

# BerkshireTHRIVE

ENVIRONMENTAL, SOCIAL, *and* GOVERNANCE REPORT



2022

[thrive.berkshireresi.com](https://thrive.berkshireresi.com)



**Berkshire**  
Residential Investments

# Table of Contents

Welcome from Our CEO ..... 4

BerkshireTHRIVE Overview ..... 6

    Our ESG Program ..... 7

    Policies ..... 8

    Progress Towards Strategic Initiatives ..... 10

    Building our BerkshireTHRIVE Program ..... 12

Performance ..... 13

    Defining our Objectives ..... 13

    Assessing our Performance ..... 13

    Industry Recognition in 2022 ..... 14

    BerkshireTHRIVE Scorecard..... 15

    Case Studies..... 16

Stakeholder Engagement..... 18

    Our Employees ..... 18

    Our Communities ..... 21

BerkshireTHRIVE Governance ..... 23

Endnotes..... 25

E = ENVIRONMENTAL, S = SOCIAL, G = GOVERNANCE

ALL INFORMATION IN THIS REPORT IS CURRENT AS OF Q4 2022,  
UNLESS OTHERWISE SPECIFIED



# Welcome from Our CEO



Welcome to our fourth annual BerkshireTHRIVE environmental, social and governance (ESG) report. In 2022, we continued to make progress toward our multi-year strategic initiatives reaching milestones and driving value for our stakeholders.

Berkshire has grown significantly in 2022, including 35 investments comprised of over 9,500 units as part of our multifamily equity business, 10 investments comprised of over 60,000 units in our debt fund series, and approximately \$5.3 billion in total new loan originations in our bridge loan fund series. With \$24.9 billion in assets under management and approximately 383,000 residential units owned<sup>1</sup> or managed across the country, we know that our decisions and actions impact many lives. ESG is one of the five key focus areas of Berkshire’s strategic plan, and we are intent to lead our competition by integrating ESG initiatives that reduce risk and add value across our business areas. We created the BerkshireTHRIVE program<sup>2</sup> to integrate ESG initiatives into our company and

investment culture to enhance resident and team member attraction, satisfaction, and retention while driving operational efficiencies, mitigating risks, and reducing our environmental impact. We expanded our in-house support for the BerkshireTHRIVE program in 2022 by hiring our first-ever sustainability intern and hiring a second full-time sustainability professional to support BerkshireTHRIVE year-round.

To enhance our environmental work this year, we launched ESG due diligence checklists for all debt investments, partnered with utilities to conduct audits and install efficient equipment, and initiated development of a carbon reduction strategy, among other achievements. In support of our carbon reduction efforts, we entered a strategic partnership with a national vendor focused on installing electric vehicle charging infrastructure, signed several green electricity supply contracts in deregulated markets, and continued the process of installing on-site solar at two properties in 2022.

We received industry recognition for many of our sustainability efforts this year, including 4-star ratings for both participating entities in the 2022 GRESB assessment and achieving green building certifications for over 50% of our portfolio by floor area. Berkshire also earned status as an Environmental Protection Agency (EPA) ENERGY STAR® Certification Nation Member for obtaining the ENERGY STAR certification at 13 of our properties in 2022.



The Allure | Cedar Park, TX

In addition to our environmental efforts, we continue to invest in our team members, residents, and local communities through social initiatives. Our longstanding Diversity, Equity, Inclusion, and Belonging (DEIB) Committee, now BerkshireUNITES, advanced Berkshire’s commitment to DEIB by

4-star  
ratings for both  
entities submitting to  
GRESB in 2022

conducting the second annual company-wide DEIB survey and incorporating DEIB in the company’s strategic plan. This work builds on our dedication to offering comprehensive team member benefits and wellness

opportunities, training and career development, resident perks, and philanthropic work.

As a testament to these efforts, Berkshire was named a 2022 Top Employer by the National Apartment Association, and we were awarded the top ranking in Division II of the Online Reputation Assessment (ORA) Power Rankings by J.Turner Research for the second year in a row. We also helped raise over \$450,000 for Heading Home, a non-profit in Boston that provides housing and services to people experiencing homelessness, through our BerkshireGIVES

program. Berkshire was one of the top teams in this fundraising effort which raised a total of \$2.2 million for the cause.

In the following pages, we present an overview of how we have strengthened and expanded BerkshireTHRIVE across our business. We are proud of what we have accomplished in 2022, and we look forward to continuing these initiatives in the years to come.

Regards,

  
**David Olney**

CHIEF EXECUTIVE OFFICER



# BerkshireTHRIVE Overview

At Berkshire, we aim to deliver exceptional living experiences for our residents, fiduciary excellence for our investors, and a rewarding work experience for our team members through BerkshireTHRIVE.<sup>2</sup>

The BerkshireTHRIVE program consists of an integrated set of strategies to monitor, track, and enhance our real estate performance, focused on the following:



### Our Communities

Enhancing resident satisfaction, attraction, and retention.



### Our Impact

Driving operational efficiencies, mitigating risks, and reducing our environmental impact.



### Our Commitment

Improving our ESG performance and sharing our accomplishments with stakeholders.



