

UDR 2021 ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) REPORT



Verano at Rancho Cucamonga Town Square - Rancho Cucamonga, CA

THE
Path Forward

The UDR logo is centered on a dark green background. It consists of the letters "UDR" in a white, serif font, with a registered trademark symbol (®) to the upper right. The logo is set within a light green, trapezoidal shape that appears to be a stylized door or a window. Below the logo, the tagline "Opening doors to the future" is written in a smaller, white, sans-serif font.

ABOUT THIS REPORT

Our annual ESG Report focuses on the 2020 reporting period (January 1 to December 31, 2020) and unless otherwise stated metrics or activities discussed were during that period. The report's Environmental ("E"), Social ("S"), and Governance ("G"), ("ESG") disclosures were prepared in accordance with 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") framework. These internationally-recognized ESG frameworks and standards outline the most material and comprehensive ESG disclosures for the real estate industry.

Some of the photography used in this report was taken prior to the pandemic and accordingly people featured may not be wearing face coverings.

We developed this report using the best and most reliable information currently 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 SEC from time to time.

Indexes to GRI, SASB, and TCFD can be found on pages 46, 57, and 60, respectively.

WHAT'S NEW?

- In 1987, the United Nations Brundtland Commission defined sustainability as "meeting the needs of the present without compromising the ability of future generations to meet their own needs." As will become evident throughout this report, UDR is committed to enhancing our sustainability leadership by setting, working towards, and achieving a wide range of ESG goals. To ensure we are comprehensive in reporting our progress around ESG, we consistently engage with a variety of stakeholders including stewardship groups at large and small investment firms, governance groups, ESG monitoring services, our associates, our residents, our vendors, and our investors. In 2020 and early 2021, we conducted approximately 520 virtual meetings with these groups. In this vein, over this past year we made the following enhancements to our existing ESG initiatives, disclosures, and processes.

- Environmental:
 - In the process of committing to setting a science-based emissions reduction target through the Science-Based Targets Initiative ("SBTi").
 - Used the SASB Climate Risk Categories (Physical, Transition, and Regulatory) to holistically gauge risks and opportunities to our real estate portfolio.
 - Aligned our current ESG goals with nine UN Sustainable Development Goals ("UN SDGs").
 - Disclosed avoided carbon emissions for new capital investments that are accretive and sustainable.
 - Received third-party assurance for significant year-over-year and long term progress on a variety of "E" initiatives, including progress towards long term emissions reductions.
 - Provided our roadmap for further reducing resident energy usage and increasing water conservation.
 - Created a long term plan to increase Green Building Certifications on existing assets.
- Social:
 - Expanded the scope of our Diversity, Equity and Inclusion ("DEI") initiatives.
 - Included unconscious bias training for all UDR associates as part of our Diversity and Inclusion training.
 - Supported our residents and associates in a variety of ways throughout COVID.
 - Revised our culture statement to reflect our evolving values and launched a "culture" website where current and prospective associates can learn about our cultural values.
- Governance:
 - Formally adopted the "Rooney Rule" for Board refreshment after informally utilizing the "rule" during past searches.
 - Enhanced our business continuity and information technology ("IT") security processes.
 - Added two new independent directors to our Board in the 12 months preceding this report; Diane Morefield and Kevin C. Nickelberry which further enhanced the gender and ethnic diversity of our Board to forty percent (40%).

For any questions about this report, please contact
UDR's Corporate Responsibility Team at CR@UDR.com.



The Residences at Pacific City – Huntington Beach, CA

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Thomas W. Toomey

CHAIRMAN AND CHIEF EXECUTIVE OFFICER MESSAGE

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

2020 was a challenging but also highly rewarding year. UDR, like many businesses, faced obstacles unlike anything we have encountered over our nearly 50-year history. I am proud of how our associates responded. Their supreme efforts helped us to fend off the worst that COVID could throw at us, and their compassion helped our residents through personal difficulties as cities shut down and social distancing became the norm. Throughout COVID, our resilient business model – which is founded on highly efficient operations, welcoming customer service, accretive capital allocation, and being a strong corporate citizen – did not falter. It was gratifying to see firsthand our Company not only survive but also thrive in many ways during the year. The pandemic may have de-emphasized ESG pursuits at some companies, but not at UDR. Whereas in years past E and G typically garnered the lion's share of our focus, S came to the forefront during 2020. At the beginning of COVID, we made a pledge to take care of all members of the “UDR family” to the best of our ability. Perhaps the most satisfying outcome of 2020 was our success in making good on this. I sincerely hope you find our 2021 ESG Report insightful and appreciate the significant work all UDR associates contributed to make our ESG successes a reality.

Our 2021 ESG Report emphasizes the Company's ESG achievements over the past year and provides insights into what we are doing to stay ahead of the “ESG curve” over the years to come. We remain committed to transparent and consistent ESG reporting, utilizing GRI, SASB, and TCFD standards to structure our report, and have a number of key areas to highlight for 2020.

We exceeded our 2025 greenhouse gas (“GHG”) emissions and energy reduction targets five years ahead of schedule. Our GHG emissions decreased by 21% compared to our baseline year of 2015. This reduction was in part due to an 18% decline in our common area energy utilization since 2015. Our accelerated achievement of these goals was made possible by accretive capital investments in solar energy production, building management system installations, and a variety

of other energy conservation technologies. Our work is far from over on these fronts, as evidenced by our new E reduction targets outlined in this report, but we have made great progress to date.

While COVID demanded much of our attention in 2020, UDR has been actively addressing a variety of other non-pandemic-related S initiatives as well for years.

Pandemic-Related S Initiatives/Successes:

Taking Care of Our Associates

- **Communication:** We maintained clear and consistent communication with our associates during COVID regarding the most-up-to-date health and safety guidelines. Regular All Associate Calls were held to address how our business was performing and what help our associates needed as well as to provide an open platform for associates to ask questions or express concerns.
- **Health and Safety:** Housing is a necessity. Much like other frontline workers, many of our associates did not have the luxury to work from home. As such, we invested approximately \$3.2 million in personal protective equipment, intensified our community cleaning procedures, allowed work from home where applicable and provided more flexible work schedules for those who could not, moved property tours and resident interactions to a 100% virtual, touchless environment, and more.
- **Financial Support:** We supported our associates through one-time bonuses, additional COVID-related paid time off to treat a COVID illness or take care of a family member with COVID, offered multiple vacation time buyouts so days accrued would not go to waste, and paid for all COVID-related testing.
- **Mental Health Support:** We enhanced our mental health benefits through our UDR Wellness Initiative and actively promoted our 24/7 mental health hotline for those who needed additional mental health support.

Taking Care of our Residents

- **Flexible:** In addition to consistent communication and the extensive health and safety measures we implemented at our communities, UDR has actively worked with residents that were and continue to be negatively impacted by COVID. We have offered accommodative rent payback plans and aggressively helped our residents in need apply for governmental rental assistance. Through the end of August 2021 we have received \$14.3 million in rental assistance to over 1,400 of our 54,667 residential homes.
- **Community:** Our residents still wanted to feel a sense of community in a world where six feet of separation and masks became the norm. We moved community events like Quarantine Bingo to the virtual world and enforced stringent social distancing protocols for in-person events like community ice-cream parties. Establishing a sense of community has always been important to UDR, and I am proud that our teams in the field could come through for our residents in this way.



Non-Pandemic-Related Successes:

- **Diversity, Equity, and Inclusion:** UDR has conducted an extensive, company-wide DEI overview during the past year and a half from which we expect to derive actionable recommendations on how we can further diversify our workforce and level the playing field for all associates. Along with focus groups, surveys, and individual interviews conducted by our independent consultant, as part of our diversity and inclusion training we include unconscious bias training for all associates. This is a solid first step, one of many we plan to take in the years to come.
- **Giving Back:** During 2020, UDR gave back to the communities in which we operate. We provided computers to a school with predominantly lower-income students to help make virtual learning possible, organized food drives and blood donations, and provided a variety of care packages to frontline workers who live at our communities. These are just a small sample of what we have done, but they speak to the compassion and generosity our associates show daily throughout the year.
- **Culture Statement:** We live our culture statement each day. In 2020, we updated the statement to help ensure the goals and expectations that make UDR a socially conscious corporate citizen were clear. Additionally, we created an Associate Culture website that prospective and current associates can access to better understand our cultural cornerstones at a high level.

For G of ESG, we remain committed to our three primary principles of strong corporate governance – dialogue, transparency, and responsiveness. We recognize that strong corporate governance is critical to our long-term success and ability to create opportunities and value for all stakeholders. In 2020, we formally adopted the “Rooney Rule” for Board refreshment after informally utilizing the “rule” during past searches.

Over the 12 months preceding this report, the Board of Director’s continued its refreshment efforts with the addition of Diane M. Morefield in 2020 and Kevin C.

Nickelberry in 2021. With these continued efforts, the Board has now added six new independent directors in the last seven years with diverse and additive skill sets. In addition, the most recent two additions have further enhanced the gender and ethnic diversity of the board to forty percent (40%).

UDR’s commitment to operating in a sustainable manner across all facets of our business is clear. It is built into our Company ethos and is a driving force for how we approach our day-to-day tasks. Our ongoing investment in ESG initiatives, the setting of ESG improvement goals, and the transparent reporting of our progress remain critical to our long-term success as these pay financial, environmental, and social dividends that benefit all stakeholders.

I am proud of the ESG work our Company and associates have accomplished, as well as our sustainability leadership within the industry. Our business and the ESG landscape will continue to evolve, but our commitment to being a strong corporate citizen will remain steadfast. I am excited for our future.

Sincerely,

Thomas W. Toomey

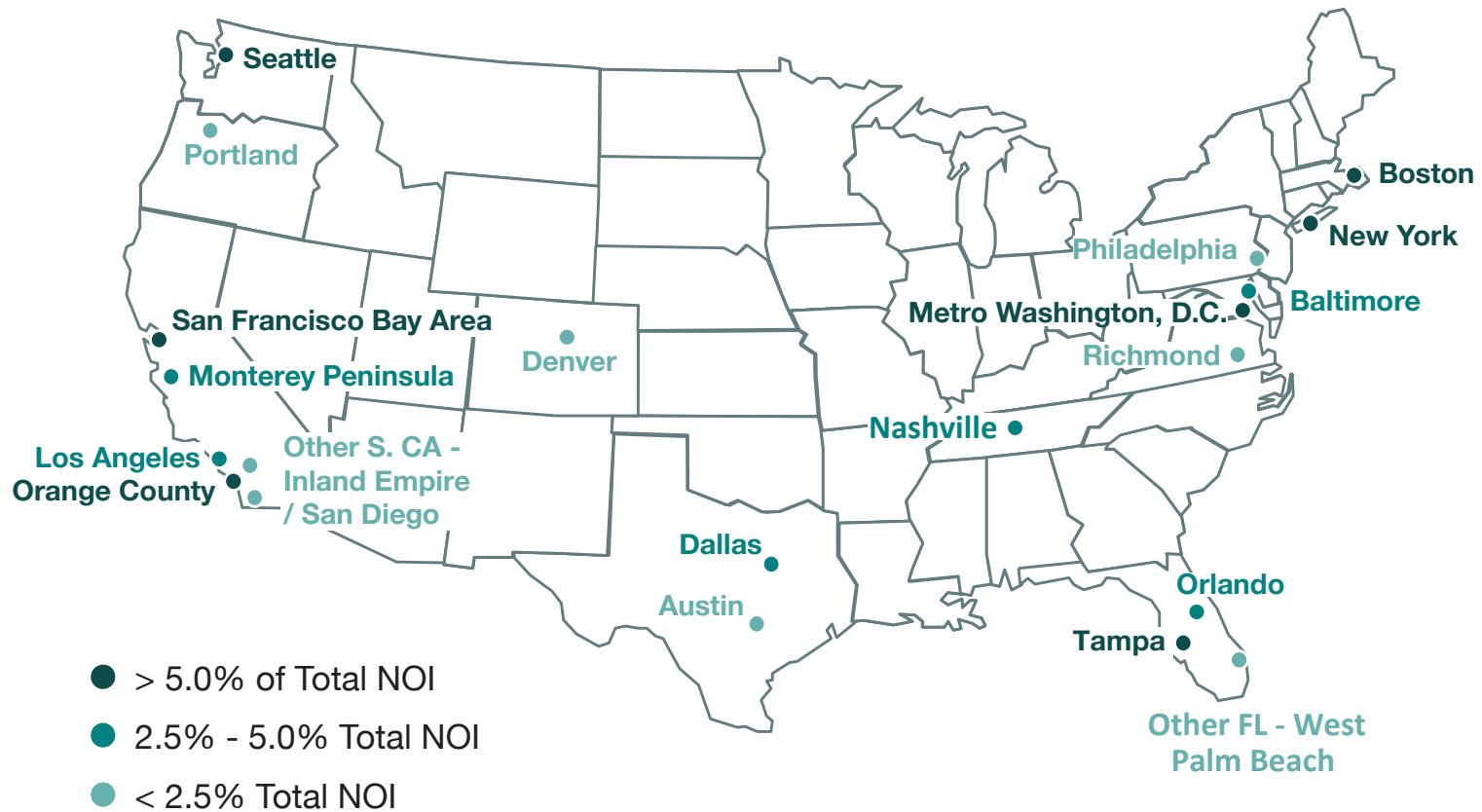
Chairman and Chief Executive Officer

ABOUT UDR, INC.

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

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 \$21.3 billion⁽¹⁾ company with a highly diverse portfolio spread across 21 coastal and sunbelt markets.

UDR'S MARKET COMPOSITION ^[2]



(1) Enterprise Value and Dividend Yield as of June 4, 2021.

(2) As of March 31, 2021, except as otherwise noted. "NOI" is defined as Net Opening Income.

Source: Company documents.

SCORES – ALIGNMENTS - MEMBERSHIPS - AWARDS

(GRI 102-12, 102-13, 302-4, 303-3, 305-5, SASB IF-RE-130a.5, IF-RE-140a.4)

ESG SURVEY SCORES

GRESB REAL ESTATE SURVEY

86
SCORE

#1 PERFORMER AND GRESB GLOBAL SECTOR LEADER
ACROSS ALL LISTED RESIDENTIAL COMPANIES

3 POINT IMPROVEMENT VS PRIOR YEAR SURVEY

GRESB PUBLIC DISCLOSURE

A
SCORE

96 - HIGHEST SCORE
IN OUR GRESB
DETERMINED
COMPARISON GROUP

SUSTAINALYTICS ESG RISK RATING REPORT

13
SCORE

CLASSIFIED AS
"LOW-RISK"

MCSI ESG

BB
SCORE

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


ALIGNMENTS WITH INDUSTRY CODES + VOLUNTARY BEST PRACTICES

- Reporting Frameworks: GRI Core, SASB, and TCFD
- EPA Energy Star Benchmarking
- UN SDGs

REGIONAL INDUSTRY ASSOCIATIONS/MEMBERSHIPS

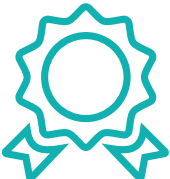
- Apartment & Office Building Association of Metropolitan Washington
- Apartment Association of Greater Dallas
- Apartment Association of Greater Orlando
- Apartment Association of Metro Denver
- Austin Apartment Association
- Bay Area Apartment Association, Tampa
- California Apartment Association
- 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

AWARDS



Received **4 "Green Stars"** from **GRESB** and named **Global and Regional Real Estate Sector Leader**

GRESB
REAL ESTATE
sector leader 2021



National Apartment Association 2020 Excellence in Technology Award and named **Smart Buildings Innovator of the Year** by Logical Buildings for the second consecutive year.

