



BH Corporate Social Responsibility Report

Environmental, Social, Governance

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One BH. One Team.





Letter from Joanna

At BH, we're dedicated to making a big difference. We're committed to making a meaningful and long-lasting impact on our world. We believe the work we do matters, so we devote ourselves to improving the communities we serve, the lives we touch, and the environments we impact.

We're setting the standard in multifamily, creating a smarter way to live, invest, manage, and grow. We're not OK with OK. We're here to make magic happen, and that includes being a good corporate citizen.

One of our key company values is: Create Community. We're in the business of putting people first, both in our communities and at work. Compassion and humility light our way, allowing us to foster growth, connectedness, and a better livelihood for our residents and employees.

BH understands that people and culture are what make a company great. We can be a better business, and get better results for our partners, when we invest in our employees. We're a diverse team that celebrates its differences and looks for ways to understand and support others. Inclusion and connection mean a lot to us, and we empower our employees to step up to do the right thing, each and every day.

Through our BH Gives Back Program, we give our employees paid time off to volunteer in their communities. In fact, we're proud to report that BH team members volunteered over 2,200 hours in 2022. We have heart and we're committed to making a difference.

The 2022 BH Corporate Social Responsibility Report focuses on the positive impacts we made on the lives and communities we touch – from BH Gives Back to our Green Initiative to our Leaders Building Leaders program. We believe our innovative spirit and good corporate citizenship will continue to have a lasting effect for many years to come.

Sincerely,

Joanna Zabriskie
CEO & President
BH



Corporate Social Responsibility

About BH

Go back to '93. Harry Bookey launches a bold startup with just five apartment communities. The company was small, but hungry, fueled by entrepreneurial spirit and a scrappy team of employees. From the start, Harry guided BH with two simple principles. One, do business the right way. Two, invest in your team because they ARE the company.

With these straightforward ideas, BH grew fast and became what it is today - the 8th largest multifamily management company, and the 22nd largest multifamily owner-operator in the nation. With over 2,600 thriving employees, BH pushes itself to new heights daily and believes success is only limited by the bounds of innovation.

Mission

To create spaces where people live and thrive.

Our Promise

To make living here mean living more.

More happily. More vibrantly. More responsibly.

By the Numbers

As of January 1, 2023:

We're women-led: Women comprise 71% of our management team and 49.4% of our workforce.

We're diverse: 57.4% of employees are people of color.

Noteworthy

NAA Best Places to Work

Fortune Magazine's Best Workplaces for Women, Millennials, and in Real Estate

Responsibility

Our Corporate Social Responsibility (CSR) is the business model that we use to hold our company accountable to our stakeholders and the public. In this report, we outline the aspects of our business that impact our communities, our employees, and our environment.





Responsible Business Practices

Governance

BH is a privately-held company managed by its executive leadership team and led by Joanna Zabriskie, CEO & President. Founder and Chairman, Harry Bookey, continues to be actively involved in the business.

Business Continuity

BH has created business-critical systems, functions, and operations plans to continue business in the event of a significant business disruption.

Risk Management

BH is committed to the well-being of its residents and corporate stakeholders, so we manage risk by identifying and understanding impact, and developing solutions to mitigate risk at properties, workplaces, and investments.

Data Security

BH utilizes industry best-practice defined by the Center for Internet Security (CIS) and the National Institute of Standards and Technology (NIST) to manage and secure company data. We use ongoing evaluations to ensure our IT practices meet the latest standards and comply with regulations.

Ethics and Values

Coupled with its commitment to social and environmental responsibilities, BH conducts our operations in an accountable and transparent manner. We will ensure operations and business relations are free of corruption and other unethical practices and comply with all applicable laws and regulations.

Key components of our corporate governance include:

- Anti-harassment policies and training around awareness, reporting and investigation processes.
- Whistleblower/anonymous reporting hotline to report claims of unethical or illegal behavior involving employees, residents, and/or vendors.





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Providing Value

At BH, we're vigilant about meeting the goals of our investors and clients, while ensuring our communities provide residents with a comfortable place to call home.

Fair Housing

BH is committed to compliance with all federal, state, and local fair housing laws. BH does not discriminate in its housing or employment decisions.