### Our Team

Curating a uniquely passionate and positive employee culture, making Berkshire an industry employer of choice.

# Our ESG Program

We are proud to apply the BerkshireTHRIVE program to our wholly owned and managed multifamily equity assets in addition to targeted programs and policies covering our debt investment funds and corporate ESG efforts.<sup>2</sup> The policies outlined in the next few pages cover the topics of energy efficiency; water conservation; waste management; climate risk; diversity, equity, inclusion, and belonging; sustainable lending; and more.

We implement the BerkshireTHRIVE program through a variety of tools, including:

- **ESG due diligence scorecards for equity and debt investments**, which help our team assess sustainability risks and opportunities prior to purchasing or investing. Scorecard results are incorporated into the investment committee memo for all equity acquisitions.
- **Annual community checklists**, which encourage on-site teams to consistently evaluate and implement low and no cost efficiency opportunities where applicable.
- **Trainings and presentations**, which provide our team members and business partners with the necessary knowledge and tools to implement BerkshireTHRIVE policies and initiatives.
- **Quarterly tracking of sustainability data**, which allows us to proactively identify improvement opportunities and measure progress towards established performance goals.





## Corporate Policies

### Social Responsibility

Remain an integral part of the social fabric of our communities and neighborhoods, and promote the well-being of our team members.

**EXAMPLES MAY INCLUDE**

Promote team member community outreach activities through BerkshireGIVES

Provide opportunities for professional growth

Encourage team member health and wellness through comprehensive benefits, wellness events, and education sessions

### Culture of Inclusion

Foster a company culture that welcomes and supports people with diverse backgrounds, allowing our team to fully utilize talents to provide exceptional service to our clients.

**EXAMPLES MAY INCLUDE**

Implement diversity and inclusion initiatives throughout recruitment, training, and employee development

Encourage work-life balance

Recognize team member achievements

Support continuing education

Distribute culture and engagement surveys

### Corporate Operations Sustainability Initiatives

Reduce our environmental impact and increase the sustainability of corporate office operations.

**EXAMPLES MAY INCLUDE**

Conserve energy in office operations

Reduce waste production (paper usage)

Support alternative transportation efforts

Full adoption of virtual meeting platform to enhance productivity and reduce travel

## Equity Property-level Policies *continued*

### Transportation

Reduce fossil fuel consumption by investing in real estate in urban and suburban locations near a variety of transportation options.

**EXAMPLES MAY INCLUDE**

Track transportation key performance indicators

Encourage residents to use alternative forms of transportation

Provide alternative transportation options at our communities

### Climate Risk and Resilience

Formalize Berkshire's approach to mitigating physical and transitional climate risk during due diligence and operations.

**EXAMPLES MAY INCLUDE**

Conduct property condition and climate risk assessments during due diligence

Review insurance coverage and hazard modeling for each property annually

Conduct regular climate risk assessments on all equity funds

Implement disaster recovery plans

### Resident Engagement and Wellness

Enhance resident attraction, satisfaction, and retention.

**EXAMPLES MAY INCLUDE**

Purchase environmentally- and health-friendly maintenance materials

Display sustainability certifications

Educate residents about sustainable building attributes

Distribute resident satisfaction surveys

## Equity Property-level Policies

### Energy Efficiency

Reduce community energy consumption, greenhouse gas emissions, and associated expenses.

**EXAMPLES MAY INCLUDE**

Track energy consumption in ENERGY STAR® Portfolio Manager® for all communities

Apply operational energy management best practices

Use energy efficient products and appliances (ENERGY STAR® certified, smart thermostats)

### Water Conservation

Reduce indoor and outdoor water consumption and associated expenses.

**EXAMPLES MAY INCLUDE**

Track water consumption in ENERGY STAR® Portfolio Manager® for all communities

Install EPA WaterSense labeled products and low flow fixtures

Implement operational water efficiency best practices

### Waste Management

Reduce use of raw materials, promote the reuse of existing materials, and limit amount of materials allocated to landfill.

**EXAMPLES MAY INCLUDE**

Track waste production and recycling rates in ENERGY STAR® Portfolio Manager® for all communities

Execute waste management best practices

Strive to purchase recycled and/or zero waste materials

## Associated Policies

### Development

Incorporate design strategies that support our ESG activities while requiring JV partners to abide by all applicable codes and regulations.

**EXAMPLES MAY INCLUDE**

Obtain sustainability certifications

Choose sites that support alternative methods of transportation

Select and install building equipment, materials, and amenities that are efficient and promote occupant health and wellness

### Sustainable Lending

Integrate ESG best practices into our direct lending and Freddie Mac K-Program debt investment processes, including origination, due diligence, approval, and portfolio monitoring.

**EXAMPLES MAY INCLUDE**

Evaluate asset-level ESG attributes such as climate risk factors, ESG disclosures and compliance, affordability, and walk/bike/transit scores.

Incorporate an ESG scorecard into the loan approval process

### Responsible Contracting

Guide Berkshire's selection of responsible contractors hired for property-level services and share ESG requirements and expectations with selected contractors and suppliers. The Responsible Contractor Policy covers all contractors and suppliers supporting contracts over \$100,000. We also implemented a Responsible Contractor Code of Conduct.

