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### **Letter From Our Chairman**



I am pleased to announce that over the past year Sun Communities has continued our journey at being the best corporate citizen we can be. We remain committed to sustainable business practices to benefit all stakeholders, including team members, residents and guests, and shareholders, as well as the broader communities where we operate. We have made ongoing progress since our last report and are committed to

**Our Company** 

continuing to enhance Sun's sustainability programs.

In this report on our 2020 ESG Performance, we highlight the progress Sun made in enhancing our ESG initiatives in 2020, including development of a Diversity, Equity and Inclusion road map; establishing environmental base line data to allow ongoing assessment of the impacts of projects like LED lights and smart thermostats and preparations towards completion of three voluntary ESG frameworks in 2021.

We take our ESG responsibilities very seriously and view ESG as a long-term journey with constant growth and opportunities. As part of our journey, Safe Harbor Marina ESG data will be integrated into our company ESG reporting beginning with our 2022 report. Sun will also adjust the publication date of our ESG Performance Reports to the second quarter of the year, beginning in 2022.

As a premier provider of affordable housing and vacation solutions, we acknowledge and embrace our responsibility to incorporate and

execute on practices that reinforce sustainability of the environment, our social responsibilities, our shareholder returns and our adherence to best governance practices. We are proud of our work done to date and understand that embracing ESG in all we do is an iterative process. We are up for this challenge and look forward to sharing our progress on this journey with you. Thank you for your continued confidence in us.

### Gary A. Shiffman

Chairman and Chief Executive Officer Sun Communities, Inc.

Sun Communities, Inc. is a fully integrated real estate investment trust (REIT) headquartered in Southfield, Michigan. Since 1975, Sun has been in the business of acquiring, operating, developing, and expanding manufactured home communities and recreational vehicle (RV) resorts, together with our affiliates and predecessors. We are the nation's premier owner and operator of manufactured home communities and RV resorts, committed to providing the best service and value to our residents and guests.

At the end of 2020, Sun acquired Safe Harbor Marinas, the largest and most diversified marina owner and operator in the United States.



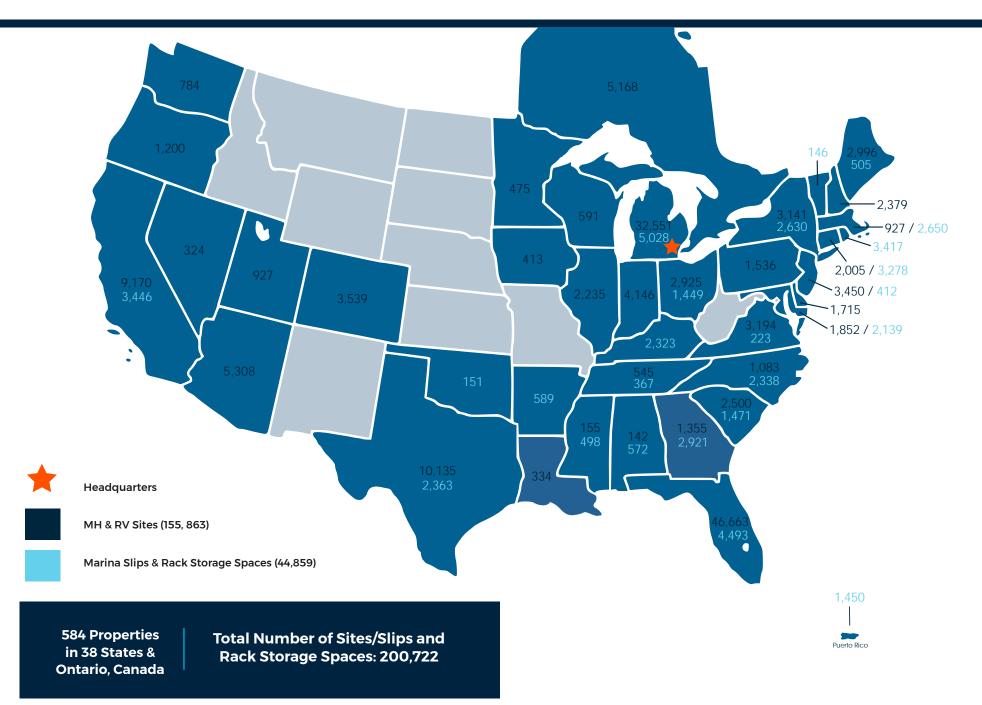
# 🔂 SAFE HARBOR MARINAS

With the purchase of Safe Harbor Marinas in 2020, Sun continues expanding a diverse variety of outdoor hospitality experiences. Safe Harbor gives members a one-of-a-kind boating network with access to an unparalleled boating lifestyle.

Throughout 2021, Safe Harbor has made significant progress in developing a robust ESG program. Highlights include, but are not limited to:

- Produced a comprehensive ESG program framework including data collection process and climate analysis.
- Facilitated the formation and inaugural meeting of SHM's ESG Council, consisting of top executive and management-level personnel.
- Identified SHM's primary stakeholders and conducted its first-ever materiality assessment using online surveys and virtual focus groups.
- A founding partner of the Association of Marina Industries' (AMI) Initiative to create an industry-managed national "Green Marina" standard.
- Established early pilot sites for both Seabin and 4Ocean harbor skimming technology.
- Initiated an active LED replacement program, with approximately ½ of marina properties complete at this time.





# Our **Core Values**

Sun Communities is committed to upholding our core values of commitment, intensity, empowerment, accountability, and service to all of our stakeholders including team members, residents and guests, shareholders and communities. Integrating social responsibility across our business through our Sun Unity Program, fostering a productive work environment for our team members, and creating affordable housing opportunities for our residents are critical to our continued success.

> At Sun we adhere to the Golden Rule

Treat others the way you want to be treated



**Commitment:** Our commitment is to be the best in the industry. We work hard to keep team members motivated and rewarded. Committed team members are part of our recipe for continued success and growth.

**Intensity:** The environment at Sun Communities is intense and full of positive energy. We work hard to increase the confidence and determination of our team members so they're prepared to meet daily challenges.

**Empowerment:** Providing the skills, resources, opportunities, and motivation to ensure our team members succeed in their careers.

**Accountability:** Every team member, no matter their role, is equally responsible for contributing to the success of our company.

**Service:** We have built our culture around a simple service philosophy: The Golden Rule. We treat others the way we want to be treated.

### **Highlights & Achievements**

**Sun Communities ESG Report** 

### **Performance**

**\$1.4 Billion** in Total Revenue for 2020 (10% increase year over year)

Gained 2,505 Revenue-producing sites

Achieved 4.0% in Same Community NOI Growth

Average third-party review score is 4/5 for all MH and RV properties

### **Awards & Recognition**





### **Achievements**



Developed ESG Data Methodology



Acquired Safe Harbor Marinas



Team members throughout the organization volunteered a total of 1,265 hours.

Team members logged 44,670 learning hours.

### Stakeholder Engagement

Sun Communities is committed to engaging stakeholders across our organization and throughout the broader communities in which we operate. Continuous engagement with our team members, residents and guests, shareholders and local communities is paramount to our success.

**Our Company** 

#### **Local Communities**

Community engagement is what helps make Sun Communities so successful. We actively participate in the broader communities in which we operate through our Sun Unity Program.

