as green energy procurement and waste diversion efforts.
- For the second assessment, we compile asset- and market-level physical climate risk scores based on third-party data for seven primary risk categories: Heat Stress, Water Stress, Sea-Level Rise, Flooding Risk, Earthquake Risk, Hurricane Risk, and Wildfire Risk.
- The third assessment focuses on regulatory changes and is updated throughout the year. UDR has an internal Governmental Affairs team that monitors and reports on local, county, state, federal, and judicial regulatory matters that could positively or negatively impact our business, including ESG legislation and policies.

by incorporating their results into our long-term environmental strategy. For example, our environmental risk assessment processes will utilize an asset-level environmental ranking system that incorporates environmental performance, utility rates (one portion of transition climate risk), and physical and regulatory climate risk(s) aggregated from the assessments above. This ranking system will contribute to a more holistic E perspective of each existing and prospective UDR asset when considering capital allocation opportunities such as acquisitions, development, redevelopment, and capital investment in ESG-related technologies.

The Mo | Washington DC



CLIMATE RISK ASSESSMENT CHART (NEW)

(GRI 103-2 for GRI 302, 303, 305, and 306, SASB IR-RE-130a.5, TCFD 3, 6, 7, 8, 9) (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)

Our risk assessment chart, shown to the right, summarizes various climate related risks that we have identified as material to our industry/business as well as an overview of how each type of risk impacts our operations (i.e., at the state/market level versus our portfolio and business as a whole). The term “material”, refers to topics or standards designated as “material” or “substantive” under the SASB standards and while these risks will be incorporated into our internal asset-level environmental ranking, which, with other parts of our environmental and business strategy, will help influence portfolio strategy decisions and capital allocation, they are not intended to be construed as they have been defined by or construed in accordance with the securities laws or any other laws of the United States or any other jurisdiction, or as these terms are used in the context of financial statements and financial reporting.

These and other risks are reflected in our materiality assessment, discussed by senior management and our Board at regular intervals, and will be incorporated into our long-term environmental strategy. They are also addressed in our annual Business Plan as they influence capital allocation decisions (i.e., what markets to buy in or sell from), inform ESG initiative decisions (e.g., how much will it cost to “harden” higher risk assets and comply with additional required environmental disclosures), and better assess future insurance risks (i.e., the potential for higher or lower future insurance premiums and/or overall insurability).

**Physical risks shown include the top three physical risks in markets in which we operate, aggregated by state. Some states may show more than three physical risks as markets determined by Moody’s (as of 2022) may have different risks within the same state.*

KEY

COLOR SCALE REPRESENTS RISK EXPOSURE SEVERITY

Lower Physical / Regulatory Risk

Higher Physical / Regulatory Risk

x = current and / or upcoming risk exposure for residential real estate in the state.

TYPE OF CLIMATE RISK	RISK EXPOSURE												
	California	Colorado	Washington DC	Florida	Maryland	Massachusetts	New York	Oregon	Pennsylvania	Tennessee	Texas	Virginia	Washington
PHYSICAL RISK*													
Heat Stress		x						x	x	x	x		x
Water Stress	x	x		x	x	x	x		x		x		
Sea-Level Rise				x			x						
Flooding Risk									x				
Earthquake Risk	x		x		x			x				x	x
Wildfire Risk	x	x	x	x		x		x		x	x	x	x
Hurricane Risk				x	x	x	x		x			x	
TRANSITION RISK													
Increasing Price of GHG Emissions	Portfolio Wide												
Cost to transition to lower emissions technology	Portfolio Wide												
Evolving stakeholder expectations for ESG initiatives	Portfolio Wide												
Changing customer behaviors and preferences around all ESG issues/topics	Portfolio Wide, but opportunity for Market-specific analysis												
Rising raw material costs for ESG initiatives or new green (re)-development projects	Portfolio Wide												
REGULATORY RISK AND LEGISLATION (CURRENT AND UPCOMING)													
Overarching emissions reporting obligations and costs	Portfolio Wide												
Disclosure Requirements (Benchmarking)	x	x	x	x	x	x	x		x				x
Efficiency and/or Building Assessment Mandates	x	x	x		x	x	x				x		x
GHG Emissions Limits		x			x		x						x

PROGRESS TOWARDS ENVIRONMENTAL GOALS

(GRI 303-3, 306-2; SDG 6, 7, 11, 12, 13)

UDR is in the process of obtaining approval for science-based emissions reduction targets through SBTi. Once approved, we will disclose our science-based reduction targets as well as other new and/or updated environmental targets that consider material topics and strategies relevant to our stakeholders. These include but are not limited to both climate-related physical, transitional, and regulatory risks, as well as the enhanced integration of our environmental strategy into our new ESG and People Strategy and Business Plan.

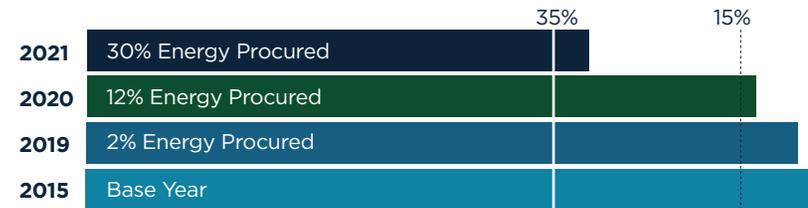
In the interim, we have updated the difficulty of the environmental targets we achieved ahead of schedule, including our GHG emissions reduction, renewable energy procurement, and waste diversion goals. Our ability to continue to achieve and surpass our 2025 goals for these targets exhibit a strong foundation of innovation and sustainability that will continue to expand with our upcoming science-based targets.

REDUCE THE COMPANY'S TOTAL ENERGY CONSUMPTION BY 20% BETWEEN 2015 AND 2025



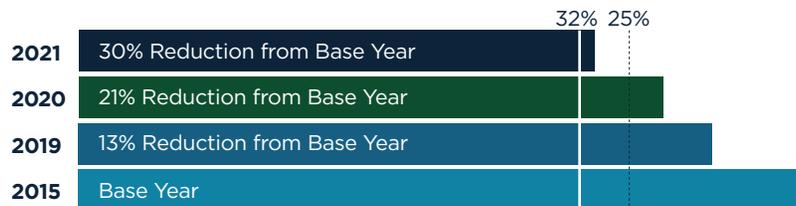
Operational controlled like-for-like energy consumption includes communities that are stabilized for two calendar years.

PROCURE 35%* OF OPERATIONAL CONTROLLED ELECTRICITY THROUGH RENEWABLE ENERGY SOURCES BY 2025



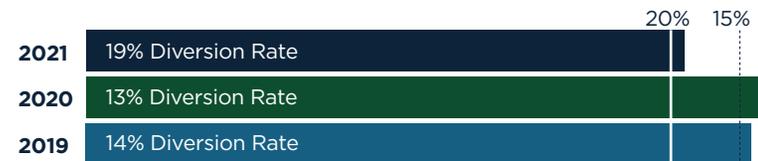
Electricity consumption procurement percentage applies to operationally controlled electricity consumption.

REDUCE GHG (SCOPE 1 AND SCOPE 2 MARKET BASED COMBINED) EMISSIONS BY 32%* BETWEEN 2015 AND 2025



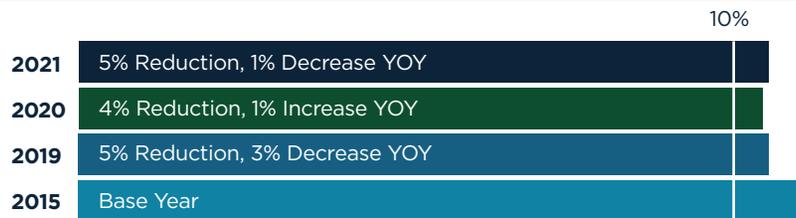
Fixed base year Scope 1 and Scope 2 emissions were calculated using the World Resource Institute Greenhouse Gas Protocol guidelines.

INCREASE THE COMPANY'S DIVERSION RATE TO 20%* BETWEEN 2015 AND 2025



Operational controlled like-for-like diversion rate includes communities that are stabilized for two calendar years.

REDUCE WATER CONSUMPTION INTENSITY BY 10% BETWEEN 2015 AND 2025



Operational controlled like-for-like water consumption includes communities that are stabilized for two calendar years. Intensity is calculated as kGal of water divided by number of homes. Goal now shows comparison between intensities rather than cumulative reduction.



* Updated target

“ Our ability to continue to achieve and surpass our 2025 goals for our GHG Emissions reduction target exhibits a strong foundation of innovation and sustainability that will continue to expand with our upcoming science-based targets. ”

SUSTAINABLE RESULTS

(SASB IF-RE-1301.5, IF-RE-140a.4)

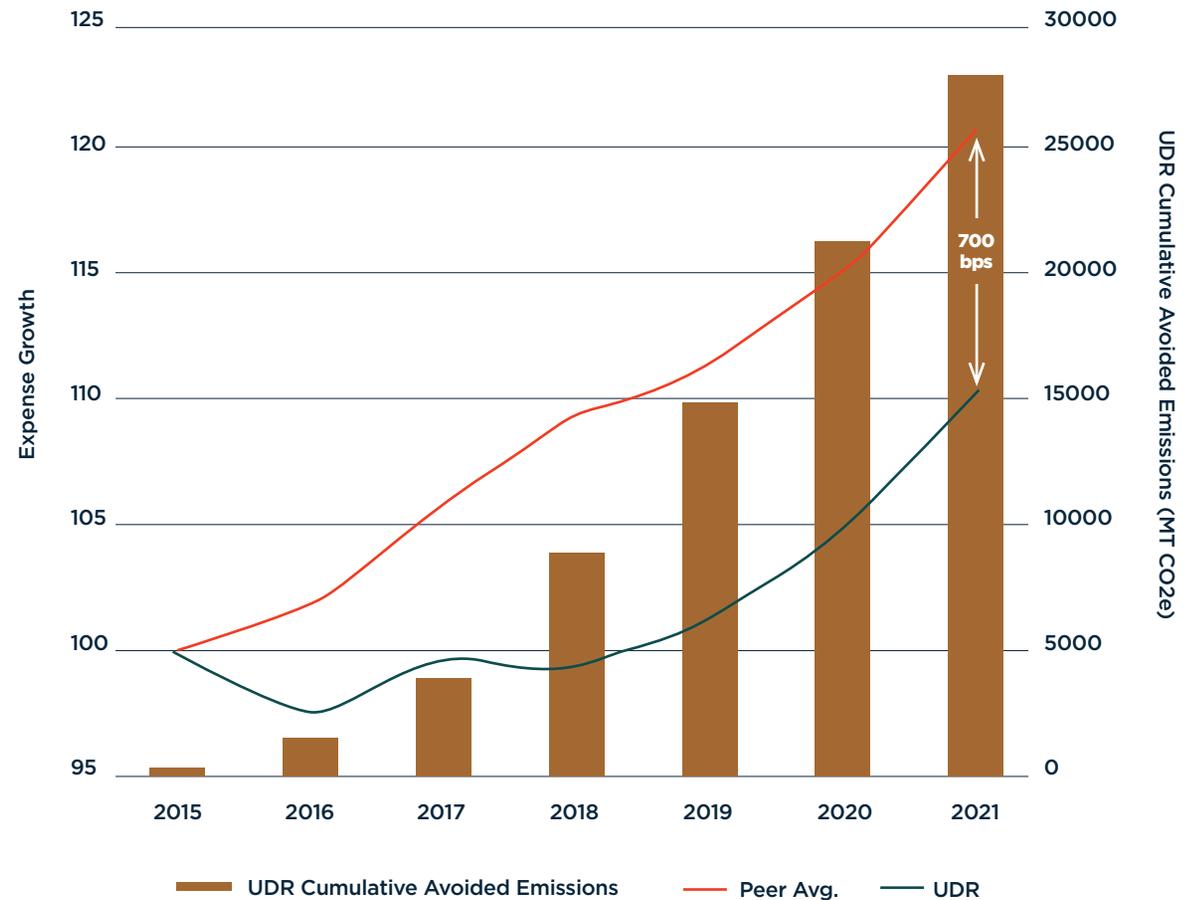
UDR has had the lowest utility expense growth rate in the multifamily REIT space over the past six years, while also expanding our operating margin through high-return capital investments and operating initiatives. Since 2015, UDR has invested over \$13 million into sustainability initiatives that have reduced (1) emissions, (2) energy and water consumption, and/or (3) landfill waste at nearly 70% of our communities. Investment in technology and innovation through sustainable projects have proven an effective strategy for UDR's bottom-line and ESG goals to meet and/or exceed the expectations of our stakeholders.

In our 2021 ESG report, we added cumulative avoided emissions to our same store utility expense growth chart. Avoided emissions are emissions that are never released due to an investment in energy conservation technology or a change in procedures that reduces energy consumption versus never making the investment or procedural change. Nearly 80% of our sustainability-focused capital projects have focused on reducing energy usage and therefore, we can account for the avoided emissions resulting from these projects over time.

The chart to the right shows how our investment of nearly \$12 million across more than 205 energy conservation projects has resulted in an estimated cumulative avoided emissions of greater than 28,000 metric tons of carbon dioxide equivalent ("MT CO₂e"). Not only are we outperforming the peer average with the lowest utility expense rate growth, but we are also actively reducing our carbon footprint.

Through installation of LED lights, SmartHome technology, smart building technology, and solar generation, along with instituting onsite efficiency protocols, the Company has achieved average annual growth of over 100% in our cumulative avoided emissions since 2015.

SAME STORE UTILITY EXPENSE GROWTH & CUMULATIVE AVOIDED EMISSIONS GROWTH



“ We have had the lowest utility expense growth rate in the multifamily REIT space over the past six years. ”

Source: Peer and Company Documents

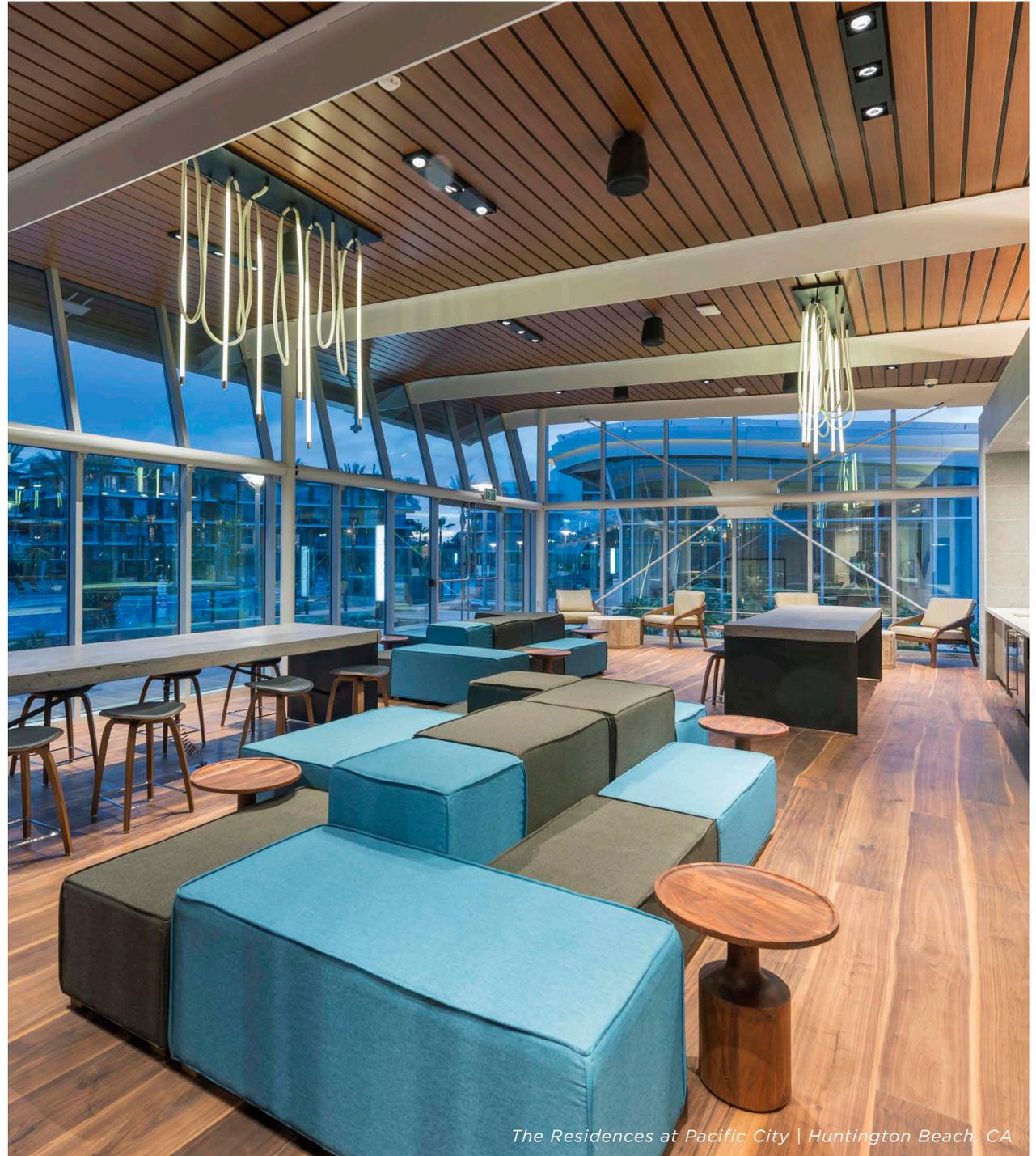
SCIENCE-BASED TARGETS

In the 2015 Paris Agreement, a multitude of countries committed to limiting average global temperature rise to below +2°C versus pre-industrial levels and pursuing efforts to limit warming to below +1.5°C versus the same baseline. UDR has a responsibility to do our part. We are in the process of committing to set a science-based target in 2022 through the Science Based Target initiative. A collaboration among the Climate Disclosure Project, United Nations Global Compact, World Resource Institute and World Wide Fund for Nature, the SBTi defines and promotes best practices in science-based target setting and independently assesses and approves companies' targets should they satisfy its rigorous criteria.

We believe that by setting science-based GHG emissions reduction targets and incorporating action to meet those targets into our environmental governance, risk management, and business strategy, UDR will become more resilient against climate-related physical, transitional, and regulatory risks and will continue to uphold our high standards for transparency, sustainability, and corporate responsibility. Once our targets are approved, they will be integrated into our long-term environmental strategy and goals.



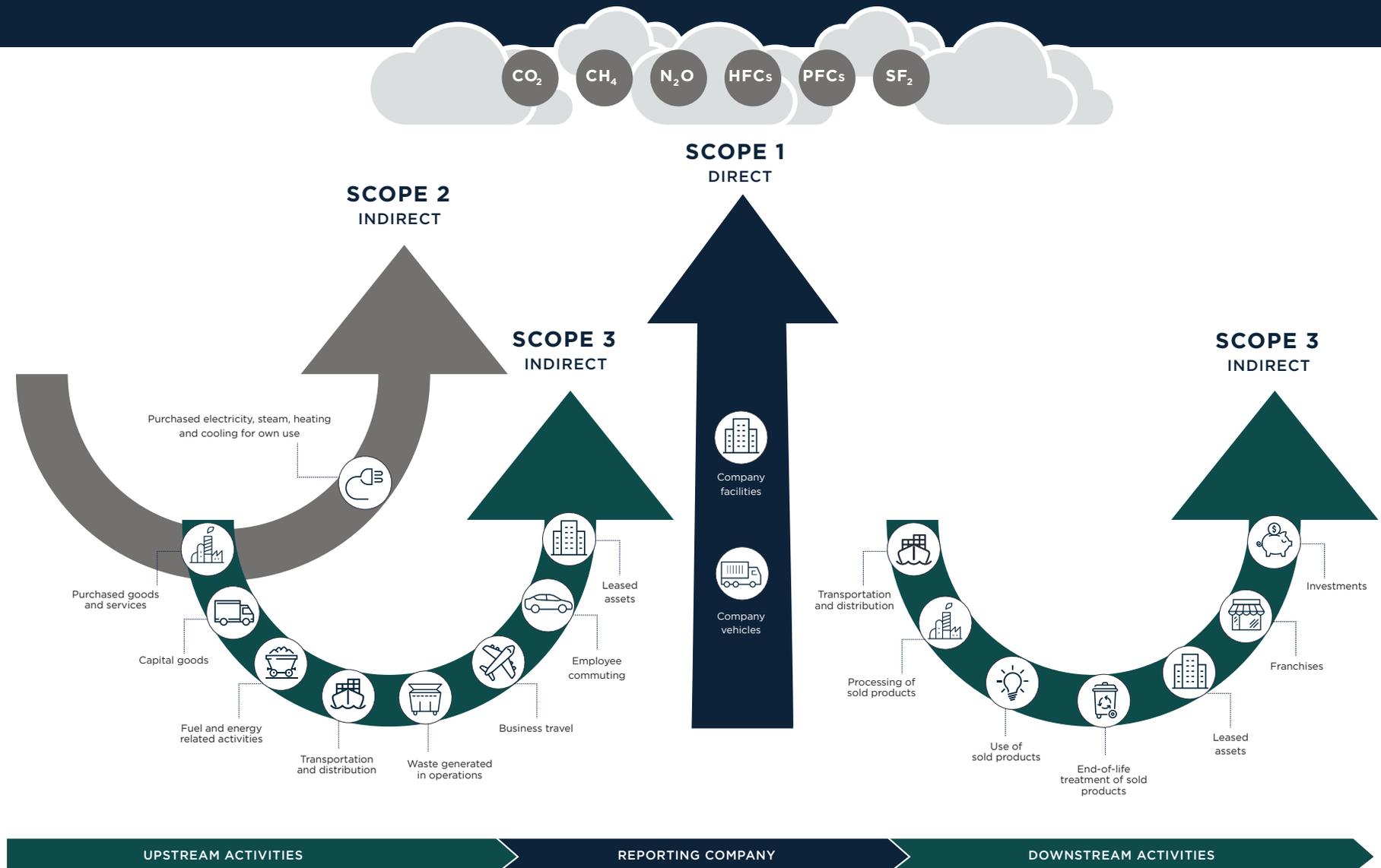
We believe that by setting science-based GHG emissions reduction targets and incorporating action to meet those targets into our environmental governance, risk management, and business strategy, UDR will become more resilient against climate-related physical, transitional, and regulatory risks and will continue to uphold our high standards for transparency, sustainability, and corporate responsibility.