UDR'S BUSINESS STRATEGY / VALUE PROPOSITION

(GRI 102-2)

UDR's business strategy integrates efficient operations, best-in-class customer service, accretive capital allocation through a variety of value creation competitive advantages, a strong and stable balance sheet, and a continuous focus on utilizing technological solutions that improve Company functionality – all with the over-arching 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 living experience our residents enjoy. Evidence for these conclusions come from above-peer-average earnings per share growth in seven of the past nine years, a annualized TSR of 13% over the last 20 years, and 24% growth in our net promoter score (“NPS”) to 34 since the second quarter of 2018.

OPERATING EXCELLENCE

- Superior long-term same-store NOI growth
- History of innovative, margin- and growth-enhancing operating initiatives
- Next Generation Operating Platform is expected to drive outsized future growth

DIVERSIFIED PORTFOLIO COMPOSITION

- 54%/46% A/B and 35%/65% Urban/Suburban portfolio mix appeals to wider renter and investor bases
- High resident income as well as geographic and price point mix reduce risk
- More markets to invest in and overlay value-accretive operating platform

ACCRETIVE, FLEXIBLE CAPITAL ALLOCATION

- History of adhering to public market cost of capital signals
- Variety of investment options and history of pivoting to best risk-adjusted return
- Predictive analytics enhances market selection

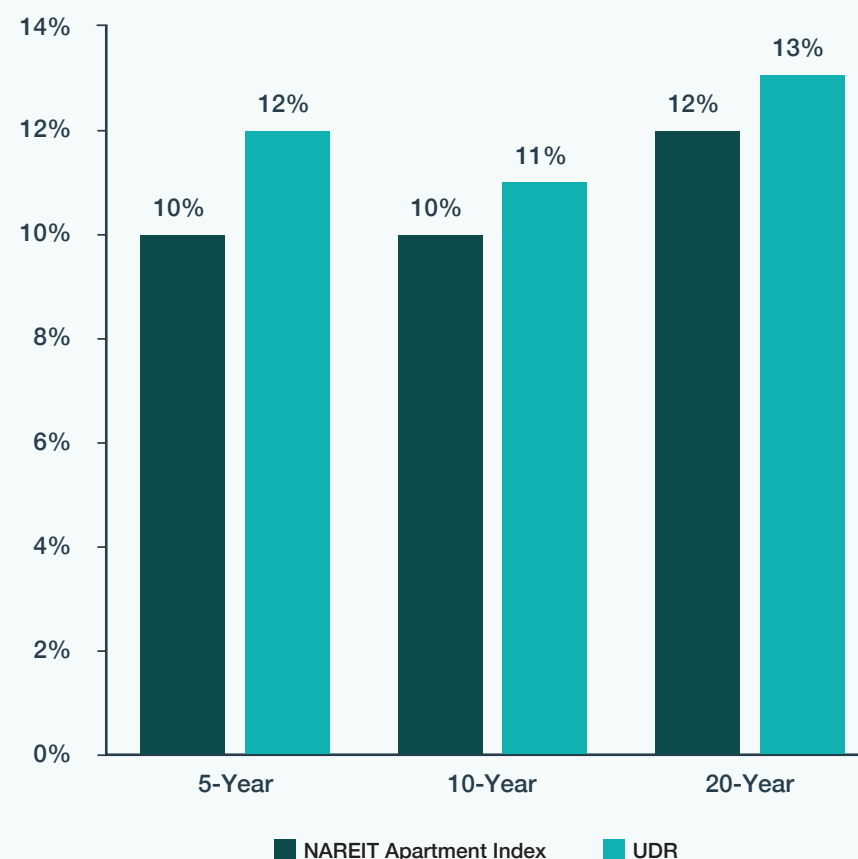
STRONG, LIQUID BALANCE SHEET

- Investment grade, primarily unsecured borrower with well-laddered maturity schedule
- Less than 15% of consolidated debt is scheduled to mature through 2024⁽²⁾
- Wide variety of capital sources including low-cost 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

Annualized TSR CAGRs⁽¹⁾



(1) Data as of July 31, 2021.

(2) Excludes principal amortization and amounts outstanding on the Company's Commercial Paper Program and Working Capital Facility. Source: Company and peer documents, Nareit.

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)

We believe consistent reviews of our ESG processes and initiatives 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 metrics. Ongoing reviews 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 reviews shared with the Board include:

- Progress updates toward long-term environmental goals.
- Reviews of SASB / TCFD / GRI standards for annual changes / updates / recommendations.
- Assessments of risk posed to our portfolio by climate change, including physical, transitional, and regulatory risks.
- Feedback from stakeholders (shareholders, associates, and residents).

In 2020 and early 2021, we had 517 total shareholder interactions, representing 84% of common stock outstanding. In 2020, we engaged with residents in over 77% of our apartment homes through our smart home packages. Our most recent associate engagement survey received responses from 96% of associates with our next survey occurring in 2021.

Feedback from these stakeholders and changes in our business environment have resulted in a heightened focus on and impact from environmental, regulatory, and associate-related sustainability topics. The regulatory environment has become more challenging and impacts all of our stakeholders. Heightened attention on climate-related risk and the on-going negative impact of increased carbon emissions and other environmental factors will likely lead to additional regulation. These transitional and legislative risks will then likely require UDR to make additional investments in "green" initiatives.

ESG GOVERNANCE

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

In 2020, our Governance Committee Charter was revised to formally assign the Governance Committee oversight of the Company's disclosures of ESG matters, including any ESG report that is published. Historically, sustainability has been incorporated into UDR's overall risk assessments reviewed at every Board meeting, and the Board has performed in-depth reviews of various ESG topics like climate change risk, DEI initiatives, and more throughout the years.

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 Senior Vice President of Corporate Services and Innovation, Matt Cozad, is responsible for the

implementation and monitoring of progress towards meeting ESG targets and goals and the integrity of the Company's overall ESG reporting processes. As part of our on-going commitment to our stakeholders, we expanded the Company's ESG control environment to include additional internal and external assurance testing of the accuracy and completeness of significant ESG metrics, including emissions, energy usage, water usage, waste diversion, and S-related pay, diversity, training, and gender metrics included in the report and included in the 2021 GRESB survey.

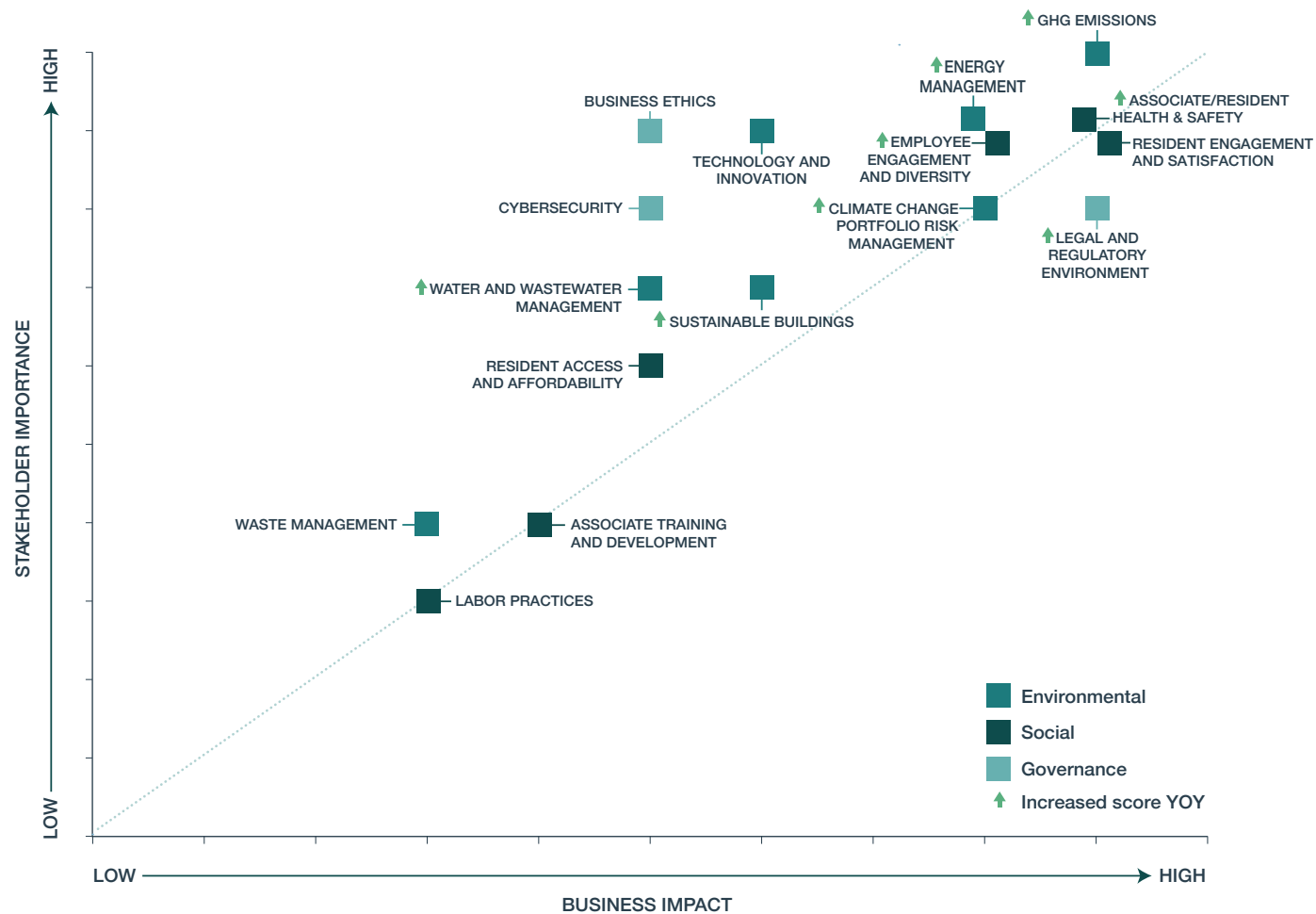
We have continued to see positive outcomes from our ongoing investment in our associates with additional benefits, training and development, and regular communications. This investment in our associates and culture will foster the next generation of Company leadership.



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

Stakeholder feedback on our GHG Emissions, overall sustainability practices, DEI outreach, resident / associate health and safety, combined with changes in the regulatory environment resulted in an upward shift in these sustainable topics in our 2020 materiality matrix. Our consistent reviews of ESG processes and initiatives combined with stakeholder feedback contribute to the updates to our materiality matrix contained herein. We have set more rigorous targets for some of our E goals and are in the process of setting a science-based target for greenhouse gas mitigation and adaptation through the SBTi. We are continuously broadening how we can utilize new technologies across our portfolio with additional onsite solar and wind energy generation, as well as submetering and the ability to harness real time data at more of our properties through Smart Building and SmartHome tech through our Next Generation Operating Platform. We have created a long term plan to obtain additional green building certifications at our existing communities. In addition, we have added new ESG goals around diversity, equity, and inclusion, associate health and wellbeing, and stakeholder engagement around ESG.



UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (NEW)

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

SUSTAINABLE DEVELOPMENT GOALS



Providing mental and physical health resources to all associates and promoting health and well-being at our communities.



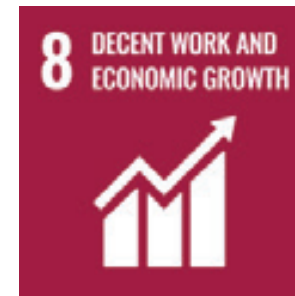
Committing to procure a percentage of clean energy for our common areas and investing in onsite renewable energy technology and energy efficiency projects.

UDR's ESG goals align with several of the United Nations Sustainable Development Goals. The UN SDGs purpose was to adopt a long-term, comprehensive strategy to address the world's greatest challenges related to global sustainable development, including quality education, life below water, zero hunger, no poverty, climate action, etc. These integrated goals, provide a global perspective for our ambitions to continuously improve our corporate citizenship and create long-term value for our stakeholders.

We have aligned with 9 of the 17 UN SDGs that we believe are the most relevant to our industry and towards which we can make material progress.



Investing in water efficiency technology, using reclaimed water, and submetering resident consumption where possible to enhance water management and leak detection.



Maintaining high levels of corporate governance through codes and policies centered on ethical conduct, associate engagement, our innovative and inclusive culture, training, and career advancement.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (NEW)

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



Investing in smart building and smart home technology, participating in demand response programs, and obtaining green building certification for all new developments with a long-term plan to certify additional existing properties.



Engaging our communities, residents, and associates in efficient energy, water, and waste consumption strategies.



Utilizing the “Rooney Rule” for all Board refreshment searches, requiring DEI and anti-harassment training, disclosing compensation ratios by gender and position, as well as providing equal opportunity in all aspects of employment. We absolutely forbid discrimination or harassment against any person, on the basis of race, religion, color, sex, sexual orientation, gender, sexual/gender identity, age, disability, pregnancy, national origin, military or veteran status or any other characteristic protected by applicable law.



Performing climate-based performance and risk assessments through our Environmental Management System ("EMS") to increase our resilience and lower our carbon footprint.



Developing Green Building Certified assets, participating in demand response programs, installing onsite renewable energy, and setting energy and emission reduction targets to lower our impact on the electric grid, providing access to affordable housing at many of our communities, and incorporating associate volunteering into our ESG goals and giving back to the communities we operate in.



Brio – Bellevue, WA

ESG MEASUREMENT AND REPORTING

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

We have established ambitious yet realistic ESG goals and targets to operate more sustainably and create long-term value for our stakeholders in the coming years. For each goal and target, we have developed a framework to report our progress to the ESG Committee, our Board of Directors, and our Stakeholders. During 2020, each of our goals and targets was reviewed to confirm alignment with the findings of our materiality assessment. We have updated several goals and added new goals to better reflect ESG concerns material to our business and stakeholders. COVID impacted some of our environmental goals through YOY reductions in Scope 1 and 2 GHG emissions and common area energy consumption that may not be sustainable going forward as COVID restrictions ease, while whole building water consumption increased. We will continue to evaluate and expect to update some of our goals in 2021 to reflect science-based targets.