#### **Residents and Guests**

Resident and guest engagement is always of the highest importance at Sun. We value feedback from our residents and guests to improve our communities, resorts and services offered. We engage with them through community events, one-on-one daily interactions, newsletters, Net Promoter Score (NPS) surveys and email communications that are designed to keep everyone informed about what's happening in their communities and resorts.

### **Team Members**

We engage, gather feedback from, and communicate with our team members through various channels, including annual team member satisfaction surveys; Sun Source, our intranet site; a dedicated Concierge Team; the Sun Idea Box; and one-on-one meetings with leaders. We maintain an anonymous hotline and online portal for team members to report concerns, issues, or violations of our strict code of conduct, company policies, or laws, without fear of retaliation.

### **Shareholders**

Sun Communities' continuous engagement with our shareholders through quarterly earnings calls, Securities and Exchange Commission filings, proxy statements, press releases, investor conferences, and our annual shareholder meeting provides transparency. Shareholder feedback is encouraged and shared with our Board of Directors, and in turn may be considered in our governance practices and strategic decisions.



### **Industry Engagement**

We believe in the power of alliance when it comes to making progress within our industry - that together is better.

### Sun and its subsidiaries participate in the following national organizations:

- Manufactured Housing Institute (MHI)
- National Association of Real Estate Investment Trusts (Nareit)
- RV Industry Association (RVIA)
- National Association of RV Parks & Campgrounds (ARVC)
- Association of Marina Industries (AMI)
- American Boat Builders and Repairers Association (ABBRA)







**Our Company** 



Educating & Connecting Marina Professionals



Additionally, Sun participates in various other local and state organizations dedicated to the manufactured housing and RV industries.



### **Vendor and Supplier Code of Conduct**

Our commitment to conducting business in a safe, ethical and sustainable way, creates the best experience possible for all of our stakeholders. We recognize the importance of formally extending this through our supply chain.

**Our Company** 

By the end of 2021, Sun will release a Vendor and Supplier Code of Conduct. These guidelines and principles will extend to all vendors and suppliers providing goods and/or services to Sun Communities properties and partners. It will also cover essential areas including human rights, business ethics, environmental impact, compliance and reporting.

# Access to Affordable & Sustainable Housing

Sun serves a vitally important function in our economy by providing high-quality and affordable housing for all-age and age-restricted resident needs. We also recognize the importance of our role in offering sustainable housing at a reasonable price. These housing options, together with average monthly site fees of \$600, offer residents great opportunities to build home equity.

We are also uniquely positioned to reduce the environmental impacts across our business. This is achieved through our role in acquiring, developing, and expanding manufactured home communities, as well as campground and RV resorts.

Manufactured homes are more energy efficient, reducing more greenhouse gas emissions and waste than conventional homes. Through our strategic partnerships with manufacturers, Sun is able to deliver energy- and water-efficient housing that is more economical over their life cycle than traditional homes. These efforts uphold our commitment to sustainability for our residents and the communities in which we operate.





# **Leadership &** Governance

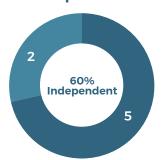
We have integrated governance practices within our entire company. As part of Sun's corporate governance, our Board of Directors are responsible to our stakeholders for the oversight of the company. They are also involved in guiding and strategic direction, as well as objectives and risk management activities of the organization.

The implementation of new initiatives, plus the refinement of our ESG-related reporting and materials is overseen by our Nominating and Corporate Committee. We believe in maintaining transparency and strong governance based on the highest ethical standards.



### 2020 Board Data

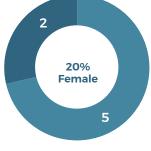
**Independence** 



Independent 5 | Non-Independent 2

**Gender Diversity** 

Our Company



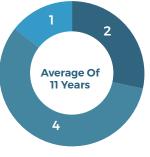
Male 5 | Female 2

Age



< 50:1 | 50-65:2 | > 65:4

**Tenure** 



< 5: 2 | 5-10:1 | > 10:4

### **Governance**

We have the following strategies in place to achieve the goal of maintaining transparency and strong governance:

Our Company

- . We provide avenues for shareholders and board members to amend bylaws. Proposed changes are made by the affirmative vote of a majority of all the votes entitled to be cast on the matter.
- · Termination of our shareholder's right agreement. (Poison Pill)
- Ensure that 71% of directors are independent.
- · Hold annual election of directors.



### **Board Details**

Tonya Allen, President of McKnight Foundation,





Our Company











**Committee Chair (C)** 

Garv A.

Meghan G.

Stephanie W.

Brian M.

Ronald A.

Clunet R.

Arthur A.

and Member (M)	Shiffman	Baivier	Bergeron	Hermelin	Klein	Lewis	Weiss
Audit		М	С	М		M	
Compensation				С	М	М	
NCG Nominating & Corporate Gover	rnance	С	М		М		
MH Finance Manufactured Housing Finance	re				С		М
Executive	М				М		М

All directors attended at least 75% of our board meetings, and each committee on which they served



Board members met ten times in 2020 and took various actions by written consent

### **Policies & Procedures**

Our Company

Sun Communities is committed to governance and transparency throughout our business. We have developed policies and procedures to foster sound corporate governance at the highest standards of transparency and ethical conduct.

These efforts are guided by a set of governance policies and procedures.



# Governance **Policies**

Governance policies are available publicly on our investor relations website. These policies include:

- Charters for Audit Committee, Nominating and Corporate Governance Committee, Executive Committee
- Code of Business Conduct and Ethics
- Financial Code of Ethics for Senior Officers
- Anti-Hedging Policy
- Stock Ownership Guidelines
- Executive Compensation Clawback Policy
- Human Rights and Labor Policy
- Supplier Code of Conduct
- Occupational Health and Safety Policy



Sun has created internal procedures that encourages transparency and good governance through a number of initiatives.

#### **Team Member Hotline**

We maintain an anonymous hotline and online portal for team members to report any concerns, issues, or violations of our strict code of conduct without fear of retaliation. Sun provides an anonymous avenue for reporting inappropriate business practices through a third-party reporting hotline.

Our Company

### **Audit Integrity & Internal Controls**

Sun devotes substantial resources to audit integrity and our control environment, so we can adhere to regulatory and reporting requirements that guide our industry. Internal auditors assess Sun's risk governance, as well as develop and evaluate internal controls. In addition to internal audits, we hire independent auditors to ensure audit impartiality and compliance with the Sarbanes-Oxley Act (SOX). Public commitments have also been made to initiatives aimed at global ESG efforts. This includes alignment of our activities to the UN Sustainable Development Goals, and becoming signers of the CEO Action for Diversity & Inclusion. Joining these global initiatives is a way for Sun to demonstrate our commitments in these areas and become a leader within the REIT industry.

### **Managing & Safeguarding Information**

**Environmental** 

We rigorously control and protect personal and confidential information about customers, third parties, and team members, and use it only within the appropriate scope.

### **Property Safety Inspections:**

- All communities are inspected every 6 to 8 weeks to ensure that we're meeting safety standards.
- Comprehensive safety inspections of our communities are completed annually.
- Third-party inspections are conducted on approximately 30 communities annually.