**EXAMPLES MAY INCLUDE**






Comply with all applicable rules and regulations

Support fair wages and benefits



# Progress on Strategic Initiatives

In 2022, we progressed on several multi-year strategic initiatives targeted at reducing risk and adding value for Berkshire’s multifamily equity and debt investing strategies through BerkshireTHRIVE.

	INITIATIVE	OBJECTIVE	ACCOMPLISHMENTS TO DATE	KEY PROGRESS	FUTURE ADVANCEMENTS
DEBT ONLY	 Sustainable Lending	Incorporate ESG best practices into debt investment activities	<ul style="list-style-type: none"><li>Completed a debt ESG gap analysis and roadmap (2020)</li><li>Created a sustainable lending policy (2021)</li><li>Developed ESG due diligence scorecards for direct lending and Freddie Mac K-Program investments (2021)</li><li>Rolled out due diligence scorecards to all investments with a closing date of Q2 2022 or later (2022)</li></ul>	140 ESG due diligence scorecards completed in 2022	<ul style="list-style-type: none"><li>Aggregate data to monitor debt ESG key performance indicators</li><li>Enhance reviews of climate risk data to understand risk exposure</li></ul>
EQUITY ONLY	 Carbon Reduction	Measure and reduce the operational emissions of participating portfolios	<ul style="list-style-type: none"><li>Initiated annual on-site solar feasibility assessments for all multifamily assets (2021)</li><li>Began evaluating common area renewable electricity procurement options for properties in deregulated electricity markets (2021)</li><li>Completed peer and market analyses of carbon targets and frameworks (2022)</li><li>Partnered with a sustainability consultant to develop carbon reduction strategy recommendations (2022)</li></ul>	1 greenhouse gas (GHG) inventory completed in 2022 2 solar projects - one in the contracting and one in the evaluation phase 6 properties have secured common area renewable electricity supply contracts since 2021	For participating portfolios: <ul style="list-style-type: none"><li>Conduct a GHG inventory</li><li>Evaluate energy efficiency opportunities</li><li>Evaluate carbon reduction targets</li></ul>
	 Resident Engagement	Educate and empower residents to make environmentally conscious decisions	<ul style="list-style-type: none"><li>Expanded our National Apartment Association green lease addenda to all properties except those in Illinois and Georgia (2021 &amp; 2022)</li><li>Shifted to a common area green cleaning program (2021)</li><li>Launched the “Ways to Save” initiative that provided residents with tools to realize utility savings upon move-in (2021)</li></ul>	96% of properties have green residential lease language in 2022 100% of properties have received a “Ways to Save” resident education guide	<ul style="list-style-type: none"><li>Continue partnering with residents to reduce the environmental impact of our operations</li><li>Leverage social media and email communications to share regular updates on BerkshireTHRIVE progress</li></ul>
	 Electric Vehicle Infrastructure	Enhance the resident experience and enable low-carbon transportation through the installation of electric vehicle (EV) chargers	<ul style="list-style-type: none"><li>Completed a portfolio-wide EV survey to understand current and anticipated EV demand (2021)</li><li>Conducted a market analysis to evaluate top EV charging vendors (2022)</li><li>Engaged ChargePoint to scale up EV installation across our portfolio (2022)</li></ul>	24% of Berkshire properties have EV charging stations on site	<ul style="list-style-type: none"><li>Target the installation of EV chargers across our portfolio in alignment with investment priorities</li></ul>
EQUITY AND DEBT	 Climate Risk	Assess and mitigate any physical and transitional risks associated with climate-related hazards across our portfolio	<ul style="list-style-type: none"><li>Created a climate risk and resilience policy for equity investments (2021)</li><li>Developed a climate risk dashboard to track climate risk data across equity and debt investments (2021)</li><li>Completed physical climate risk assessments for all existing equity assets and incorporated climate risk in due diligence process (2021 for equity and 2022 for debt)</li></ul>	100% of multifamily equity investments have received physical climate risk assessments 100% of debt investments with close date of Q2 2022 or later have received physical climate risk assessments	<ul style="list-style-type: none"><li>Analyze portfolio trends for climate-related risks</li><li>Evaluate potential resilience measures to reduce property-level risk</li></ul>



## Building Our BerkshireTHRIVE Program

### Expanding our Impact

- Hired a full-time Sustainability Associate in Q3 2022 to support our in-house ESG capabilities
- Rolled out an ESG due diligence scorecard to all debt investments

2022

- Initiated carbon strategy development with Sustainability Consultant
- Entered strategic partnership for electric vehicle charging infrastructure

### Strengthening our Engagement

- Hired a VP of Sustainability to lead and expand our ESG efforts
- Established Climate Risk, Sustainable Lending, and Responsible Contractor Code of Conduct policies

2021

- Added green addendum to most standard residential lease contracts
- Implemented equity ESG due diligence checklist and scorecard

### Improving our Performance

- Published first BerkshireTHRIVE ESG Report
- Completed gap analysis to strengthen lending ESG performance
- Conducted pilot climate risk assessment on two equity funds