Rental Assistance

BH dedicates corporate resources to finding, understanding, and connecting residents with the rental assistance resources they need to meet the financial obligations of their lease agreements. BH currently offers flexible payment options for residents who need to split their rent payment into several installments throughout the month.

COVID-19 Help

BH worked hard throughout the pandemic to make a positive impact in our communities. From providing flexible payment plans to connecting residents with available rent assistance funds, BH has remained committed to helping families stay in their homes. We continue to work closely with federal, state, and local organizations to help our residents secure available rental assistance. To date, our teams have assisted more than 20,500 residents to obtain the rental assistance they need to remain in their homes.

As of December 2022:

\$79.3M

in rental assistance
funds requested

76%

of delinquency
collected with rental
assistance funds



Responsible Property Manager

Credit Building

BH partnered with a third-party vendor to provide positive payment information to all three major credit agencies. Through this program, residents can build their credit score by making on-time rent payments. While residents can opt-out of the program, to date only 3% have decided not to participate. For those participating in the program, 63% have seen an improvement in their existing credit scores and more than 1,200 have been able to establish credit for the first time.

Team Safety

The safety of our teams is of the utmost importance. In addition to hazard and emergency training, BH has created tailored training programs that focus on issues pertaining to on-site concerns, including touring safety, disruptive guests, and responding to incidents/threats. We have a comprehensive incident reporting system that alerts internal teams so they can take action immediately.

Renewals

At BH, our goal is for renters to become long-term residents in our communities. Our dedicated team of renewal specialists works closely with on-site teams to increase resident retention.





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Fraud

According to the Federal Trade Commission, identity fraud in multifamily lease applications is up 60% year-over-year. TransUnion, a provider of fraud solutions to the multifamily industry, has indicated to BH that fraud has continued to increase amongst multifamily renters. From January 2022 to October 2022, 6.3% of all rental applications processed through TransUnion's rental screening were identified as high-risk applicants, and 8.8% were identified as medium-risk due to fraud alerts.

High-risk applicants have a great propensity of being synthetic fraud, a fast-growing fraud type and the most challenging to detect. The top reason for applicants being identified as high-risk is due to the use of a social security number that was likely not issued prior to June 2011. Other high-risk fraud alerts, including invalid SSN input and previous fraud alert status, indicate that fraud has gotten more sophisticated – beyond traditional techniques of providing false documents.

BH has implemented industry-leading tools and processes to identify fraud during the application and screening process, including ID verification and centralized review of red flags. These tools and processes have led to a 7% increase in fraud prevention.





Responsible Property Manager

We believe we can be a better business – and get better results for our clients – when we invest in innovation.

Smart Homes. Smart Living.

BH was an early-adopter of installing IoT devices. Today, we have smart home technology in more than 25,000 units in 67 communities across 11 states.

The typical BH preferred package includes a smart lock, thermostat, leak sensors, smart light switches, and a hub to create a closed ecosystem.

The use of smart home technology has increased efficiency for our on-site teams by alleviating a portion of the administrative burden for both managing vacant electric and allowing remote access to unoccupied units.



Data-Backed Decisions

BH Fusion® is a proprietary data visualization platform that provides portfolio-level analysis, giving teams at-a-glance asset intelligence, benchmarks, and targets they can use to identify successful strategies. Each dashboard offers key data points that provide important insights so BH can target areas that will have the greatest impact on NOI. Dashboards include customized benchmarks that highlight items needing immediate attention.

With the powerful insights available through BH Fusion, since 2018 the BH portfolio has realized:

- Occupancy increased to average 94.8%
- Overall revenue increased by 35.5%



Healthy, Happy Communities

Living More...Happily, Vibrantly, Responsibly

BH gives residents access to resources that promote mental and physical well-being. Based on our three dimensions of wellness – mind, body, and spirit – BH's wellness programs promote a greater sense of overall health and wellness, while also offering residents exciting opportunities to engage and connect within their own communities and beyond.



Little Free Libraries

By introducing this program to our communities, we hope to foster a deeper sense of community and engagement with residents. It is a unique amenity that has a lasting impact on each community.



Torch Fitness

As an exclusive benefit of BH, we are proud to offer complimentary virtual lifestyle and wellness events and classes at select communities. We guarantee there is something for every resident.