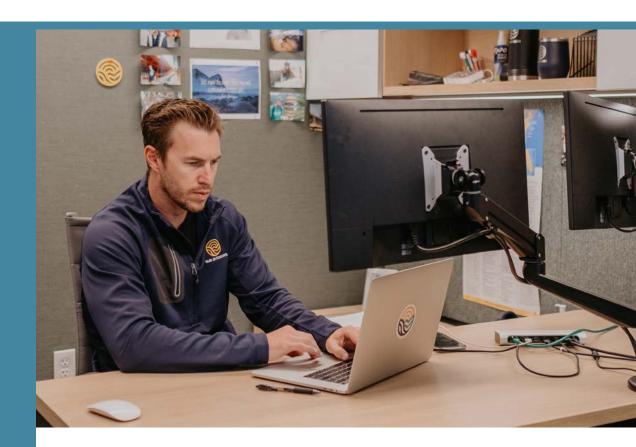
More detailed information and a full list of our governance policies and procedures can be found on our website: **SunCommunities.com** 

# Cyber **Security**

Sun is committed to protecting the confidentiality, integrity, and availability of our technologies and information resources, including resident data, through appropriate levels of cyber security governance. We utilize a layered approach and defense-in-depth to protect these resources by ensuring we have the right information architecture, controls, policies, processes and ongoing cyber security education in place.

To safeguard privacy and protect against cyber-attacks, we have implemented numerous security measures that range from multi-factor authentication of encryption, to continuous monitoring. We are constantly working to improve our security posture by investing in cyber security technology and education.

We strive to align our information security program with internationally recognized standards that include NIST 800-53 and ISO 27001 certification in 2022.











All team members are required to complete Digital Security Awareness Training annually to identify and report cyber risks. We have a dedicated intranet site to help educate our team on cyber safety. Regular phishing attack simulations help identify and remediate areas of weakness.

### **ESG Framework Efforts**

Our goal is to further Sun's commitment to our environment, social, and governance (ESG) initiatives; and increase the disclosure of our actions. To achieve this, we are participating in a number of voluntary ESG frameworks and initiatives.

In 2021 our organization submitted responses to the Global ESG Benchmark for Real Assets (GRESB), Dow Jones Sustainability Index, and Carbon Disclosure Project (CDP) for the first time. The process of completing these voluntary frameworks was a good exercise for the ESG team in evaluating Sun's existing practices and policies.

Our Company

The scores from these initial frameworks became a baseline score to measure the growth of our ESG activities and increased disclosures. Many opportunities were identified to improve and expand our programs, helping anticipate our future scores and continue improving over the years.

Public commitments have also been made to initiatives aimed at global ESG efforts. This includes alignment of our activities to the UN Sustainable Development Goals, and becoming signers of the CEO Action for Diversity & Inclusion. Joining these global initiatives is a way for Sun to demonstrate our commitments in these areas and become a leader within the REIT industry.

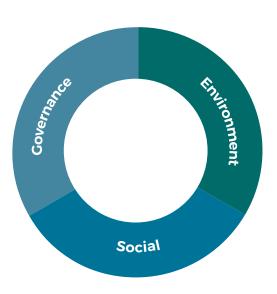








# **Materiality**



A materiality assessment was conducted by Sun through multiple engagements. These engagements comprise a wide range of stakeholders that include our team members, investors, residents and guests. We also evaluated industry trends and expectations by consumers regarding housing and recreational activities.

Sun has opted to group material issues by common topic, allowing for a more strategic management approach to material issues. By looking at and addressing multiple items within the topic, we can create sustainable, integrated responses and approaches to these material issues.



### **Board Structure**

• Diversity

Our Company

#### **Risk Management**

- Identification and reporting
- Action and monitoring strategies

#### **Data Security**

- Cybersecurity
- Data Privacy

### **Climate Change**

**Environment** 

- Energy Management
- Renewable Energy Portfolio
- Green Building

### **Water Usage**

- · Withdrawal and Consumption
- Water Scarcity Concerns

### **Waste Management**

· Landfill amounts

#### **Other Issues**

- Land
- Biodiversity

### **Talent Management**

- DEI/IDEA
- Engagement
- Hiring practices
- Team Member Learning and Development
- Health and Safety

#### **Labor Practices**

- Anti-harassment
- Non-discrimination
- Human Rights
- Supply Chain

#### **Resident & Guest** Relations

- Health and safety
- Satisfaction & experience

### **Community Relations**

• Corporate Philanthropy

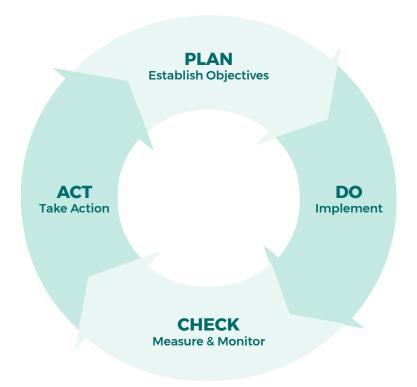




# **Principles of ISO 14001**

Our Company

Sun utilizes the principles of ISO 14001 as the foundation of the environmental management program. The criteria set out by ISO 14001 is a family of standards related to environmental management. These standards help organizations minimize how their operations negatively impact the environment.



### **Utilizing ISO 14001 Principles**

- Ensuring through management review that local environmental requirements are followed at our properties.
- Conducting a materiality assessment to identify how to minimize the environmental impacts of our operations, as well as develop programs and procedures.
- Collecting and reviewing environmental impact data to monitor the effectiveness of our programs and identify opportunities for improvement.
- Providing education on the environmental impacts to our team members.
- Leadership actively engaging in the development, implementation, and oversight of environmental initiatives.

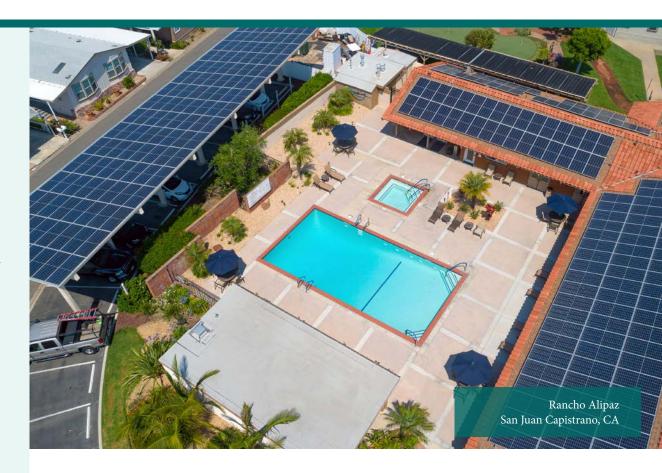


### **Climate/Greenhouse Gas/Energy**

Sun is focused on ensuring energy efficiency and reduced GHG emissions across our portfolio.

Our practices regarding build standards for new homes has an emphasis on energy-efficient design options

- Since 2018, we have purchased over 100 Energy Star certified homes from manufacturers opting to pursue this voluntary endorsement.
- Supporting research updating the report on the energy efficiency of manufactured homes compared with traditional stick-built homes.
- Converted to LED lighting options at 95% of our properties, and standardizing LED lights at all ground-up developments.
- Two properties have existing solar panels generating a portion of the energy for operational needs.
- Sun will complete construction on 13 solar arrays in 2021.
- Construction on an additional 14 arrays will be completed in 2022.