2020



### Growing our ESG Program and Goals

- Became an ENERGY STAR®, U.S. Department of Energy Better Buildings Alliance, and USGBC partner
- All eligible equity funds<sup>1</sup> participating in BerkshireTHRIVE

2019

- Launch of BerkshireTHRIVE Property Team Training and checklist, first ENERGY STAR® and IREM certifications achieved

### Laying a Foundation to Track and Report our Progress PRE 2019

- Became GRESB Member and participated in first annual assessment in 2018
- Founded ESG and Diversity & Inclusion Committees
- Established ESG Policies and program objectives
- Engaged Sustainability Consultant to support program administration, internal reporting process, and data management
- Benchmarked all multifamily equity assets in ENERGY STAR® Portfolio Manager®
- Tracked green building certifications

## Performance

### Defining our Objectives

A fundamental aspect of the BerkshireTHRIVE program is the measurement of progress and value derived from ESG efforts. To support this objective, we have established performance goals which cover all equity properties participating in the BerkshireTHRIVE initiative.<sup>2</sup>

### Assessing our Performance

To better assess the ESG performance of communities participating in the BerkshireTHRIVE program, we developed the BerkshireTHRIVE Scorecard. It displays key performance indicators to measure the impact of our program. The Scorecard on page 15 includes performance information for 92 properties, representing 30.1 million square feet of real estate, participating in the BerkshireTHRIVE initiative.

### Our Performance Goals

## WE STRIVE TO ACHIEVE BY 2025



**GREENHOUSE GAS EMISSIONS**  
**10% reduction**

- **Progress Made Through:** Utility use reduction and renewable energy efforts



**ENERGY USE**  
**10% reduction**

- **Progress Made Through:** Utility partnerships, audits, upgrades, and retrofits



**WATER USE**  
**10% reduction**

- **Progress Made Through:** Utility audits, retrofits and appliance upgrades



**WASTE DIVERSION**  
**30% increase**

- **Progress Made Through:** Utility audits, tracking waste and communicating best practices for waste management

COMPARED TO A 2015 BASELINE.<sup>3</sup>



# Industry Recognition in 2022



G R E S B



## GRESB

Berkshire first submitted our core strategy to GRESB in 2018 and added a second strategy to annual GRESB efforts in 2020. In 2022, both entities ranked in the top 10 of their peer group and earned 4-star ratings for scores indicating they performed in the top 40% of all participants worldwide. Both strategies have shown continuous improvement since their first submissions, serving as an indicator of the growth and value of the BerkshireTHRIVE program.



## Green Building Certifications

This year, we achieved ENERGY STAR® certification at 13 properties, meaning these properties are more energy efficient than at least 75% of similar buildings nationwide. These certifications earned Berkshire recognition as a member of the Environmental Protection Agency's ENERGY STAR Certification Nation, a program that honors companies that have certified five or more buildings in a year as part of ENERGY STAR's 30th anniversary.

In addition to ENERGY STAR, in 2022, four Berkshire properties earned the IREM Certified Sustainable Property (CSP) certification: AIRE, Estancia Townhomes, One Santa Fe, and The Pradera.

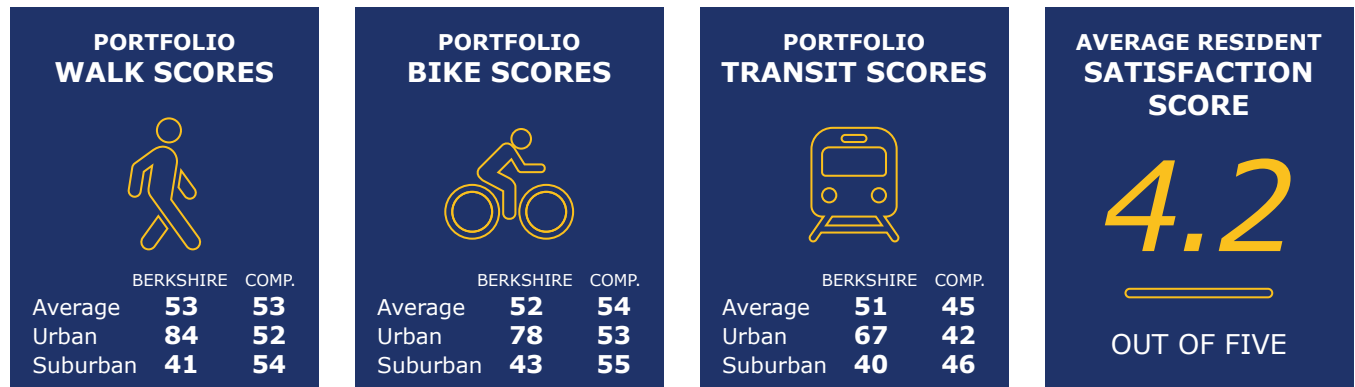
## BerkshireTHRIVE Scorecard

### Our Communities

Enhancing resident attraction, satisfaction, and retention.