Torch Fitness is available in
78 communities



Pure Air Pledge

BH is committed to making our communities cleaner, healthier, more comfortable places to live. By making the Pure Air Pledge, communities commit to not allowing smoking anywhere on the property.

As of December 2022,
134 communities
have taken the
Pure Air Pledge



Environmental Responsibility



Being Green

BH's task force to oversee our environmental and social initiatives, formed in October 2017, consists of construction, operations support, and data analysis. These initiatives have positioned us as a leader in the industry for reducing costs and usage.

We are committed to reducing our carbon footprint and creating homes that are financially and ecologically sustainable. Our industry-renowned Green Initiative deploys water and energy saving measures including water efficient fixtures, energy saving appliances, LED lighting, solar screens, and irrigation systems.

According to BH property data, this program has reduced water and energy costs by 22% and water and energy usage by 24% since October 2017. We strive to practice conservation measures, including reducing waste, recycling, and using recycled products. Water savings projects include installing low flow faucets, shower heads, toilets, dishwashers, and washing machines, and implementing water efficient sensor-based irrigation systems. Energy savings projects include installing LED lighting, energy efficient refrigerators and A/C units, pool covers, solar screens, energy efficient windows, and installing insulation and sealing leaks.

Conservation Counts

Each year, our water conservation and energy programs are saving our residents an average of \$105 per unit, 18,115 gallons per unit, and 2,631 kWh per unit. The BH Green Initiative has completed 161 projects in 17 states and 81 cities.

Source: BH internal data

2.8 Billion
gallons of water saved

That's equivalent to:

4,242
Olympic-sized
swimming pools

Annual water
consumption of
93,551
Americans



Environmental Responsibility

Through our commitment to the Green Initiative, we've achieved savings of

2.8 Billion
gallons of
water

120 Million
kWh of
electricity

83k
metric tons of
CO₂

Source: BH internal data



Case Studies

The Woods of Hoover

456 units in Birmingham, AL

After installing low-flow faucets and showerheads in 696 bathrooms, this community saw a 60% savings in water usage. In total, these improvements led to a total savings of \$341,546, or an average of \$749 per unit.

Avant at Pembroke Pines

1520 units in Pembroke Pines, FL

After installing low-flow faucets and showerheads in 2,660 bathrooms, this community saw a 60% savings in water usage. In total, these improvements led to a total savings of \$388,501, or an average of \$255 per unit.



Building a Diverse & Inclusive Workplace

DE&I Committee

BH's DE&I Committee is dedicated to advancing, cultivating, and preserving a culture of diversity, equity, and inclusion; encouraging a sense of belonging to create a stronger and more successful environment that aligns with BH's mission to work better together. The DE&I Committee seeks to be a safe space to hear the experiences of anyone who wishes to share and to evolve both our internal behavior and our representation in the industry.

Our DE&I Mission and Vision

To foster the diverse voices of our community by advocating for inclusivity, celebrating our differences, and continually evolving our practice to make BH a better place to work and live.

Our vision is to ensure DE&I isn't a box we check or a program-of-the-month. It is a natural component of what we do and every decision we make.

Our Objectives

We **FOSTER** a culture that values diversity, equity, and inclusion.

We **ADVOCATE** for people and programs that challenge our thinking, give us access to new perspectives, and provide opportunities to grow.

We **CELEBRATE** the diversity of people, ideas, and experiences that make our world a better place.

We **EVOLVE** our practices to continually be better humans.





Building a Diverse & Inclusive Workplace

Our DE&I Policy

BH has a documented DE&I policy, which is as follows:

- Implement a diversity and inclusion initiative that will amplify voices within our company and our communities.
- Establish a program to match employee contributions to organizations that uplift marginalized communities.
- Integrate social justice into our company values.
- Hold our teams accountable to ensure a safe, inclusive, and diverse workplace that supports psychological safety and belonging for all.
- Incorporate new tools into our training programs to address unconscious bias and other barriers to healing.
- Provide access to educational resources that support community action and non-partisan political participation at all levels in the communities we serve.