### ESG IN ACTION



### **Task Force for Climate-Related Financial Disclosure**

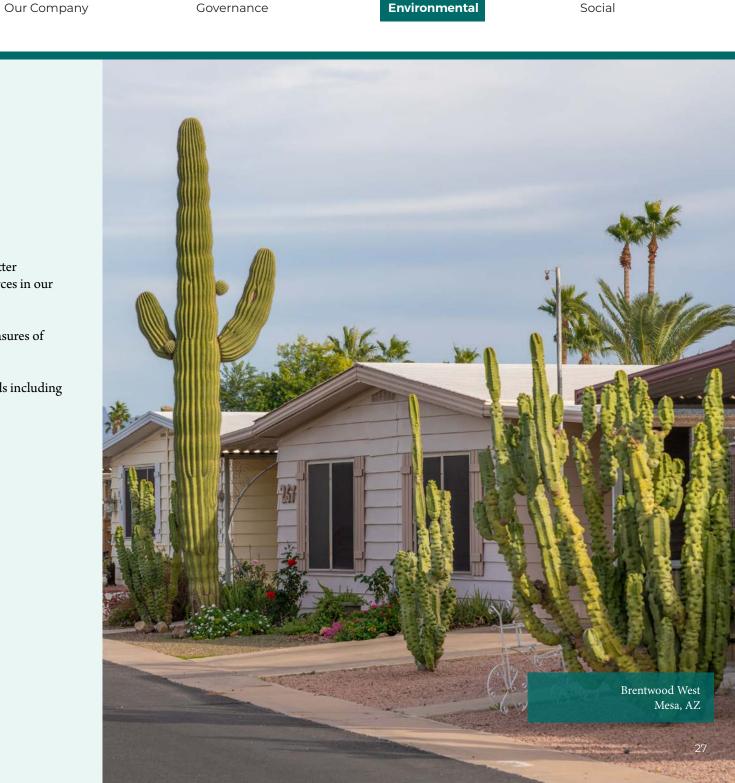
Sun intends to continue our ESG journey and commitment through alignment with Task Force for Climate-Related Financial Disclosure (TCFD). We are at the very beginning of this process with a focus on expanding our climate analysis to be more comprehensive and integrated into our overall business strategy.



### Water

Our organization is focused on improving water consumption monitoring and management for better management and conservation of the water resources in our communities.

- Piloting projects that provide more accurate measures of water usage on properties.
- Integration of designs that reduce irrigation needs including xeriscape and use of artificial turf.





#### **Waste**

Since our portfolio includes residential and resort properties, waste is a unique area for Sun. We are tracking the amount of disposed waste from our operations at the property, as well as waste generated by residents and guests.

- Intend to set goals to increase the percentage of waste diverted from landfills.
- Encouraging community-driven efforts for can and bottle returns.
- Evaluating opportunities for resorts to reduce packaging waste streams produced through services like food and beverage, as well as vacation rental amenities.





**ESG IN ACTION** 

#### **Bottle Returns**

Jellystone Park of Western New York

Our Company

Guests who want to participate in our recycling program are given a blue bag when they check-in to the resorts. They are informed that bottles and cans collected are used to purchase holiday gifts for families in need who are located in Wyoming County, New York.

Community Action for Wyoming County supplies a list of families that includes

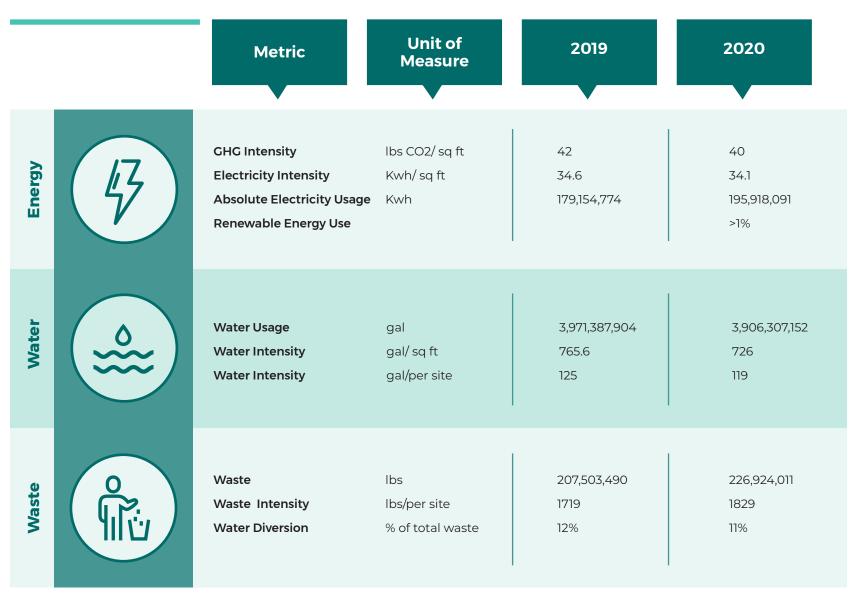
their wish lists and clothing sizes. Leftover funds are donated to the Wyoming County Animal Shelter for critical supplies like dog food, cleaning supplies, and blankets.

Once the blue bag is full at the end of their stay, guests place them at the end of their site for pickup. We work with Can Land, a vendor that provides a trailer to contain the bottles and cans, which is replaced by them each week. This is a popular program that has a lot of participation because it's easy and our guests love that they can help make a difference.

- 2019 Raised over \$6,000
- 2020 Raised \$4,500 due to COVID restrictions
- 2020 Total cans kept out of landfills: 90,000

### **Environmental Data**

Our Company



# Integration of Sustainability in Land Use

Our status as a REIT is Sun's greatest ongoing opportunity for making a positive environmental impact because of our land management.

Sun has implemented a process to identify plants, wildlife, and environmental features on properties developing land management strategies including:

- Confirming the appropriate management of wetlands, storm retention ponds and lagoon systems.
- Identifying land for potential conservation usage.
- $\bullet$  Working with local conservation ists for ongoing efforts.



#### **Sunlake Estates**

### Scrub Jay Preserve at Sunlake Estates

• Established since the 1980s with an agreement providing permanent protection.

Our Company

- Fencing is constructed to prevent any intrusion by animals or people.
- Land is managed with plantings and prescribed burns to encourage the growth of native plant life that the Scrub Jay depends on.

#### **Cava Robles RV Resort**

- Following the construction of Cava Robles RV Resort, Sun undertook a three-year monitoring plan to oversee the enhancements of an expanded vernal pool to address the impacts of construction. Sun worked with local restoration ecologists to develop an appropriate plan for restoration and multi-year monitoring.
- As a result of the one-year site review in 2019, invasive plants were removed, and native seeding was undertaken to increase the vegetation covering the area. The results of the 2020 site review indicated that these efforts were successful in native plant species, creating an appropriate and diverse vegetation coverage.
- By committing to the conservation and native restoration of the vernal pool, Sun was able to increase the habitat for the species like fairy shrimp that utilize it.



### **Encouragement of community gardens**

Our Company

Peters Pond RV Resort, Massachusetts

The community garden at Peters Pond has proven a great success in a number of ways. It's a great use of available space, and an opportunity for an activity that many long-term seasonal guests can't do at home. The gardens also provide a socializing opportunity for long-term seasonal guests who otherwise may never meet each other or realize the interests they have in common.

Gardening spans all age ranges, and we see that in ours. The whole space is a microcosm reflection of our park that caters to everyone from teenagers studying horticulture in schools to senior citizens.