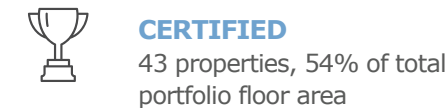
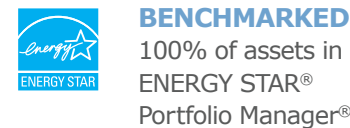
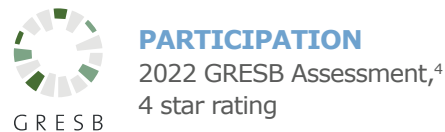
NUMBER OF PROPERTIES 92

TOTAL FLOOR AREA 30.1 MILLION SF

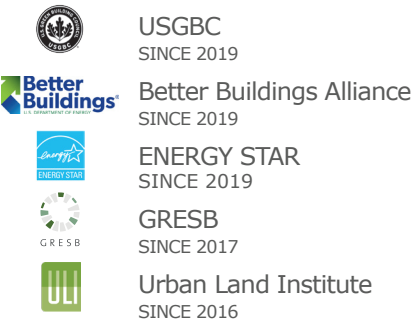


### Our Commitment

Sharing and improving our ESG performance with stakeholders.

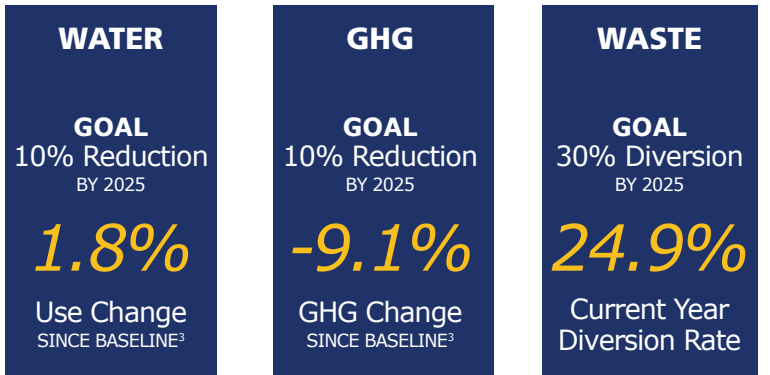
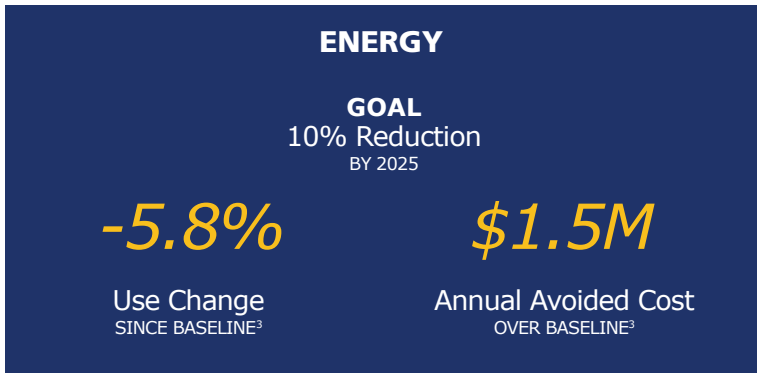


#### INDUSTRY MEMBERSHIP PARTICIPATION



### Our Impact<sup>3</sup>

Driving operational efficiencies, mitigating risks, and reducing our footprint.





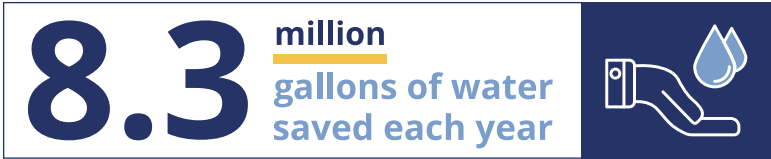
# Case Studies

In alignment with the BerkshireTHRIVE program, we are investing in efficiency projects throughout our portfolio to improve the environmental and financial performance of our properties. These case studies highlight some of our work in the past year:<sup>5</sup>

## AQUAMIZER TOILET RETROFITS

*Properties*  
Berkshires at Citrus Park, Berkshire K2LA, Berkshire Lauderdale By The Sea, Eight O Five and Gatehouse 75

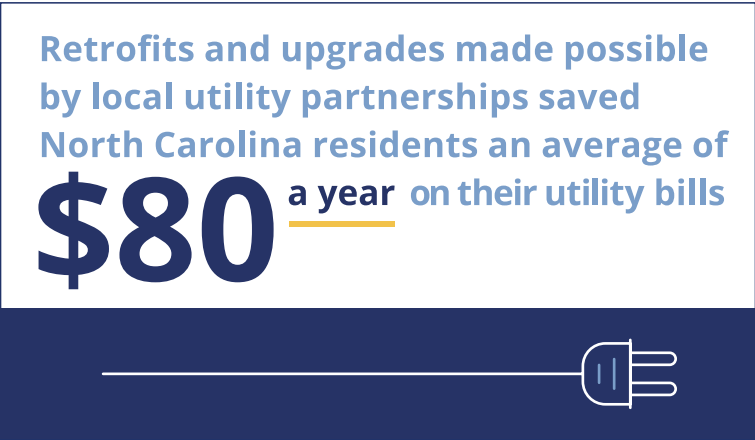
As part of our commitment to greater efficiency at our buildings, Berkshire completed the installation of AquaMizer toilet systems at five of our properties in 2022. AquaMizer’s technology attaches to existing toilets and helps the tanks fill more efficiently, allowing about 0.5-1.5 gallons of water to be saved with every flush, while also preventing leaks and floods. The cost savings from these projects will benefit both Berkshire and our residents. Across these five properties, the AquaMizer retrofit is projected to save 8.3 million gallons of water each year, equating to a savings of \$40,500 in whole-building water expenses annually.