Mentorship

The Regional Mentor Program is dedicated to leadership development. To date, 62 active mentors (58 of which are women and 14 are BIPOC) have mentored over 720 new team members.

Leadership

Leaders Building Leaders is a month-long program that blends mentorship, course work, business projects, and development sessions to strengthen leadership skills and broaden participants' knowledge base.

Education

BH has partnered with Beanstack™ by Zoobean to offer employees and their families access to reading lists, discussion groups, and presentations that focus on diversity, equity, and inclusion.



A Great Place to Work



Going Beyond the Basics

BH focuses on the entire employee with the intent of being an employer of choice.

Some of our unique programs include:

- Our bereavement leave policy recognizes that the definition of family has expanded beyond the traditional one
- Our parental leave policy includes adoption and surrogate parenting
- One-month paid sabbatical for every seven years of service
- Thirteen company-paid holidays that include Juneteenth and Veteran's Day
- Every employee gets to celebrate their birthday with paid time off during their birthday month
- Employee Assistance Program (EAP) available 24/7 to employees and members of their households
- Discounts with national vendor partners

Workplace Benefits

Our employees' futures are important to us, and we aim to provide the best possibilities for our employees and their families.

Health benefits, including medical, dental, vision, life insurance, disability coverage, and EAP, plus:

- 401(k) retirement savings plan with company match
- Ongoing training & mentoring programs
- Internal opportunities for career advancement
- Educational reimbursement
- Competitive compensation & earnings potential
- Annual bonus
- Two paid mental health days

97%

of BH employees
would recommend the
company to someone
looking for a job

Source: NAA 2022 Top Employers- Employee Survey





Building a Stronger Workforce



Developing Our Leaders

The Management Fundamentals course is a blended learning program that focuses on the foundations of effective people management and leadership, using real-time situations and application on the job. In addition, BH sponsors 40 scholarships each year so that our team members can obtain industry certifications.

Celebrating Success

The BH Recognitions platform lets colleagues give “shout outs” and award points to their coworkers. In 2022, BH introduced 16 new shout-outs and 17 new reward options. Last year, BH employees gave more than 80,000 shout-outs, a 37% increase from the previous year.

Source: BH internal data



Asking for Feedback

We encourage our employees to give us suggestions for improvement through the BH Virtual Suggestion Box. We work to implement these suggestions as often as we can throughout the year, so that our employees are helping to shape our company culture.

Additionally, we use a variety of employee survey options to gauge how our team members are feeling about various topics impacting both their personal and professional lives.



Giving Back

Building Better Communities – Starting Here



Community Giving

BH employees are given eight hours of PTO each year to volunteer in their communities. BH communities frequently arrange food and coat drives, along with other programs to give back to their residents.

In addition to investing our time in our local communities, BH donates each year to charitable causes in our backyard, including Central Iowa Shelter, CREW Iowa, Big Brothers Big Sisters, and Girl Scouts of Central Iowa.

Our Annual BH United Way Campaign focuses on donations that directly impact local communities. The 2022 campaign raised \$141,000 for local charities.

Industry Involvement

As a leader in the multifamily industry, BH is often asked to participate in webinars, interviews, and educational conference sessions. In addition, BH employees are active in local and nationwide industry associations, serving on advisory panels for housing-related issues.

Project Destined

BH has partnered with Project Destined, a 501(c)3 non-profit that provides training in financial literacy, entrepreneurship, and real estate, since 2019. The program leverages a work-based learning approach where students work with executives to evaluate live deals in their community and present them in a pitch competition to industry leaders. BH's 2022 Chicago cohort won the "Project Destined World Championship" for their presentation at the competition, in which teams are asked to pitch a real-life real estate deal.



One BH. One Team.

At BH, family is important, so finding balance is essential. We focus on taking care of our employees so they can take care of our residents.



Reading Together

BH partners with Beanstack to encourage reading to reduce stress, improve overall wellbeing, and build a culture of reading. Team members log their reading minutes, offer book reviews, participate in themed reading challenges for prizes, and join book discussions.



Babies at Work

We rolled out a Babies at Work program in 2019 to allow new parents the ability to bring their babies to work after parental leave through six months of age.

According to Beanstack data,
BH logged over **300,000**
minutes of reading in 2022.



livebh.com/about/impact