It's a fenced-in area divided into 18 equally sized plots with "lanes" separating each section. We have a water filtration system set up so that the gardeners can unwind the hoses along those lanes. This makes it easy to attend to your own plot without disrupting or trespassing onto others. Gardeners are responsible for securing their plots and provide their own fencing around them to keep out wildlife common in our area.

There is a broad variety of produce growing that include various seasonal plants from tomatoes to pumpkins. We have a shared storage shed to keeps tools secure; gardeners have the ability to use the shed at their leisure. The garden operates on the honor system regarding conduct and respect, so there are no set hours.

- Brian Waksmunski Senior Resort Manager, Peters Pond RV Resort







# Our **Commitment**

Sun's people-first approach has always created a culture that is unmatched. We value and are grateful for the unique individuals, families, and experiences that find commonality in a place they can feel at home. Critical elements to our continued success include integrating social responsibility across our business through our Sun Unity program.

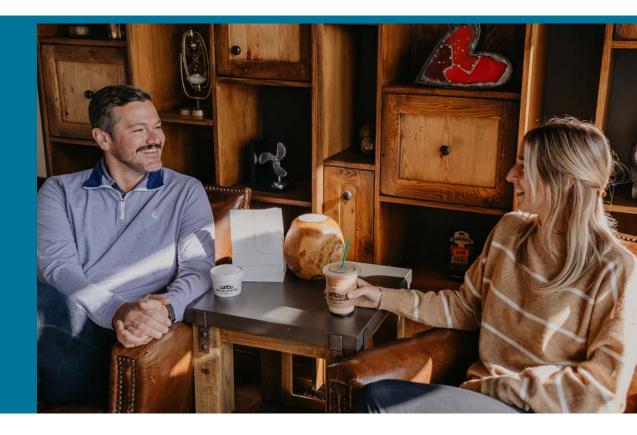
This program entails giving back to our communities. It invests resources and continued growth opportunities for our team, provides affordable housing opportunities for our residents, and creating inclusive, memorable outdoor experiences where everyone is welcome.



**Environmental** 

# **Sun Team Members**

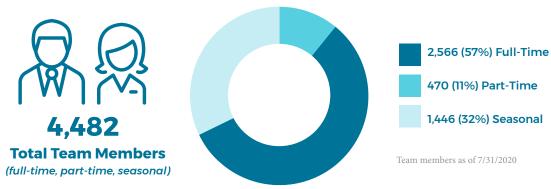
We are committed to upholding our core values of commitment, intensity, empowerment, accountability, and service to all our stakeholders. This includes our family of team members, residents and guests, shareholders, and communities.





"As we've grown over the years through acquisition, the strategy has always been: how do we focus on bringing in team members and welcoming them with open arms while acclimating them to our culture, and maintaining that small company feel."

- Marc Farrugia SVP Culture and Innovation





Our Company

In 2020, Sun filled 21% of open positions with internal candidates.

# **Team Member Engagement**

Engagement and collaboration connect us from coast to coast, and country to country. Our company intranet creates a space for team members at any location to celebrate success together, ask questions, make suggestions, and find the latest company news.

# **The Fridge**

This platform is used to post accomplishments like completing a sale or large project. These posts keep the rest of the company in-the-know. It's also a great way to praise and give acknowledgment to other team members.

### **Knowledge Base**

This tool can search or browse policies, procedures, and resources relating to operations, sales, and accounting, as well as Sun's software and systems.

### **Need 2 Know - Sun News**

A weekly newsletter providing the latest breaking news and information, covering topics like new team member announcements, Net Promoter Score (NPS) reports, team members anniversaries, property acquisitions, policy and operational changes, and stock information.

### **Idea Box**

A space where team members can submit any suggestions that might be helpful to the company or our team members. All ideas are reviewed and processed by the Idea Box Committee.

### **Maintenance Corner**

This is a one-stop-shop for all things maintenance. Team members can share best practices for replacing screen doors, or locate videos on how to fix a minor plumbing issue.



# Work Camper Program

We offer a work camper program through our outdoor destinations. This program enables guests to earn a living while traveling in the U.S. in their RV, allowing them to combine the exciting lifestyle of RV camping with working part-time as a member of our team.

In addition to the benefits and great perks associated with joining our team, work campers earn rebates that are applied to their site ledger each month for all hours worked.



297
Total Work Campers
In 2020



Our Company

**85**Total Returning Work
Campers from 2019



**Social** 

Our Company

Sun is committed to ensuring our team members know they are valued for the contributions they make to our success. We are dedicated to enhancing the lives and wellbeing of our team members, and their families, through a variety of competitive benefit programs, a great work environment, as well as opportunities to find purpose and meaning in their work. Our organization believes the importance of taking care of those who do their best everyday to look after the needs of our residents and guests.



### **Team Member Benefits**

- Comprehensive Medical and Prescription Coverage
- Dental and Vision Coverage
- Life, Disability, and AD&D Insurance
- 401(k) plan with company match
- Identity Theft Insurance
- Paid Parental Leave
- Sick Leave
- Paid Time Off (PTO)
- Paid Holidays

# Benefits team members living in our communities

- Home Purchase Discount Program
- Site Rent Discounts

### **Team Members Perks**

- Discount Programs
- Tuition Reimbursement
- $\bullet \ Sun Rewards \ Program$
- Legal Insurance (NEW)
- Pet Insurance (NEW)
- Free Virtual Tutoring for Legal Dependents (NEW)
- Access to SunFit
- Complimentary & Discounted Food/Beverage at Double Wide Café Main Office



### **SunFit**



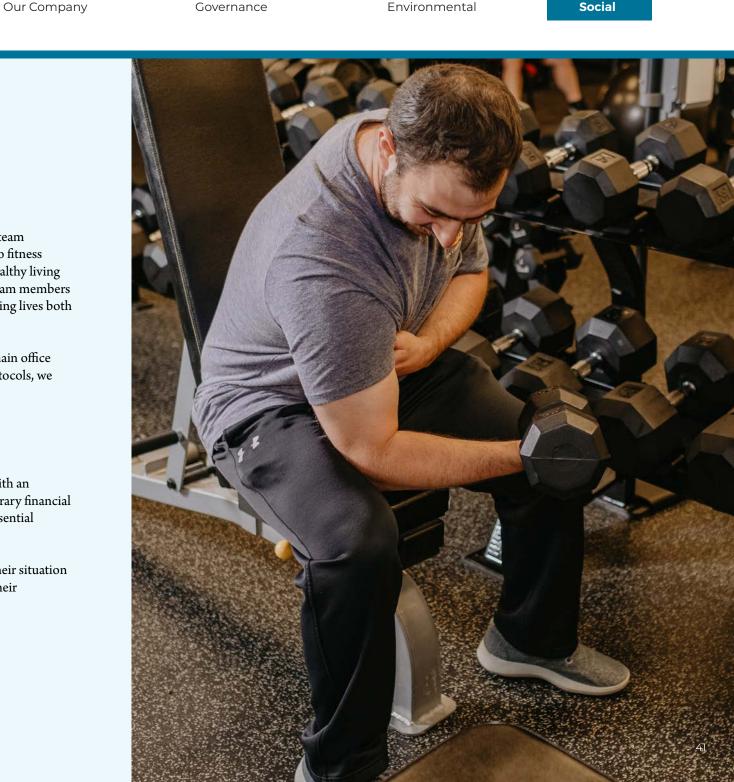
A strong company cannot exist without healthy team members. The SunFit program provides access to fitness centers, personal trainers, group exercise, and healthy living information. It also includes opportunities for team members by promoting healthier, happier, and more fulfilling lives both at work and at home.