The Residences at Pacific City | Huntington Beach, CA

UDR has historically reported our Scope 1 and Scope 2 GHG emissions, which represent emissions associated with direct (natural gas and other fuels) and indirect (consumed electricity and district heating and cooling) associated with the portion of our portfolio that we operationally control. As part of our commitment to set science-based targets, UDR conducted a Scope 3 screening process of our corporate value chain in accordance with the WRI GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. This standard includes 15 Scope 3 categories that a company should evaluate for relevance, each shown below in the “Scope 3 Indirect” groups in the Overview of GHG Protocol Scopes and emissions across the value chain chart.

Through our Scope 3 screening process, we have identified Scope 3 categories and reporting boundaries relevant to our industry, evaluated collection methods for emissions and activity data, and identified upstream and downstream Scope 3 categories that we can influence to lower emissions. As part of our commitment to science-based targets, we will be enhancing our E initiatives and disclosures by publishing our Scope 3 emissions in future reports, which may be an iterative process.



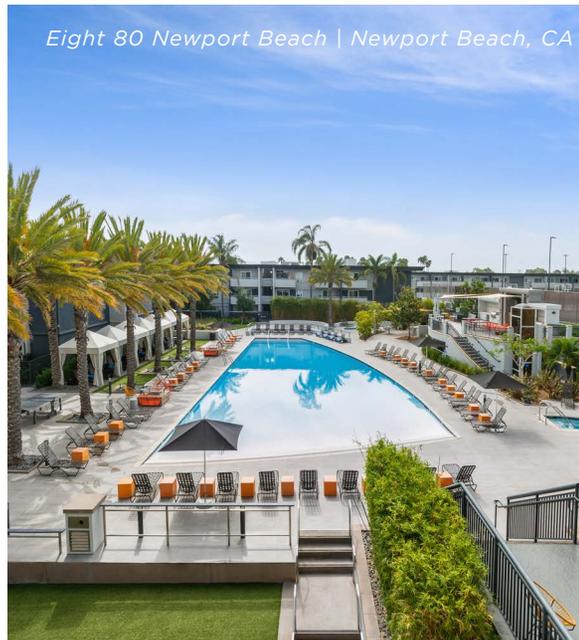
Source: GHG Protocol: Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard.

SCOPE 3 EMISSIONS AND RESIDENT EDUCATION

(SASB IF-RE-410a.3; TCFD 5; SDG 11, 13)

Our efforts towards satisfying several of our existing environmental goals should contribute to Scope 3 emissions reductions. These include our water intensity reduction and waste diversion rate goals. By reducing the amount of water consumed per home through water efficiency technologies and resident education and engagement, we can lower the Scope 3 emissions associated with purchased goods and services, as purchased water (as a utility) constitutes as a good and/or service. Additionally, by providing more streamlined waste management, as well as additional recycling and composting options, we can lower Scope 3 emissions associated with waste generated via our operations.

One of the largest contributors to our Scope 3 inventory is “leased assets”, which includes emissions associated with resident energy consumption. Reduction of these emissions will involve increasing resident education and engagement, facilitating sustainable consumption, and installing additional in-home energy efficiency technologies. Some examples of resident education and engagement are:



GREEN LEASE ADDENDUM

We encourage “buy-in” for our environmental strategy from the very start of our leasing process, as 100% of our residents have signed UDR’s Green Lease Addendum. This addendum states that “responsible use of our natural resources is a responsibility we all share” and promotes our commitment to a maintaining and enhancing the forward “greenness” of our communities.

RESIDENT SUSTAINABILITY CAMPAIGN

In 2021, as part of our portfolio-wide resident sustainability campaign, we engaged with our residents through community specific emails to remind them of their personal impact on the environment and provide them with advice on how to reduce their energy needs in their apartments. We also implemented region specific communications when and where applicable. For example, throughout 2021 and into 2022, we alerted all California residents of multiple CA Independent System Operator (“ISO”) Flex Alerts, which is a statewide effort to encourage California residents to lower electricity consumption during periods of high demand. We also reached out to our Washington, D.C. residents to inform them of the opportunity to participate in the Reduce Energy Use DC Pledge, a city-wide initiative by PEPCO and the Department of Energy and Environment (“DOEE”) to reduce energy consumption in the month of July. In total, UDR sent over 158,000 environmental related communications to its residents in 2021.

GRID REWARDS

UDR has taken an active role in educating our residents on the importance of grid awareness through demand response event alerts and demand response and incentive programs such as the Grid Rewards program in New York. In 2020, UDR began educating and enrolling UDR residents into this residential demand response program. We are seeking to scale the program in additional markets. There are benefits for both enrolled residents, who can expect a 10% GHG emissions reduction and may receive an annual credit up to 15% of their electric bill, as well as for UDR as we utilize technology to lower our carbon footprint, especially Scope 3 emissions associated with resident energy consumption.

Amongst the different Scope 3 categories, there are many challenges associated with obtaining emissions and activity data associated with leased assets, especially in the multifamily industry. We obtain whole building energy data where possible through utility providers, master metering, and additional technologies. Whole building data can be used to establish an accurate baseline of energy consumption and GHG emissions. We will use this baseline to measure the success of in-unit LED lighting, SmartHome system upgrades, and other energy conservation initiatives in future years, similar to our current EMS processes for common area consumption. This process will be scaled across our portfolio as we obtain additional means of accessing whole building energy consumption

“
Our efforts towards satisfying several of our existing environmental goals, including water intensity reduction and increased waste diversion, should contribute to Scope 3 emissions reductions.
 ”

SUSTAINABLE BUILDINGS AND CERTIFICATIONS

(GRI 102-12, SDG 11)

UDR is helping create a more sustainable environment through the development of sustainable communities, sustainability certification of existing communities, and investment in energy, water, and waste efficiency technologies. In 2021, UDR upgraded our minimum standard for our developed communities to require obtaining LEED Silver certification, or its equivalent or higher. Additionally, UDR obtained five operational community certifications (two LEED and three Fitwel) in 2021 and is currently working to obtain three additional certifications for existing communities and two for development communities. As of the end of the 2021 reporting year, UDR owned 24 communities representing 7,648 apartment homes that have received a sustainable building certification, representing 13% of the portfolio. We are currently assessing the acquisition of additional existing community certifications and how these may fit into our long-term environmental strategy.

In addition to the sustainability certification of development and existing communities, we are promoting sustainability through efficiency technologies, which promote lower GHG emissions, water, and waste consumption while improving the health, safety and satisfaction of our residents and the neighborhoods in which we operate. Our ongoing investments in smart building technology and environmentally conscious ROI projects such as submetering, onsite renewable energy, smart irrigation, leak detection, and real-time indoor air quality monitoring speak to our commitment to these goals. In 2022, we plan to directly invest an additional \$4.4 million in conservation and efficiency technologies at our communities and continue to evaluate new technologies such as battery storage, onsite wind energy generation, and water conservation sensors.

NEW ACQUISITIONS “E” PERFORMANCE

(SASB IF-RE-450a.2, SDG 7, 9, 12)

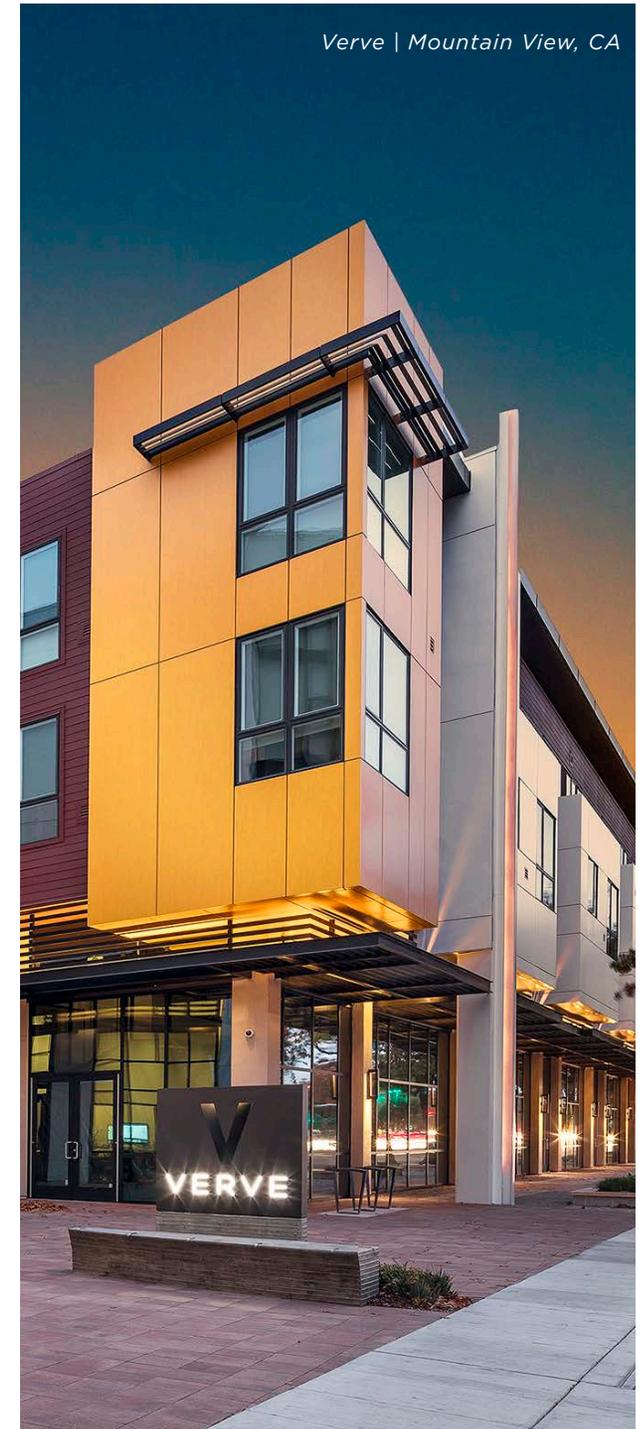
In 2020, UDR acquired three communities from third-parties and in 2021, UDR acquired ten communities from third-parties. Every property UDR acquires must satisfy an extensive due diligence process that includes a Phase I Environmental Site Assessment and a property condition assessment. These assessments can help uncover potential environmental and/or business continuity risks that may exist.

A Phase 1 Environmental Site Assessment identifies known and potential environmental hazards in-and-around an asset. A property condition assessment evaluates whether the mechanical, electrical, plumbing systems, and envelope of a building are in working order and what the expected costs to remediate any known risks might be. These assessments are essential to our due diligence process and are utilized to help identify potential future investments that can reduce community energy and water usage.

Upon acquisition, we apply our disciplined EMS approach to baseline a community’s environmental performance across a variety of metrics, including energy and water usage, emissions, and waste diversion. This baseline is then compared to other UDR communities in the same market, which can lead to the identification of future capital projects that could drive greater operating efficiencies and additional conservation.

Our proven and repeatable EMS process expands our operating margin while lessening our environmental footprint and identifying new sustainable investment opportunities. Across the thirteen third-party acquisitions in 2020 and 2021, multiple capital projects have been evaluated including lighting, smart building technologies, smart irrigation, sub-metering, harmonic filters, and renewable energy storage. These projects are in various stages of assessment and completion with an overall estimated investment of over \$1 million.

For the thirteen communities acquired from third-parties in 2020 and 2021, 2021 energy consumption and water usage were 10% and 7% lower, respectively, when compared to the initial year of ownership. This accounts for over 600,000 kilowatt hours (“kWh”) and about 5 million gallons of water savings. The total kWh reduction across these communities represents 0.3% of our total reported kWh used in 2021. Water saved across these communities represents 0.2% of our total reported water usage in 2021. Emissions were 8% lower (or 347 MT CO₂e) in 2021 versus the initial year of ownership (prorated) at these communities as well.



2021 ENVIRONMENTAL HIGHLIGHTS + CASE STUDIES

(SDG 6, 7, 9, 11, 12, 13)

THE FOLLOWING PAGES SHOWCASE OUR ENVIRONMENTAL HIGHLIGHTS ACROSS:

TECHNOLOGY AND INNOVATION

UDR is on the cutting edge of innovation and investment in technology both directly, with community specific projects and ROIs, and through investment in ESG and Climate Technology Funds. These highlight contributions to multiple SDGs including (6) Clean Water and Sanitation, (7) Affordable and Clean Energy, and (9) Industry, Innovation, and Infrastructure.

SUSTAINABLE COMMUNITIES AND ENVIRONMENTAL RESIDENT ENGAGEMENT

By promoting sustainability practices through resident education and enrollment in energy reduction programs, sustainability building certification, use of recycled water in our communities, and providing EV charging, UDR is demonstrating our commitment to the environment throughout our value chain. These highlight contributions to multiple SDGs including both (11) Sustainable Cities and Communities and (12) Responsible Consumption and Production.

ENVIRONMENTAL MANAGEMENT

Our robust environmental management is evidenced through the certification of our EMS to the ISO 14001 standard and early achievement of several of our environmental goals, including GHG emissions reductions, renewable energy procurement, and waste diversion. As part of our EMS process, we annually obtain third-party assurance of many of our key environmental performance indicators and environmental performance database. These highlight contributions to multiple SDGs including (7) Affordable and Clean Energy, (12) Responsible Consumption and Production, and (13) Climate Action.



2021 ENVIRONMENTAL HIGHLIGHTS + CASE STUDIES



UDR was a co-lead investor in the first closing of the ESG Innovation-Focused “Housing Impact Fund” launched by RET Ventures and has further committed \$20 million to ESG and Climate Technology Funds including funds led by Fifth Wall.



Smart water metering technology provides daily monitoring across our portfolio at over 22,000 water meters in leased spaces to detect and mitigate leaks. This technology provided high usage alerts that prompted investigation and remediation to correct for potential damage and waste.



UDR continued to invest in air quality sensors to measure micrograms of dust per cubic meter of air for all smart building communities, increasing our coverage by over 70% since 2020.



UDR has successfully installed SmartHome leak detection sensors across 90% of our portfolio as of year-end 2021



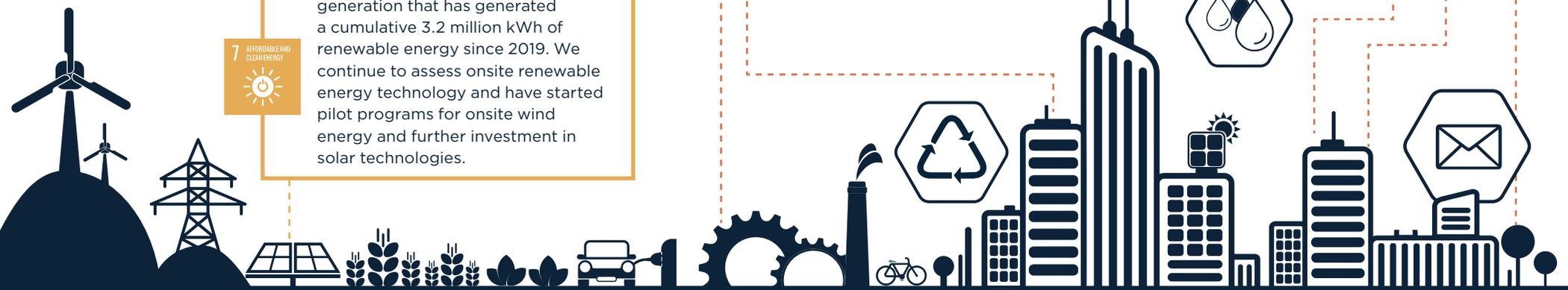
UDR was recognized as the Smart Building Innovator of the Year by Logical Buildings for the third consecutive year for our execution and implementation of building energy and water management technologies.



UDR further utilized smart building technology across our portfolio, which helped reduce annual common area energy consumption as well as Scope 1 and 2 emissions. When compared to pre-installation levels, communities that use smart building technology have shown more than 17% reduction in common area energy consumption.



UDR has utilized on-site solar generation that has generated a cumulative 3.2 million kWh of renewable energy since 2019. We continue to assess onsite renewable energy technology and have started pilot programs for onsite wind energy and further investment in solar technologies.



TECHNOLOGY & INNOVATION

TECHNOLOGY & INNOVATION



SMART BUILDING TECHNOLOGY

(GRI 302-4, 305-5, SASB IF-RE-130a.5; SDG 7, 12)

UDR utilizes smart building technology to monitor energy usage in real-time, create alerts when equipment malfunctions, and control smart common area thermostats from a single centralized dashboard. These activities help us achieve our environmental goals and improve our bottom line financial and environmental results by lowering our energy costs, providing opportunities to identify potential new streams of revenue, and reducing our GHG emissions. Versus pre-installation baselines, our communities have collectively reduced their annual common area energy consumption by over 17%, resulting in annual avoided emissions of over 3,600 MT CO₂e.

In addition to reduced energy consumption, throughout 2020 and 2021 UDR continued to invest in air quality sensors for our smart building enabled communities, increasing our coverage by over 70% since 2020. These sensors provide real-time alerts and measure micrograms of dust per cubic meter of air.



SOLAR AND ONSITE RENEWABLE ENERGY

(GRI 302-4, 305-5, SASB IF-RE-130a.5; SDG 7, 12)

Since 2019, UDR has utilized on-site solar generation that has generated a cumulative 3.2 million kWh of renewable energy. When compared to 2019, the Location-Based Scope 2 emissions at these ten communities have been reduced by over 32%. Investments in onsite solar, as well as additional investments in onsite renewable energy technology, are economically sound and environmentally responsible, as they lower the electricity pulled from the grid and reduce our GHG emissions. We have continued to assess opportunities to deploy solar where economical and have begun several pilot programs for other onsite renewable energy technologies, including wind.



RESIDENT LEAK DETECTION

(GRI 303-3, SASB IF-RE-140a.4; SDG 6, 12)

Smart water metering technology provides daily monitoring across our portfolio at over 22,000 water meters in leased spaces to detect and mitigate leaks. We receive daily emails that alert us to unit-specific high usage and repeated high consumption across these communities, providing actionable data to investigate potential leaks. Smart metering devices contribute to more effective and proactive maintenance by identifying water leaks in near real time. This can help mitigate potential effects from leaks, such as higher than usual utility and insurance costs and high water consumption over the duration of the leak if left unresolved.



Versus pre-installation baselines, our smart building communities have reduced their annual common area energy consumption by over 17%.