STATUS LEGEND:



Met Goal and Updated Target



Ongoing



Modified Goal



New Goal























Met Ongoing Goal

PROGRESS TOWARD ESG GOALS AND TARGETS

	STATUS	GOAL	RESULTS	UN SDG ALIGNMENT
ENVIRONMENTAL		Reduce the Company's total energy consumption by 20% (updated target) between 2015 and 2025.	YOY reduction of 6%. Achieved 18% cumulative reduction between 2020 and 2015 outperforming the original 15% reduction target.	
		Procure 15% (updated target) of operational controlled electricity through renewable energy sources by 2025.	Achieved 12% of operationally controlled electric procured through renewable energy sources outperforming the original target of 10% by 2025.	
		Reduce GHG (Scope 1 and Scope 2 Market Based Combined) emissions by 25% (updated target) between 2015 and 2025.	Achieved 21% reduction compared to 2015 fixed base year outperforming the original 15% reduction target.	
		Reduce water intensity by 10% between 2015 and 2025.	Brought on by COVID, we had a YOY increase of 2% with cumulative increase of 1% between 2015 and 2020. YOY residential consumption was up 5% and common area consumption was down 13% equating to an overall increase of 2%. Assessing revised goal to address common area consumption.	
		Increase the Company's recycling diversion rate to 15% between 2015 and 2025.	Our 2020 like-for-like diversion rate was 13%.	
		Obtain green building certifications for new developments and added the evaluation of green building certifications for existing assets.	Actively meeting original target to obtain green building certification for new developments and meeting updated goal as well with our long-term plan to certify a portion of existing buildings starting with pursuing 5 operational certifications in 2021.	

PROGRESS TOWARD ESG TARGETS AND NEW TARGETS

	STATUS	GOAL	RESULTS	UN SDGS 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 third party independent survey. This is an ongoing goal.	
		Increase the associate volunteer hours by 25% between 2017 and 2022.	We achieved the goal in 2019 with a 25% YOY increase. We did not meet this target in 2020 due to the uncertainty of COVID and have modified it to show commitment to ongoing associate volunteering.	
		Maintain an average Net Promoter Score greater than 33 throughout 2021.	Ongoing. Our original goal to increase our average resident score by more than 20% was modified to better represent our successful resident engagement. UDR did maintain an average NPS in 2020 of greater than 33.	 
		Perform a Diversity, Equity and Inclusion study and share the results with our associates and Board members.	This is a new goal and the results will be updated in next year's ESG Report.	 
		Provide 100% of associates with health and well-being opportunities throughout the year.	This is a new goal and the results will be updated in next year's ESG Report.	
GOVERNANCE		Provide training to 100% of associates and confirm 95% or higher completion at any given time for the following training courses in 2021: Business Ethics, Diversity and Inclusion (including unconscious bias), Fair Housing, IT Security Awareness, Sexual Harassment, and Workplace Harassment.	As of our 2020 year end measurement, 96% of associates completed technology IT security training, 97% of associates completed fair housing, 97% of associates completed harassment training, 98% of associates completed diversity and inclusion training, and 99% of associates completed our annual business ethics training. Training will never be at 100% due to measurement timing and associate new hire dates in addition to various union restrictions.	 
		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 ("ERM") process.	Used the SASB Climate Risk Categories (Physical, Transition, and Regulatory) to holistically gauge risks and opportunities to our real estate portfolio.	
		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.	This is a new goal and the results will be updated in next year's ESG Report.	Not Applicable



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)

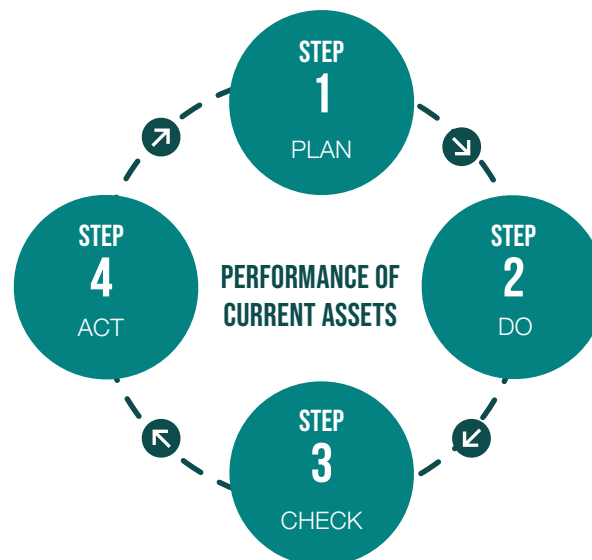
The Company's EMS provides a systematic governance approach to evaluating the economic and environmental benefits of our investments in environmental efficiency projects by monitoring them in real-time. The expected financial return and environmental impact for each potential sustainability investment 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 then applied to future initiatives.

UDR's EMS was designed using the ISO 14001 standard following the model of Plan – Do – Check – Act ("PDCA") which is summarized below.

1. Plan – create environmental / 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.

The ISO 14001 standard is an iterative process that allows for incremental improvement through its four progressive steps. At each step there is the opportunity to layer in additional information such as new environmental legislation or updated climate change scenarios that could alter risks and opportunities to UDR and the results we produce.

Our EMS processes are used to collect energy, water, and waste usage data that then populate databases. The analysis of these databases help to identify trends and outliers over time, confirm that efficiency investments are producing intended usage reductions, and provide



useful analyses that can be used to better understand 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. Of late, our investments have included robotics, mobile applications, utility smart 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 Corporate Services Team works with the Company's asset managers, Asset Quality Team, and external vendors to address issues that are identified through EMS analyses and to share best practices across our portfolio. By mining the data produced by our EMS processes we can identify new energy, water, and waste initiatives to further reduce our footprint and improve our financial results.

New initiatives identified by our EMS processes in 2020 and under review for potential implementation in 2021 and beyond include adding wind power and battery storage, further scaling our green power procurement programs, expanding energy demand response opportunities through growing resident participation and enhancing resident energy conservation education.



Rosebeach – La Mirada, CA

SASB: CLIMATE RISK (NEW)

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

In early 2021, SASB published a Climate Risk technical bulletin that provided guidance to companies and their stakeholders on climate change risk exposure. Climate change risk is two-pronged. The first prong is identifying what types of risk to which a company might be exposed. These include physical risk (e.g., loss risk from sea level rise), transition risk (e.g., new technologies leading to obsolescence), and regulatory risk (e.g., environmental legislation mandating greater energy efficiency). The second prong is assessing how these risks might impact a company's operations, income statement, balance sheet, and/or overall risk profile. Real estate is a subset of SASB's Infrastructure sector. According to the SASB, all three climate change risks and their potential impact should be evaluated by real estate companies and their stakeholders.

As part of our overall Environmental Governance oversight and to better understand how our markets and assets may be affected by climate change, we conduct three primary risk assessments at least annually. These assessments, outlined below, are presented to UDR's ESG Committee in detail and to our Board of Directors in summary.

- 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 climate change 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.

These assessments help us to identify risks to our business, which include but are not limited to,

- The increasing price of GHG emissions (i.e., a carbon tax and/or higher cost offsets),
- Costs to transition to lower emissions technology (e.g., solar power, wind power, etc.),
- Enhanced emissions-reporting obligations and associated costs,
- Evolving stakeholder expectations for ESG initiatives we undertake as well as reporting obligations,
- Changing customer behaviors and preferences around all things ESG,
- Rising raw material costs for ESG initiatives or new green (re)-development projects.
- Growing regulatory constraints that impact how we can operate our business and/or increase capital needs for retrofitting existing assets, and
- Climate Risks to specific markets, submarkets, and assets.

These risks and others are reflected in our materiality assessment and discussed by senior management and our Board at regular intervals. 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 do the economic returns justify the expense), and better assess future insurance risks (i.e., the potential for higher/lower future insurance premiums and/or overall insurability).

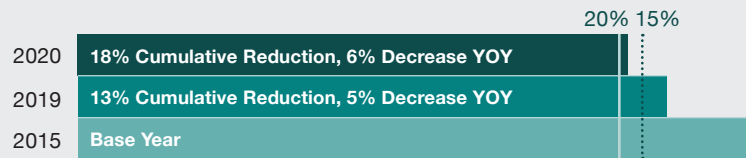


PROGRESS TOWARDS E GOALS

(GRI 303-3, 306-2)

In 2020, COVID created an environment unlike any experience before in our history, impacting energy, water and waste consumption rates across our portfolio. We experienced year over year reductions in common area energy and GHG emissions and an increase in whole building water consumption. Lloyd's Quality Register has assured the like-for-like year over year performance and the progress towards meeting our long-term GHG emissions goal.

Progress Toward Energy Goal - 120% of Goal Achieved



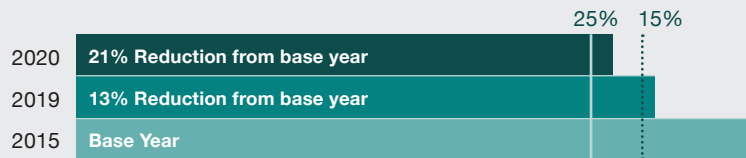
Operational controlled like-for-like energy consumption includes properties that are stabilized for two calendar years.

Progress Toward Recycling Diversion Rate Goal



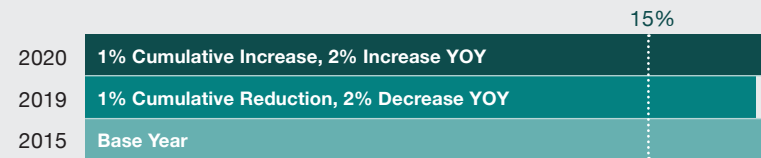
Operational controlled like-for-like diversion rate includes properties that are stabilized for two calendar years.

Progress Toward GHG Emissions Goal - 140% of Goal Achieved



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

Progress Toward Water Goal



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

Brought on by COVID, we had a cumulative increase of 1% between 2015 and 2020.

Progress Toward Renewable Energy Procurement Goal - 120% of Goal Achieved



Electricity consumption procurement percentage applies to operationally controlled electricity consumption.

IN 2020, WE EXCEEDED OUR 2025 COMMON AREA GHG EMISSIONS AND ENERGY REDUCTION TARGETS FIVE YEARS AHEAD OF SCHEDULE.

LEGEND

New Goal Original Goal Please note that due to rounding percentages may not add up to 100%.

SUSTAINABLE RESULTS – UTILITY EXPENSES AND AVOIDED EMISSIONS (NEW)

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

Since 2015, UDR has invested over \$12 million into sustainability initiatives that have reduced (1) emissions, (2) energy and water consumption, and/or (3) landfill waste at over 70% of our communities. Economically, these projects have proven to be “win-win” for UDR’s bottom-line and ESG goals. We have had the lowest utility expense growth rate in the multifamily REIT space over the past five years while also expanding our operating margin through higher-return initiatives.

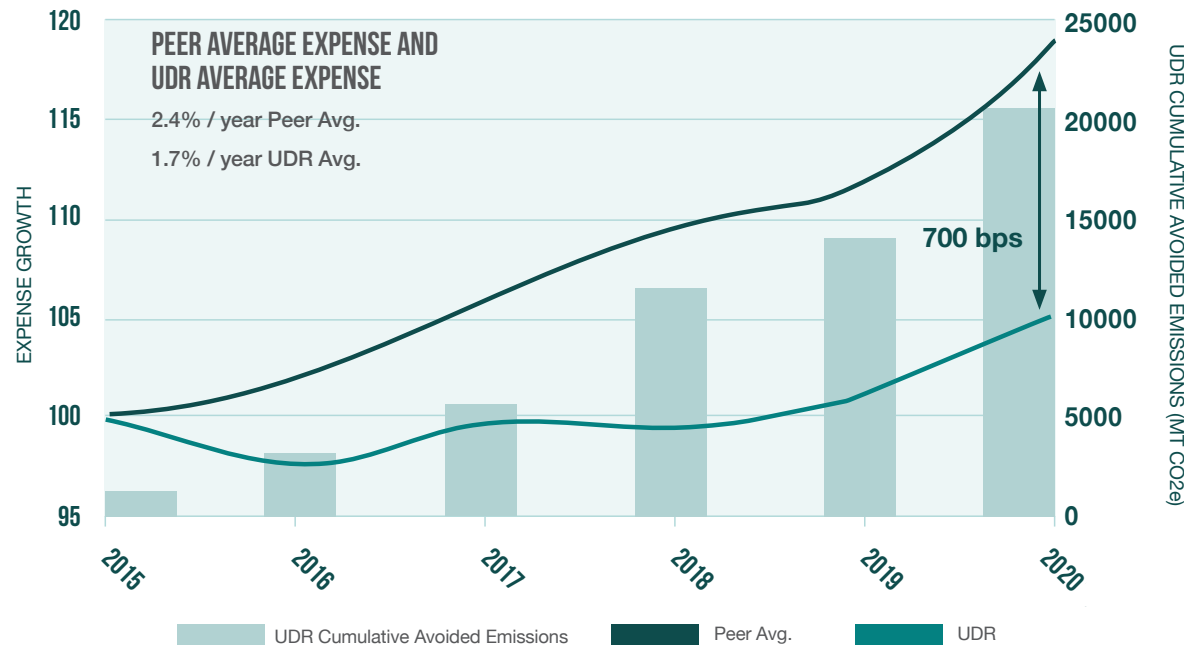
Eighty percent (80%) of our sustainability-focused capital projects have focused on reducing energy usage and thereby the Company’s carbon footprint. Through installation of smart home technology, LED lights, smart building technology, and solar generation, along with instituting onsite efficiency protocols, the Company has achieved on average annual growth of over 100% in our cumulative avoided emissions since 2015.

Setting and achieving financial objectives in our EMS drives additional investment in ESG projects over time and reinforces our commitment to being a strong corporate citizen.

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. We measure our avoided emissions annually as avoided emissions are widely recognized as signaling a commitment to climate action. Over the past six years, we have invested over \$11.5 million in nearly 200 energy conservation projects, resulting in estimated cumulative avoided emissions of greater than 21,000 metric tons of carbon dioxide equivalent (“MT CO2e”).

SAME STORE UTILITY EXPENSE GROWTH & CUMULATIVE AVOIDED EMISSIONS GROWTH

(2015-2020)



WE HAVE HAD THE LOWEST UTILITY EXPENSE GROWTH RATE IN THE MULTIFAMILY REIT SPACE OVER THE PAST FIVE YEARS.

SCIENCE BASED TARGETS (NEW)

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. UDR has a responsibility to do our part. We are in the process of committing to set a science-based target in 2021 through the Science Based Target initiative. A collaboration of the CDP, United Nations Global Compact, World Resource Institute ("WRI") and World Wide Fund for Nature ("WWF"), the SBTi defines and promotes best practices in science-based target setting and independently assesses and approves companies' targets should they satisfy its strict 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.

SCOPE 3 EMISSIONS AND RESIDENT EDUCATION (NEW)

UDR has reported our Scope 1 and Scope 2 GHG emissions since 2015. In connection to committing to science-based GHG emissions reduction targets, we will be enhancing our E initiatives and disclosures by publishing our Scope 3 emissions related to our resident consumption in future reports, which may be an iterative process.