During the temporary closure of SunFit at our main office location in compliance with our COVID-19 protocols, we offered virtual personal training sessions.

# **Team Member Relief Program**

Created in 2021 to assist team members faced with an emergency or crisis that has led to severe, temporary financial disruption and impacted their ability to cover essential expenses.

Team members can submit information about their situation and receive financial support added directly to their paycheck.



Our Company

# **COVID Relief and Support**

The health and safety of our residents, guests and team members is our top priority. As we navigated the COVID-19 pandemic during 2020, we instituted our COVID-19 Response and Action Plan, which established guidelines for the safe operation of our communities, resorts, and main office.



# **COVID-19 Response and Action Plan:**

- Procedures for preventing and reducing the exposure and transmission of COVID-19 among individuals.
- Methods for identification and isolation of sick persons.
- Operating protocols for social distancing, including reduced occupancy requirements.
- Sanitation policies and procedures, including cleaning, disinfecting, and decontamination.
- Communications and training for team members and leaders that are necessary for implementation and planning.
- Procedures to ensure effective ongoing execution of the plan.

# **Temporary COVID Relief Measures for Residents:**

- Suspensions of month-to-month fees, late fees, and recent increases.
- Developed Rent Deferral Program for residents adversely impacted by COVID.
- Elimination of reservation cancellation fees related to COVID-19, and extending this for future bookings in 2020.
- Free housing was offered to frontline healthcare workers at various locations.
- Contactless processes were put in place for rent collection, lease renewals, reservations, and guests check-ins.
- Amenity kits are being provided to guests upon check-in, which includes hand sanitizer, face masks, and sanitation wipes.
- Enhanced cleaning procedures put in place, as well as additional signage and changes to policies and procedures further promoting social distancing.
- Large quantities of personal protection equipment (PPE) and cleaning products were centrally produced and distributed to all of Sun's locations.

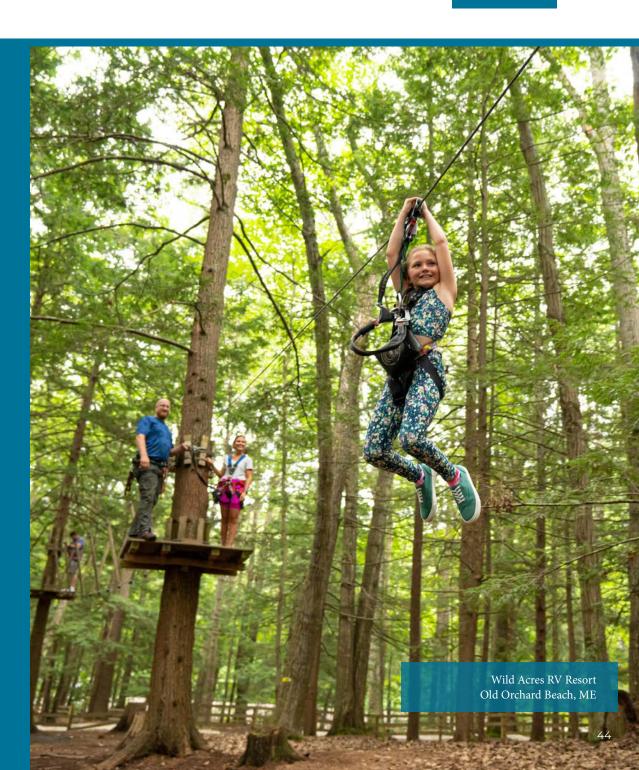


Our Company

# Safety and **Preparedness**

It's important to provide a safe and healthy work environment for our team members. Sun actively seeks opportunities to minimize health, safety, and environmental risks to both our team members and the residents in the communities we serve by utilizing safe operating procedures and practices.

As part of our commitment to safety, Sun oversees annual safety training programs for all employees to provide tools and safeguards for accident prevention. Our managers are responsible for ensuring that team members receive the appropriate training to perform their jobs safely.



### **DART Rates**

Team member safety is a top priority at Sun that begins with our own protocols and measures. This comprehensive approach to maintaining optimal safety includes extensive team training; identifying and mitigating risks; and reporting procedures, property technology and equipment.

Our Company

In addition to these extensive measures to control risk and prevent incidents, our team is also prepared to respond appropriately to the incident, as well as implementing a long-term strategy to prevent future occurrences.

Based on information that we have reported via the OSHA 300A Summary in recent years, these are the days away, restricted or transferred (DART) rates for Sun Communities:

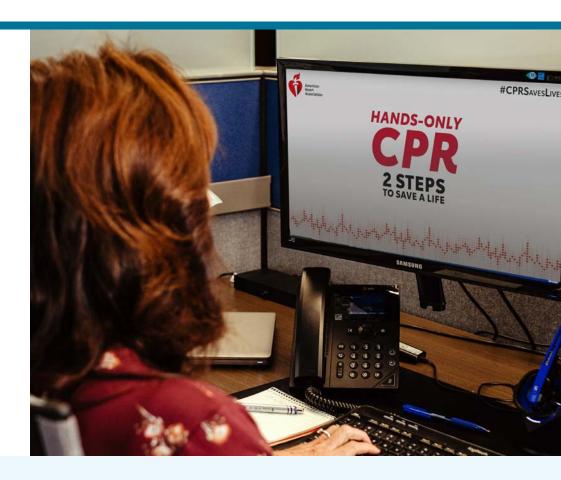
Year	Incident Rate	DART Rate
2020	6.26	2.14
2019	7.31	1.78
2018	8.70	4.78

# **Preparedness Training**

100% of Sun team members received safety training appropriate to their role. Safety training topics include Hazardous Materials, Heat Illness, Pool Maintenance, Personal Protective Equipment and Emergency Response.

### **Hands-Only CPR**

It's a fact that 70% of out-of-hospital cardiac arrests happen within homes. To raise awareness and increase survival from cardiac arrest with our team members, residents, and guests about Hands-Only CPR, Sun teamed up with the American Heart Association. Together,



we have set out on a mission to provide these lifesaving skills to all property managers by the end of 2020.

Managers and team members are sent a Hands-Only CPR kit and receive virtual training via Zoom, giving them an opportunity to interact directly with the trainer, ask questions, and receive feedback. We had 310 property managers and team members in 2020 that completed this training.

# **ESG IN ACTION**



### **A Lifesaving Story** CPR Training in Action

Sun Outdoors Sarasota - Florida

Our Company

The health and safety of our residents, guests, and team members has been, and will always be, a top priority at Sun. One way we can protect our people is by providing training to prepare them with the necessary skills needed to take action if an incident occurs.

In January 2021, one of our residents at Sun Outdoors Sarasota, formally known as Sun N Fun RV Resort, found themselves in a dire situation caused by a heart-related issue. At approximately 7 p.m. that evening, this long-time resident was pulled from the bottom of the pool by a bystander. Jordan Pryor, our Wellness Center manager at Sun Outdoors Sarasota, was brought to the scene and he immediately jumped into action. Jordan asked the bystander to contact 911 while he retrieved the automated external defibrillator (AED) unit. He followed the AED instructions, which advised him to administer a shock, then perform cardiopulmonary resuscitation (CPR). While continuing to tend to the resident, an ambulance arrived at the scene to take over.