## UTILITY PARTNERSHIP

*Properties*  
Berkshire Central, Berkshire K2LA, Berkshire Ninth Street, Berkshire Village District, Bridgeport Ranch and Met Lofts

Berkshire partners with local utilities to improve the environmental and financial performance of our properties. In 2022, we identified three programs that provided free LED lights, low-flow fixtures, and/or energy audits to our properties. In North Carolina, the local utility’s multifamily program helped us secure and install LED lights, low-flow showerheads, and faucet aerators for the residential portions of Berkshire Ninth Street and Berkshire Village District. These retrofits will help save residents an average of \$80 per year on their utility bills. At Berkshire K2LA and Met Lofts, we leveraged the local utility’s water conservation program and received free low-flow showerheads for all residential units. Berkshire Central and Bridgeport Ranch also benefitted from free utility programs by receiving audits that will help identify opportunities for improved energy and water efficiency at each property. Efficiency opportunities will be evaluated and implemented where feasible. As a next step, we will also be piloting a software platform with the intention of improving our ability to identify available rebate dollars as well as free, or low-cost, utility efficiency programs across the country for our national multifamily equity portfolio.





# Stakeholder Engagement

## Our Employees

Berkshire's culture and dedication to our people are two of the reasons why our team members enjoy working here.

### Awards and Recognition



*Best Places  
to Work*

AWARDED TO BERKSHIRE  
IN 2022



**99% Glassdoor  
Approval**

CREDITED TO OUR CEO  
FROM FORMER AND  
CURRENT BERKSHIRE  
EMPLOYEES



AWARDED TO BERKSHIRE IN  
2022 BASED ON EMPLOYEE  
ENGAGEMENT, OUR WELLNESS  
PROGRAM, COMPANY  
LEADERSHIP AND CULTURE,  
AND A FOCUS ON WHOLE  
PERSON HEALTH

### Diversity Metrics

**78%**

ALL TEAM  
MEMBERS



**42%**

EXECUTIVE TEAM  
MEMBERS

DIVERSITY RATE REPRESENTS THE NUMBER OF TEAM  
MEMBERS WHO IDENTIFY AS PART OF A DIVERSITY GROUP<sup>6</sup>

### Company Culture

**90%**

OF EMPLOYEES PARTICIPATED  
IN THE BERKSHIRE CULTURE  
SURVEY IN 2022

**89%**

OF SURVEY RESPONDENTS ARE  
WILLING TO RECOMMEND WORKING  
AT BERKSHIRE TO A FRIEND

## Training/Development

Berkshire's in-house training team is dedicated to supporting corporate and property-level employee development. The team provides targeted group trainings, maintains an extensive library of online training modules and educational resources, and oversees employee mentorship and career path programs.

### Training in 2022:

**24,892**

TOTAL COURSES TAKEN

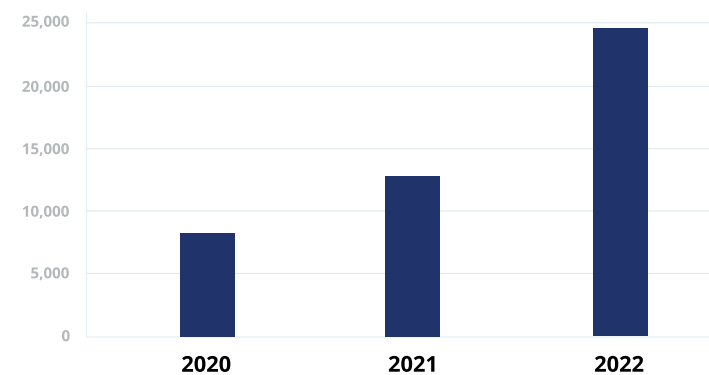
**25.7**

AVERAGE # OF COURSES  
PER EMPLOYEE

**100%**

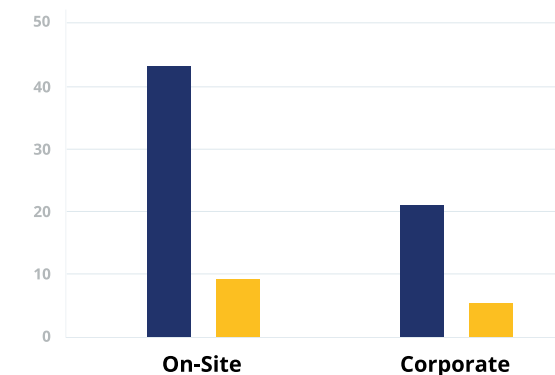
% OF EMPLOYEES WHO  
COMPLETED TRAINING

TOTAL NUMBER OF **ON-DEMAND** AND **LIVE** CLASSES TAKEN



■ Total number of on-demand and live classes taken

AVERAGE **TRAINING HOURS** FOR EMPLOYEES



■ New Hire Training ■ Ongoing Training

## B.Well

Berkshire supports team members to improve their overall health and wellness, both personally and professionally, through the Berkshire B.Well program. B.Well provides benefits, resources, and activities to maximize employee behavioral and mental, physical, financial, social, and emotional wellness.