Increased education is key to reducing resident emissions. We provide our residents with energy conservation tips and encourage them to participate in demand response programs and/or support UDR's participation in evolving technologies like wind power, battery storage, and green power procurement programs. 100% of our residents have now signed UDR's Green Lease Addendum, which 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. Our energy benchmarking in Energy Star Portfolio Manager allows us to measure and compare energy consumption at our assets to similar buildings, historic consumption, and reference performance levels. We have increased the percentage of our portfolio covered in Energy Star Portfolio Manager by 13% from 43% to 56% since 2019. As more markets provide whole building data and we invest in new technologies to access this data we hope to improve our measurement to better represent our portfolio-wide carbon footprint.

As part of our continued commitment to SBTi and resident education, we are evaluating expanding our technology investment to assets where whole-building energy data (i.e., Scope 3) is not available due to provider constraints. Current Transformer ("CT") metering is a potential improvement to our existing building management systems that would allow us to capture whole building energy consumption. CT meters are installed on each "bank" of utility owned electric meters and anonymously measure, record, and aggregate apartment home and common area electricity consumption. The meters relay the data to a cloud-based collector so we can access and report whole building consumption.

Whole building data will initially be used to establish an accurate baseline of energy consumption. We will use this to measure the success of energy conservation initiatives, such as in-unit and common area lighting, system upgrades, etc. in future years.



SUSTAINABLE BUILDINGS AND GREEN BUILDING CERTIFICATIONS (NEW)

Sustainable buildings promote lower GHG emissions, water, and waste consumption while improving the health and happiness of our residents and the neighborhoods in which we operate. Our ongoing investments in smart building technology and environmentally conscious return on investment (“ROI”) projects like submetering, onsite renewable energy, smart irrigation, leak detection, and real-time indoor air quality monitoring speak to our commitment to these goals. In 2021, we plan to invest an additional \$6 million in conservation and efficiency technologies throughout our portfolio and evaluate new technologies such as battery storage, onsite wind energy generation, and water conservation sensors.

Part of UDR’s ongoing commitment to environmental sustainability has been obtaining Green Building Certifications (e.g., LEED Silver or equivalent) for all new developments since 2015 (9 communities; 3,176 apartment homes). As of our 2020 reporting year UDR had 22 properties that had received a green building certification, representing 12% of the portfolio. We are now working on expanding this tactic to existing assets in accordance with our commitments to ESG and science-based reduction targets. We are currently in the process of creating a long-term plan for certification of existing buildings. To start, we are pursuing certification of 5 existing communities for energy certifications like LEED O + M and Energy Star Certification or for health and wellbeing certifications like Fitwel that may result in the identification of new sustainable investments.



Capitol View on 14th - Washington, DC



CityLine - Seattle, WA

2019 NEW ACQUISITIONS E PERFORMANCE (NEW)

(SASB IF-RE-450a.2)



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 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 could reduce community energy and water usage.

Upon acquisition, we apply our disciplined EMS approach to baseline a property'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 properties in the same market, which can lead to the identification of future capital projects that could drive greater operating efficiencies and additional conservation.

For the eight non joint venture properties that were acquired in 2019, year-over-year energy was down 8% and water usage was reduced 6%, nearly 2 million gallons using comparable data. Emissions were reduced by 7% (or 69 MT CO₂e) year-over-year at these properties. Our proven and repeatable EMS process expands our operating margin while lessening our environmental footprint and identifying new sustainable investment opportunities.

UDR EMISSIONS VS OTHER REAL ESTATE SECTORS (NEW)

(SASB IF-RE-450a.2)

The ULI Greenprint Center for Building Performance Report Volume 11 benchmarks emissions intensities across the real estate sector by building type. The multifamily sector averages 0.02 MT CO₂e per meter squared compared to other real estate sectors that range from less than 0.01 metric tons to 0.4 metric tons. We believe our building type lowers our physical and regulatory risks compared to other real estate sectors. Despite this, we believe future ESG-based regulatory risk remains elevated for the multifamily sector and we will continue to monitor and incorporate in to the Company’s overall ESG Governance Process.

2019 CARBON EMISSIONS INTENSITY BY BUILDING TYPE (MT CO₂E/M²)

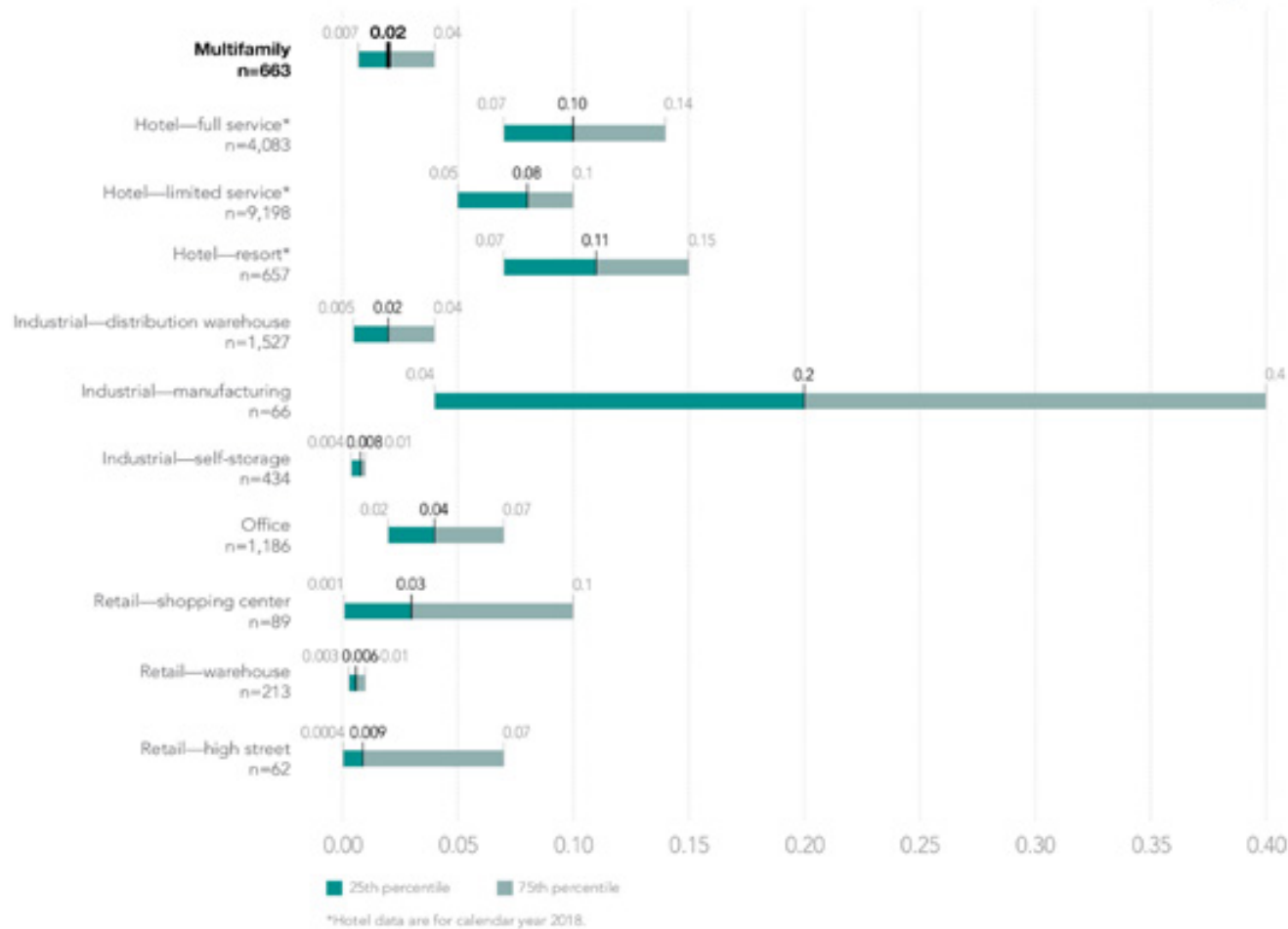


Chart sourced from the ULI Greenprint Performance Report, Volume 11

2020 ENVIRONMENTAL HIGHLIGHTS

- Recognized as the **Smart Building Innovator of the Year** for the second consecutive year by Logical Buildings for execution and implementation of building energy and water management technologies.
- Obtained third-party assurance for the second consecutive year that our **energy, GHG, and water data is accurate, reliable, and in compliance** with standards set forth by the World Resource Institute / World Business Council for Sustainable Development Greenhouse Gas Protocol.
- **Added third-party assurance** that our waste data is accurate and reliable along with year-over-year energy, water, emissions, and renewable energy procurement.
- Expanded the installation of **smart building technology** to over 80% of our high-rise portfolio, which has reduced annual common area energy consumption by over 10% compared to pre-installation levels at these properties.
- Invested in **air quality sensors** to measure micrograms of dust per cubic meter of air for all smart building properties.
- **Reduced electricity demand in 2020** by 1,106 kilowatts ("KW") through demand response programs resulting in over \$78,000 in additional NOI. Cumulatively since 2018, demand response programs have reduced demand by over 6,440 KW and resulted in nearly \$500,000 in additional NOI.
- 17% of eligible residential apartment homes have enrolled in **demand response / grid rewards programs**.
- **New rooftop solar investments** added over 841,000 kilowatt hours ("kWh") of clean renewable electric capacity in 2020, bringing our annual solar production capacity to 1.7 million kWh.
- Procured over 13 million kWh in **Green-e Certified Renewable Energy Certificates ("RECs")** to reduce the Company's carbon footprint. This is equivalent to preventing the GHG emissions associated with powering 1,096 homes annually.
- Saved 5 million gallons of water through **smart irrigation technology**.
- Used nearly **20 million gallons of reclaimed water** for irrigation in 2020, reducing our consumption of potable water.
- **Smart water metering** in place at 100% of eligible properties with daily monitoring at over 24,000 water meters to detect leaks, high consumption, and overall submeter health.
- Over 77% of our apartment homes **utilize leak detection** through Smart Home leak detection technology.
- Increased our resident environmental outreach and education through a **sustainability email campaign** that reached over 71,000 residents. We communicated regional specific opportunities to lower consumption during times of high demand, like the California Independent System Operator ("ISO") flex alerts, and shared Grid Rewards in multiple regions.
- **Issued a green bond** in the amount of \$350 million with proceeds used on eligible green projects.
- Benchmarked 56% of our portfolio in **Energy Star Portfolio Manager**.
- Increased by 34% the number of charging ports at **Electric Vehicle ("EV") charging stations** since 2018.

THE FOLLOWING PROVIDE GREATER DETAIL ABOUT SELECTED INITIATIVES:



SMART BUILDING TECHNOLOGY

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

In 2020, UDR's Corporate Services Team expanded the Company's smart building policies and procedures in addition to installing new equipment at over 80% of our high-rise portfolio. We can now monitor energy usage in real-time, be alerted to equipment malfunctions, and control smart thermostats from a single centralized dashboard at our corporate office. These activities lower our energy costs, provide opportunity to identify potential new streams of revenue, and reduce our GHG emissions. Versus pre-installation baselines, our communities have reduced their annual common area energy consumption by over 10%, resulting in annual avoided emissions of approximately 1,100 MT CO₂e.

In addition to reduced energy consumption, the ongoing COVID pandemic has spotlighted the importance of air quality in our communities. In 2020, UDR invested in air quality sensors for our smart buildings portfolio that provide real-time alerts and measures micrograms of dust per cubic meter of air. We will be installing additional technological enhancements over the coming years, including demand response opportunities and more informational real time alerts.

**VERSUS PRE-INSTALLATION
BASELINES, OUR SMART BUILDING
COMMUNITIES HAVE REDUCED THEIR
ANNUAL COMMON AREA ENERGY
CONSUMPTION BY OVER 10%.**



DEMAND RESPONSE

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

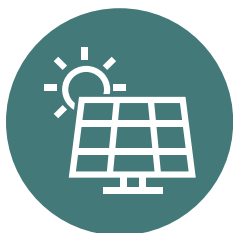
Since 2018, UDR has participated in 32 demand response events that have generated nearly \$500,000 in additional NOI while reducing electrical demand by over 6,440 KW. Our participation has eased the strain on local power grids during high-demand periods. In 2021, UDR enrolled 14 additional communities in demand response programs, bringing total participating communities to 19. One of our newly enrolled properties observed a reduction in grid consumption of over 80% in July 2021 when compared to typical consumption during similar time periods.

As a Company, we will continue to participate in demand response programs and actively look to further expand our reach as new programs become available in markets where we operate. Additionally, we are encouraging our residents to engage with these programs to help lessen their environmental footprint and our scope 3 emissions.

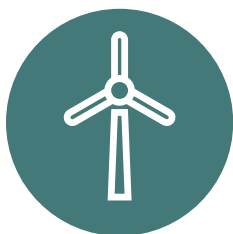
We provided educational information on how to participate in demand response programs to our California residents, including how their participation can lower their electricity costs during these events.

We also began resident enrollment in Grid Rewards, a local demand response program, at our pilot property in New York. To date we have achieved 17% enrollment. This program expects to yield a 10% GHG emissions reduction from participating residents, who may see annual cost savings of up to 15% of their electric bill. This program also provides a revenue share of demand response money accrued by residents with UDR.

THE FOLLOWING PROVIDE GREATER DETAIL ABOUT SELECTED INITIATIVES:

**SOLAR AND ONSITE RENEWABLE ENERGY***(GRI 302-4, 305-5, SASB IF-RE-130a.5)*

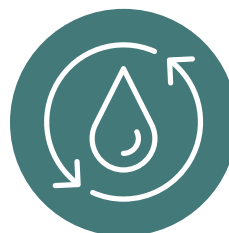
In 2020, UDR installed rooftop solar on five communities. Ten of our communities now have solar generation with annual capacity totaling 1.7 million kWh. These investments are economically sound and environmentally responsible as they lower our electric consumption and, therefore, GHG emissions. In 2021 and beyond, we will continue to underwrite opportunities to deploy solar where building or parking lot configurations allow. Battery storage is also high on our list of potential opportunities as it would reduce our reliance on the grid during peak pricing times while also providing short-term emergency power.

**RENEWABLE ENERGY PROCUREMENT***(GRI 305-5, TCFD 11)*

UDR purchased Green-e RECs representing 13.5 million kWh in 2020 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. Our initial goal was to procure 10% of our common area electricity through renewable energy sources by year-end 2025. We procured 12% of our total in 2020, thereby exceeding this goal. As such, we increased our goal to 15% of total common area electricity by year-end 2025. Moving forward, we will continue to evaluate ways to support renewable electricity production either through the purchase of additional renewable energy certificates or through green power options provided by various utility providers.

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

We believe smart irrigation offers one of the best opportunities to reduce water consumption at our communities and have invested in smart irrigation controls and monitoring devices since 2018. Since that time, we have averaged over 5 million gallons of annual water savings, or about 2% of our portfolio wide common area consumption. We have identified and started the Request For Proposal ("RFP") process for smart irrigation opportunities at an additional eight communities.