"Many things had to go the right way that day," said Pryor, who has credited his quick thinking to the training provided by Sun. "I have been at Sun Outdoors Sarasota and Sun Communities since October 2018. Since my time here, I have been certified with hands-on training for CPR over six times, and will continue to get myself and the staff re-certified twice a year."



Jordan Pryor (middle) with residents' daughter (left) and granddaughter (right).

This miraculous save has brought our resident and Jordan close over the past few months. Jordan shared that he visits this resident and his wife every week or two just to check in. As a show of their gratitude, his extended family has even reached out with an open invitation for Jordan to visit in Nova Scotia. We are grateful that our team members have a matched commitment of safety and care to our residents and guests.

# **Team Member Learning and Career Development**

We are committed to investing in learning and career development opportunities for our team members. This responsibility is achieved through the various programming, conferences, and resources provided, as well as our Sun University classes to promote career longevity and satisfaction.

44,670 **Total Learning Hours Logged In 2020** 



3,173 Webinars Available

38,740 Online Sun University **Courses Completed** 



Our Company

**External Continued Learning Hours Logged** 

Team Member Average Learning Hours (1st Year)



### **Road to Success**

This training program is available to community and resort managers, assistant managers, and sales managers. Road to Success is a hybrid training approach that includes online courses, one-on-one coaching, and in-person training at the main office. It covers a variety of topics that include leadership, communication, culture, and daily operations.

All content delivered within this program is facilitated in collaboration with Sun Communities' operational leaders, skilled trainers, and experienced team members.



This has been by far the most in depth training program I have been involved in and confident that the new managers that were in the training left more confident knowing their new role.

- Will Tolson Community Manager



Our Company

An average of over 200 team members participate in Road to Success training each year.



# **ESG IN ACTION**



# **Growing Up Sun at Wild Acres**Childhood Camper to Regional Vice President Wild Acres RV Resort - Maine

When it comes to work, they say find something you love to do, and it won't feel like work. That's what our regional vice president (RVP), Johnny Gillis, did when he merged his two worlds in Maine.

Johnny grew up in Nashville, Tennessee. He spent the summers vacationing with his family at Wild Acres RV Resort & Campground in Maine, where his aunt was a seasonal team member. His brother, sister, and cousins told him it would be a great job for him, but at the time, he didn't think much of it.



Childhood photo of Johnny Gillis at Wild Acres RV Resort

After graduating college, he wasn't sure about his next steps, so in 2014 his aunt helped him get a seasonal job at Wild Acres. When he eventually asked for a letter of recommendation, the campground manager, Jessica Doane, offered him an assistant manager position.

During his third season, Johnny received a call from Mindy Kirtley, the RVP at that time, offering him a full-time manger position at Seaport RV Resort in Connecticut. Three short months later, Mindy called again about a position that had opened at Saco/Old Orchard Beach KOA in Maine, which he accepted.



Johnny Gillis - Regional Vice President

We value team members like Johnny at Sun. These are the individuals who have found a love for the outdoors through the experiences at our locations and have a passion for what they do. Johnny continues to oversee several of our East Coast outdoor destinations.

# **Inclusion, Diversity, Equity and Accessibility**

Our Company

We believe everyone is unique at Sun, and our organization is committed to promoting and celebrating those differences. Sun strives to create an environment of inclusion that challenges, inspires, rewards, and transforms our team to be the best, as well as understanding the significant role diversity plays in fulfilling that goal.

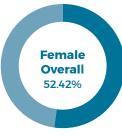


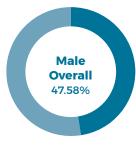
# **Sun Team Member Break Down**

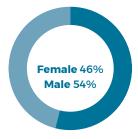
Our Company

# Gender **Female Overall**

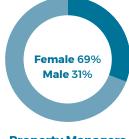










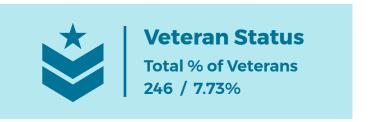


**Property Managers** 

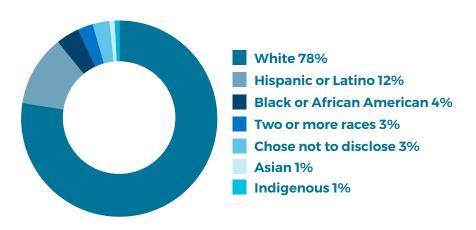


**Company-wide** (Corporate and Property)

Age					
Under 30	388	12%			
30-39	434	14%			
40-49	518	16%			
50-59	799	25%			
60 & Up	1041	33%			



# Race/Ethnicity



\*Shows statistics for the U.S. only. All data in this chart is current as of December 31, 2020. California team members not included due to demographic not being tracked and maintained.

# Our commitment to Inclusivity, **Diversity, Equity and Accessibility**

Our Company

"Since the start of this quarantine we have been repeatedly confronted with this concept of the "new normal" – what will life look like after the Coronavirus? We find ourselves at a critical juncture as a society, and the "new normal" that really matters has nothing to do with what our office seating arrangements might look like or how we may travel. I believe the "new normal" needs to be focused on creating a more equitable society that is void of injustices. I look forward to working with you to transform our commitment into reality." - Gary Shiffman, CEO Sun Communities, Inc.



# **Commitment from Executive Leadership**

# Striving to be leaders of change

Our executive leadership team set out to demonstrate both their personal and company commitment to the acknowledgment of, and fight towards, racial injustice. This was achieved by providing company-wide communications for all team members to view.

Essential messaging from Gary Shiffman, Chief Executive Officer (CEO) and John McLaren, Chief Operation Officer (COO), over the past few years have outlined Sun's internal journey for DEI and their stance on current events and social issues. In an early message from Gary in 2020, he strongly addressed the need for change, supporting the Black Lives Matter movement to end the systemic injustices.

Gary shared with the team the need to have those uncomfortable conversations and ask the difficult questions. He vowed that the executive team will strive to be leaders of change, examining the role they need to play for meaningful reform as individuals and a company. These statements included the acknowledgment that this process will require ongoing evaluation and a universal commitment. Since then, several updates have been provided that include the actions Sun has taken and steps of how team members have been called to engage.

Our CFO, Karen Dearing, has taken on the role of executive sponsor

by leading our IDEA Council. Her presence allows the council to share input that can be disseminated directly to key leaders in the company, ensuring the necessary resources are involved to create change.

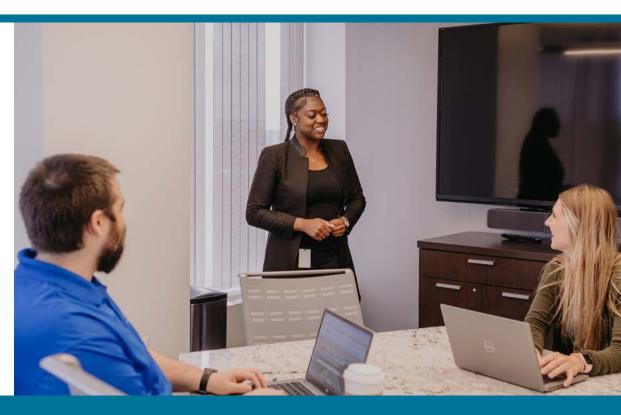


Karen Dearing, CFO - Executive Sponsor & Leader of IDEA Council

# Establishing the DEI State-of-the-Company and Creating Action Plan for Change

Sun recently partnered with a consultant to evaluate the current state of our IDEA strategy through stakeholder interviews, company-wide engagement surveys, and data collection based on demographic information, policies and procedures. Information was also processed to identify areas of opportunity for improved inclusion, equity, and access.