2021 ENVIRONMENTAL HIGHLIGHTS + CASE STUDIES



Reduced electricity demand in 2021 by 1,000 kilowatts (“KW”) through demand response programs resulting in over \$150,000 in additional NOI. Cumulatively since 2018, demand response programs have reduced electricity demand by over 7,440 KW and resulted in nearly \$650,000 in additional NOI.



Continued enrolling eligible resident apartment homes in demand response and Grid Rewards programs, which promote and in some cases reward residents for lower energy consumption, thus lowering our Scope 3 emissions. We are working to scale their utilization across additional markets and communities.



Continued our resident environmental outreach initiative and education. As part of our portfolio-wide resident sustainability campaign, we distributed more than 158,000 environmental related communications in 2021. Additionally, we communicated opportunities to residents to lower consumption during times of high demand, such as the California ISO flex alerts, and shared Grid Rewards in multiple regions.



Developed or redeveloped 19 communities since 2010 through June 2022 that have obtained sustainability certification. A portion of the funding was sourced through two Green Bond issuances totaling \$650 million of proceeds.



Increased by more than 30% the number of charging ports at EV charging stations since 2018. This includes 44 new ports installed in the first half of 2022 and construction on a community where over 30% of the community’s parking stalls have EV charging stations.



Used over 24 million gallons of reclaimed water for irrigation in 2021, thereby reducing our consumption of potable water.



SUSTAINABLE COMMUNITIES

SUSTAINABLE COMMUNITIES



DEMAND RESPONSE

(GRI 302-4, 305-5, SASB IF-RE-130a.5; SDG 7, 12)

In 2021, UDR enrolled 14 additional communities in demand response programs, bringing total participating communities to 19. Since 2018, UDR has generated nearly \$650,000 in additional NOI while reducing electrical demand by over 7,440 KW by partaking in demand response events. Our participation has eased the strain on local power grids during high-demand periods. We continue to assess demand response opportunities with local municipalities and utility providers in additional markets.

We also continued resident enrollment in Grid Rewards, a local demand response program, within our pilot program in New York. This program provides education and technology to encourage residents to lower their energy consumption during specific high-demand time periods. Residents participating in Grid Rewards are expected to yield a 10% GHG emissions reduction and may also see annual cost savings of up to 15% of their electric bill. In addition, this program provides a revenue share of demand response money accrued by residents. We are expanding resident demand response programs to our California markets and are actively reviewing other possible markets for implementation, as these programs promote sustainable energy consumption and help reduce our Scope 3 emissions.



ELECTRIC VEHICLE CHARGING STATIONS

(SDG 11, 12, 13)

Among the many technological features available at most of our communities is EV car charging stations. These amenities are both desired by our residents and promote the shift to a low-carbon economy. By year-end 2021, we increased the number of car-charging ports at our properties by more than 30% versus 2018. We are investing in additional charging ports with 44 already installed in the first half of 2022 and we are currently completing construction on a community where over 30% of the community's parking stalls have EV charging stations. Additionally, UDR provides EV charging ports at our corporate office for associates who drive electric vehicles.



RECLAIMED / RECYCLED WATER

(GRI 303-3, SASB IF-RE-140a.4; SDG 6, 12)

Since 2019, we have reduced our potable water consumption by over 69 million gallons by using reclaimed and recycled water for irrigation. Reclaimed water is non-potable water that can be used for irrigation. It is both environmentally friendly and less expensive than purchasing potable water from municipal water providers.

2021 ENVIRONMENTAL HIGHLIGHTS + CASE STUDIES



Retired (i.e., claimed the environmental attributes of) Green-e certified renewable energy certificates (“RECs”) representing 31,971,000 kWh of energy usage in 2021 reducing the Company’s aggregate carbon footprint. This is equivalent to preventing the GHG emissions associated with powering 2,984 homes annually.



Exceeded our waste diversion goal of 15% four years ahead of schedule with a diversion rate of 19% across 2-year stabilized communities. UDR achieved this goal through increased monitoring, resident education, and optimization of our waste programs. Additionally, our total metric tonnage of recycling capacity increased by more than 30% in 2021 compared to 2020



Implemented water conservation ROIs including, but not limited to, efficient fixtures, and leak detection and repair, in addition to submetering which collectively allowed us to make progress towards our water intensity reduction goal. During 2021, we completed water conservation projects at four communities with an estimated annual reduction of over 14 million gallons of water representing nearly 20% of total annual water consumption for these communities.



Obtained sustainable building certifications for five of our existing communities in 2021, with five additional certifications (two development, three operating) in-progress in 2022, thereby making progress towards our Sustainability Certification ESG goal.



Benchmarked over 95% of our portfolio in Energy Star Portfolio Manager as part of municipal/state benchmarking requirements and as part of our internal EMS processes.



Achieved ISO 14001 certification for our EMS.



ENVIRONMENTAL MANAGEMENT

ENVIRONMENTAL MANAGEMENT



RENEWABLE ENERGY PROCUREMENT

(GRI 305-5, TCFD 11; SDG 7, 12)

UDR retired (i.e., claimed the environmental attributes of) Green-e RECs representing 31,971,000 kWh in 2021 as part of our energy procurement program. Green-e RECs offset a portion of our carbon impact while also supporting the advancement of renewable energy generation. In our 2021 ESG report (focused on the 2020 reporting year), we updated our renewable energy procurement goal from procuring 10% to procuring 15% of common area electricity through renewable energy sources by year-end 2021. We achieved and exceeded that goal by procuring 30% of our common area energy from renewable sources in 2021. Moving forward, we will continue to evaluate ways to support renewable electricity production either through the purchase of additional RECs or through green power options provided by various utility providers.



WATER CONSERVATION

(GRI 303-3, SASB IF-RE-140a.4; SDG 6, 12)

UDR continues to evaluate potential ROI projects that reduce our consumption of water and make us better stewards of the environment in the communities in which we operate. Four water ROI projects were completed during 2021 with an estimated annual reduction of over 14 million gallons of water. This represents nearly 20% of the total water consumption for the four communities in 2021. We are actively working to evaluate additional water conservation initiatives such as scaling our smart irrigation, leak detection, and sub metering initiatives, as well as increasing resident education, use of toilet leak sensors, and other system upgrades as part of our long-term environmental strategy.



WASTE

(GRI 306-2; SDG 6, 11, 12)

The combination of compactor monitoring technology, streamlined waste processes, enhanced resident education, and recycling/composting opportunities has resulted in our waste diversion rate reaching 19% in 2021. This exceeded our waste diversion goal of 15% and was accomplished four years ahead of schedule. We have expanded opportunities for residents to contribute to our diversion rate by increasing the number of communities that offer recycling or composting by 11% versus 2020. Our total metric tonnage of recycling capacity increased by more than 30% in 2021 compared to 2020. We will continue our resident education and diversion efforts in 2022 and beyond to reduce waste and increase diversion.



LRQA'S INDEPENDENT ASSURANCE STATEMENT

(GRI 102-56, 302-1, 302-4, 303-1, 303-3, 305-1, 305-2, 305-5, TCFD 9, 10, 11; SDG 6, 7, 11, 12, 13)

For the 2021 reporting period, we engaged LRQA to verify the accuracy and completeness of our energy, water, waste, and emissions calculations, including year-over-year targets and our GHG emissions reduction versus the 2015 base year, as shown on the following Environmental Metrics page. For purposes of our 2022 GRESB reporting, our LRQA's 2021 reported E verified data was reconciled to our GRESB reported results by UDR's Internal Audit and Accounting Departments as part of our verification process for key operating metrics.



Our waste diversion rate reached 19% in 2021, exceeding our waste diversion goal of 15% by 2025 four years ahead of schedule.



ENVIRONMENTAL METRICS TABLE

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

ENERGY PERFORMANCE	ABSOLUTE CONSUMPTION (kWh) ⁽¹⁾			LIKE-FOR-LIKE CONSUMPTION (kWh) ⁽³⁾				
	2020	2021	DATA COVERAGE ⁽²⁾ (%)	2020	2021	DATA COVERAGE ⁽²⁾ (%)	YOY CHANGE	INTENSITY (kWh / SF)
Natural Gas / Steam	82,297,759	92,683,436	22%	55,406,263	62,241,426	21%	12%	8.6
Electric	101,681,128	106,410,856	21%	68,671,222	67,968,313	21%	-1%	6.8
Total Energy Consumption	183,978,887	199,094,292	-	124,077,485	130,209,739	-	5%	-

GHG PERFORMANCE	ABSOLUTE EMISSIONS (MT CO2E) ⁽⁴⁾			FIXED BASE YEAR EMISSIONS (MT CO2E) ⁽⁵⁾			INTENSITY (kg CO2E / REVENUE \$'s)
	2020	2021	2015	2021	6-YEAR CHANGE		
Scope 1	14,564	16,416	13,125	16,416	25%	0.001%	
Scope 2 Location Based	31,198	32,508	40,279	32,508	-19%	0.002%	
Scope 2 Market Based	27,889	20,769	40,279	20,769	-48%	0.001%	
Total (Scope 1 + Scope 2 Market Based)	42,453	37,185	53,404	37,185	-30%	0.003%	

RENEWABLE ENERGY PRODUCTION ⁽⁶⁾	ABSOLUTE RENEWABLE PRODUCTION (kWh)		LIKE-FOR-LIKE RENEWABLE PRODUCTION (kWh)		
	2020	2021	2020	2021	YOY CHANGE
	1,685,393	1,970,584	1,063,388	1,401,070	32%

WATER PERFORMANCE	ABSOLUTE CONSUMPTION (kGAL) ⁽¹⁾			LIKE-FOR-LIKE CONSUMPTION (kGAL) ⁽³⁾				
	2020	2021	DATA COVERAGE ⁽²⁾ (%)	2020	2021	DATA COVERAGE ⁽²⁾ (%)	YOY CHANGE	INTENSITY (kGAL / HOMES)
Total Water Consumption	2,261,840	2,416,754	97%	1,882,641	1,894,458	99%	1%	46.2
Total Water Consumption in Water Stressed Areas ⁽⁸⁾	664,882	641,949	100%	541,765	539,879	100%	0%	50.2
Total Recycled Water Consumption ⁽⁷⁾	19,476	24,066	-	-	-	-	-	-

WASTE	ABSOLUTE WASTE (MT)			LIKE-FOR-LIKE WASTE (MT)			
	2020	2021	2020	2021	YOY CHANGE	2021 DIVERTED WASTE (MT)	2021 DIVERSION (%)
	35,276	41,864	30,413	33,079	9%	6,167	19%

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

(2) Data Coverage for gas, electric, GHG Emissions, and water represents the percentage of square footage where UDR has operational control out of the total whole building square footage for the portfolio.

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

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

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

(6) SASB defines renewable energy from geothermal, wind, solar, hydro, and biomass that produce more energy than used during the energy production process. The Company's total 2021 renewable energy production is less than 1% of total operational controlled energy consumption.

(7) Recycled Water Consumption represents purchased reclaimed water.

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

LRQA'S INDEPENDENT ASSURANCE STATEMENT (2021 REPORTING YEAR)



LRQA Independent Assurance Statement Relating to UDR Inc's Greenhouse Gas Inventory and Environmental Data for the 2021 Calendar Year

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

Terms of engagement

LRQA was commissioned by UDR Inc. (UDR) to provide independent assurance of its Greenhouse Gas (GHG) Inventory and Environmental Data ("the report") against the assurance criteria below to a limited level of assurance and materiality of the professional judgement of the verifier using LRQA's verification procedure and ISO 14064 - Part 3 for greenhouse gas emissions. LRQA's verification procedure is based on current best practice and is in accordance with ISAE 3000 and ISAE 3410.

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

- Verifying conformance with:
 - UDR's reporting methodologies for selected datasets;
 - World Resources Institute / World Business Council for Sustainable Development Greenhouse Gas Protocol: A corporate accounting and reporting standard, revised edition (otherwise referred to as the WRI/WBCSD Protocol) for the GHG data¹; and
 - GRESB 2022 Real Estate Reference Guide.
- Evaluating the accuracy and reliability of data and information for only the selected indicators listed below:²
 - Direct (Scope 1) and Energy Indirect (Scope 2) GHG emissions;
 - Energy consumption (Direct and Indirect);
 - Water consumption;
 - Waste generated;
 - Year over year changes for electricity, natural gas and water consumption;
 - Comparison to base year for GHG Emissions;
 - Waste Diversion rate for 2021; and
 - Percentage of energy procured from renewable sources for total common area electricity in 2021.

Our assurance engagement excluded the following:

- Excluded on the basis of their de minimis contribution to the total GHG Inventory:
 - Scope 1 GHG emissions from diesel fuel use in emergency generators; and
 - Scope 1 mobile emissions from vehicles.
- Consistent with GRESB requirements regarding data estimates:
 - Scope 1 fugitive GHG emissions from refrigerants; and
 - Water data for two sites acquired in late 2021.
- Waste data is currently available for 96% of the total portfolio leasable floor area, and LRQA was commissioned to verify only the portion of waste data currently being gathered.

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

¹ <http://www.ghgprotocol.org/>

² GHG quantification is subject to inherent uncertainty.



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, except for the effect of the matters described in the Basis for Qualified Opinion, nothing has come to our attention that would cause us to believe that UDR has not, in all material respects:

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

The opinion expressed is formed on the basis of a limited level of assurance³ and at the materiality of the professional judgement of the verifier.

Basis for Qualified Opinion

Greenhouse Gas Emissions from electricity use were underreported at 3 sites where solar generation was sold back to the grid and subtracted from the consumption value used to calculate emissions. This is not material.

Table 1. Summary of UDR's GHG Emissions and Environmental Data for CY 2021

Parameter	Quantity	Units
Scope 1 GHG emissions ¹	16,416	Metric Tons CO ₂ e
Scope 2 GHG emissions (Location-based) ²	32,508	Metric Tons CO ₂ e
Scope 2 GHG emissions (Market-based) ²	20,769	Metric Tons CO ₂ e
Energy ³	199,094,292	kWh
Water Consumption ⁴	2,416,754	kgal
Waste Generation ^{5,6}	41,864	Metric Tons

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

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

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

⁴ Water consumption includes recycled water.

⁵ Waste value includes municipal solid waste and recycling combined per GRESB reporting requirements.

⁶ Waste data is currently available for a portion of the properties in UDR's portfolio. Consistent with GRESB requirements for data estimates, LRQA was commissioned to verify the portion of data currently being gathered, presented as a percentage of the total portfolio leasable floor area with reported data, 96% for CY2021.

³The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

LRQA'S INDEPENDENT ASSURANCE STATEMENT (2021 REPORTING YEAR) (CONT.)



Table 2. Summary of UDR's Changes over time related to Environmental Data parameters

Parameter	2020	2021	% Change
Energy			
Like-for-Like Natural Gas and Steam Change (kWh) ¹	55,406,263	62,241,426	12%
Like-for-Like Electric and District CHW Change (kWh) ¹	68,671,222	67,968,313	-1%
Like-for-Like Energy Change (kWh) ¹	124,077,485	130,209,739	5%
Water			
Like-for-Like Water Change (kGal) ¹	1,882,641	1,894,458	1%
Like-for-Like Water Intensity Change (kGal) ^{1,2}	46	46	1%
Waste			
Like-for-Like Waste Change (Metric Tons) ^{1,3}	30,413	33,079	9%
Other			
Percentage of electricity consumption procured from renewable sources ⁴		30%	
GHG Emissions Change from 2015 Base Year (percent) ⁵		-30%	
Like for like waste diversion rate (percent) ¹		19%	

- UDR defines "like-for-like" as operationally controlled gas, electric, water, and waste consumption that includes properties stabilized for two calendar years.
- Water Intensity is calculated as water consumption divided by number of homes, for properties stabilized for two calendar years.
- Waste is waste and recycling data combined from properties included in the CY2021 verification.
- Electricity consumption procurement percentage applies to operationally controlled electricity consumption verified for CY2021.
- Base year (CY 2015) was not verified by LRQA. Scope 1 and Scope 2 market-based GHG emissions used for comparison.

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 and environmental data and records;
- interviewing relevant employees of the organization responsible for managing GHG emissions and environmental data and records;
- reviewing data management systems to confirm there were no significant errors, omissions or mis-statements in the inventory; and
- verifying historical GHG emissions and environmental data and records at an aggregated level for the calendar year 2021.

LRQA's standards and competence

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.

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.



Dated: 28 June 2022

Brooke Farrell

Brooke Farrell
LRQA Lead Verifier
On behalf of LRQA, Inc.
1330 Enclave Pkwy, Suite 200
Houston, TX 77077

LRQA reference: UQA00001495/5042388

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**OUR COMMITMENT TO
SOCIAL RESPONSIBILITY**

HIGHLIGHTS, CULTURE, AND VALUES

(GRI 102-16)

Our approach to social responsibility ensures we have a strategy and initiatives in place that address aspects across the employee lifecycle, including attracting, recruiting, developing, engaging and retaining talent. Our ultimate goal is to build a better Company by maintaining a diverse, engaged workforce to grow and retain talent, as there is a positive correlation between culture and values with engagement, productivity, and the bottom line. Our commitment to social responsibility also prioritizes resident engagement and their experience with UDR.

UDR VALUES

UDR has a strong, inclusive culture that promotes innovation, engagement, and overall good corporate responsibility. We expect that associates at our Company will continue to cultivate this culture in alignment with our values for many years to come.

Our values are listed below and additional information, including our culture statement (revised in 2020) and the benefits of working at UDR, may be found at [udr.com/careers/culture](https://www.udr.com/careers/culture).



RESPECT

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



INTEGRITY

We will be honest and sincere in both words and our actions, striving to do the right thing, the right way, every time.



TEAMWORK

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



OWNERSHIP

Our Company's success will be the result of holding ourselves accountable to meet our goals and proudly share in our victories.



GROWTH

We will "be our best" when we increase our skills, gain more knowledge, try new things, learn from our mistakes, and focus on the positive as we shape our future.

HIGHLIGHTS, CULTURE, AND VALUES *(cont.)*

(GRI 102-16)

We continue to refine our approach to social responsibility to align with the expectations of our stakeholders. Our commitment is fully integrated into our evolving ESG and People Strategy and evolves with societal trends and expectations. Some highlights include the following:

ASSOCIATE ENGAGEMENT

- Our most recent associate survey in 2021 had a 97% participation rate and indicated that 87% of associates feel they can succeed and thrive at UDR.
- In early 2022, we conducted an associate benefits survey which indicated that 72% of participating associates believe that UDR provides benefits that meet their needs.

ASSOCIATE RETENTION

- As part of our ongoing efforts to retain the best talent, we monitor and disclose our compensation ratios by gender and ethnicity. In 2022, we incorporated a compensation analysis data tool to further evaluate compensation based on geography, gender equity, and other factors, providing us additional data to make related strategic decisions and investments.
- Additionally, we actively monitor our associate turnover rate, which at 27% for 2021 was lower than the industry average.

LEARNING AND DEVELOPMENT

- 100% of associates were provided opportunities for learning and advancement, and we maintain an annual average completion rate of 95% for our mandatory training courses. Training course completion is built into our ESG goals and strategy and associate evaluations.
- We enhanced our already robust learning and development with a new program, Cornerstone, that went live in August of 2022. This program provides a more streamlined, technology-based platform for learning and development, covering both career-specific training as well as additional skills and leadership programs for career advancement.
- In 2022, we introduced an enhanced career mobility program called “Level Up!” which provides associates the opportunity to expand upon their skills and competencies and grow with the Company.

DIVERSITY, EQUITY, AND INCLUSION

- We are actively attracting and retaining high-quality, diverse associates across our business. In 2021 we broadened the application of the “Rooney Rule” concept from the Board and Executive levels to the hiring process for all open associate positions.
- In 2022, we partnered with the Colorado Diversity Council to expand our DEI initiatives by providing associates with additional resources and trainings while improving our diverse recruiting efforts. Additionally, we require every associate to take both DEI and anti-harassment on-line educational courses, which includes a section that covers unconscious bias.
- In connection with our belief that both our culture and our associates are pivotal to our success, since 2018, UDR has incorporated a “Health of the Workforce” metric into the executive-level short-term incentive compensation program. For 2022, this metric was revised to include additional DEI metrics.

HEALTH AND WELLNESS

- Our associates have access to several mental and physical wellness health resources, additional learning opportunities (such as financial wealth management), the ability to engage with or donate to their local communities through our volunteer days and contribution programs, all coordinated by UDR.
- Based on associate feedback, we expanded the suite of benefits we offer to include a Roth 401(k) retirement plan, voluntary critical illness benefits, and a Lifestyle Spending Account (a flexible offering that provides associates with \$1,000 annually that can be used on a wide variety of incurred expenses).