**RECLAIMED / RECYCLED WATER***(GRI 303-3, SASB IF-RE-140a.4)*

Since 2019, we have reduced our potable water consumption by nearly 45 million gallons using reclaimed / recycled water for irrigation. Reclaimed water is non-potable water that can still be used for irrigation. It is both environmentally friendly and less expensive than purchasing potable water from municipal water providers.

THE FOLLOWING PROVIDE GREATER DETAIL ABOUT SELECTED INITIATIVES:

**RESIDENT LEAK DETECTION***(GRI 303-3, SASB IF-RE-140a.4)*

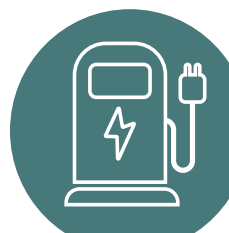
In 2019, we began to record sub metered resident water readings daily from over 24,000 meters portfolio wide. We receive daily, where applicable, emails for these properties that alert us to extremely high usage, usage above a certain threshold, and repeated high consumption by a resident. These warnings contribute to more effective and proactive maintenance by identifying water leaks earlier and have allowed us to bring more sub meter maintenance in-house, which has reduced costs and submeter downtime. Due to resident leak detection, we remediated over 85 residential leaks across 40 properties in 2020. Without this program, our absolute water consumption would be an estimated 56 million gallons higher on an annual basis, representing about 2% of our annual water consumption.

**REAL-TIME WATER USAGE***(GRI 303-3, SASB IF-RE-140a.4)*

In 2020, we continued to install smart metering devices on common area water intake lines at our properties, further advancing an initiative that began in 2019. Like resident sub meters, we receive daily emails that alert us to extremely high usage, usage above a certain threshold, and repeated high consumption at a property. These warnings contribute to more effective and proactive maintenance by identifying water leaks earlier and have allowed us to bring more common area water maintenance inhouse, reducing costs. We are currently reviewing additional water conservation opportunities like 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.

**WASTE***(GRI 306-2)*

UDR now monitors trash compactor levels at 23 communities, a 35% increase since 2018. Monitoring is integral to reducing unnecessary pickups from our waste movement partners, thereby reducing trash expense and GHG emissions from transportation. Due to monitoring and enhanced resident education, our waste diversion rate reached 13% in 2020. However, due to COVID, our overall trash management was strained as more of our residents worked from home and overall waste consumption increased 3% year-over-year throughout the portfolio. We will continue our resident education and diversion efforts in 2021 and beyond to reduce waste and increase diversion.

**EV CHARGING STATIONS**

Electrical car charging stations remain an amenity that our residents desire and one that is environmentally conscious. In 2020, we increased the number of car-charging ports available for our residents to 212, which is a 34% increase since 2018. We expect this trend to continue as the popularity of electrical vehicles grows.

RESIDENT ENVIRONMENTAL EDUCATION

(SASB IF-RE-410a.3)

UDR residents account for more than 50% of the energy consumed at our communities, so encouraging resident conservation can significantly reduce a community's aggregate environmental footprint and lessen resident utility bills. Similarly, residents account for approximately 90% of total water consumption at our communities. To better educate our residents on how they can do their part to conserve, we added a "green" addendum to our leases in late 2019 that reminds residents of their impact on the environment and indicates how they can partner with us to conserve these precious resources.

In 2020, we reached out to our residents through property 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. This sustainability campaign reached over 71,000 residents. In addition to our sustainability campaign, we also alerted all California residents of multiple CA ISO Flex Alerts, which is a statewide effort to encourage California residents to lower electricity consumption during periods of high demand. We will continue this enhanced outreach in 2021 and have already sent over 1,800 communications about the Reduce Energy Use DC Pledge to applicable properties in Washington D.C. and continued our communication to all California residents about CA ISO Flex Alerts with nearly 40,000 communications having been sent. We plan to expand future communications to include water conservation.

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 Grid Rewards program in New York. In 2020 UDR began educating and enrolling UDR residents into a residential demand response program, Grid Rewards. To date, 17% of the apartment homes at UDR's pilot property have enrolled. Enrolled residents can expect a 10% GHG emissions reduction, affecting UDR's Scope 3 emissions. Residents may receive an annual credit up to 15% of their electric bill. Other markets that have this program will be rolled out in 2021 and beyond.



LLOYD'S ASSURANCE STATEMENT

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

For the 2020 reporting period, we engaged Lloyd's 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, shown on the following Environmental Metrics page. For purposes of our 2020 GRESB reporting, our Lloyd's 2020 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.

ENVIRONMENTAL METRICS

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

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

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

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

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

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

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

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

(7) Recycled Water Consumption represents purchased reclaimed water.

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

LRQA INDEPENDENT ASSURANCE STATEMENT

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

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

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

TERMS OF ENGAGEMENT

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

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

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

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

¹ <http://www.ghgprotocol.org/>

LR's responsibility is only to UDR. LR disclaims any liability or responsibility to others as explained in the end footnote. UDR's responsibility is for collecting, aggregating, analyzing and presenting all the data and information within the Report and for maintaining effective internal controls over the systems from which the Report is derived. Ultimately, the Report has been approved by, and remains the responsibility of UDR.

LRQA'S OPINION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

LRQA'S APPROACH

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

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

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

LRQA'S STANDARDS, COMPETENCE AND INDEPENDENCE

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

LR ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

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

Signed:

Dated: 27 July 2021



Brooke Farrell

LRQA Lead Verifier

On behalf of Lloyds' Register Quality Assurance, Inc.

1330 Enclave Pkwy, Suite 200

Houston, TX 77077

LRQA reference: UQA00001495

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OUR COMMITMENT TO
SOCIAL RESPONSIBILITY

CULTURE STATEMENT

(GRI 102-16)

In 2020, we revised our culture statement to reflect evolving values and launched a “culture” website where associates can learn about our cultural keystones.

UDR’s culture is achievement based, goal oriented, forward thinking, inclusive, and driven by innovation and technology. These principles support an empowered, merit-based structure that rewards strong financial results and top performance while also mandating accountability. The UDR culture fosters trust in our colleagues and encourages work/life balance. We strive to build an inclusive work environment that encourages, supports, and celebrates the diverse voices of our associates across the country. Our associates are the cornerstones of our culture as they create, mold, embrace and promote it daily. Their engagement helps make it possible for UDR to provide long-term cash-flow growth and total return for our shareholders, competitive training and professional development and advancement opportunities for our associates, and superior customer service to our residents. These accomplishments are achieved in concert with UDR being a responsible steward of the environment, a socially conscious corporate citizen, and a promoter of sound corporate governance.



RESPECT

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



INTEGRITY

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



TEAMWORK

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



OWNERSHIP

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



GROWTH

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

COVID RESPONSE FOR BOTH ASSOCIATES AND RESIDENTS (NEW)

The safety, health, and wellness of our associates and residents remain top priorities for UDR. The COVID pandemic provided unique challenges to the Company. In response, we developed a number of integrated protocols that ensured the safety and wellbeing of our associates and residents.

For our Associates:

- Free Personal Protective Equipment ("PPE")
- Additional time off for COVID-related matters
- One-time bonuses
- Flexible work schedules
- Work-from-home option
- Vacation buy-out programs
- Mental wellness programs

For our residents:

- Payment plan options to those financially impacted by the pandemic.
- Credit card payments without an additional fee.
- Payment installment options without an additional fee.
- Waived late fees and rent increases in select markets.
- Guidance and assistance in securing government rental assistance funds.

In addition to the above, we enhanced our cleaning protocols, provided residents with opportunities to participate in virtual activities, and expanded services offerings in the virtual realm through our Next Generation Operating Platform. These included no-contact property tours and reservation systems for gym and/or pool facilities. By utilizing these services and technology, 84% of our resident interactions took place online in 2020.

BY UTILIZING OUR NEXT GENERATION OPERATING PLATFORM, 84% OF OUR RESIDENT INTERACTIONS TOOK PLACE ONLINE IN 2020.



Milehouse food bank collection
Redmond, WA

ASSOCIATE ENGAGEMENT

UDR creates a significant amount of value through our innovative culture. At least every three years we engage an independent third-party to conduct our Associate Engagement Survey to assess a variety of engagement areas with feedback requested from all associates. 2019 survey results yielded a 96% response rate and showed that 97% of associates are proud to work at UDR, 87% of associates feel that people from diverse backgrounds can succeed at the Company, and 84% of associates feel that the Company is innovative. We believe when associates are engaged the Company will outperform, driving enhanced value for our shareholders and superior customer service for our residents. We remain committed to maintaining a high level of associate engagement across our Company. A new engagement survey will be conducted in 2021. Since 2018, "Associate Engagement" has comprised part of UDR Senior Management's short-term incentive compensation. This remains in place for 2021, helping to keep culture and engagement top of mind.

HIGHLIGHTS:

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

TRAINING

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

UDR believes that ongoing, consistent training is vital to our associates' job satisfaction, essential to increasing their effectiveness, and crucial to their career advancement and retention. Each new associate undergoes an onboarding process that includes information and training regarding the Company's culture, values, and mission, along with administrative matters. In addition to our required annual training regimen designed to address regulatory and statutory matters (sexual harassment, workplace harassment, cybersecurity, fair housing, business ethics and diversity, and equity and inclusion, including unconscious bias), the Company offers a wide range of courses in career advancement.

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

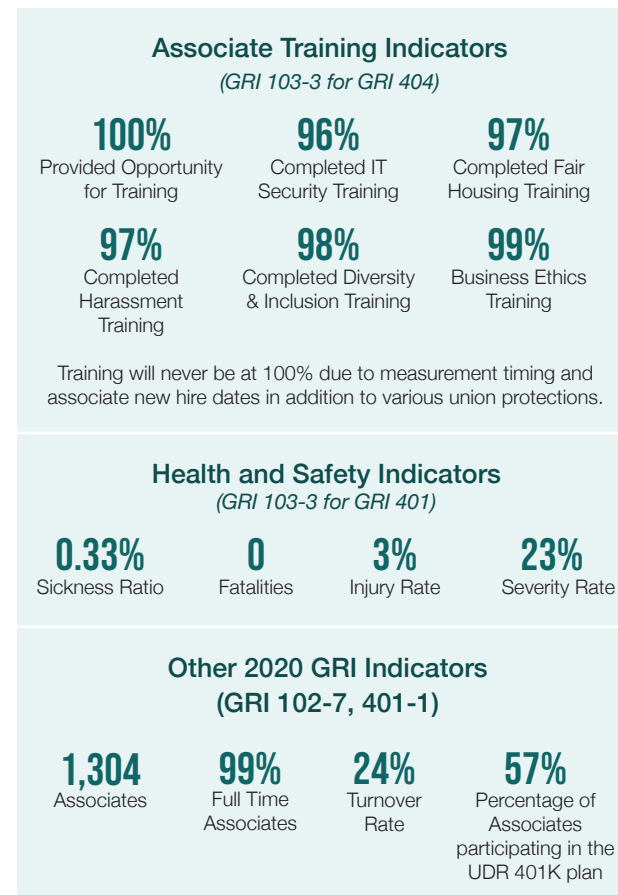
Our training program also includes annual "refreshment" training should an associate want to refresh a certain skillset. In total, there are over 5,000 courses available to our associates. Program topics include leasing skills, basic property maintenance, customer service, project management, system applications, etc. In aggregate, our associates engaged in 25,350 hours of training in 2020, or an average of 25 hours per associate.

We enhanced our controls around required training to ensure that associates complete these courses in a timely manner. As of our 2020 year end measurement, 96% of associates completed technology IT security training, 97% of associates completed fair housing, 97% of associates completed harassment training, 98% of associates completed diversity and inclusion training, and 99% of associates completed our annual business ethics training.

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.

Each UDR associate is required to engage in an annual performance review with their direct supervisor. Among other things, the performance reviews establish the associate's training plans for the upcoming year and provides feedback on career development.



ASSOCIATE DIVERSITY

(GRI 405-1)

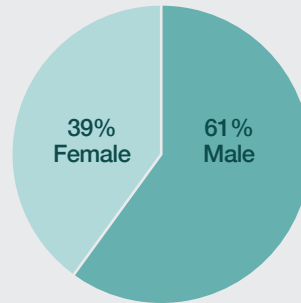
UDR has long believed that diversity and inclusion is important to our Company's success. We are committed to creating and maintaining a diverse and inclusive workplace environment that supports the development and advancement of all associates. Beginning in 2020, and continuing into 2021 we formalized our diversity, equity, and inclusion efforts by forming a committee dedicated to overseeing this initiative. We engaged an experienced consultant to help guide our efforts through a survey sent to all associates and the formation of focus groups to provide additional insights. We will use the findings to create new programs to strengthen our DEI efforts in our hiring processes, associate training and development, compensation, and representation of underrepresented groups, and should help identify new goals from which we can measure our progress in the future.

WE ARE COMMITTED TO CREATING AND MAINTAINING A DIVERSE AND INCLUSIVE WORKPLACE ENVIRONMENT THAT SUPPORTS THE DEVELOPMENT AND ADVANCEMENT OF ALL ASSOCIATES.

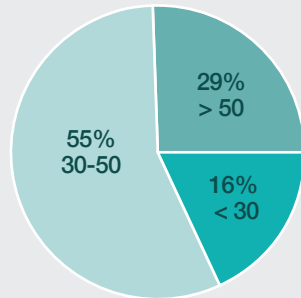
UDR ASSOCIATES

(GRI 405-1)

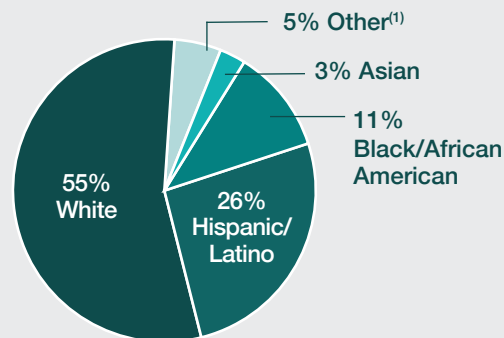
Associates by Gender



Associates by Age



Diverse Workforce

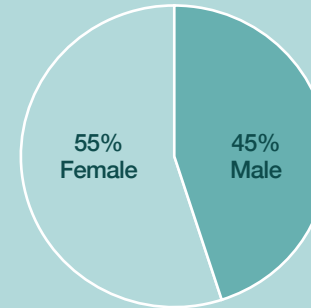


⁽¹⁾ Data as of December 31, 2020. Other includes American Indian, Alaska Native, Native Hawaiian, Pacific Islander, Not Specified or two or more races.

MANAGEMENT

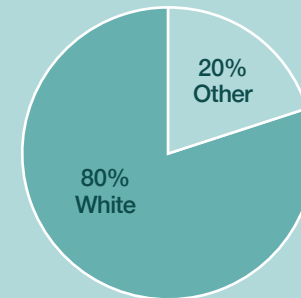
(GRI 405-1)

Management* by Gender



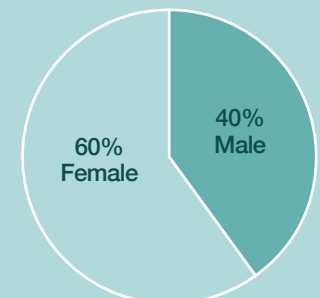
*Associates with the title of Community Director or Director and higher job classifications.