### Benefits of Note

- Comprehensive health benefits, insurance options, and leave policies
- Wellness incentives, webinars, and newsletters
- Reimbursement for fitness and lifestyle activities
- Hybrid and remote options for corporate employees
- Child and senior care backup support
- Employee career development and mentoring initiatives

**552**

MEMBERS PARTICIPATED IN  
WELLNESS EVENTS IN 2022



## BerkshireUNITES/DEIB:

Berkshire has branded its Diversity, Equity, Inclusion and Belonging (DEIB) initiatives as BerkshireUNITES and Berkshire's Diversity, Equity Inclusion and Belonging Committee helps to promote a work environment where diversity of thought and expression are valued, respected and celebrated, further advancing team member leadership capabilities, maximizing talent management and driving superior business results. In 2022, BerkshireUNITES embarked on executing the company's DEIB strategic plan, with the guidance and support of our DEIB consultant, Dr. Tana Session. Berkshire researched and implemented a foundation for continued progress on the strategic plan, focused on consistent and educational internal touchpoints including expanding our DEIB page on the Company's Intranet site, provided a live DEIB sensitivity training for Berkshire management and completed our second annual DEIB survey. We are thrilled that 89% of employees participated in the survey, and we shared the survey findings with all our employees.

### Survey Results

90%

BELIEVE BERKSHIRE PROVIDES A SAFE WORKPLACE FOR PEOPLE OF ALL BACKGROUNDS

85%

AGREE BERKSHIRE PROVIDES AN EQUITABLE AND FAIR WORKPLACE

87%

BELIEVE THEY BELONG AT BERKSHIRE

96%

BELIEVE THEY CAN BRING THEIR AUTHENTIC SELF TO WORK



## Our Communities

### Resident satisfaction

Berkshire aims to deliver exceptional living experiences for our residents. We regularly survey residents when they move in and out of our communities to better understand how we can serve them. In 2022, the average resident satisfaction score across all communities was 4.2 of 5 points according to Kingsley Associates, our third-party survey partner.

For the second year in a row, Berkshire ranked #1 in Division II of the Online Reputation Assessment (ORA) Power Rankings by J. Turner Research, which ranks the online reputation of apartment owners and managers that manage 20,000 - 34,402 units.<sup>7</sup>

### Resident Perks

As part of our goal to exceed residents' expectations, we offer several benefits to help make their lives easier. These perks include:

- A nationwide transfer program that enables residents to move to another Berkshire property if they need to relocate without paying new application fees, security deposits, or lease termination fees.
- BILT Rewards, which enables residents to earn points by paying monthly rent on time. These points can be redeemed for rent statement credit, shopping, fitness classes, and travel benefits, among other products.
- RentDynamics and RentPlus, which enable residents to have on-time rent and utility payments reported to credit bureaus to help residents establish, maintain, and build their credit as well as receive budgeting tools, financial education, and fraud protection.



Berkshires Citrus Park | Citrus Park, FL

BerkshireGIVES

We give back and connect with our local communities through BerkshireGIVES, our corporate philanthropy program. BerkshireGIVES events are coordinated throughout the year and provide opportunities for our team members and residents to work together by participating in volunteering events and donation drives. BerkshireGIVES activities are selected for their social, economic, and environmental impact on the community. In 2022, we supported organizations and initiatives such as:

- A Million Thanks, an organization committed to sending letters of appreciation to military service members
- Plummer Youth Promise, a non-profit that supports at-risk youth in the foster care system to connect them with mentors and resources
- U.S. Marines Toys for Tots Campaign, which collects new toys from October to December each year to distribute to children in need
- Various food donation initiatives, including meal kit assembly and non-perishable food collection
- Various local Pride events, including events in Dallas, TX, and Redmond, WA

We are proud of our efforts to support the communities around our properties and partner with organizations that align with our core values. While we uplift the greater community, we are also engaging with our employees and encouraging them to make a difference with us.

\$464,581

FUNDS RAISED IN 2022 THROUGH DONATED GOODS AND FUNDRAISERS INCLUDING \$4,000 RAISED BY OUR EMPLOYEES WHICH BERKSHIRE MATCHED TO MAKE A GREATER IMPACT

Volunteering with Heading Home

In 2022, we continued our support of Heading Home, an organization Berkshire has partnered with since 2018 that provides emergency shelter, transitional housing, permanent housing, and supportive services to individuals and families who have experienced homelessness in the greater Boston area. This organization helps support over 1,400 people experiencing homelessness annually including over 700 children. In 2021, we helped raise \$309,700 for Heading Home, far surpassing our goal of \$200,000. In January of 2022, in coordination with Heading Home’s Housewarming campaign, Berkshire, along with a coalition of companies, organizations, and individuals raised \$2.2 million dollars for the cause. Berkshire was one of the top teams in this fundraising effort, contributing over \$450,000 in 2022. As we continue our efforts to drive community impact and employee engagement with volunteering opportunities, we look forward to continuing to support Heading Home with similar donation campaigns and in-person volunteering events in the future.