RESIDENT ENGAGEMENT/EXPERIENCE

- We have incorporated our NPS score, which measures how residents view their UDR experience into our ESG strategy and maintained an NPS score above 33 throughout the 2021 reporting year. Positive scores indicate that a company has earned more promoters, or those that would recommend this apartment community to others, than detractors.

COVID RESPONSE FOR BOTH ASSOCIATES AND RESIDENTS

(GRI 413)

Throughout the COVID pandemic, UDR kept the safety, health, and wellness of our associates and residents a top priority. We continued to integrate protocols throughout 2020 and 2021 that aligned with Center for Disease Control and Prevention (“CDC”) guidelines and promote safety and wellbeing at our corporate office and communities.

For our associates, we provided Personal Protective Equipment (“PPE”), additional time off for COVID-related matters, hybrid and flexible work-from-home options, additional mental health and wellness benefits, as well as additional monetary benefits. Many of these protocols have evolved into expanded associate benefits, such as our mental health resources and our Lifestyle Spending Account. More information about associate health and benefits may be found in the UDR Wellness and Benefits section of this report.

For our residents, we offered multiple forms of assistance to those financially impacted throughout the different stages of the COVID pandemic. These resources included payment plans, credit card payments without an additional fee, payment installment options without an additional fee, and guidance and assistance in securing government rental assistance funds. From 2020 through August 2022, UDR has sourced over \$52 million in rental assistance for current residents and over \$2 million for former residents, helping provide assistance to over 4,100 homes to both current (at the time of receipt) and former residents. This rental assistance helped impacted residents become current on their rent due and alleviated the stresses that came with pandemic-related job losses.

UDR’s Next Generation Operating Platform, which was already implemented through much of the portfolio prior to the pandemic, helped maintain frictionless leasing operations for both our associates and our residents. Many features of our Platform include seamless virtual services and SmartHome technology, which eased the transition into the social distancing aspects of the pandemic. These features include but are not limited to no-contact tours, improved resident self-service experiences, and data-driven site-level efficiencies. By utilizing these services and technology, 89% of our resident interactions took place online and 97% of community tours were self-guided in 2021. The Platform also contributes to other ESG goals set forth earlier in the report, specifically our long-term environmental strategy through Scope 3 emissions reductions.

“ From 2020 through August 2022, UDR has sourced over \$52 million in rental assistance for current residents and over \$2 million for former residents for those financially impacted by the COVID pandemic. ”



Capitol View | Washington, DC

ASSOCIATE ENGAGEMENT

(GRI 103-1, 103-2, AND 103-3 FOR GRI 401, SDG 8)

Further enhancing our innovative and inclusive culture, through associate engagement and feedback remains a top priority at UDR. We provide a multitude of associate communications on a regular basis as well as internal and external opportunities for associates to provide feedback. Several times throughout the year, UDR conducts all-associates calls hosted by members of the senior executive team. These calls include communication about the overall state of the business, acknowledgement of stellar individual and team performance, associate benefits, and a question-and-answer session to promote transparency and open discussion. We are continuing to refine and expand our communication efforts with associates to ensure that we understand what is important to them and how this is changing.

As part of our associate feedback opportunities, we engage an independent third-party to conduct our Associate Engagement Survey. Our most recent survey, conducted in 2021, yielded a 97% response rate and indicated that associates feel that UDR has a strong performance culture and feel firmly connected to the Company strategy. Highlights of our survey results are provided below:

- 94% of associates feel that they can build relationships with colleagues.
- 89% of associates feel they are treated fairly.
- 88% of associates feel they can be themselves at work.
- 87% of associates feel they can succeed and thrive at UDR.
- 86% of associates feel a sense of belonging at work.
- 81% of associates are engaged, willing to give above and beyond effort in their jobs.
- 79% of associates are enabled, having the tools they need to get the job done.

We have utilized the results of the survey and additional feedback to better meet the needs of our associates. For more information and specific initiatives, refer to the Associate Recognition, Associate Compensation, and UDR Wellness and Benefits sections throughout this report. We have plans to expand the number of ways we assess associate engagement both qualitatively and quantitatively beyond the associate engagement survey in 2022 and beyond. By investing in our associates and promoting

engagement, the Company will continue to create value for our shareholders, align with the beliefs of our stakeholders, and provide superior customer service for our residents.

ASSOCIATE RECOGNITION

(GRI 103-1, 103-2, AND 103-3 FOR GRI 401, SDG 8)

UDR provides several programs to recognize our associates throughout the year. These include but are not limited to:

- Through the Living the Values program, an associate from each business area is recognized quarterly for exemplifying UDR's core values;
- There is an annual vote to determine which outstanding associates attend President's Club, an annual recognition event typically hosted in Las Vegas (COVID permitting);
- Once associates reach 15 years with the Company, they are also eligible to attend President's Club; and
- Each work anniversary associates receive a congratulatory email as well as a hand-signed letter from the Chairman and CEO;
- UDR sends personalized birthday emails to all associates;
- In addition to these programs, UDR provides 8 hours of paid time per year per corporate associate to be utilized towards their choice of selected charitable events at specified times.

ASSOCIATE RETENTION

(GRI 102-7, 401-1, SDG 8)

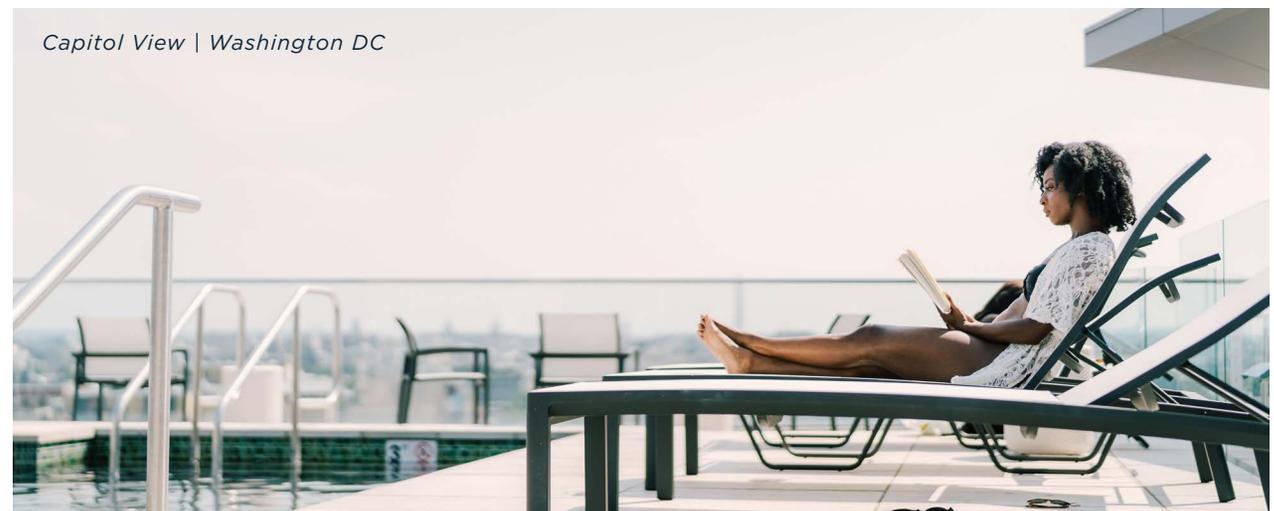
Associate retention is one of many factors within our internal "Health of the Workforce" scorecard, which is utilized in senior managements' short-term incentive program. Our turnover rate of 27% for 2021 is lower than the industry average (CEL & Associates, Inc.), and we are actively assessing how we can improve our human capital programs to further enhance retention.

We have initiated a thorough analysis across multiple aspects of associate engagement and retention, spanning our recruitment and onboarding process through all stages of career development at UDR. To that end, UDR currently discloses several associate metrics related to retention, listed in our Associate GRI Indicators, and we are working to integrate additional analyses and disclosures into our evolving long-term ESG and People Strategy. Additional associate and human capital metrics may be found in the GRI Appendix within this report.

ASSOCIATE GRI INDICATORS

(GRI 102-7, 401-1)

- 1,231 associates
- 99% Full Time associates
- 27% Turnover Rate



LEARNING AND DEVELOPMENT

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

Our learning and development programs at UDR are multi-faceted and intended to set up our associates for success in accordance with our business goals and values. We are expanding our already robust framework in 2022 with a new training platform, Cornerstone, and career mobility program, Level Up! Learning and development start when associates join the Company through our onboarding process and continues throughout their career journey. Throughout the year, associates complete required annual training that addresses both regulatory and statutory matters as well as job-specific training to help them perform their jobs safely and effectively. Associates have additional opportunities to access specific skillset training opportunities, learn about career advancement and leadership, and access certification programs - each designed to equip our associates with the necessary knowledge to take advantage of our career-expansion opportunities. Throughout each phase of our learning and development programs, we integrate our culture, values, and mission as UDR believes that ongoing, consistent learning is vital to our associates' job satisfaction and overall business success. In aggregate, our associates engaged in 24,422 hours of training in 2021, or an average of 20 hours per associate.

Certifications are important to career progression 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 heating, ventilation and air conditioning ("HVAC") systems, all of which equip our associates with the necessary knowledge to take advantage of career-expansion opportunities. UDR offers partial tuition reimbursement related to attaining these certifications.

To evaluate the effectiveness of our training program and determine whether associates have the necessary tools to succeed, each UDR associate engages in an annual performance review with their direct supervisor. Among other things, the performance review establishes the associate's training plans for the upcoming year and provides feedback on career development

2021 LEARNING AND DEVELOPMENT HIGHLIGHTS

(GRI 103-3 for GRI 404)

UDR's required annual learning and development curriculum is designed to address regulatory and statutory matters that both pertain to our industry and promote good corporate citizenship. Topics covered in these on-line courses include but are not limited to sexual harassment, workplace harassment, cybersecurity, fair housing, business ethics and diversity, and equity and inclusion, including unconscious bias training. Our 2021 training highlights for UDR associates are outlined below:

ASSOCIATE TRAINING INDICATORS

- **100%** Provided Opportunity for Training
- **99%** Completed Fair Housing Training
- **97%** Completed Diversity and Inclusion Training
- **96%** Completed Harassment Training
- **95%** Business Ethics Training
- **91%** Completed IT Security Training

Training completion rates are shown as of year-end 2021 and should not reach 100% due to measurement timing and associate new hire dates, in addition to various union requirements.

LEARNING AND DEVELOPMENT *(cont.)*

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

NEW TRAINING PLATFORM: CORNERSTONE

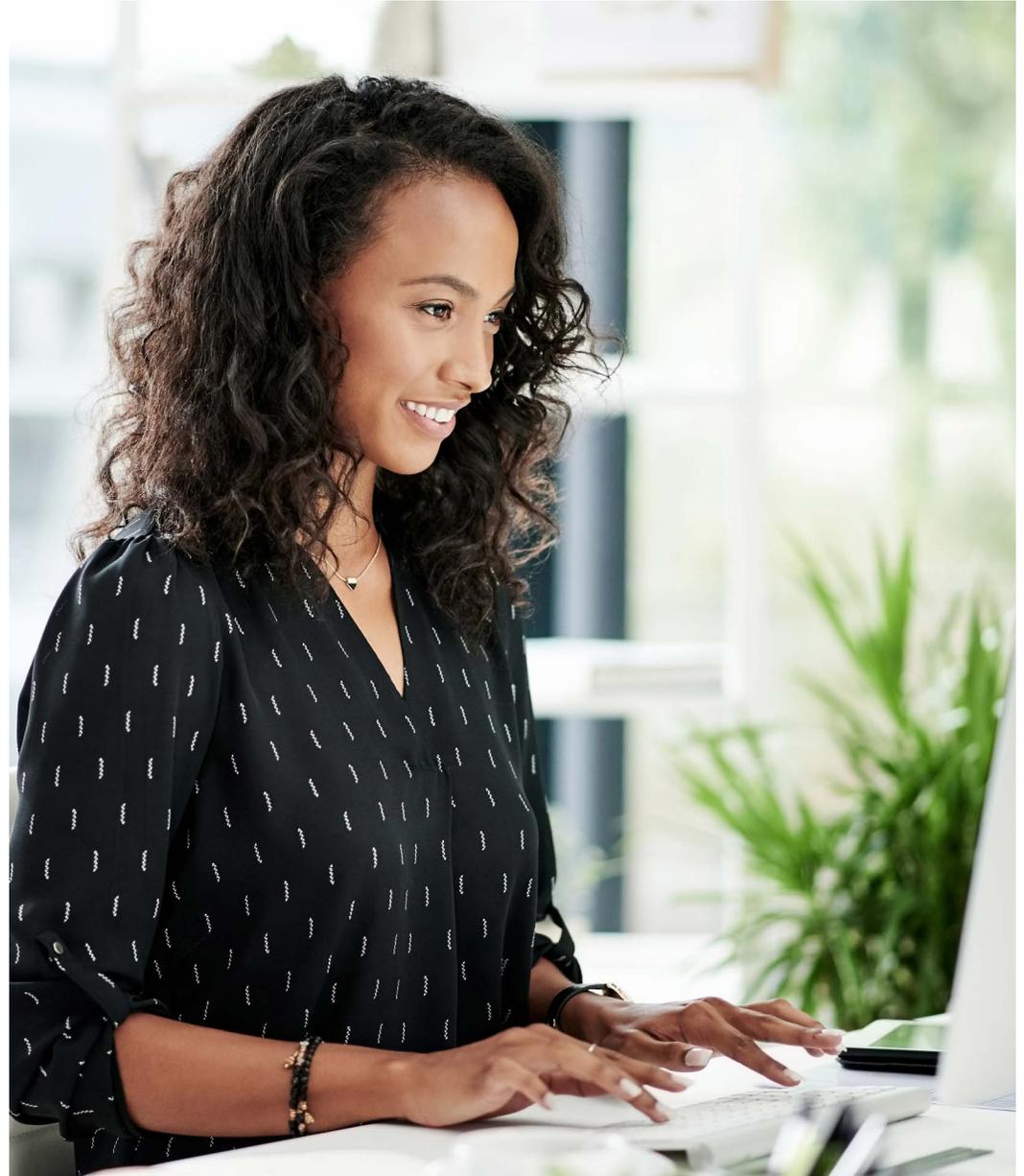
In August 2022, UDR implemented a new streamlined and comprehensive online learning management system, Cornerstone. The enhanced capabilities of this new system allow associates to be in control of their learning and growth at UDR, in addition to access to their required learning/training curriculum. Associates can customize their learning page, view their transcripts, and self-enroll in online or instructor-led courses. Cornerstone also provides supervisors with the ability to easily assign their associates courses, as well as stay on top of their associates' annual required trainings through customizable dashboards and robust reporting features to help us make more informed decisions and investments.

Our learning and development program also includes annual "refreshment" courses should an associate want to update a certain skillset. In total, there are over 5,000 courses available to our associates. Program topics include leasing skills, basic community maintenance, customer service, project management, and system applications, amongst others.

NEW CAREER MOBILITY PROGRAM: LEVEL UP!

Associates have the option of participating in management development through our Certified Manager and the Level Up! Career Mobility Program. These programs are designed to enable our associates to acquire skills and certifications that will be useful to them as they progress in their career.

UDR's new Level Up! Program prepares associates for the next steps in their career via a promotion, a lateral move, or simply wanting to build out new skills and competencies. This program includes a mix of learning methods including online, instructor-led, and on-the-job training. We look forward to expanding this program to enable our associates to further take control of their careers.



ASSOCIATE DIVERSITY, EQUITY, AND INCLUSION

(GRI 405-1, SDG 5, 8, 10)

UDR is committed to diversity, equity, and inclusion throughout all levels of the organization with the goal of ensuring associates have choice in their careers and experiences at UDR. We continued to enhance our DEI efforts throughout 2021 and into 2022. In 2021, the Company created a DEI Task Force following the conclusion of the Company-wide DEI Organizational Assessment conducted by a third-party in 2020. This assessment included a survey sent to all associates in addition to holding focus groups at all levels of the Company. The DEI Task Force and our Human Resources department used these findings, in addition to multiple associate surveys and other feedback opportunities, to launch a number of DEI initiatives.

One of the initiatives implemented in 2021 was the expansion of the “Rooney Rule” concept to apply to the hiring process across all associate positions. It was initially adopted for Board refreshment in 2020. The “Rooney Rule” concept, in practice at UDR, helps promote equitable hiring practices by expecting at least one diverse candidate be interviewed to fill open job positions. In 2022, UDR expanded its “Health of the Workforce” metric to include DEI, which is incorporated into senior managements’ short-term incentive program. In 2022, UDR also entered a partnership with the Colorado Diversity Council to further our DEI efforts. This partnership provides additional resources and training to our associates, assists with UDR’s diverse recruiting efforts, and allows for several UDR associates to sit on the Council’s Board, all of which will assist in determining the future direction of DEI. These initiatives are ongoing and will span the entire lifecycle of our associates from attracting talent, recruiting, development, and retention and will influence our long-term ESG and People Strategy.

UDR also integrates DEI into learning and development programs. We require every associate to take a DEI on-line educational course on an annual basis, as well as anti-harassment training which has a section that covers unconscious bias. Our new training program, Cornerstone, will also include two new courses on DEI and recognizing and overcoming bias and building an inclusive environment.

We continue to refine our approach to DEI to reflect evolving trends at UDR and in society at large.

“ In 2022, UDR expanded its “Health of the Workforce” metric to include DEI, which is incorporated into senior managements’ short-term incentive program. In 2022, UDR also entered a partnership with the Colorado Diversity Council to further our DEI efforts. ”

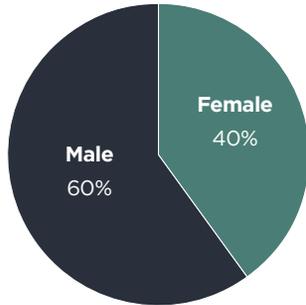


Steele Creek | Denver, CO

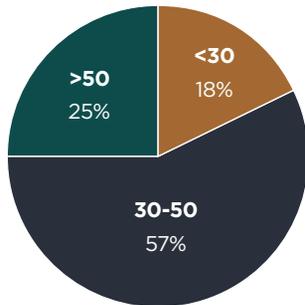
ASSOCIATE DIVERSITY, EQUITY, AND INCLUSION *(cont.)*

(GRI 405-1)

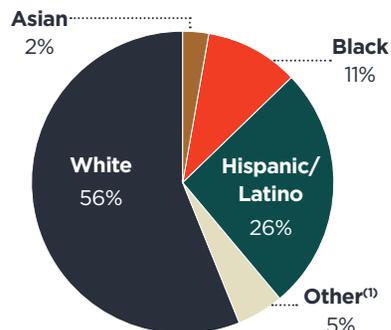
ASSOCIATES BY GENDER



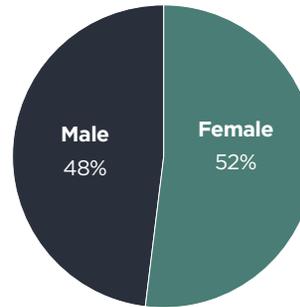
ASSOCIATES BY AGE



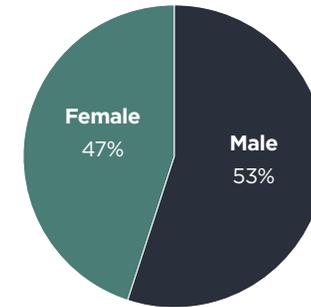
DIVERSE WORKFORCE



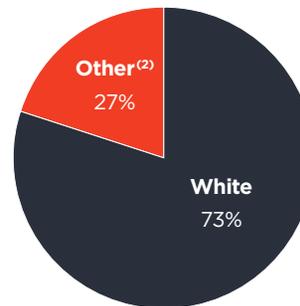
MANAGEMENT* BY GENDER



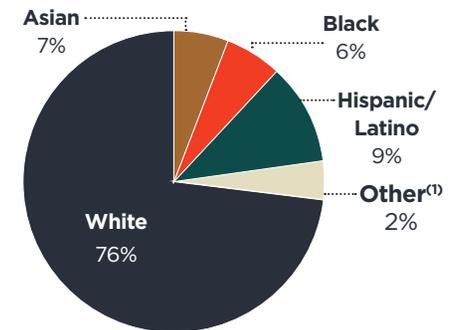
MANAGEMENT* PROMOTIONS GENDER
(2018-2020)



MANAGEMENT* ETHNICITY



MANAGEMENT* PROMOTIONS ETHNICITY
(2018-2020)



*Associates with the title of Community Director or Director and higher job classifications, or promotions to the title of Community Director or Director and higher job classifications.