Management* Ethnicity

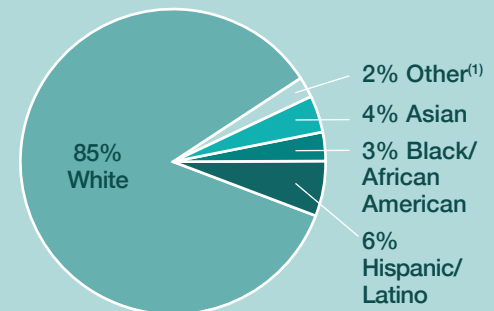


Management* Promotions Gender (2018-2020)

*Promotions to Community Director or Director and higher job classifications.



Management* Promotions Ethnicity (2018-2020)



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

ASSOCIATE COMPENSATION

(GRI 405-2)

Attracting, mentoring, and retaining high-quality and diverse associates are critical to the long-term success of our Company. Implementing fair, non-biased compensation practices is our starting point. We also use various recruiting methods depending on job function, including an associate referral program, internet-based recruiting platforms, and third-party recruiting agencies. With respect to compensation, we utilize market surveys and other third-party information when determining salary ranges, and we design our compensation programs to include bonus potential to incentivize performance. In addition, we evaluate gender- and diversity-based job-title-specific compensation metrics quarterly to actively monitor pay equity and identify areas for improvement and as part of the Company's on-going Next Generation Platform implementation. These results are provided annually to our Board of Directors.

A compensation ratio is an indicator of how pay ratios differ by group within a given job type. A score of 100% is average, 105% is above average, and 95% is below average. Based on our 2020 gender and diversity ending pay ratios, we believe our ratios support pay equality across the organization based on job type.

2020 GENDER COMPENSATION RATIOS

Male	100.7%
Female	98.7%

2020 DIVERSITY COMPENSATION RATIOS

Asian	104.2%
Black	100.3%
Hispanic or Latino	98.6%
Other	102.8%
White	100.2%

UDR WELLNESS OCCUPATIONAL HEALTH AND SAFETY (NEW)

The health and safety of our associates is of utmost importance to UDR. Throughout 2020, we published a monthly Wellness Newsletter for our associates as part of our UDR Wellness Initiative. Special attention was focused on the state of our associates' mental and physical health given additional stressors brought on by the COVID pandemic. The Wellness Newsletters covered multiple topics, including preventative care, fitness and heart health, strategies to maintain mental health when working remotely or in self-isolation, managing anxiety and fatigue, as well as the Center for Disease Control and Prevention's ("CDC's") recommendations related to COVID. Our associates also have access to UDR's Associate Resource Program, which offers access to consultants, online resources, and confidential access to three free visits with a counselor should they be needed.

At our corporate office, UDR coordinated a flu shot clinic in fall of 2020 for our associates and offered virtual and in person fitness programming featuring ongoing challenges, classes, and healthy recipes.

In early 2021, we rolled out access to Ginger, a confidential on-demand behavioral health support mobile application, providing associates 24/7 access to a care team comprised of coaches and mental health professionals through text-based chats and self-guided activities at no cost to the associate.

BENEFITS

(GRI 401-2)

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

Highlights:

- 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)*
- Medical Flexible Spending Account
- Commuter Expense Reimbursement Plan*
- Tuition Reimbursement
- Associate Rent Discount*
- Business Travel Insurance*
- Voluntary Identity Theft Program
- Pet Insurance*

ASSOCIATE OUTREACH AND COMMUNITY ENGAGEMENT

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

Due to COVID restrictions, we were unable to conduct our annual coordinated UDR volunteer days in 2020 but still found ways for associates to contribute to their local communities and national outreach programs.

At the corporate level, we donated to (1) Packs of Hope, where associates fill backpacks with clothing items and resources for children transitioning into foster care, and (2) the Salvation Army's Angel Tree program, which allows associates to provide gifts for children aged 0-12 and seniors in the South Denver, Colorado metro area for the winter holiday season. Our corporate office also contributed to Coats for Colorado, donating 45 coats to those in need throughout Colorado, donated masks to Children's Hospital Colorado, and provided multiple opportunities to send care packages and cards to support our American troops. Although our scheduled blood drive at Children's Hospital Colorado did not take place, we provided resources to associates to schedule their own blood donations. The switch to virtual working and learning was challenging for many, so we donated 53 computers to a Denver-area public school where 95% of the students are from low-income houses and lack the resources for virtual learning.

Our properties also found ways to provide charitable outreach throughout this difficult year. Our Something Good Committee in the Pacific Northwest coordinated opportunities for associates and residents alike to participate in food drives and blood drives. Other communities reached out to those heavily impacted by the pandemic, donating food and thank you gifts to healthcare workers as well as coordinating resident donations to a shelter for domestic violence against women and children.

In addition to our associate outreach positively impacting the hospitals, front line workers, and those in need in neighborhoods where we operate, UDR also supports our broader communities by providing affordable housing at over 45 communities (covering over 3,700 homes) as of year end 2020. 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)

UDR strives to provide exceptional customer service as doing so is key to resident retention. Listening, understanding, and responding to our residents feedback is central to our customer service strategy. We have a dedicated corporate resident relations team that actively monitors a variety of resident feedback sources (e.g., resident communication and interaction with associates, resident surveys, and social media/review websites) and then personally responds to make sure our

residents know that we are hearing their concerns and also appreciating their positive reviews. In 2020, we responded to 89% of our online reviews, an increase from 50% in 2019.

We try to make it easy for our residents to interact with us through a multitude of communication channels, including our resident application, text messaging, email, virtual meetings/events, a 24-hour emergency maintenance line, and phone calls. Our expansive communications platform ensured that UDR was prepared when COVID hit in 2020. Having a variety of ways to communicate allowed us to push out timely updates to residents and made it simple to move to contactless interaction.

We measure how our residents view their UDR experience through Net Promotor Scores. These measure resident loyalty by asking "how likely are you to recommend this apartment community to a friend, family member, or colleague?" generating an NPS score which can range from -100 to +100. Negative scores indicate a need for improvement. Scores ranging from 0-30 are widely considered "Good". Scores above 30 are widely considered "Great". UDR maintained an average NPS score above 33 in 2020. We survey residents at key touchpoints throughout their lease term, including touring, move-in, quarterly, completed maintenance requests, and at renewal/transfer/move-out. The quarterly surveys are a regular check-in for us to see how things are going and resolve any problems as early in their lease as possible. This continuous cycle of feedback brings to the forefront opportunities to improve our policies and communications as well as implement amenity improvement or renovation capital projects. It also enables us to better understand what matters to our customers.



Brio Apartments – Seattle, WA

RESIDENT TECHNOLOGY

Since the second quarter of 2018, UDR has been implementing our Next Generation Operating Platform throughout our portfolio. The Platform is built around self-service and provides more efficient customer service to current and prospective residents. By allowing residents to communicate with us, obtain information, and complete transactions on their schedules through technological means, UDR has been able to more efficiently staff our communities, increase customer satisfaction, provide our associates with innovative tools to enhance their career mobility and compensation, and integrate new technologies that generate operational efficiencies, margin expansion, and earnings growth.

2020 Next Generation Operating Platform Highlights:

- Installed smart home technology in 41,219 homes by the end of 2020.
- Self-guided property tours increased to 75,609 tours in 2020.
- Virtual “touchless” property tours were added in April of 2020 and 7,840 virtual tours were conducted in 2020.
- In aggregate, self-guided and virtual tours accounted for 87% of total tours in 2020.
- Enhanced our resident application to allow residents and, as applicable, potential residents access to additional features.
- Screened the resident application for opportunities to add accessibility features which should aid in easier navigation and viewing for all residents and potential residents.



MY UDR BENEFITS

Our residents can conduct apartment-related business conveniently through the MyUDR Resident Portal. This online portal allows residents to pay rent, renew their lease, schedule maintenance requests, and connect socially with other residents. In 2020, 84% of our everyday resident interactions (lease renewal, service requests, and payments) occurred online through the resident portal.

Over the course of 2020, we enhanced our resident app to allow residents and, as applicable, potential residents, and associates, the ability to make and cancel amenity reservations, change their contact information, enable guest access and parking passes, schedule tours and check in for tours at multiple properties, and view “do it yourself” maintenance videos, all from their mobile devices.

IN AGGREGATE, SELF-GUIDED AND VIRTUAL TOURS ACCOUNTED FOR 87% OF TOTAL TOURS IN 2020.



OUR COMMITMENT TO **CORPORATE GOVERNANCE**



CORPORATE GOVERNANCE OVERVIEW

(GRI 102-18)

We believe that effective and transparent corporate governance is critical to our long-term success and our ability to create value for our shareholders. We frequently review our corporate governance policies, monitor emerging developments in corporate governance, and enhance our policies and procedures when our Board determines that it would benefit our Company and shareholders to do so. We maintain a corporate governance page on our website that includes key information about UDR's corporate governance, including our:

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

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

SUCCESSION PLANNING

(GRI 102-18)

One of the primary responsibilities of the Board is to ensure that the Company has the necessary senior management talent to pursue our strategies and drive successful results. 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 the Senior Vice President ("SVP") – Organizational Development and Engagement 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 below illustrates the activities taken in connection with succession planning.



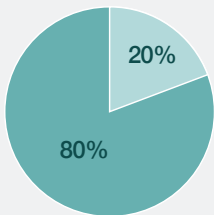
BOARD COMPOSITION AND EXPERTISE

(GRI 102-18)

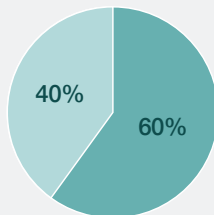
At UDR, we believe that diversity of background and perspective is an important attribute of a well-functioning Board. Collectively, the members of our Board embody a range of viewpoints, backgrounds, and expertise. The Board of Director's continued its refreshment efforts with the addition of Diane M. Morefield in 2020 and Kevin C. Nickelberry in 2021. With these continued efforts, the Board has now added six new independent directors in the last seven years with diverse and additive skill sets. In addition, the most recent two additions have further enhanced the gender and ethnic diversity of the board to forty percent (40%).



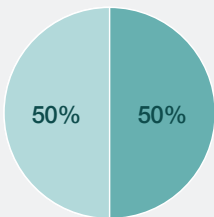
Current or Former CEO's



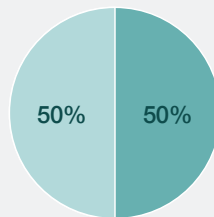
Current or Former Public Company Officer



Construction and Development Expertise



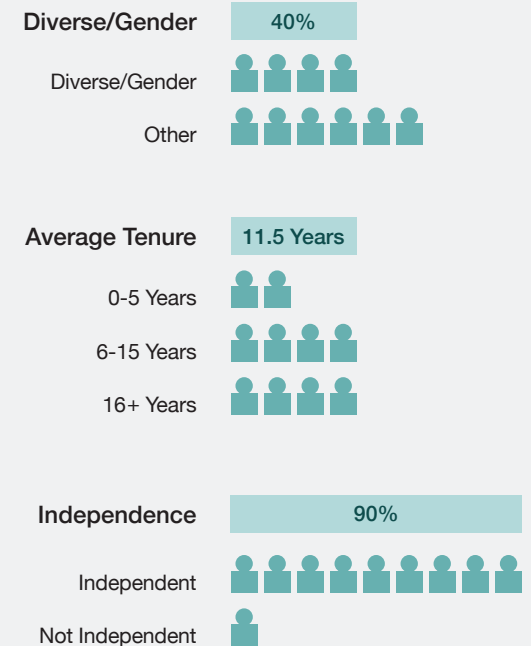
Professional Certification



Core Competencies



Key Board Facts



■ Directors with Expertise. | All data is as of September 2021 unless otherwise stated.

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. The Code is published on our website and available to all relevant parties.

DIVERSITY AND EQUAL OPPORTUNITIES

(GRI 405-1)

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, sexual / gender identity, age, disability, pregnancy, national origin, military or veteran status, or any other characteristic protected by law. All associates were offered required training in 2020 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 required annual training program includes a diversity and inclusion course with unconscious bias training, and our associate diversity metrics are published in accordance with our GRI disclosures. In 2020, the Company engaged an independent consultant to conduct a Company-wide DEI Organizational Assessment. This assessment included a survey sent to all associates and conducted focus groups. The findings are intended to be used to assist us in (1) driving new programs specifically created to strengthen our DEI efforts when hiring, (2) advancing associate training and development, compensation, and representation of underrepresented groups, and (3) helping us define new goals.

ENTERPRISE RISK MANAGEMENT

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

ERM provides a proactive framework for the evaluation of threats and risks to our business and assists in the development of mitigation strategies to protect the enterprise. ERM oversight is the responsibility of the Board. Our existing ERM dashboard is reviewed by the Audit and Risk Management Committee as part of 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 review of the climate risk scores (as determined by several climate change vendors) assigned to each market and asset, followed by a comprehensive review of any change in municipal regulations that could impact the risk level assigned.





10 Hanover Square – New York, NY

ENTERPRISE SECURITY PROGRAM

(GRI 103-1)

The UDR Enterprise Security Office ("ESO") operates a modern 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 ("NIST"), The Center for Internet Security ("CIS"), and SysAdmin, Audit, Network, and Security ("SANS"). Several members of the UDR ESO are trained and certified by the International Information System Security Consortium.

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

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

The UDR ESO operates a comprehensive 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. UDR 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 vendors must also 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 and most recently included a simulated ransomware attack against UDR. From a technology perspective, UDR was already prepared to support large scale remote work prior to 2020. This minimized the potential technology impact and promoted the remote work ability of UDR associates during the COVID crisis.

UDR works with third parties to re-evaluate the strategies of the ESO 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 ("IOT"), such as the smart home package many of our residents now enjoy.

In 2020, UDR introduced a number of customer-facing applications to improve our customer experience. To support this effort, our ESO has adopted modern security tools, policies, and controls to secure our Software Development Lifecycle ("SDLC"). This allows us to closely manage our software supply chain and practices in order to prevent attacks on our source code.

UDR operates a modern datacenter with dedicated internal teams to manage both the security and availability of the applications housed within it. The latest tools are used to address endpoint security, vulnerability management and patching. Network security includes state of the art edge protection, monitoring and high availability to mitigate external threats. UDR uses artificial intelligence ("AI") 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 ("SIEM").

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 security governance and steering committee with members from all departments that meets on a regular basis. In 2020, UDR maintained an overall average score above 95 on a 100-point scale of cyber-readiness. 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 of Directors. The entire Board of Directors is updated on cybersecurity at least annually.