29	TOTAL EVENTS IN 2022
256	BERKSHIRE TEAM MEMBERS AND 952 RESIDENTS VOLUNTEERED IN 2022

BerkshireTHRIVE Governance

BerkshireTHRIVE has an established governance structure that includes top-down support and oversight of ESG initiatives. The BerkshireTHRIVE ESG Committee serves at the direction of the CEO, and starting in January 2023, there will be additional oversight from an internal operations and asset/portfolio management committee that includes the following managing directors: Berkshire’s Chief Operating Officer, Head of Portfolio Management, Head of Property

Management, and Chief Operations Officer of Property Management. The BerkshireTHRIVE program is further strengthened by our existing internal governance policies and procedures, which include oversight by our board of directors, our status as a registered investment advisor, and our strategic risk management protocol.

The following internal and external stakeholders support the BerkshireTHRIVE program:





The day-to-day implementation of BerkshireTHRIVE is managed by the Sustainability team who works closely with the ESG Committee (discussed below) and other partners of the BerkshireTHRIVE Program to execute the BerkshireTHRIVE strategic plan. As evidence of Berkshire’s continued commitment to sustainability, we hired a full-time Sustainability Associate in Q3 2022 to support the BerkshireTHRIVE program.

The ESG Committee provides input and oversight to BerkshireTHRIVE program strategy and includes many team members who contribute to BerkshireTHRIVE via their regular responsibilities. Team members from the following functional areas of the Firm form the ESG Committee: Portfolio Management, Property Operations, Portfolio Reporting & Analytics, Information Technology, Human Resources, Legal, Construction & Development Services, Capital Markets, Debt Investments, Investment Operations, National Real Estate Services, and Research.

## Looking Forward

We created the BerkshireTHRIVE program to integrate ESG initiatives into our company and investment operations to enhance resident and team member attraction, satisfaction, and retention while driving operational efficiencies, mitigating risks, and reducing our environmental impact. We are proud of what we have accomplished in 2022, and we look forward to continuing these initiatives in 2023 as we strengthen and expand BerkshireTHRIVE across our business.

The ESG Committee is led by the following team members:



**Tom Rucker**  
MANAGING DIRECTOR  
Chief Operating Officer,  
Property Management



**Mark Munroe**  
VICE PRESIDENT  
Portfolio Manager



**Hannah Tillmann**  
VICE PRESIDENT  
Sustainability



2020 Lawrence | Denver, CO

## Endnotes

1. Assets Under Management (“AUM”) is calculated as the sum of i) the gross asset value of the Firm’s investment vehicles and ii) unfunded capital commitments for discretionary investment vehicles. AUM and unit counts are current as of 9/30/2022. Unit counts include approximately 351,000 units overseen in debt investments.
2. The BerkshireTHRIVE program applies to wholly-owned and managed multifamily equity assets unless otherwise mentioned, such as debt investing or corporate ESG efforts. Properties in funds undergoing the process of liquidation, under third-party management, or with joint venture restrictions are not included in the program.
3. Baseline is 2015 for most properties but may vary depending on acquisition or stabilization date. Energy and GHG data includes a combination of whole building and common area electricity, natural gas, and fuel consumption. Water and waste data include whole-building consumption for nearly all properties. Past performance is neither a guarantee nor prediction of future results. The stated performance results may not be typical of future outcomes.
4. GRESB peer group includes U.S., core, non-listed, and multifamily funds. GRESB participation may not apply to all Berkshire funds. This rating was provided by GRESB B.V. as of October 3, 2022 for the period covering January 1, 2020 to December 31, 2021. Berkshire, the advisor, compensates GRESB in the form of annual participation fees that do not influence final scores or rankings.
5. Projects selected for these case studies met the following objective criteria: (i) project was part of a portfolio-wide effort as opposed to a one-off strategy, (ii) project occurred in 2022 and (iii) project included new approaches to sustainability that Berkshire had not implemented previously. These case studies were not chosen based off of their investment performance; rather, they were chosen based on alternative factors such as environmental impact.
6. Diversity and inclusion data is based on self-identification. Data as of 12/31/2022. Executive Team includes all Assistant Vice Presidents, Vice Presidents, Senior Vice Presidents, and Managing Directors.
7. This rating was provided by J. Turner Research as of December 31, 2022, for the period covering January 1, 2022, through December 31, 2022, and covers all owned and managed assets. Berkshire does not compensate J Turner Research and does not influence final scores or rankings.





# Full-Service Residential Investment Management



The Ellison | Des Plaines, IL



**Berkshire**  
Residential Investments

[thrive.berkshireresi.com](https://thrive.berkshireresi.com)