⁽¹⁾ Other includes American Indian, Alaska Native, Native Hawaiian, Pacific Islander, Not Specified or two or more races.

⁽²⁾ Other includes American Indian, Alaska Native, Asian, Black, Hispanic/Latino, Native Hawaiian, Pacific Islander, Not Specified or two or more races. There might be slight discrepancies in data from other 2022 published reports due to differences in time periods and rounding. For the purposes of this report, data for the 2021 reporting year is reflective of both the year ending 12/21/21 and 12/31/21.

ASSOCIATE COMPENSATION

(GRI 405-2)

Through our compensation practices and other associate programs, UDR seeks to continue to attract and retain high-performing, diverse associates that are critical to the long-term success of our Company. We utilize market surveys and other third-party information when determining salary ranges, bonus potential, and benefits packages. Each quarter, we also evaluate various gender- and diversity-based job-title-specific compensation metrics. These metrics are provided to our executive leadership and Board annually.

We are actively enhancing our compensation analysis as part of our evolving long-term ESG and People Strategy. To that end, in 2022 UDR implemented the CompAnalyst Enterprise solution, a compensation tool that allows us to identify any changes in market pay, pay equity gaps, and potential flight risks. Implementing this tool will help UDR to be better able to retain quality associates and forecast budgets. Results of this analysis will be incorporated into our annual communication to executive leadership and the Board on associate compensation.

In addition to our internal analysis, we also disclose our associate compensation ratios by gender and diversity. A compensation ratio is an indicator of how pay ratios differ by group within a given job type and is calculated by comparing the base salary to the midpoint for all associates within a given job type. A score of 100% is average, 105% is above average, and 95% is below average. Based on our year-end 2021 gender and diversity pay ratios, we believe our ratios support pay equality across the organization based on job type.

COMPENSATION RATIOS BY GENDER AND ETHNICITY

(GRI 103-3 for GRI 404)

2021 GENDER COMPENSATION RATIOS

- **Male** : 101.9%
- **Female**: 97.2%

2021 DIVERSITY COMPENSATION RATIOS

- **Asian** : 102.7%
- **Black**: 100.7%
- **Hispanic or Latino** : 99.8%
- **Other**: 100.3%
- **White**: 99.8%

UDR HEALTH, WELLNESS AND BENEFITS

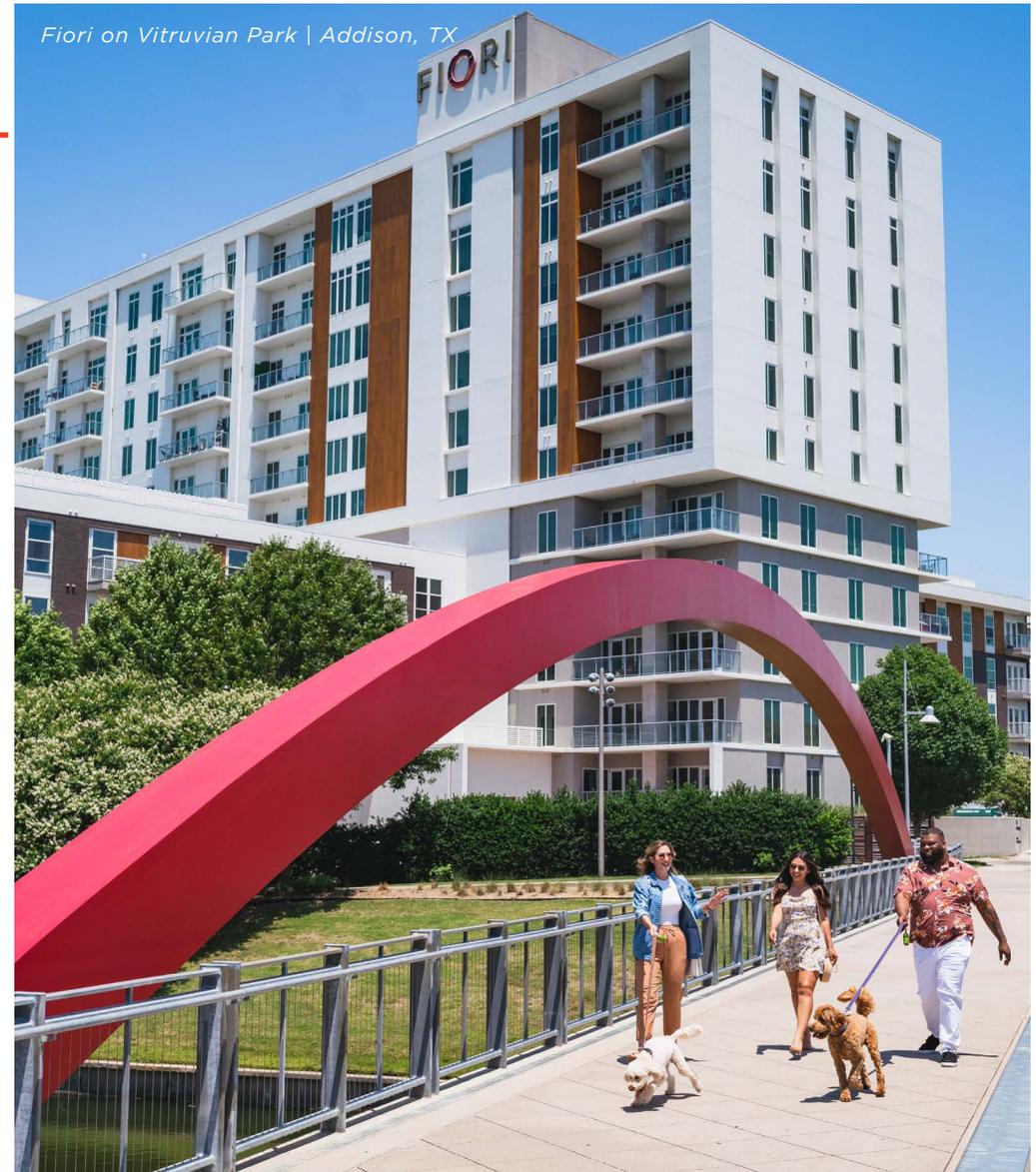
OCCUPATIONAL HEALTH AND SAFETY

The health, wellness, and safety of our associates is of utmost importance to UDR to maintain our inclusive culture and ensure our associates are engaged. We publish a monthly Wellness Newsletter for our associates as part of our UDR Wellness Initiative. The Wellness Newsletters cover multiple topics, including preventative care, fitness and heart health, managing anxiety, mental health, fatigue, healthy eating habits, and provide an avenue for associates to access the CDC's updates and recommendations related to COVID and other illnesses.

To allow our associates the best mental health options that work for them, UDR provides access to several resources including UDR's Associate Resource Program, Teledoc, and Ginger. UDR's Associate Resource Program ("ARP") offers access to consultants and online resources. The program was enhanced in 2022 to provide access to three additional free confidential visits (six total) with a counselor through the ARP, should they be needed. Our Teledoc mental health services provide virtual visit options from a mobile device, tablet, or computer and starting in 2022, UDR reduced the copayment for mental health visits and allowed out of network doctors to be processed as in network, providing associates more flexibility. Associates also have 24/7 access to Ginger, a confidential on-demand behavioral health support mobile application. Ginger is provided at no cost to the associate and provides text-based chats with a care team comprised of coaches and mental health professionals as well as self-guided activities. In 2022, we expanded our Ginger program to include 8 free virtual counseling sessions through the Ginger application.

At our corporate office, UDR coordinated a health and wellness fair, health and stress screening, and flu shot clinic in the fall of 2021 for our associates. We also offer virtual and in person fitness programming featuring ongoing challenges, classes, and healthy recipes as well as the opportunity to participate in a co-ed kickball league throughout the fall. We will continue to refine our approach to health and wellness based on needs and expectations at UDR and in society overall.

Safety is integrated into all of our operations and we disclose the following health and safety indicators for 2021.



Fiori on Vitruvian Park | Addison, TX

HEALTH AND SAFETY INDICATORS

(GRI 103-3 FOR GRI 401)

- **Sickness Ratio** : 0.22%
- **Fatalities**: 0
- **Injury Rate** : 3%
- **Severity Rate**: 19%

*Severity Rate is calculated as the number of lost workdays divided by the number of recordable incidents within the reporting year.

NEW BENEFITS*(GRI 401-2)*

We frequently review our compensation and benefits programs to keep them competitive and to attract and retain the best associates. In 2021, UDR added Voluntary Critical Illness Benefits for full time associates. In early 2022, associates were invited to participate in a third-party benefit survey. This survey yielded that 72% of associates who responded believe that UDR offers benefits that meet their needs. Utilizing feedback from this survey, as well as additional sources, including our most recent Associate Engagement survey, UDR introduced the following new benefits in 2022:

Lifestyle Spending Account

Beginning in October 2022, UDR implemented a Lifestyle Spending Account for all full-time UDR associates.

This UDR sponsored account totaling \$1,000 per associate annually provides our associates with the flexibility to choose among a list of health, wellness, and lifestyle categories including mental, physical, financial, or emotional health, family support, professional development, student loan repayment and more to which apply the \$1,000.

Roth 401(k)

The benefits survey indicated that our associates wanted additional financial wellness resources. UDR has historically offered a 401(k)-retirement plan with a matching component to all associates, of which 48% currently participate. Starting in the fall of 2022 we introduced a Roth 401(k) plan available to all UDR associates. By adding this benefit option, our associates have the choice to invest their money pre- or post-tax.

“ Beginning in October 2022, UDR implemented a Lifestyle Spending Account for all full-time UDR associates. ”

ASSOCIATE BENEFITS*(GRI 401-2)*

We appreciate that our associates work hard, which is why we offer a comprehensive benefit plan for full time associates, listed below. Part time associates are eligible for those benefits below denoted with an asterisk (*):

- Medical Insurance*
- Dental Insurance
- Vision Insurance
- Disability Insurance
- Associate Resource Program
(for numerous mental health and work/life balance concerns)
- Voluntary Cancer Insurance Long Term Care Plan
- Vacation Time
- Sick Time
- Personal Time
- Bereavement Benefit*
- 401(k) Retirement Plan (which includes a matching component)*
- Roth 401(k) Retirement Plan*
- Medical Flexible Spending Account
- Commuter Expense Reimbursement Plan*
- Tuition Reimbursement
- Associate Rent Discount*
- Business Travel Insurance*
- Voluntary Identity Theft Program
- Pet Insurance*
- Voluntary Critical Illness Benefits with AFLAC *(NEW)*
- Lifestyle Spending Account *(NEW)*

ASSOCIATE OUTREACH AND COMMUNITY ENGAGEMENT

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

UDR believes that by making it possible for our associates to contribute to their local communities and national outreach programs, we can continue to build a culture we are proud of and make a difference in the communities where we operate. Every year, UDR provides 8 hours of paid time per year per corporate associate to be utilized towards their choice of selected charitable events at specified times.

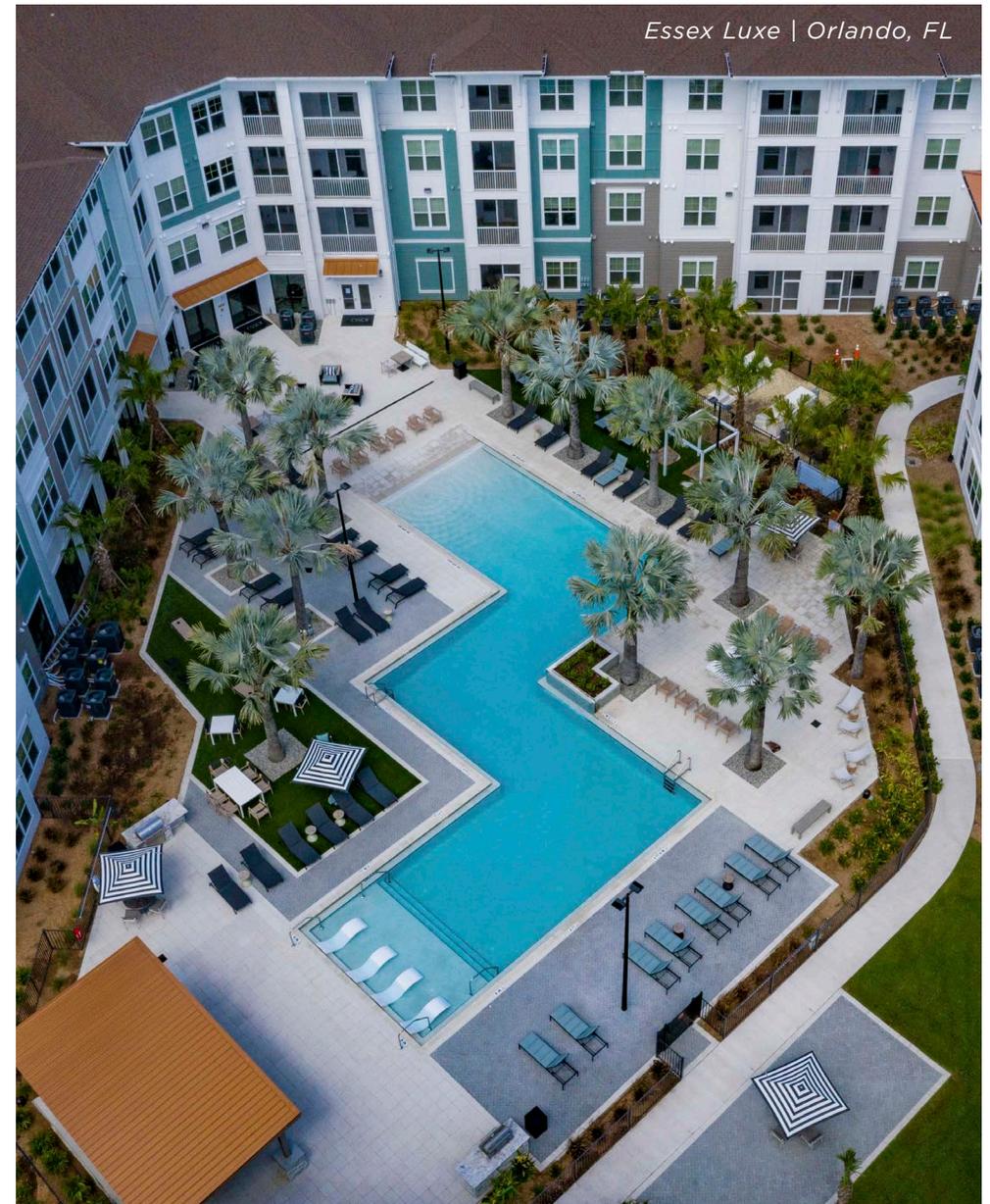
Throughout the COVID pandemic, we faced limitations around in-person volunteering, but in the fall of 2021, we were able to re-invigorate our corporate office Volunteer Days program. Our 2021 Volunteer Days involved coordinating with local organizations including Zuma's Rescue Ranch, Food Bank of the Rockies, Help and Hope Center, and Special Olympics in Colorado. In addition to our in-person volunteering, we coordinate multiple opportunities for associates to give to their communities throughout the year. We look forward to expanding our UDR volunteering and community give-back programs in the coming months. Our goal is to ensure choice in where our associates spend their time and resources.

In 2021, we coordinated donations to (1) Metro Caring, where associates collected and donated over 750 pounds of non-perishable food items benefiting the greater Denver area, (2) Packs of Hope, where associates prepared over 100 backpacks filled with clothing items and resources for children transitioning into foster care, and (3) the Salvation Army's Angel Tree program, through which associates provided gifts for over 40 children aged 0-12 and seniors in the South Denver, Colorado metro area for the winter holiday season.

Associates at our communities coordinate charitable outreach as well, both through volunteering and organizing opportunities for residents to participate in charitable giving drives. Through these initiatives, UDR found multiple ways to give back, including volunteering at food banks, coordinating food donation drives, partnering with local groups for a warm coat drive, and volunteering with holiday gift drives for families in need.

In addition to our associate outreach positively impacting the neighborhoods where we operate, UDR also supports our broader communities by providing affordable housing at over 40 communities (including over 2,000 homes). These communities offer municipality-required rent-stabilized homes or a level of affordability as compared to market-rent homes.

We also encouraged associates to contribute to their communities and perform their civic duty by giving Company-wide paid time off to vote in local, state, and national elections



RESIDENT ENGAGEMENT

(GRI 102-43)

RESIDENT ENGAGEMENT

(GRI 102-43)

UDR teams work collectively to provide an extraordinary customer experience. Listening, understanding, and responding to our resident's feedback is central to our customer service strategy and what we stand for. We have specialized teams to assist our customers at all stages of their residency and monitor a variety of feedback sources (e.g., resident communication and interaction with associates, resident surveys, and social media/review websites). We responded to 73% of our online reviews in 2021, a 47% increase when compared to our 2019 response rate. Not only do we utilize feedback to enhance our resident engagement, but we also incorporate a multitude of data points throughout our Next Generation Operating Platform to help streamline each resident's experience.

We gauge how our residents view their UDR experience through Net Promotor Scores. These measure resident loyalty by asking questions such as "how likely are you to recommend this apartment community to a friend, family member, or colleague?" which then results in an NPS score that ranges from -100 to +100. Negative scores indicate a need for improvement, while positive scores indicate that a company has earned more promoters, or those that would recommend this apartment community to others, than detractors. UDR maintained an average NPS score above 33 in 2021. We survey residents at key touchpoints throughout their lease term, including touring, move-in, quarterly, completed maintenance requests, and at renewal/transfer/move-out.

Our onsite and corporate Customer Relationships Teams troubleshoot challenges identified through customer feedback. Throughout our resident engagement processes, we strive to seek best practices and provide team consultations and templates to simplify customer communication. This method helps to close the communication loop, prevents issues from escalating, enriches our customer's experience, and positively influences our residents to continue living with us.

RESIDENT APP AND TECHNOLOGY

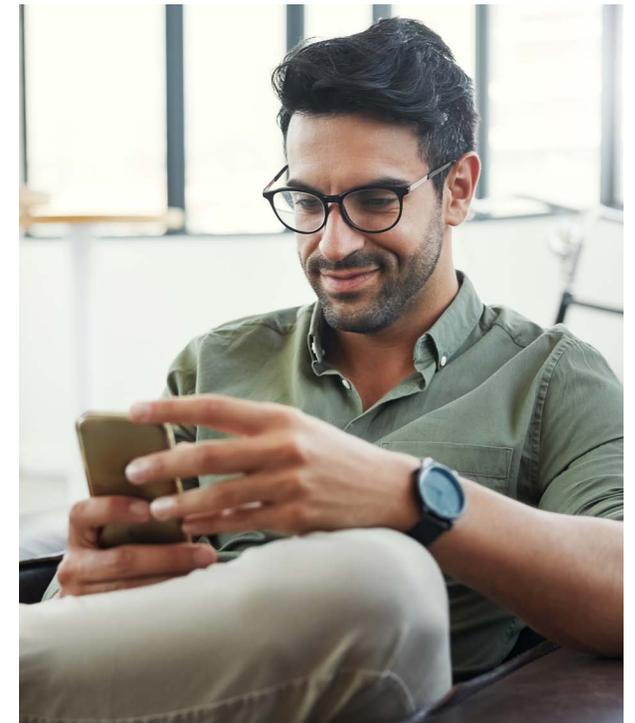
(SDG 9)

We believe UDR is at the cutting edge of innovation and data science in the multifamily space, and we seek to provide a streamlined and technologically advanced experience for current and prospective residents. Between 2019 and 2021, we invested approximately \$35 million in Operating Platform enhancements and approximately \$50 million in SmartHome technologies to build a self-service ecosystem. These investments contribute to achieving our ESG goals, specifically our long-term environmental strategy through Scope 3 emissions reductions.

Our Resident App is innovation in action and allows for residents to complete transactions, including paying rent, submit service requests, reserve amenity spaces, issue parking passes, and view community news, amongst other features. Additionally, our Self-Guided Tour technology allows for potential residents to schedule and take self-guided, contactless tours. By utilizing these services and technology, we believe that in most cases UDR has effectively eliminated the need for residents to visit the community leasing office, meaning they are no longer constrained to typical business hours to conduct leasing, service request, or amenity activities. To that end, in 2021, 89% of our resident interactions took place online, 97% of community tours were self-guided, and resident satisfaction has increased 25% since the second quarter of 2018.