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:

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

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

INTERNAL AUDIT

(GRI 102-18)

Our Internal Audit group is independent and reports directly to the Audit and Risk Management Committee of the Board of Directors. Our Internal Audit group is comprised of associates with professional backgrounds in accounting, auditing, and public accounting. Our Internal Audit group holds professional certifications including the following: Certified Public Accountant ("CPA"), Certified Internal Auditor ("CIA"), Certified Fraud Examiner ("CFE"), and Certification in Risk Management Assurance ("CRMA"). The Internal Audit group utilizes data analytics software and robotic process automation to audit and test whole populations of significant Company operational and financial transactions. The audit results are summarized and provided to senior management and the Audit and Risk Management Committee. Internal Audit's utilization of automated data scripts and robotics results in more efficient compliance testing and more timely reporting of significant Company transactions.

GOVERNMENT AFFAIRS

Our Government Affairs group was formed to track, monitor, and advise on regulatory matters 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 to ensure that UDR is considering 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, UDR's operating team, and other Company leaders to help guide our operating and capital allocation strategies.

In 2020 and 2021, the group's role was expanded to help secure government rental assistance for our residents impacted by COVID. Since this expansion, UDR has sourced approximately \$14.3 million as of August, 2021 in rental assistance across the country, which has helped impacted residents become current on their rent due and alleviated the stresses that came with pandemic-related job losses.

UDR made no political contributions to candidates in 2020.

WHISTLEBLOWER PROGRAM

UDR, Inc. is an organization with strong values of responsibility and integrity. Our Code of Business Conduct and Ethics contains general guidelines for conducting business with the highest standards of ethics.

UDR, Inc. 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.

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, or auditing matters. Instructions for making a report are published in the Corporate Governance subsection of the Investor Relations page of the Company's website at ir.udr.com.

GLOBAL REPORTING INITIATIVE CONTENT INDEX

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

GENERAL DISCLOSURES

ORGANIZATIONAL PROFILE

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
102-1	Name of the organization	UDR, Inc.
102-2	Activities, brands, products, and services	UDR is an S&P 500 company. UDR is a leading multifamily real estate investment trust that manages, buys, sells, develops and redevelops real estate properties primarily located in Boston, New York, Washington, D.C., Orlando, Tampa, Dallas, Orange County, Los Angeles, San Francisco, Seattle, and other markets. https://www.udr.com/search-apartments/ Also refer to About UDR, INC., Page 6; and UDR's Business Strategy, Page 8.
102-3	Location of headquarters	UDR's corporate headquarters is located in Highlands Ranch, Colorado.
102-4	Location of operations	UDR's operations are limited to the United States of America.
102-5	Ownership and legal form	UDR, Inc. (NYSE:UDR), a Maryland corporation, and United Dominion Realty, L.P., a Delaware limited partnership, of which UDR, Inc. is the parent company and sole general partner. 2020 10-K. http://ir.udr.com/Docs
102-6	Markets served	November 2020 Investor Presentation, Page 3. http://ir.udr.com/Presentations 2020 10-K, Schedule III, S-1. http://ir.udr.com/Docs Also refer to About UDR, INC., Page 6.
102-7	Scale of the organization	As of December 31, 2020 UDR had 1,291 FTEs. Refer to 102-8 for further breakdown of employees by employment contract and employment type. Also refer to Other 2020 GRI Indicators, Page 36. 4th Quarter 2020 Earnings Release provides revenue from operations, debt, equity and other operational information. http://ir.udr.com/Docs

GRI INDICATOR

102-8

DESCRIPTION

Information on employees and other workers

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

Total Associates by Gender
 Female: 515 / 39%
 Male: 789 / 61%
 Total: 1,304 / 100%

Markets	ASSOCIATES BY REGION			FULL TIME		PART TIME	
	All	Full Time	Part Time	Male	Female	Male	Female
Austin TX	22	20	2	12	8	1	1
Baltimore	25	25	-	15	10	-	-
Boston	76	76	-	43	33	-	-
Dallas TX	54	53	1	36	17	-	1
Denver	305	305	-	157	148	-	-
LA County	29	29	-	18	11	-	-
Metro DC	148	141	7	85	56	-	7
Monterey (Salinas)	48	48	-	30	18	-	-
Nashville TN	45	45	-	20	25	-	-
New York	150	150	-	135	15	-	-
Orange County	107	107	-	60	47	-	-
Orlando	50	50	-	32	18	-	-
Other Florida	7	7	-	4	3	-	-
Philadelphia	13	13	-	7	6	-	-
Portland, OR	11	11	-	5	6	-	-
Richmond	26	26	-	17	9	-	-
San Diego County	9	9	-	6	3	-	-
Seattle, WA	71	71	-	36	35	-	-
SF Bay Area	48	44	4	29	15	2	2
Tampa FL	60	59	1	38	21	1	-
Total	1,304	1,289	15	785	504	4	11

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 45.</p>
102-10	Significant changes to the organization and its supply chain	<p>In 2020, there were no changes to UDR's supply chain that would significantly impact the economy, environment, or our communities.</p>
102-11	Precautionary Principle or approach	<p>The Precautionary Principal was defined in the United Nations 1992 Rio Declaration. It outlines that precautionary measures should be taken to protect against environmental degradation even if full cause and effect relationships have not been scientifically proven. UDR does not use the Precautionary Principal to protect against environmental degradation. Refer to our SASB and TCFD indices for further discussion surrounding UDR's climate change risk management process and strategies.</p>
102-12	External initiatives	<p>As of December 31, 2020, 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 1,378 homes, 202 of which have been completed, with a budget of \$491.5 million, in which we have an investment of \$247.9 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 green building certifications (LEED, Green Globes, NGBS), including TCFD and SASB responses in our annual Corporate Responsibility Report, and aligning with the United Nation's Sustainable Development Goals.</p> <p>Also refer to Scores-Alignments-Memberships-Awards, Page 7.</p>

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
102-13	Membership of associations	<p>Memberships: Real Estate Round Table, Urban Land Institute, NAREIT, NMHC, NAA, ULI Greenprint.</p> <p>Participant of: GRESB</p> <p>Regional Associations/Memberships include:</p> <ul style="list-style-type: none"> 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 <p>Also refer to Scores-Alignments-Memberships-Awards, Page 7.</p>

STRATEGY

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

ETHICS AND INTEGRITY

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
102-16	Values, principles, standards, and norms of behavior	<p>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.</p> <p>Also refer to Culture Statement, Page 33 and Business Integrity, Page 43.</p>

GOVERNANCE

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
102-18	Governance structure	Chairman and Chief Executive Officer Message, Pages 4-5; ESG Governance, Page 9; Corporate Governance Overview, Page 41; Succession Planning, Page 41; Board Composition, Page 42; and Internal Audit, Page 45. Further information regarding UDR's governance structure can be found at http://ir.udp.com/govdocs , including Audit Committee Charter, Compensation Committee Charter, Governance Committee Charter, and Statement on Corporate Governance.
102-19	Delegating authority	The process for delegation authority for environmental and social topics to senior executives can be found on Page 9.

STAKEHOLDER ENGAGEMENT

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
102-40	List of stakeholder groups	UDR's ESG Methodology, Page 9.
102-41	Collective bargaining agreements	8%
102-42	Identifying and selecting stakeholders	UDR's ESG Methodology, Page 9. Any interested party may contact UDR through our corporate website at UDR.com
102-43	Approach to stakeholder engagement	Message from the Chairman and CEO, Pages 4-5; UDR's ESG Methodology, Page 9; and Resident Engagement, Page 38.
102-44	Key topics and concerns raised	Materiality Assessment, Page 10.

REPORTING PRACTICE

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
102-45	Entities included in the consolidated financial statements	2020 10-K. http://ir.udp.com/Docs
102-46	Defining report content and topic Boundaries	UDR's ESG Methodology, Material Assessment, ESG Governance, and ESG Measurement and Reporting are defined on Pages 9-10, 13-14.

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
102-47	List of material topics	UDR's Corporate Responsibility Report includes material information for energy, resident and Associate engagement, workforce diversity, Associate training, developments, investor interactions, Associate community service, governance, and other material information. UDR's material topics include environmental, social, and governance and how we management those topics, including defining, measure, and set future goals and targets. Also refer to the Materiality Assessment, Page 10.
102-48	Restatements of information	None.
102-49	Changes in reporting	None.
102-50	Reporting period	Environmental, social, and governance data covers the 2020 calendar year. Financial data is current as the Q4 2020 Supplemental Report unless otherwise stated.
102-51	Date of most recent report	October 2020.
102-52	Reporting cycle	Annual.
102-53	Contact point for questions regarding the report	CR@udr.com
102-54	Claims of reporting in accordance with the GRI standards	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 46-56.
102-56	External assurance	UDR's management was responsible for preparing the 2020 Corporate Responsibility Report and for maintaining effective internal controls over the data and information disclosed. The internal controls surrounding the recording, reporting, and monitoring of key metrics outlined in this Report were effective during the reporting period based on internal reviews. LRQA's Independent Assurance Statement, Pages 30-31.
103-1	Explanation of the material topic and its Boundary.	UDR's material topics outlined in Disclosure 102-47 are material because they can impact UDR's financial and or operational performance. These topics are monitored to allow the Company to better manage the risks and or opportunities presented by each topic. The impact of any material topic on which we report occurs within the reporting boundary we have as a company. Also refer to the Materiality Assessment, Page 10; Environmental Governance, Page 9; Enterprise Risk Management, Page 43; and Enterprise Security System, Page 44.

TOPIC SPECIFIC DISCLOSURES

GRI 201 ECONOMIC PERFORMANCE

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
103-1	Explanation of the material topic and its boundary.	4th Quarter 2020 Earnings Release, Pages 1-7. http://ir.udr.com/Docs
103-2	The management approach and its components.	4th Quarter 2020 Earnings Release, Page 1-7. http://ir.udr.com/Docs
103-3	Evaluation of the management approach.	2020 10-K, Pages 4-31. http://ir.udr.com/Docs
201-1	Direct economic value generated and distributed.	2020 10-K, Pages 41; 4Q20 Earnings Supplement, Attachment 1. http://ir.udr.com/Docs
201-2	Financial implications and other risks and opportunities due to climate change.	2020 10-K, Pages 1,14, 20-22, and 37. http://ir.udr.com/Docs

GRI 302 ENERGY

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
103-1	Explanation of the material topic and its boundary.	Materiality Assessment, Page 10; Environmental Governance and Management, Page 16.
103-2	The management approach and its components.	Materiality Assessment, Page 10; Environmental Governance and Management, Page 16; SASB: Climate Risk, Page 17.
103-3	Evaluation of the management approach.	Environmental Governance and Management, Page 16.
302-1	Energy consumption within the organization	Environmental Metrics, Page 29; LRQA Independent Assurance Statement, Pages 30-31.
302-3	Energy intensity	Environmental Metrics, Page 29.
302-4	Reduction of energy consumption	Scores-Alignments-Memberships-Awards, Page 7; ESG Measurement and Reporting, Pages 13-14; Progress Towards E Goals, Page 18; Smart Building Technology, Page 25; Demand Response, Page 25; Solar and Onsite Renewable Energy, Page 26; Environmental Metrics, Page 29; LRQA Independent Assurance Statement, Pages 30-31.

GRI 303: WATER AND EFFLUENTS

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
103-1	Explanation of the material topic and its boundary.	Materiality Assessment, Page 10; Environmental Governance and Management, Page 16.
103-2	The management approach and its components.	Materiality Assessment, Page 10; Environmental Governance and Management, Page 16; SASB: Climate Risk, Page 17.
103-3	Evaluation of the management approach.	Environmental Governance and Management, Page 16.
303-1	Interactions with water as a shared resource	Environmental Metrics, Page 29; LRQA Independent Assurance Statement, Pages 30-31.
303-3	Water withdrawal	Scores-Alignments-Memberships-Awards, Page 7; Progress Towards E Goals, Page 18; Smart Irrigation, Page 26; Reclaimed / Recycled Water, Page 26; Resident Leak Detection, Page 27; Real-Time Water Usage, Page 27; Environmental Metrics, Page 29; and LRQA Independent Assurance Statement, Pages 30-31.

GRI 305: EMISSIONS

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
103-1	Explanation of the material topic and its boundary.	Materiality Assessment, Page 10; Environmental Governance and Management, Page 16.
103-2	The management approach and its components.	Materiality Assessment, Page 10; Environmental Governance and Management, Page 16; SASB: Climate Risk, Page 17.
103-3	Evaluation of the management approach.	Environmental Governance and Management, Page 16.
305-1	Direct (Scope 1) GHG emissions	Environmental Metrics, Page 29; LRQA Independent Assurance Statement, Pages 30-31.
305-2	Energy indirect (Scope 2) GHG emissions	Environmental Metrics, Page 29; LRQA Independent Assurance Statement, Pages 30-31.
305-4	GHG emissions intensity	Environmental Metrics, Page 29.
305-5	Reduction of GHG emissions	ESG Measurement and Reporting, Pages 13-14; Scores-Alignments-Memberships-Awards, Page 7; Progress Towards E Goals, Page 18; Smart Building Technology, Page 25; Demand Response, Page 25; Solar and Onsite Renewable Energy, Page 26; Environmental Metrics, Page 29; and LRQA Independent Assurance Statement, Pages 30-31.

GRI 306: WASTE AND EFFLUENTS

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
103-1	Explanation of the material topic and its boundary.	Materiality Assessment, Page 10; Environmental Governance and Management, Page 16.
103-2	The management approach and its components.	Materiality Assessment, Page 10; Environmental Governance and Management, Page 16; SASB: Climate Risk, Page 17.
103-3	Evaluation of the management approach.	Environmental Governance and Management, Page 16.
306-2	Waste by type and disposal method.	ESG Measurement and Reporting, Pages 13-14; Progress Towards E Goals, Page 18; Waste, Page 27; Environmental Metrics, Page 29; and LRQA Independent Assurance Statement, Pages 30-31.

GRI 401: EMPLOYMENT

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
103-1	Explanation of the material topic and its boundary.	UDR Proxy, Human Capital Management, Page 42-44. http://ir.udr.com/Docs
103-2	The management approach and its components.	UDR Proxy, Human Capital Management, Page 42-44. http://ir.udr.com/Docs
103-3	Evaluation of the management approach.	UDR Proxy, Human Capital Management, Page 42-44. http://ir.udr.com/Docs ; Also refer to Health and Safety Indicators, Page 36.
401-1	New employee hires and employee turnover	Other 2020 GRI Indicators, Page 36.