In addition to the ease of using our Resident App, we have integrated SmartHome technology in various ways throughout our portfolio. As of year-end 2021, SmartHome technology has been installed in over 51,000 apartment homes, or approximately 90% of our portfolio and will be completely installed throughout our portfolio through 2022. Examples of SmartHome features include SmartLocks (i.e., keyless entry), water sensors for leak detection, smart thermostats, and smart electricity plugs. The SmartRent app allows residents to access their various smart home features, such as changing their thermostat temperature, from the convenience of their smart phone. We believe that each of these components contributes positively to the resident

experience while also making it easy for residents to engage in sustainable practices. Additional technological features available at many of our communities include package lockers, EV charging stations, and Smart Building features in common area and amenity spaces.



“ 89% of our resident interactions took place online, 97% of community tours were self-guided in 2021, and resident satisfaction is up 25% since the second quarter of 2018. ”

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**OUR COMMITMENT TO
GOVERNANCE**

CORPORATE GOVERNANCE OVERVIEW

(GRI 102-18)

UDR has a history of strong Corporate Governance which not only contributes to our long-term success and our ability to create value for our stakeholders, but fosters a foundational structure for the management of ESG opportunities and risks. We routinely review emerging developments in corporate governance as well as our own policies and disclosures. We enhance our policies and procedures when our Board determines that it would benefit our Company and stakeholders to do so. In early 2022, we codified a long-held, internal political contributions and charitable donations policy. We maintain a 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;
- Charter of the Nominating Committee; and
- Charitable Donations and Political Contributions Policy (New in 2022).

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)

The Board's oversight of succession planning and appointment of senior management contributes to UDR's strong foundational governance and leadership. As evidenced through the Company's track record on succession combined with our talent development approach, this helps to ensure that we have management talent capable of driving strong results and executing our business strategy. The Company's Statement on Corporate Governance provides that the Board is responsible for appointing the CEO, and planning for their succession, as well as the succession of other executive officers of the Company. The Compensation Committee is responsible for annually reviewing the development and retention plans for the Company's key executive officers, including the CEO, reviewing and approving a succession plan for the CEO, and ensuring development and succession plans are in place for the Company's key executive officers reporting to the CEO. Consistent with its responsibilities, the Compensation Committee regularly reviews succession plans for the CEO and the key executive officers and reports to the Board regarding those plans. Under the direction of the Compensation Committee, the CEO and other members of senior management undertake a concerted effort to identify, assess and develop successors for the key executive officers. This effort involves potential candidates working with third-party consultants and completing a series of leadership assessment programs with the goal of determining necessary skillsets for potential successors of key executive officers.

The graphic illustrates the activities taken in connection with succession planning. This process will continue to be enhanced as our human resources/ talent development / succession planning strategy evolves.

“

As evidenced through the Company's track record on succession combined with our talent development approach, the Board's oversight of succession planning and appointment of senior management helps to ensure that we have management talent capable of driving strong results and executing our business strategy.

”



EXECUTIVE COMPENSATION PROGRAM (NEW) (GRI 102-18)

UDR's executive compensation program is a combination of base salary as well as long- and short-term incentive programs and is structured to be aligned with quantifiable results, total shareholder return, and successful execution of our business strategy. Our executive compensation is voted on annually in our Proxy and undergoes ongoing consideration and oversight by the Compensation Committee.

In addition to driving value for our shareholders, the metrics used for our Long-Term Incentive Program ("LTI") and our Short-Term Incentive Program ("STI") are tied to our strategic objectives of operating excellence, portfolio diversification, culture and ESG, accretive capital allocation and balance sheet strength. To that end, ESG was one of the added metrics to our STI in 2021, and in 2022 these metrics were enhanced to incorporate both an ESG Index and Associate Engagement & DEI metric.

The ESG Index metric is based on relative and absolute performance related to ESG goals, which recognizes the importance of ESG to our stakeholders and therefore the Company. The Associate Engagement & DEI metric is tied to our overall "Health of the Workforce" score. For the 2022 STI program, the scorecard was enhanced to add a measurement of our success in interviewing and hiring diverse associates at all levels of the Company as part of our Company wide application of the "Rooney Rule" concept. Additional factors that affect our "Health of the Workforce" score include associate exit and stay interviews, turnover and retention, associate engagement, performance evaluation scores, and training compliance scores. The engagement, quality, and diversity of our workforce is important to help meet the needs of our residents and drive our innovative culture and results.

While we have consistently had strong shareholder support for our executive compensation program, we continue to engage in dialogue with shareholders on executive compensation topics. In addition to the incorporation of ESG and DEI specific metrics to our STI, beginning with grants made in 2021 and thereafter, equity grants will have a minimum vesting period of 12 months subject to certain limited exclusions and all grants made in 2021 and thereafter are subject to a double-trigger change in control provision. Additional information about our executive compensation programs may be found in our annual Proxy, available on ir.udr.com.

BOARD COMPOSITION AND EXPERTISE

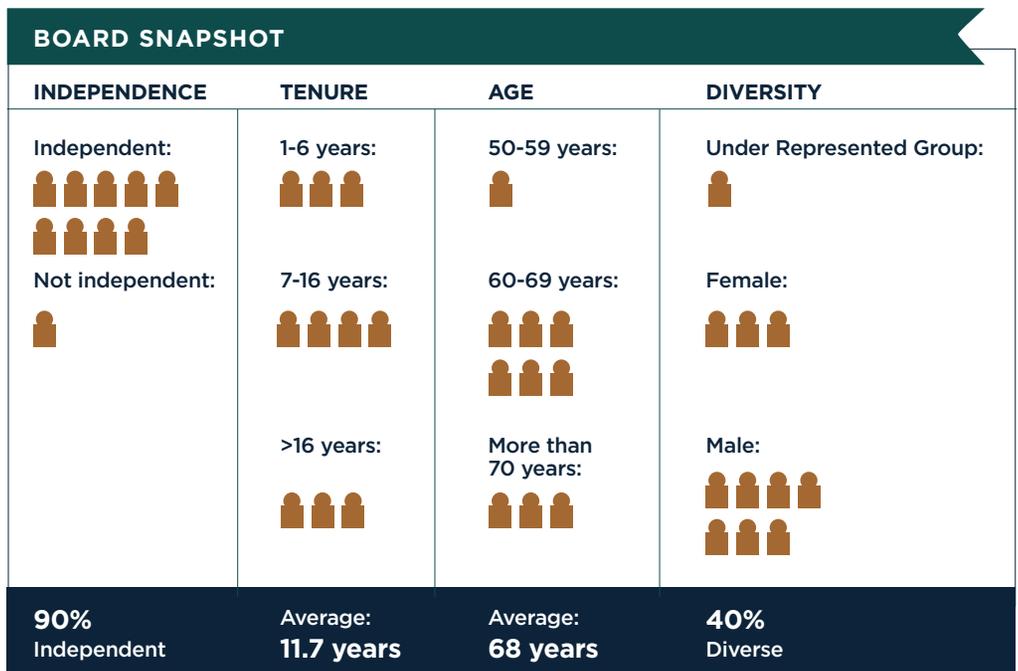
(GRI 102-18)

The members of our Board have diverse backgrounds, experience, and skillsets that are both relevant to the role of the Board and the needs of our business. The diversity of our Board has remained an ongoing focus in connection with our Board refreshment, evidenced by the addition of six new independent Directors in the last eight years, each with a range of viewpoints and additive expertise. Most recently, the Board continued its refreshment efforts with the additions of Diane M. Morefield in 2020 and Kevin C. Nickelberry in 2021. Directors are elected annually to serve for a term until the next annual meeting of shareholders or until their successors are elected and qualified.

In addition to each Director’s basic duties of care and loyalty, the Board has separate and specific obligations under our Statement on Corporate Governance. Among other things, these obligations require Directors to effectively monitor management’s capabilities, compensation, risk oversight (including, among other areas, cybersecurity, enterprise, societal and environmental risks), leadership and performance, without undermining management’s ability to successfully operate the business. In addition to playing an active role managing challenges and risks, the Board identifies and supports initiatives that align with opportunities for the Company as well. The Board has allocated and delegated oversight responsibilities and specific key functions to the following standing committees:

- Audit and Risk Management Committee
- Compensation Committee
- Governance Committee
- Nominating Committee
- Executive Committee

The Audit, Compensation, Governance and Nominating Committees consist entirely of independent Directors, as defined in the NYSE listing standards and the Company’s Director independence standards. Additional information around the Board Directors, committees, and leadership structure may be found by accessing the “Investor Relations” page at ir.udr.com and then clicking on “Annual Report and Proxy” and the “2022 Proxy Statement.” Please note the demographics included in the Board snapshot provided below are as of the 2022 Proxy Statement.



BUSINESS INTEGRITY

(GRI 102-16)

The UDR Code of Business Conduct and Ethics cannot cover every issue that may arise, but sets out basic principles to be followed by all the Company's Directors, officers, and associates. Additionally, it is expected that this Code is provided to and followed by the Company's agents, representatives, and consultants.

Some of the topics that the Code of Business Conduct and Ethics covers include:

- Conflicts of Interest;
- Insider Trading;
- Competition and Fair Dealing;
- Gifts and Entertainment;
- Health and Safety; and
- Bribery and Corruption.

The Code also reiterates the Company's commitment to equal opportunity and strict forbiddance of discrimination. Annually, the Code of Business Conduct and Ethics is acknowledged by all associates and provided to new associates during their onboarding with the Company.

UDR also maintains a Code of Ethics for Senior Financial Officers. To fulfill their responsibility to protect, balance, and preserve the interests of the Company's shareholders, the Code is designed to outline additional standards of conduct to match the elevated role that Senior Financial Officers hold in corporate governance and is intended to supplement the Code of Business Conduct and Ethics applicable to all associates. Senior Financial Officers act in good faith and the Company's Best interest in accordance with both Codes.

Both Codes are published on our website and available to all relevant parties.

DIVERSITY AND EQUAL OPPORTUNITIES

(GRI 405-1, SDG 5, 8, 10)

UDR is an equal opportunity employer. We are committed to treating our associates in a nondiscriminatory manner with regard to race, ethnicity, religion, sex, sexual orientation, gender, gender identity, age, disability,

pregnancy, national origin, military or veteran status, or any other characteristic protected by law. We require every associate to take online educational courses on an annual basis to increase their awareness of what constitutes harassment, including classes that stressed that all forms of harassment are forbidden and that any witnessed harassment must be quickly identified, reported, and remedied. In addition, the Company's learning and development program requires the annual completion of a diversity and inclusion course with unconscious bias training, and our associate diversity metrics are published in accordance with our GRI disclosures. We are revamping our learning and development program in 2022 to a new, modern, and comprehensive online learning management system, Cornerstone, which will include two new courses on DEI and recognizing and overcoming bias. The enhanced capabilities of this new system allow associates to be in control of their learning and growth at UDR and supervisors to easily assign and monitor training courses through customizable dashboards and reporting features.

In 2021, the Company created a DEI Task Force following the conclusion of the Company-wide DEI Organizational Assessment conducted by a third-party in 2020. This assessment included a survey sent to all associates in addition to holding focus groups at all levels of the company. The DEI Task Force and Human Resources department used these findings, in addition to multiple associate surveys and other feedback opportunities, to launch a number of DEI initiatives.

One of the initiatives implemented in 2021 was the expansion of the "Rooney Rule" concept to apply to the hiring process across all associate positions. It was initially adopted for Board refreshment in 2020. The "Rooney Rule" concept, in practice at UDR, helps promote equitable hiring practices by expecting at least one diverse candidate be interviewed to fill open job positions. In 2022, UDR entered a partnership with the Colorado Diversity Council, which will provide additional resources and training to our associates, assist with UDR's diverse recruiting efforts, and allow for several UDR associates to sit on the council board. These initiatives are ongoing and will span the entire lifecycle of our associates from attracting talent, recruiting, development, and retention and will integrate into our evolving long-term ESG and People Strategy.

ENTERPRISE RISK MANAGEMENT

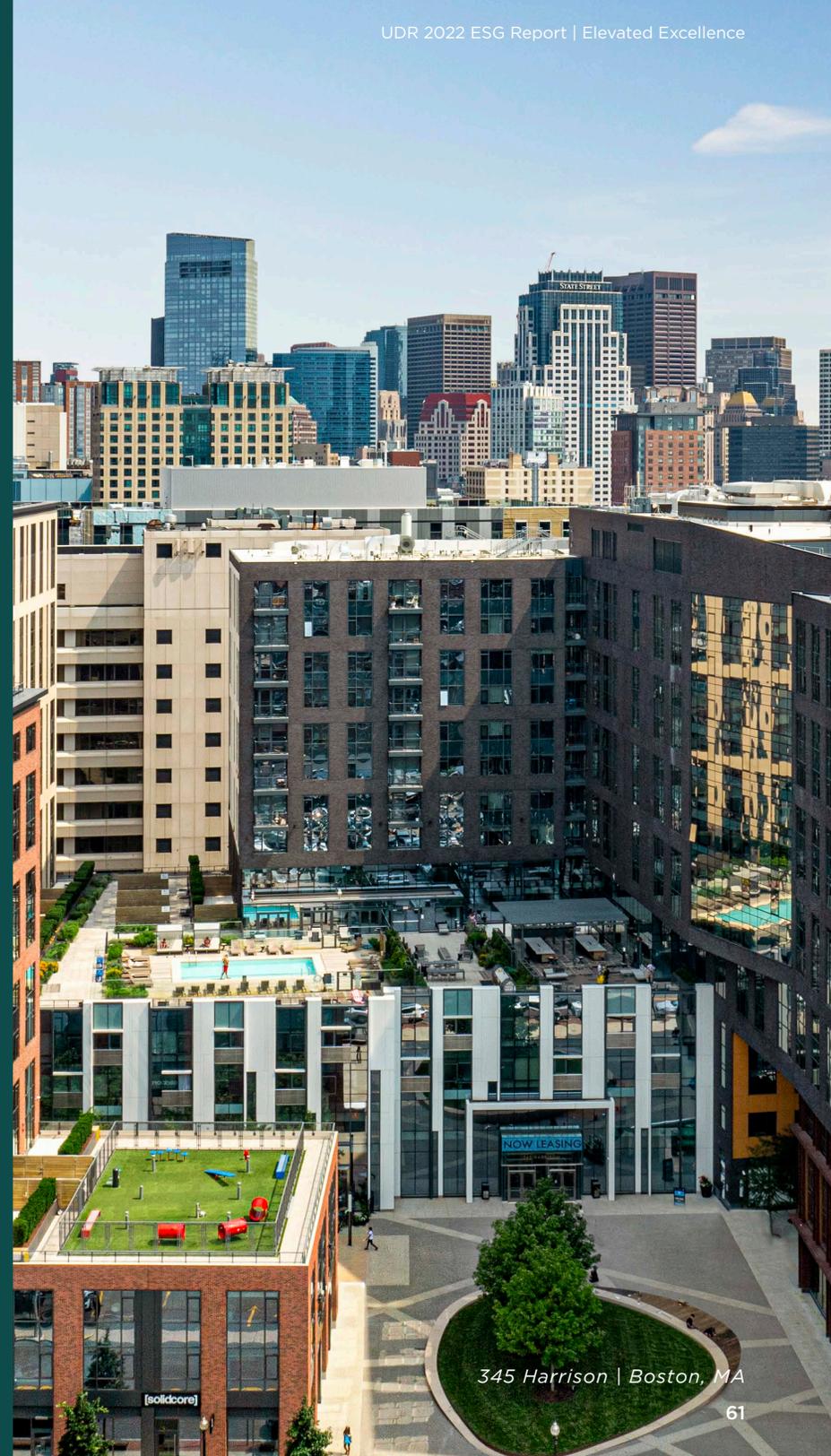
(GRI 103-1, SASB IF-RE-450a.2, TCFD 1, 2, 3, and 6)

Enterprise Risk Management (“ERM”) provides a proactive framework for the evaluation of threats and risks to our business with the aim to assist in the development of mitigation strategies to protect the enterprise. These risks include but are not limited to operational, financial, legal, strategic, cybersecurity, reputational, and other risks such as those related to climate, environmental and societal change. While our Executive Officers communicate our ESG risk assessment and strategy, which are integrated into our overall risk management, ERM oversight is the responsibility of the Board.

Our existing ERM dashboard is reviewed by the Audit and Risk Management Committee as part of regularly scheduled meetings and is also shared with the Board as part of its regularly scheduled 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; and
- Adjusting resources, processes, and strategies 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, including physical, transitional, and regulatory related risks, as types of risks that can impact our enterprise and that are 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 and future profitability. This process includes reviews of the climate risk scores assigned to each market and asset, followed by a comprehensive review of any change in municipal regulations that could impact the risk level assigned. Additional information around climate risk management may be found in our TCFD response.



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CYBER SECURITY PROGRAM

(GRI 103-1)

The members of the UDR Cyber Security Office (“CSO”) use governance, risk, and compliance framework to ensure that we mature our security program at the same rate we innovate our technology. Our framework is derived from standards institutes such as The National Institute of Standards and Technology, The Center for Internet Security, and SysAdmin, Audit, Network, and Security. Several members of the UDR CSO are trained and certified by the International Information System Security Consortium.

UDR’s enterprise security framework operates with four guiding principles:

- The protection of personally identifiable data and privacy.
- Securing business data that is generated, stored, or transmitted.
- Complying with applicable laws and regulations.
- Educating our associates on the importance of information security and being aware of the latest threat issues.

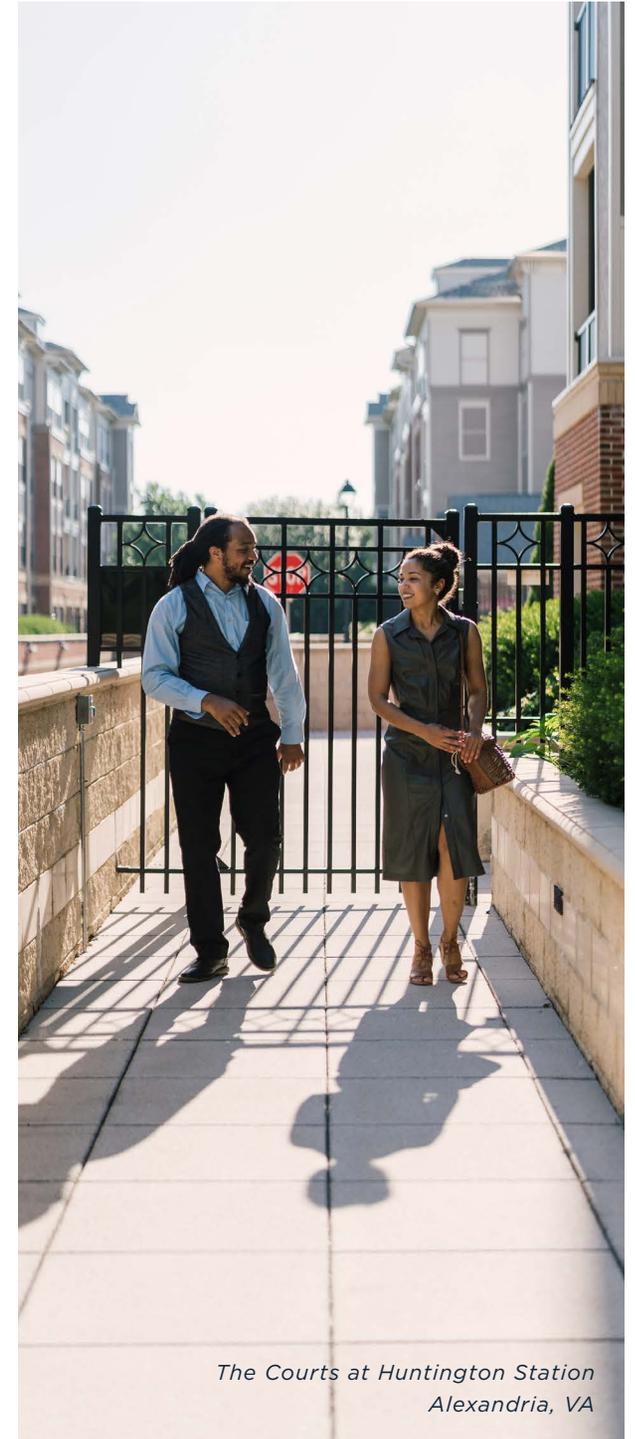
The CSO operates a user education program for our associates that includes mandatory training annually. This program is supplemented with monthly newsletters and tips on how to handle modern security threats. The CSO performs regular phishing tests for associates and contractors. This is backed by a formal policy around remedial training for associates that fail. External vendors are evaluated against a standardized vendor risk assessment process to help ensure that any risks to UDR are promptly identified, monitored, and mitigated. UDR requires vendors to recertify at least annually that their security controls comply with established industry standards and legal requirements. In the event of a cybersecurity incident, UDR maintains a business continuity plan to protect both operations and the integrity of data. Incident response plans are intended to prepare UDR for a variety of security or disaster scenarios requiring swift action. This plan is tested multiple times a year and our testing most recently included a simulated ransomware attack against UDR.

The CSO works with third parties to re-evaluate the strategies of the CSO and adapt accordingly. These third

parties also analyze and audit our approach to ensure we are reducing our risk and adapting the controls associated with those risks. They additionally perform penetration testing against our public and private technology assets. Penetration testing includes resident facing Internet of Things, such as the SmartHome package many of our residents now enjoy.

In 2021, UDR continued to enhance several customer-facing applications to improve our customer experience. To support this effort, our CSO has adopted security tools, policies, and controls to secure our Software Development Lifecycle. This allows us to closely manage our software supply chain and practices to help prevent and mitigate attacks on our source code. UDR operates a modern datacenter with dedicated internal teams to manage the security and availability of the applications housed within it. Tools are used to address endpoint security, vulnerability management and patching. Network security includes edge protection, monitoring and high availability to mitigate external threats. UDR uses artificial intelligence and machine learning tools to monitor user behavior and adapt to threats such as ransomware or other anomalous activities. These tools are all centrally processed, managed, and monitored using Security Information Event Management.

UDR maintains a thorough inventory of security policies and procedures and requires all associates to read and accept the policies as a condition of employment. We operate a committee with members from all departments that meets on a regular basis. UDR has developed a monthly security scorecard to measure performance and risk that is provided to executive leadership. The performance scoring is calculated using a leading security application software tool to pool, gather, and objectively report security efforts. Quarterly, UDR’s Senior Vice President – Information Technology reports on the Company’s security posture to the Audit and Risk Management Committee of the Board. The Board is updated on cybersecurity at least annually.



*The Courts at Huntington Station
Alexandria, VA*



Ashton Bellevue | Bellevue, WA

VENDOR COMPLIANCE

(GRI 102-9, GRI 102-16)

The Company has an established compliance program that is designed to help ensure vendors conduct their business that involves UDR ethically in accordance with Company policy. 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:

Additional verifications include:

- Bankruptcy, lien, and judgment check;
- Business license verification; and
- National criminal and sex offender background check – for principals where allowed.

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, as part of our overall approach to DEI.

INTERNAL AUDIT

(GRI 102-18)

Our Internal Audit group is independent and reports directly to the Audit and Risk Management Committee of the Board. 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, Certified Internal Auditor, Certified Fraud Examiner, and Certification in Risk Management Assurance.

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. In addition to financial related assurance work, the Internal Audit function is charged with performing reviews and certifications of external data submissions to third parties, specifically related to the GRESB submission and compliance certification of UDR's EMS program on an annual basis.

GOVERNMENT AFFAIRS

Our Government Affairs group was formed to track, monitor, and advise on regulatory matters that may impact our business at the local, county, state, federal, and judicial levels. Regulatory matters may include legislation such as COVID 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 so that UDR can consider legislative and regulatory items that may impact our business, associates, and residents in a timely manner. Regular reports on regulatory changes are provided to senior management and UDR's operating team to help guide our operating and capital allocation strategies.

UDR made no political contributions to candidates in 2021. In early 2022 our Board adopted a political contributions and charitable donations policy. The purpose of this policy is to ensure that all charitable contributions or political donations made by or on behalf of the Company

are consistent with the Company's values and policies, including the Company's Code of Business Conduct and Ethics, and are in the best interest of the Company and comply with applicable laws and regulations. The policy applies to all Company associates and was reviewed by our Audit and Risk Management Committee in 2022 as required by the policy. The policy provides that all such donations or contributions will be required to be approved in advance by the Company's compliance officer and will only be approved based upon the Company's business interests and not the individual interests of the Company's Directors or Officers. The policy further requires that such donations or contributions will be made only in compliance with applicable laws and regulations.

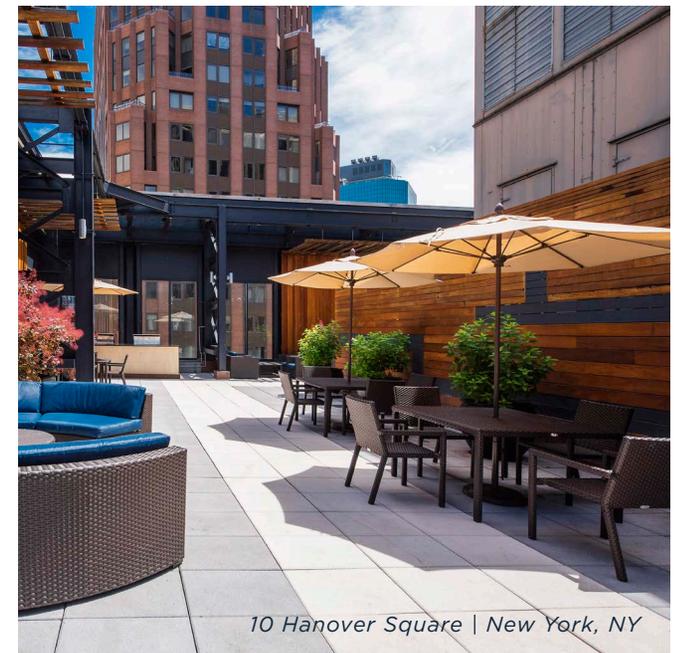
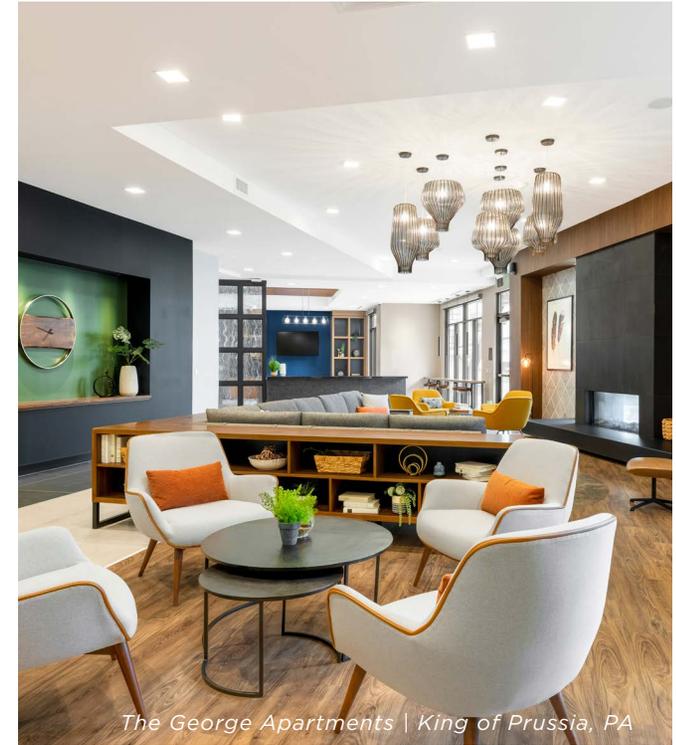
WHISTLEBLOWER PROGRAM

Our Code of Business Conduct and Ethics contains general guidelines for conducting business with the highest standards of ethics.

UDR is committed to an environment where open, honest communications are the expectation, not the exception. We want all associates and vendors to feel comfortable in approaching management in instances where violations of policies or standards may have occurred. At first point of contact, if an associate has a confidential source of concern or complaints, they are encouraged to contact their HR representative.

In situations where anonymity is preferred, we encourage the use of our third-party hotline provider, EthicsPoint, for reporting violations stated in our Code of Business Conduct and Ethics, as well as accessing guidance related to policies and procedures and providing positive suggestions and stories.

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, auditing matters, instances of discrimination, or any violations stated in our Code of Business Conduct and Ethics. 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.





GRI INDEX

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	<p>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 communities primarily located in Boston, New York, Washington, D.C., Orlando, Tampa, Dallas, Orange County, Los Angeles, San Francisco, Seattle, and other markets.</p> <p>https://www.udr.com/search-apartments/</p> <p>Also refer to About UDR, INC., Page 7; and UDR's Business Strategy, Page 9.</p>
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	<p>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.</p> <p>2022 10-K. http://ir.udr.com/Docs</p>
102-6	Markets served	<p>November 2021 Investor Presentation, Page 3. http://ir.udr.com/Presentations</p> <p>2022 10-K, Schedule III, S-1. http://ir.udr.com/Docs</p> <p>Also refer to About UDR, INC., Page 7.</p>
102-7	Scale of the organization	<p>As of December 31, 2021 UDR had 1,222 FTEs. Refer to 102-8 for further breakdown of employees by employment contract and employment type.</p> <p>4th Quarter 2021 Earnings Release provides revenue from operations, debt, equity and other operational information. http://ir.udr.com/Docs</p>

GRI INDEX *(cont.)*

GRI INDICATOR

DESCRIPTION

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

102-8

Total Associates by Gender

Female: 495 / 40%

Male: 736 / 60%

Total: 1,231 / 100%

ASSOCIATES BY REGION				FULL TIME		PART TIME	
Market	All Associates	Full Time	Part Time	Male	Female	Male	Female
Austin TX	15	13	2	8	5	1	1
Baltimore	22	21	1	12	9	1	-
Boston	53	53	-	31	22	-	-
Dallas TX	57	56	1	36	20	-	1
Denver	411	410	1	200	210	-	1
LA County	19	19	-	11	8	-	-
Metro DC	126	125	1	75	50	-	1
Monterey (Salinas)	29	29	-	21	8	-	-
Nashville TN	32	32	-	20	12	-	-
New York	139	139	-	124	15	-	-
Orange County	67	67	-	36	31	-	-
Orlando	39	39	-	26	13	-	-
Other Florida	8	8	-	4	4	-	-
Other SoCal	7	7	-	4	3	-	-
Philadelphia	22	22	-	11	11	-	-
Portland, OR	9	9	-	5	4	-	-
Richmond	14	14	-	8	6	-	-
San Diego County	9	9	-	6	3	-	-
Seattle,WA	55	55	-	31	24	-	-
SF Bay Area	52	49	3	33	16	2	1
Tampa FL	46	46	-	30	16	-	-
Total	1,231	1,222	9	732	490	4	5

GRI INDEX *(cont.)*

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 63.</p>
102-10	Significant changes to the organization and its supply chain	<p>In 2021, 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 indexes for further discussion surrounding UDR's climate change risk management process and strategies.</p>
102-12	External initiatives	<p>At December 31, 2021, the Company was developing five wholly-owned communities located in Addison, Texas, Denver, Colorado, Dublin, California, Washington, D.C., and King of Prussia, Pennsylvania, totaling 1,417 homes, none of which have been completed, with a budget of \$501.5 million, in which we have an investment of \$388.6 million.</p> <p>Further information regarding UDR's developments can be found at https://www.udr.com/new-developments/</p> <p>Additionally UDR has committed to ESG related external initiatives by participating annually in the GRESB Real Estate Survey, benchmarking with Energy Star Portfolio Manager, obtaining sustainability building certifications (LEED, Green Globes, NGBS), including GRI, TCFD, and SASB responses in our annual ESG Report, and aligning with the United Nation's Sustainable Development Goals.</p> <p>Also refer to Scores - Alignments - Memberships - Awards, Page 8 and Sustainable Buildings and Certifications, Page 30.</p>
102-13	Membership of associations	<p>Scores - Alignments - Memberships - Awards, Page 8.</p>

GRI INDEX *(cont.)*

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
STRATEGY		
102-14	Statement from senior decision-maker	Chairman and Chief Executive Officer Message, Page 5.
ETHICS & INTEGRITY		
102-16	Values, principles, standards, and norms of behavior	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. Also refer to Highlights, Culture, and Values Page 42; Business Integrity Page 60; and Whistleblower Program, Page 64.
GOVERNANCE		
102-18	Governance structure	Chairman and Chief Executive Officer Message, Page 5; Chief ESG and People Officer Message, Page 6; ESG Governance, Page 11; Corporate Governance Overview, Page 56; Board Composition, Page 56; Succession Planning, Page 57; Internal Audit, Page 64; and Government Affairs, Page 64. 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 10.
STAKEHOLDER ENGAGEMENT		
102-40	List of stakeholder engagement	UDR's ESG Methodology, Page 10.
102-41	Collective bargaining agreements	9%
102-42	Identifying and selecting stakeholders	UDR's ESG Methodology, Page 10 and Stakeholder Engagement, Page 12. 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, Page 5; UDR's ESG Methodology, Page 10; Stakeholder Engagement, Page 12; Associate Engagement, Page 45; Associate Outreach and Community Engagement, Page 53; Resident Engagement, Page 54; Vendor Compliance, Page 63; and Whistleblower Program, Page 64.
102-44	Key topics and concerns raised	Stakeholder Engagement, Page 12 and Materiality Assessment, Page 13.

GRI INDEX *(cont.)*

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
REPORTING PRACTICES		
102-45	Entities included in the consolidated financial statements	2022 10-K. http://ir.udr.com/Docs
102-46	Defining report content and topic Boundaries	UDR's ESG Methodology, ESG Governance, Stakeholder Engagement, Materiality Assessment, and ESG Measurement and Reporting are defined on Pages 10 - 13, 16 - 18.
102-47	List of material topics	<p>To prioritize ESG topics to include in UDR's ESG disclosures, we consider topics important to our stakeholders, based both on the expected significance of our potential impact on economic, environmental and social topics as well as topics or standards designated as "material" or "substantive" under the GRI standards, SASB standards or TCFD framework. We then rank each topic through a survey process in terms of relative stakeholder importance, i.e., how a topic may influence stakeholder assessments and decisions about the Company against the relative significance of our potential economic, environmental, and social impacts on these topics. Topic rankings are shown in our Materiality Assessment Table on Page 13 with additional discussion available on Pages 12 - 13.</p> <p>Material Topics: Associate and Resident Health and Safety, Associate Learning and Development, Business Ethics, Climate Change Portfolio Risk Management, Community Engagement/Philanthropy (NEW), Corporate Governance (NEW), Cybersecurity, Energy Management, GHG Emissions, Inclusion and Diversity, Labor Practices, Legal and Regulatory Environment, Resident Access and Affordability, Resident Experience (Engagement and Satisfaction), Responsible Investing (NEW), Sustainable Buildings, Technology and Innovation, Waste Management, and Water and Wastewater Management.</p>
102-48	Restatements of information	None
102-49	Changes in reporting	None
102-50	Reporting period	Environmental, social, and governance data covers the 2021 calendar year. Financial data is current as the Q4 2021 Supplemental Report unless otherwise stated.
102-51	Date of most recent report	October 2021
102-52	Reporting cycle	Annual

GRI INDEX *(cont.)*

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
REPORTING PRACTICES <i>(cont.)</i>		
102-53	Contact point for questions regarding the report	CR@udr.com
102-54	Claims of reporting in accordance with the GRI standards	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.
102-55	GRI content index	GRI Content Index, Pages 66 - 78.
102-56	External assurance	<p>UDR's management was responsible for preparing the 2022 ESG 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>LRQA Independent Assurance Statement, Pages 39 - 40.</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 are important to our stakeholders and 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 Stakeholder Engagement, Page 12; Materiality Assessment, Page 13; ESG Governance, Page 11; Enterprise Risk Management, Page 61; and Cyber Security Program, Page 62.</p>

GRI INDEX *(cont.)*

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
TOPIC SPECIFIC DISCLOSURES		
GRI 201: ECONOMIC PERFORMANCE		
103-1	Explanation of the material topic and its boundary.	4th Quarter 2021 Earnings Release, Pages 1 - 5. http://ir.udr.com/Docs
103-2	The management approach and its components.	4th Quarter 2021 Earnings Release, Pages 1 - 5. http://ir.udr.com/Docs
103-3	Evaluation of the management approach.	2022 10-K, Pages 4 - 14. http://ir.udr.com/Docs
201-1	Direct economic value generated and distributed.	2022 10-K, Page 41; 4Q21 Earnings Supplement, Attachment 1. http://ir.udr.com/Docs
201-2	Financial implications and other risks and opportunities due to climate change.	2022 10-K, Pages 1, 13-14, 20 - 22, 37. http://ir.udr.com/Docs
GRI 302: ENERGY		
103-1	Explanation of the material topic and its boundary.	Materiality Assessment, Page 13; Environmental Governance and Management, Pages 20 - 21.
103-2	The management approach and its components.	Materiality Assessment, Page 13; Environmental Governance and Management, Pages 20 - 21; SASB: Climate Risk, Page 23.
103-3	Evaluation of the management approach.	Environmental Governance and Management, Pages 20 - 21.
302-1	Energy consumption within the organization	Environmental Metrics, Page 38; LRQA Independent Assurance Statement, Pages 39 - 40.
302-3	Energy intensity	Environmental Metrics, Page 38.
302-4	Reduction of energy consumption	Scores - Alignments - Memberships - Awards, Page 8; ESG Measurement and Reporting, Page 16 - 18; Progress Towards E Goals, Page 25; Smart Building Technology, Page 33; Solar and Onsite Renewable Energy, Page 33; Demand Response, Page 35; Environmental Metrics, Page 38, LRQA Independent Assurance Statement, Pages 39-40.

GRI INDEX *(cont.)*

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
TOPIC SPECIFIC DISCLOSURES		
GRI 303: WATER AND EFFLUENTS		
103-1	Explanation of the material topic and its boundary.	Materiality Assessment, Page 13; Environmental Governance and Management, Pages 20 - 21.
103-2	The management approach and its components.	Materiality Assessment, Page 13; Environmental Governance and Management, Pages 20 - 21; SASB: Climate Risk, Page 23.
103-3	Evaluation of the management approach.	Environmental Governance and Management, Pages 20 - 21.
303-1	Interactions with water as a shared resource	Environmental Metrics, Page 38; LRQA Independent Assurance Statement, Pages 39 - 40.
303-3	Water withdrawal	Scores - Alignments - Memberships - Awards, Page 8; Progress Towards E Goals, Page 25; Resident Leak Detection, Page 33; Reclaimed / Recycled Water, Page 35; Water Conservation, Page 37; Environmental Metrics, Page 38; and LRQA Independent Assurance Statement, Pages 39 - 40.
GRI 305: EMISSIONS		
103-1	Explanation of the material topic and its boundary.	Materiality Assessment, Page 13; Environmental Governance and Management, Pages 20 - 21.
103-2	The management approach and its components.	Materiality Assessment, Page 13; Environmental Governance and Management, Pages 20 - 21; SASB: Climate Risk, Page 23.
103-3	Evaluation of the management approach.	Environmental Governance and Management, Page 20 - 21.
305-1	Direct (Scope 1) GHG emissions	Environmental Metrics, Page 38; LRQA Independent Assurance Statement, Pages 39 - 40.
305-2	Energy indirect (Scope 2) GHG emissions	Environmental Metrics, Page 38; LRQA Independent Assurance Statement, Pages 39 - 40.
305-4	GHG emissions intensity	Environmental Metrics, Page 38.
303-5	Reduction of GHG emissions	Scores - Alignments - Memberships - Awards, Page 8; ESG Measurement and Reporting, Pages 16 - 18; Progress Towards E Goals, Page 25; Smart Building Technology, Page 33; Solar and Onsite Renewable Energy, Page 33; Demand Response, Page 35; Renewable Energy Procurement, Page 37; Environmental Metrics, Page 38; and LRQA Independent Assurance Statement, Pages 39 - 40.