NEW HIRES BY AGE ⁽¹⁾		NEW HIRES BY REGION			TERMS BY REGION			TURNOVER BY REGION			
		Markets	Total New Hires	New Hires - Male	New Hires - Female	Total Terms	Terms - Male	Terms - Female	Turnover	Turnover - Male	Turnover - Female
LESS THAN 30	37%	Austin TX	-	-	-	3	1	2	14%	8%	22%
30-50	49%	Baltimore	6	4	2	8	4	4	32%	27%	40%
GREATER THAN 50	14%	Boston	22	9	13	30	17	13	39%	40%	39%
		Dallas TX	16	12	4	22	18	4	41%	50%	22%
		Denver	88	50	38	34	21	13	11%	13%	9%
		LA County	10	6	4	16	11	5	55%	61%	45%
		Metro DC	19	14	5	33	24	9	22%	28%	14%
		Monterey (Salinas)	10	7	3	14	9	5	29%	30%	28%
		Nashville TN	14	8	6	18	8	10	40%	40%	40%
		New York	24	19	5	14	10	4	9%	7%	27%
		Orange County	20	12	8	36	23	13	34%	38%	28%
		Orlando	17	12	5	23	14	9	46%	44%	50%
		Other Florida	3	2	1	4	1	3	57%	25%	100%
		Philadelphia	1	1	-	2	2	-	15%	29%	-
		Portland, OR	2	1	1	8	5	3	73%	100%	50%
		Richmond	4	4	-	4	3	1	15%	18%	11%
		San Diego County	1	-	1	3	-	3	33%	-	100%
		Seattle, WA	19	10	9	14	7	7	20%	19%	20%
		SF Bay Area	13	8	5	14	8	6	29%	26%	35%
		Tampa FL	30	20	10	19	9	10	32%	23%	48%
		Total	319	199	120	319	195	124	24%	25%	24%

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

TURNOVER BY AGE ⁽²⁾	
LESS THAN 30	7%
30-50	13%
GREATER THAN 50	4%

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

GRI 404: TRAINING AND EDUCATION

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Benefits, Page 37.
GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
103-1	Explanation of the material topic and its boundary.	UDR Proxy, Human Capital Management, Page 42-44. http://ir.udr.com/Docs
103-2	The management approach and its components.	UDR Proxy, Social - Human Capital Management, Page 42-44. http://ir.udr.com/Docs ; Also refer to Materiality Assessment, Page 10.
103-3	Evaluation of the management approach.	UDR Proxy, Human Capital Management, Page 42-44. http://ir.udr.com/Docs ; Also refer to Training, Page 35.
404-1	Average hours of training per year per employee	Training, Page 35.
404-2	Programs for upgrading employee skills and transition assistance programs.	Training, Page 35.
404-3	Percentage of employees receiving regular performance and career development reviews	Training, Page 35.

GRI 405: DIVERSITY AND EQUAL OPPORTUNITY

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE																		
103-1	Explanation of the material topic and its boundary.	UDR Proxy, Human Capital Management, Page 42-44. http://ir.udr.com/Docs																		
103-2	The management approach and its components.	Materiality Assessment, Page 10.																		
103-3	Evaluation of the management approach.	Materiality Assessment, Page 10.																		
405-1	Diversity of governance bodies and employees	Key Board Facts, UDR Proxy, Page 17. http://ir.udr.com/Docs Also refer to UDR Associates, Page 36; Management, Page 36; Associate Diversity, Page 36; and Diversity and Equal Opportunities, Page 43.																		
405-2	Ratio of basic salary and remuneration of women to men.	Associate Compensation, Page 37.																		
	<table border="1"> <thead> <tr> <th colspan="2">2020 GENDER COMPENSATION RATIOS</th> </tr> </thead> <tbody> <tr> <td>Male</td> <td>100.7%</td> </tr> <tr> <td>Female</td> <td>98.7</td> </tr> </tbody> </table>	2020 GENDER COMPENSATION RATIOS		Male	100.7%	Female	98.7	<table border="1"> <thead> <tr> <th colspan="2">2020 DIVERSITY COMPENSATION RATIOS</th> </tr> </thead> <tbody> <tr> <td>Asian</td> <td>104.2%</td> </tr> <tr> <td>Black</td> <td>100.3%</td> </tr> <tr> <td>Hispanic or Latino</td> <td>98.6%</td> </tr> <tr> <td>Other</td> <td>102.8%</td> </tr> <tr> <td>White</td> <td>100.2%</td> </tr> </tbody> </table>	2020 DIVERSITY COMPENSATION RATIOS		Asian	104.2%	Black	100.3%	Hispanic or Latino	98.6%	Other	102.8%	White	100.2%
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Black	100.3%																			
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GRI 406: NON-DISCRIMINATION

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
103-1	Explanation of the material topic and its boundary.	Code of Business Conduct and Ethics, Discrimination and Harassment, Page 3. http://ir.udr.com/govdocs
103-2	The management approach and its components.	Code of Business Conduct and Ethics, Discrimination and Harassment, Page 3. http://ir.udr.com/govdocs
103-3	Evaluation of the management approach.	UDR Proxy, Human Capital Management, Page 42-44. http://ir.udr.com/Docs
406-1	Incidents of discrimination and corrective actions taken.	UDR 10-K, Contingencies, Litigation and Legal Matters, Page F-54. http://ir.udr.com/Docs

GRI 413: LOCAL COMMUNITIES

GRI INDICATOR	DESCRIPTION	PAGE NUMBER(S), URL(S), AND/OR DIRECT RESPONSE
103-1	Explanation of the material topic and its boundary.	Associate Outreach and Community Engagement, Page 38.
103-2	The management approach and its components.	Associate Outreach and Community Engagement, Page 38.
413-1	Operations with local community engagement, impact assessments, and development programs.	Associate Outreach and Community Engagement, Page 38.

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 29 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 29 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 29 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 by ENERGY STAR by property subsector.	IF-RE-130a.4	56% 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 informs our approach to evaluating potential investments in sustainability and monitoring ongoing asset performance. To make business decisions that are financially responsible and environmentally friendly, a flexible approach must be taken that includes both financial returns and environmental impact. This aligns with our business strategy to improve operating margin and lower controllable expenses, while considering our stakeholders and the environments we operate. Refer to Page 19 for further discussion and our five-year utility expense CAGR relative to the peers which supports the effectiveness of our investment analysis, approach, and execution.</p> <p>Refer to UDR's ESG Methodology, Page 9; Materiality Assessment, Page 10; Environmental Governance and Management, Page 16; SASB: Climate Risk, Page 17; Sustainable Results, Page 19; Smart Building Technology, Page 25, Demand Response, Page 25; and Solar and Onsite Renewable Energy, Page 26 for examples of energy management considerations and operational strategy.</p>
Water Management	Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress by property subsector.	IF-RE-140a.1	Refer to Page 29 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 29 for total water consumption, data coverage, and regions with High or Extremely High Baseline Water Stress.
Water Management	Like-for-like percentage change in water withdrawn for portfolio area with data coverage by property subsector.	IF-RE-140a.3	Refer to Page 29 for like-for-like water consumption.

TOPIC	QUESTION	CODE	UDR RESPONSES ⁽¹⁾
Water Management	Description of water management risks and discussion of strategies and practices to mitigate those risks.	IF-RE-140a.4	<p>Water Stress is one of various climate change risks we evaluate as part of our overall climate change risk management process. Water and wastewater management is incorporated in to our materiality assessment as a key ESG metric consistent with SASB's metrics specific to our industry. Through real-time monitoring, reporting, and analytics, we monitor residential and common area water consumption at our communities for conservation and investment opportunities. Investments in water conservation and continued stakeholder education is integrated in to our overall EMS process and includes, but is not limited to, investments and continued maintenance in cooling towers, submeters, irrigation systems, preventive maintenance plans, training and education, etc.</p> <p>Refer to UDR's ESG Methodology, Page 9; Materiality Assessment, Page 10; Environmental Governance and Management, Page 16; Sustainable Results, Page 19; Smart Irrigation, Page 26; Reclaimed / Recycled Water, Page 26; Resident Leak Detection, Page 27; and Real - Time Water Usage, Page 27 for examples of practices to mitigate water risks.</p>
Management of Tenant Sustainability Impacts	(1) Percentage of new leases that contain a cost recovery clause for resource efficiency related capital improvements and (2) associated leased floor area by property subsector.	IF-RE-410a.1	0% of our new leases contain a cost recovery clause for resource efficiency related capital improvements.
Management of Tenant Sustainability Impacts	(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	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.
Climate Change Adaption	Area of properties located in 100-year flood zones by property subsector.	IF-RE-450a.1	4,616,838 leasable SQFT out of 49,075,963 leasable SQFT.
Climate Change Adaption	Description of climate change risk exposure analysis; degree of systematic portfolio exposure; and strategies for mitigating risks.	IF-RE-450a.2	<p>UDR utilizes external climate change data firms to assess current and future climate change risk to our communities and the markets in which we operate. Risk categories used to assess, and then score, each UDR community and market for climate change risk include Heat Stress, Water Stress, Sea-Level Rise, Flooding Risk, Hurricane Risk, and Earthquake Risk. Once risk parameters are known, an analysis is undertaken where we assess whether these risks are short-term or long-term in nature and how each community or market scores with regard to these metrics on a relative basis as well as versus multifamily peer portfolios. These findings are considered when making buy and sell capital decisions (i.e., influence portfolio strategy decisions); to better understand the future cost of hardening communities against these risks; and to better assess the potential for higher/lower insurance premiums and overall insurability moving forward. Additional tactics for mitigating risks include establishing long-term energy, GHG, and renewable energy targets and continuously improving our ESG strategy as needed, as exemplified by how the Company is in the process of committing to setting science-based targets through the SBTi.</p> <p>Refer to UDR's ESG Methodology, Page 9; Materiality Assessment, Page 10; Environmental Governance and Management, Page 16, SASB Climate Risk, Page 17; Science Based Targets, Page 20; 2019 New Acquisitions E Performance, Page 22; UDR Emissions vs Other Real Estate Sectors, Page 23; and Enterprise Risk Management, Page 43 for examples of strategies to mitigate risks.</p>

TOPIC	QUESTION	CODE	UDR RESPONSES ⁽¹⁾
Activity Metric	Number of assets by property subsector.	IF-RE-000.A	182 properties.
Activity Metric	Leasable floor area by property subsector.	IF-RE-000.B	49,075,963 leaseable SQFT.
Activity Metric	Percentage of indirectly managed assets by property subsector.	IF-RE-000.C	1% in 2020.
Activity Metric	Average occupancy rate by property subsector.	IF-RE-000.D	94.1% was the average occupancy rate in 2020.

⁽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 NUMBER	SECTION	QUESTION	UDR RESPONSE
1	Governance	Describe the Board's oversight of climate related-risks and opportunities.	<p>UDR's Board of Directors has oversight responsibility with respect to risk management. The Board's role in the Company's risk oversight process includes receiving regular reports from members of senior management on areas of material risk to the Company, including but not limited to, operational, financial, legal, strategic, cybersecurity, climate change, etc.</p> <p>Refer to Enterprise Risk Management, Page 43 for additional discussion.</p>
2	Governance	Describe management's role in assessing and managing climate related risks and opportunities	<p>UDR formed a 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, to allow us to better recognize and manage risks and opportunities, and to set the strategy to be reviewed by the Board of Directors. The Committee receives ESG performance reports and trends, including energy, emissions, regulatory, etc. to evaluate environment opportunities to enhance short and long-term goals and targets.</p> <p>Refer to UDR's ESG Methodology, Page 9; ESG Governance and Management, Page 16; and Enterprise Risk Management, Page 43 for additional discussion.</p>
3	Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	<p>UDR's ERM process identifies and assesses both transition and physical climate-related risks for each of its assets and markets.</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, and are considered in the Company's ERM Process.</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, and are considered in the Company's ERM Process.</p> <p>These risks are factored into the asset and market-level climate risk scores that are communicated to the Committee. These scores provide input into asset and market level investment decisions made by the Company. Refer to SASB: Climate Risk, Page 17 for additional discussion.</p>
4	Strategy	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	<p>UDR uses asset and market-level climate change risk scores to help make more informed buy and sell capital decisions (i.e., influence portfolio strategy decisions); to better understand the future cost of "hardening" communities against climate change risk factors (i.e., what is our Return on Investment); and to better assess the potential for higher or lower insurance premiums and overall insurability moving forward.</p>

QUESTION NUMBER	SECTION	QUESTION	UDR RESPONSE
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 and calls on entities to reduce their GHG emissions to reduce the global impacts of climate-related risk. UDR's ESG strategy is resilient because through our established long-term energy, GHG, and renewable energy targets (found on page 13 and 14 of this report) we are reducing our GHG emissions while at the same time evaluating climate related physical, transitional, and legislative risk and its potential impact on the Company through the Company's ERM process and external climate change data. Both of these processes are ongoing and iterative as our ESG Committee will utilize the reported progress to those targets and assess ongoing and new climate-related risk and opportunities to update the ESG strategy as needed and communicate updates with the Board of Directors. As an example of this iterative progression, the Company is in the process of committing to science-based targets through the SBTi, as disclosed on pages 2 and 20 of this report, which will make our ESG strategy more resilient and further align our strategy with the 2015 Paris Agreement.
6	Risk Management	Describe the organization's process for identifying and assessing climate related risks.	UDR utilizes external climate change data firms to assess current and future climate change risk to our communities and the markets in which we operate. Risk categories used to assess, and then score, each UDR community and market for climate change risk include Heat Stress, Water Stress, Sea-Level Rise, Flooding Risk, and Hurricane Risk as well as State and Municipal Benchmarking, Energy Audits and Retro-Commissioning Requirements and Emissions and/or Energy Performance Restrictive Legislation among other Transition Risk. Once risk parameters are known, a granular analysis is undertaken where we assess whether these risks are short-term or long-term in nature and how each community or market scores with regard to these metrics on a relative basis as well as versus multifamily peer portfolios. These findings help UDR to make more informed buy and sell capital decisions (i.e., influence portfolio strategy decisions); to better understand the future cost of hardening communities against these risks; and to better assess the potential for higher/lower insurance premiums and overall insurability moving forward. Refer to SASB: Climate Risk, Page 17 and Enterprise Risk Management, Page 43 for additional discussion.
7	Risk Management	Describe the organization's process for managing climate-related risks.	Periodically, UDR reassesses climate change risk for each of its assets and markets, which is considered in the Company's ERM process. This helps Senior Management and the Board of Directors to better evaluate overall risk to the Enterprise from climate change and whether our operating, capital allocation, or balance sheet strategies should be adjusted.
8	Risk Management	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Refer to Questions 2-4 and 7 above.
9	Metrics & Targets	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management processes.	The Company's identified climate-related risks discussed above are integrated into our overall ESG, ERM, and strategic business plan processes. The metrics used to assess the significance or materiality of those related risks are disclosed on Pages 8-14 and Page 17 of our Report.
10	Metrics & Targets	Disclose Scope 1 and Scope 2 and if appropriate Scope 3 greenhouse gas emissions and the related risks.	Refer to pages 18 and 29 for our Scope 1 and Scope 2 GHG emissions and Pages 13-14 for our long-term goals and progress to achieving those goals. Scope 3 emissions are measured and reported annually as part of our participation in the GRESB Real Estate Survey. Also refer to Pages 30-31 of our LRQA Independent Assurance Statement.
11	Metrics & Targets	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against those targets.	UDR has established long-term energy, GHG, water, and renewable energy targets and has developed internal controls and reporting processes to measure and report on our progress for those targets to the ESG Committee and the Board of Directors. Refer to Pages 9-14, and 16-19 for further discussion surrounding our ESG governance, materially assessment process, and progress towards our goals. Also refer to Pages 30-31 of our LRQA Independent Assurance Statement.



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