GRI INDEX *(cont.)*

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
TOPIC SPECIFIC DISCLOSURES		
GRI 306: WASTE AND EFFLUENTS		
103-1	Explanation of the material topic and its boundary.	Materiality Assessment, Page 13; Environmental Governance and Management, Pages 20 - 21.
103-2	The management approach and its components.	Materiality Assessment, Page 13; Environmental Governance and Management, Pages 20 - 21; SASB: Climate Risk, Page 23.
306-2	Waste by type and disposal method.	ESG Measurement and Reporting, Pages 16 - 18; Progress Towards E Goals, Page 25; Waste, Page 37; Environmental Metrics, Page 38; LRQA Independent Assurance Statement, Pages 39 - 40.
GRI 401: EMPLOYMENT		
103-1	Explanation of the material topic and its boundary.	UDR 2022 Proxy, Human Capital Management, Pages 28 - 30. http://ir.udr.com/Docs ; Also refer to Associate Engagement, Associate Recognition, and Associate Retention, Page 45.
103-2	The management approach and its components.	UDR 2022 Proxy, Human Capital Management, Pages 28 - 30. http://ir.udr.com/Docs ; Also refer to Associate Engagement, Associate Recognition, and Associate Retention, Page 45.
103-3	Evaluation of the management approach.	UDR 2022 Proxy, Human Capital Management, Pages 28 - 30; http://ir.udr.com/Docs ; Also refer to Associate Engagement, Associate Recognition, and Associate Retention, Page 45; UDR Wellness Health and Safety Indicators, Page 51.
401-1	New employee hires and employee turnover	Associate Retention, Page 45.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Associate Benefits, Page 52.

NEW HIRES BY AGE⁽¹⁾

- <30: 34%
- 30-50: 51%
- >50: 15%

⁽¹⁾Number of new hires in an age group as a % of total number of all new hires.

TURNOVER IN 2021

27%

TURNOVER BY AGE⁽²⁾

- <30: 25%
- 30-50: 56%
- >50: 19%

⁽²⁾Number of terms in an age group divided by total head count.

GRI INDEX *(cont.)*

GRI INDICATOR

DESCRIPTION

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

TOPIC SPECIFIC DISCLOSURES

GRI 401: EMPLOYMENT *(cont.)*

Market	NEW HIRES BY REGION			TERMS BY REGION			TURNOVER BY REGION		
	Total	Male	Female	Total	Male	Female	Turnover	Male	Female
Austin TX	-	-	-	3	1	2	20%	11%	33%
Baltimore	8	6	2	4	3	1	18%	23%	11%
Boston	23	12	11	27	13	14	51%	42%	64%
Dallas TX	32	21	11	23	16	7	40%	44%	33%
Denver	124	62	62	93	50	43	23%	25%	20%
LA County	7	4	3	11	9	2	58%	82%	25%
Metro DC	29	16	13	14	11	3	11%	15%	6%
Monterey (Salinas)	2	2	-	4	3	1	14%	14%	13%
Nashville TN	13	6	7	16	7	9	50%	35%	75%
New York	8	6	2	8	8	-	6%	6%	0%
Orange County	23	11	12	29	15	14	43%	42%	45%
Orlando	17	12	5	18	13	5	46%	50%	38%
Other Florida	6	5	1	5	5	-	63%	125%	0%
Other SoCal	-	-	-	2	1	1	29%	25%	33%
Philadelphia	12	7	5	3	2	1	14%	18%	9%
Portland, OR	1	-	1	3	-	3	33%	0%	75%
Richmond	4	2	2	5	3	2	36%	38%	33%
San Diego County	5	2	3	5	2	3	56%	33%	100%
Seattle,WA	6	5	1	6	3	3	11%	10%	13%
SF Bay Area	10	6	4	16	9	7	31%	26%	41%
Tampa FL	20	12	8	21	14	7	46%	47%	44%
Total	350	197	153	316	188	128	26%	26%	26%

There might be slight discrepancies in data from other 2022 published reports and data within this report due to differences in time periods and rounding. For the purposes of this report, data for the 2021 reporting year is reflective of both the year ending 12/21/21 and 12/31/21.

GRI INDEX *(cont.)*

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
TOPIC SPECIFIC DISCLOSURES		
GRI 404: TRAINING AND EDUCATION		
103-1	Explanation of the material topic and its boundary.	UDR 2022 Proxy, Human Capital Management, Pages 28 - 30. http://ir.udr.com/Docs
103-2	The management approach and its components.	UDR 2022 Proxy, Social - Human Capital, Page 6; Human Capital Management, Pages 28 - 30; http://ir.udr.com/Docs ; Also refer to Materiality Assessment, Page 13.
103-3	Evaluation of the management approach.	UDR 2022 Proxy, Pages 28 - 30 Human Capital Management; http://ir.udr.com/Docs ; Also refer to Learning and Development, Page 47.
404-1	Average hours of training per year per employee	Learning and Development, Page 47.
404-2	Programs for upgrading employee skills and transition assistance programs.	Learning and Development, Page 47.
404-3	Percentage of employees receiving regular performance and career development reviews	Learning and Development, Page 47.

GRI INDEX *(cont.)*

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
TOPIC SPECIFIC DISCLOSURES		
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY		
103-1	Explanation of the material topic and its boundary.	UDR 2022 Proxy, Human Capital Management, Pages 28 - 30. http://ir.udr.com/Docs
103-2	The management approach and its components.	Materiality Assessment, Page 13.
103-3	Evaluation of the management approach.	Materiality Assessment, Page 13.
405-1	Diversity of governance bodies and employees	UDR 2022 Proxy, Key Board Facts, Page 17. http://ir.udr.com/Docs Also refer to Associate Diversity, Equity and Inclusion, Pages 48 - 49; Board Composition and Expertise, Page 59; and Diversity and Equal Opportunities, Page 60.
405-2	Ratio of basic salary and remuneration of women to men.	Associate Compensation, Page 50.

2021 GENDER COMPENSATION RATIOS

- **Male:** 101.9%
- **Female:** 97.2%

2021 DIVERSITY COMPENSATION RATIOS

- **Asian:** 102.7%
- **Black:** 100.7%
- **Hispanic or Latino:** 99.8%
- **Other:** 100.3%
- **White:** 99.8%

Other indicates American Indian, Alaska Native, Native Hawaiian, Pacific Islander, Not Specified, or two or more races

GRI INDEX *(cont.)*

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
TOPIC SPECIFIC DISCLOSURES		
GRI 406: NON-DISCRIMINATION		
103-1	Explanation of the material topic and its boundary.	Code of Business Conduct and Ethics, Discrimination and Harassment, Page 3. http://ir.udr.com/Docs
103-2	The management approach and its components.	Code of Business Conduct and Ethics, Discrimination and Harassment, Page 3. http://ir.udr.com/Docs
103-3	Evaluation of the management approach.	UDR 2022 Proxy, Human Capital Management, Pages 28 - 30. http://ir.udr.com/Docs
406-1	Incidents of discrimination and corrective actions taken.	2022 10K, Contingencies, Litigation and Legal Matters, Page F-54. http://ir.udr.com/Docs .
GRI 413: LOCAL COMMUNITIES		
103-1	Explanation of the material topic and its boundary.	Materiality Assessment, Page 13; COVID Response for both Associates and Residents, Page 44; and Associate Outreach and Community Engagement, Page 53.
103-2	The management approach and its components.	COVID Response for both Associates and Residents, Page 44; and Associate Outreach and Community Engagement, Page 53.
413-1	Operations with local community engagement, impact assessments, and development programs.	COVID Response for both Associates and Residents, Page 44; and Associate Outreach and Community Engagement, Page 53.

SASB INDEX

TOPIC	QUESTION	CODE	UDR RESPONSES ⁽¹⁾
Energy Management	Energy consumption data coverage as a percentage of total floor area by property subsector.	IF-RE-130a.1	Refer to Page 38 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 38 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 38 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	Over 95% 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 EMS governs our approach to identify risks and opportunities associated with potential investments in sustainability as well as monitoring our portfolio at the asset- and market-level with regard to external compliance obligations, environmental performance, and progress towards our environmental goals. To make business decisions that are financially responsible and environmentally friendly, our environmental strategy and community investment analysis 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 in which we operate. Refer to Page 26 for further discussion and our six-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 10; Stakeholder Engagement, Page 12; Materiality Assessment, Page 13; Environmental Governance and Management, Pages 20 - 21; SASB: Climate Risk, Page 23; Sustainable Results, Page 26; New Acquisitions "E" Performance, Page 30; Smart Building Technology, Page 33; Solar and Onsite Renewable Energy, Page 33; and Demand Response, Page 35, for examples of energy management considerations and operational strategy.</p>

⁽¹⁾UDR is classified as an Apartment REIT by the FTSE NAREIT Classification Structure. We have chosen to report our corporate office and one stand alone retail property rolled up in the metrics above.

SASB INDEX *(cont.)*

TOPIC	QUESTION	CODE	UDR RESPONSES ⁽¹⁾
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 38 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 38 for total water consumption, data coverage, and regions with High or Extremely High Baseline Water Stress.
Water Management	Like-for-like percentage change in energy consumption for the portfolio area with data coverage by property subsector.	IF-RE-140a.3	Refer to Page 38 for like-for-like water consumption.
Water Management	Description of water management risks and discussion of strategies and practices to mitigate those risks.	IF-RE-140a	<p>Water Stress is one of the physical climate risks we evaluate as part of our overall climate change risk management process. We can influence water stress for the areas in which we operate by utilizing water and wastewater management, which is one of our key ESG material topics consistent with SASB's metrics specific to our industry. We utilize our EMS to practice water and wastewater management and monitor water-related risks and opportunities at the asset-, market-, and portfolio levels with respect to our ESG goals. We promote sustainable consumption through resident education and utilize technologies to perform real-time monitoring, reporting, and analytics to mitigate leaks, optimize irrigation systems, and perform targeted preventative maintenance to reduce future insurance risks.</p> <p>In addition to evaluating risks and opportunities associated with water stress, our climate change risk management process also considers sea-level rise and flooding as physical risks that may impact our communities. The assessment and mitigation of physical climate risk, in addition to both transition and regulatory climate risks, is incorporated into our business strategy and aligns with our commitment to protect the environment.</p> <p>Refer to UDR's ESG Methodology, Page 10; Stakeholder Engagement, Page 12; Materiality Assessment, Page 13; Environmental Governance and Management, Pages 20 - 21; SASB: Climate Risk, Page 23; Sustainable Results, Page 26; Resident Leak Detection, Page 33; Reclaimed / Recycled Water, Page 35; and Water Conservation, Page 37, for examples of the our identification and mitigation practices associated water risks.</p>

⁽¹⁾UDR is classified as an Apartment REIT by the FTSE NAREIT Classification Structure. We have chosen to report our corporate office and one stand alone retail property rolled up in the metrics above.

SASB INDEX *(cont.)*

TOPIC	QUESTION	CODE	UDR RESPONSES ⁽¹⁾
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	98.3% of homes are direct billed or separately metered for grid electric consumption. 39.9% 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 has a Green Lease Addendum included. 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.

⁽¹⁾UDR is classified as an Apartment REIT by the FTSE NAREIT Classification Structure. We have chosen to report our corporate office and one stand alone retail property rolled up in the metrics above.

SASB INDEX *(cont.)*

TOPIC	QUESTION	CODE	UDR RESPONSES ⁽¹⁾
Climate Change Adaption	Area of properties located in 100-year flood zones by property subsector.	IF-RE-450a.1	6,109,266 leasable SQFT out of 53,914,539 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>The SASB Climate Risk Bulletin, updated in 2022, states that all three forms of climate risk, including physical, transition, and regulatory risk should be evaluated by real estate companies and their stakeholders. To that end, UDR updates our climate risk assessment to assess each of these and will continue to incorporate climate related risks and opportunities into our business strategy and long-term environmental goals.</p> <p>Our climate risk assessment, summarized in the SASB: Climate Risk section and Climate Risk Assessment Chart on pages 23 and 24, includes specific risks under the physical, transition, and regulatory categories that impact our Company as well as how these risks were identified and the degree of relative risk exposure. We are actively working to mitigate these risks by setting and making progress towards our environmental goals, increasing the ambition levels of these goals through our EMS processes, as well as building on these efforts by developing and utilizing an internal asset-level environmental scoring system. This scoring system will further incorporate climate risk, environmental performance, and economic risk and opportunity into our overall business strategy. The results of this scoring system and analysis will continue to help UDR to make more informed buy and sell capital decisions (i.e., influence portfolio strategy decisions); investment decisions (i.e., contribution to ESG and Climate Technology Funds); and to better understand the future business impacts associated with climate risk. More information is provided within the Future Long-Term Environmental Strategy section on Page 21.</p> <p>Additionally, refer to UDR's ESG Methodology, Page 10; Stakeholder Engagement, Page 12; Materiality Assessment, Page 13; Environmental Governance and Management, Pages 20 - 21; Environmental Highlights and Case Studies, Pages 31 - 37; and Enterprise Risk Management, Page 61 for examples of strategies to mitigate risks.</p>
Activity Metric	Number of assets by property subsector.	IF-RE-000.A	182 assets.
Activity Metric	Leasable floor area by property subsector.	IF-RE-000.B	53,914,539 leasable SQFT.
Activity Metric	Percentage of indirectly managed assets by property subsector.	IF-RE-000.C	2% in 2021.
Activity Metric	Average occupancy rate by property subsector.	IF-RE-000.D	96.4% was the average occupancy rate in 2021.

⁽¹⁾UDR is classified as an Apartment REIT by the FTSE NAREIT Classification Structure. We have chosen to report our corporate office and one stand alone retail property rolled up in the metrics above.

TCFD INDEX

QUESTION #	SECTION	QUESTION	UDR RESPONSES
1	Governance	Describe the Board's oversight of climate related-risks and opportunities.	<p>UDR's Board has specific obligations under our Statement on Corporate Governance which, among other things, require directors to effectively provide oversight with respect to risk management. This oversight process includes but is not limited to material risks associated with operational, financial, legal, strategy, cybersecurity, societal, and climate change related risks. The Board's role in the Company's risk oversight process includes receiving regular reports from members of senior management on climate risk and risk management strategies for the Company. In addition to playing an active role managing challenges and risks, the Board identifies and supports initiatives that align with opportunities for the company as well.</p> <p>Refer to Board Composition and Expertise, Page 59 and Enterprise Risk Management, Page 61 within this report as well as our 2022 Proxy, "Risk Management and Oversight", Page 26 (available at ir.udr.com) for additional discussion.</p>
2	Governance	Describe management's role in assessing and managing climate related risks and opportunities	<p>UDR formed an ESG 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 climate risks and opportunities, review our short and long-term goals and targets, and provide management review as part of our EMS processes. Refer to UDR's ESG Methodology, Page 10; Environmental Governance and Management, Page 20; and Enterprise Risk Management, Page 61 for additional discussion.</p>

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QUESTION #	SECTION	QUESTION	UDR RESPONSES
3	Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	<p>UDR's Enterprise Risk Management process identifies and assesses physical, transition, and regulatory climate-related risks for each of its assets and markets in alignment with the SASB Climate Bulletin.</p> <p>The physical risks identified include, but are not limited to, both acute hazards like extratropical storms, flooding, and storm surge as well as chronic stressors like drought, fires, heat stress, and rising sea levels. These physical risks are assessed for their material impact including, but not limited to, increased capital costs, increased insurance premiums and limited insurance availability, and increased operating costs.</p> <p>The transition risks identified include, but are not limited to, the increased price of GHG emissions, enhanced emissions-reporting obligations, costs to transition to lower emissions technology, changing customer behavior, increased cost of raw materials, shifts in consumer preferences, and increased stakeholder concern regarding climate-related risk. These transition risks are assessed for their material impact including, but not limited to, increased operating costs, capital investment in technology development, and increased production costs.</p> <p>The regulatory risks identified include city, municipal, and statewide environmental compliance requirements, which can range from required environmental disclosures / benchmarking, energy/ water audits and retro commissioning, and performance requirements based on building type evaluated for either energy use intensity or GHG emissions intensity. The costs associated with meeting disclosure and compliance obligations differ for each asset based on its environmental performance, so we assess the regulatory requirements in tandem with our review of asset- and market- level environmental performance.</p> <p>Within each of these risk categories, there also are opportunities that UDR can continue to incorporate into our ESG and business strategies. These opportunities include but are not limited to being on the cutting edge of residential real estate technologies with renewable energy and our Next Generation Operating Platform, utilizing stakeholder engagement and data analysis to anticipate shifts in consumer preferences and optimize resident experiences, and becoming one of the leaders in our peer group as it relates to environmental, social, and corporate governance disclosures and performance. These risks and opportunities are factored into the asset- and market-level climate risk scores and ESG strategy that are considered in the Company's Enterprise Risk Management Process over the short, medium, and long term, which receives oversight from the ESG Committee and the Board.</p> <p>Refer to SASB: Climate Risk section and chart on Pages 23 - 24 for additional discussion.</p>

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QUESTION #	SECTION	QUESTION	UDR RESPONSES
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 risk scores as well as opportunities identified as part of our ESG strategy to help make more informed buy and sell capital decisions (i.e., influence portfolio strategy decisions) and investment decisions (i.e., contribution to ESG and Climate Technology Funds); 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 costs associated with insurance premiums, shifts in consumer preferences, and overall costs to transition to a low-carbon economy.
5	Strategy	Describe the resilience of the organization's strategy taking into consideration different climate-related scenarios including a 2 degree Celsius (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. In alignment with these goals, UDR is in the process of setting science-based emissions reduction targets through the SBTi that will align our emissions reduction over time to meet what is required for a 2 degrees Celsius or lower scenario. We will incorporate these science-based targets, in addition to other environmental targets, into initiatives necessary to meet our long-term environmental strategy. To that end, asset- and market-level analysis will incorporate the costs, risk, and opportunities associated with meeting a 2 degree Celsius or lower scenario, which will be integrated into our business strategy and decisions and contribute to the overall resilience of the Company. See Science-Based Targets on Page 27 for more information on our commitment to SBTi.
6	Risk Management	Describe the organization's process for identifying and assessing climate related risks.	<p>UDR incorporates three primary climate risk assessments, conducted at least annually, into our Environmental Governance and business strategies. These assessments, outlined below, are presented to UDR's ESG Committee in detail and to our Board in summary.</p> <ul style="list-style-type: none"> • For the first assessment, we compile asset- and market-level E performance and reduction progress reports. These reports include our progress toward reaching our energy, emissions, and water reduction goals, as well as green energy procurement and waste diversion efforts. • For the second assessment, we compile asset- and market-level physical climate risk scores based on third-party data for six primary risk categories: Heat Stress, Water Stress, Sea-Level Rise, Flooding Risk, Earthquake Risk, and Hurricane Risk. • The third assessment focuses on regulatory changes and is consistently updated throughout the year. UDR has an internal Governmental Affairs team that monitors local, county, state, federal, and judicial regulatory matters that could positively or negatively impact our business, including ESG legislation and policies. <p>These assessments, in addition to risks associated with material topics identified through stakeholder engagement, yield the different physical, transition, and regulatory risks outlined in question 3 above and in our SASB: Climate Risk section and chart on pages 23 - 24.</p> <p>Refer to Enterprise Risk Management, Page 61 for additional discussion.</p>

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QUESTION #	SECTION	QUESTION	UDR RESPONSES
7	Risk Management	Describe the organization's process for managing climate-related risks.	Periodically, UDR reassesses climate risk for each of its assets and markets, which then influences the Company's Enterprise Risk Management process. This helps Senior Management and the Board to better evaluate overall risk to the Enterprise from climate change and whether our operating, capital allocation, or balance sheet strategies should be adjusted.
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 in to 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 10-13 and Pages 23-24 of our Report.
10	Metrics & Targets	Disclose Scope 1 and Scope 2 and if appropriate Scope 3 greenhouse gas emissions and the related risks.	<p>Refer to Pages 25 and 38 for our Scope 1 and Scope 2 GHG emissions and Pages 16 - 18 for our long-term goals and progress to achieving those goals. Also refer to Pages 39 - 40 for our Assurance Statement.</p> <p>Scope 3 emissions are measured where available and reported annually as part of our participation in the GRESB Real Estate Survey. We will incorporate additional reporting on Scope 3 emissions in future reports in alignment with our commitment to setting science-based emissions reduction targets through SBTi. This may be an iterative process. See Scope 3 Emissions and Resident Education on Page 29.</p>
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 energy, emissions, water, waste, and renewable energy targets as well as internal controls and reporting processes to measure and report on our progress for those targets to the ESG Committee and the Board. Refer to Pages 10 - 18, 20 - 21, and 23 - 26 for further discussion surrounding our ESG governance, stakeholder engagement, materially assessment process, and progress towards our goals. Also refer to Pages 39 - 40 for our Assurance Statement.