After assessing the current state of this strategy, the consultants provided Sun with a three-year road map strategy that provides a strategic framework, objectives, tactics and activities, outcomes, key performance indicators (KPIs), and a communications plan.



**Environmental** 

# CEOs ARE UNITING TO ACT ON DIVERSITY AND INCLUSION

Advancing social issues of equity and inclusion are not solved alone. Sun is now proud to be a signatory of CEO Action for Diversity & Inclusion™. This is the largest CEO-driven business commitment to advance diversity and inclusion within the workplace. It comprises nearly 2,000 companies and organizations across industries, geographies, size and scale.

As part of this commitment, we pledge to cultivate a workplace where diverse perspectives and experiences are welcomed and respected. It's also important to create an environment where employees feel comfortable and encouraged to discuss diversity and inclusion.

Sun can achieve this through implementing four key actions:

- 1. Continue cultivating workplaces that support open dialogue on complex, and sometimes difficult, conversations about diversity and inclusion.
- 2. Implement and expand unconscious bias education.
- 3. Share best known, as well as unsuccessful actions.
- 4. Create and share strategic inclusion and diversity plans with our board of directors.

More can be found at **CEOAction.com** 

CEO ACT!ON FOR DIVERSITY & INCLUSION

# **IDEA Council**

We recognize the need for a dedicated group of team members to provide critical input and drive our DEI initiatives. It was important this group represented all team members, and the unique perspectives and backgrounds present within the company. This led to the formation of our IDEA Council, comprised of 12 team members of varying roles, geographical locations, racial and ethnic backgrounds, education, and experiences.

### **IDEA Council Initiatives**

• This group meets monthly to support Sun's IDEA strategy, sharing knowledge and experience to shape our decision making, and acting as an extension of the voices of underrepresented groups throughout the company.

Our Company

- The council's executive sponsor, Karen Dearing, serves to demonstrate the commitment of executive leadership. She creates a direct line of communication between the team and executive leaders, as well as our board of directors. We have also partnered with a third-party expert in DEI who guides the planning and agenda development of these meetings.
- When the call to action was sent to fill council member positions, over 65 applications were received from Sun team members – an overwhelming response of interest that only further solidified the passion of our team.
- Since the inaugural council meeting in March 2021, this group has made progress in establishing a mission, as well as pillars that educate, engage, and communicate to help guide our purpose. They have also provided input on various business decisions, and have started assigning functional roles within the group.



# **Providing Education**

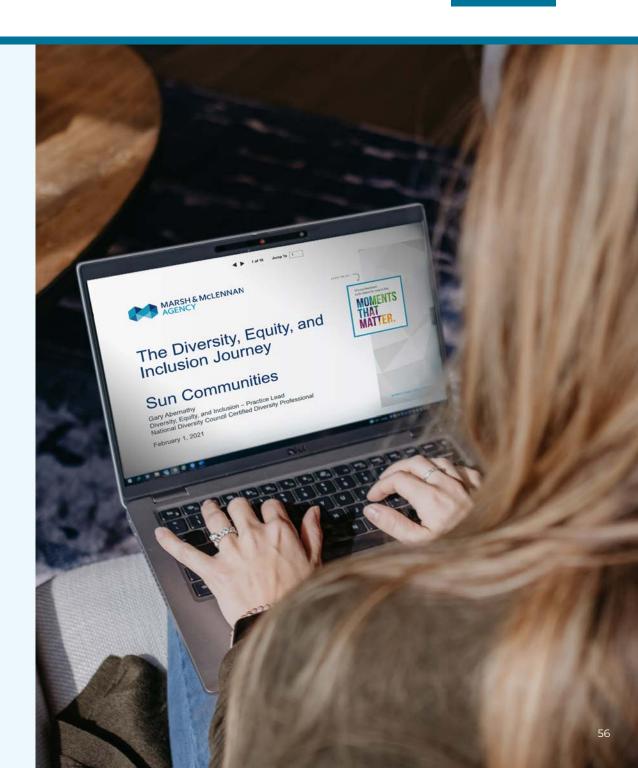
Education is key to fighting racism and injustice, so we have added foundational training and continue to provide various platforms and forms of education to our team members that include:

# **Company-Wide DEI Training**

Sun recognized our team members would begin their learning journey through IDEA at different stages. To help bridge the gap, we brought an expert in the field of DEI for a live Zoom training session to cover key topics including diversity, equity, inclusion, racism, allyship, and unconscious bias. The goal was to create a foundational understanding of these topics and create shared language throughout the team, setting us up for advanced learning along the way.

### **Global Resources**

Sun has a library of resources called Global Awareness housed within the intranet that is updated on a regular cadence. These resources are an avenue to better educate ourselves as part of our IDEA journey and are available in various formats including articles, videos, podcasts, books, and websites. Information available covers various holidays, days of significance, heritage days/months and foundational information about inclusion, diversity, equity and access.



**Environmental** 

# **Establishing Holiday(s) of Significance**

In 2020, Sun adopted Juneteenth as a paid company holiday. This new holiday encourages all team members to recognize the importance of utilizing Juneteenth as a day of reflection, learning, and celebration.

# Aligning with Key Organizations & Engaging Residents and Guests

Our commitment to addressing racial injustice goes beyond our own team to include industry issues, such as representation of underrepresented groups in the outdoors. Sun believes we have a responsibility to share our commitment with those we do business with, as well as the services and experiences we provide, particularly with our residents and guests.

# **Contributions**

Our company has matched and continues to match 100% of the donations that have been made by our team members to key organizations fighting for racial justice.

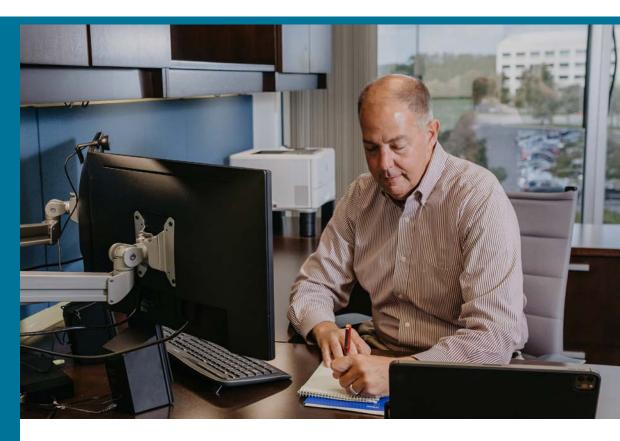


# Hiring and Recognizing Our Veteran and Military Members

Sun strategically sources and welcomes military and veteran team members through our veteran hiring initiative. This ongoing program is led by a senior member of our talent acquisition team.

We value the highly unique skillset and qualities that military and veterans bring, and support the transition of their skills into our workplace through various training, tools, and mentoring programs.

Military and veteran team members are recognized with a status designation on their badge, and honored with custom challenge coins, as well as annual donations to key military organizations.



### **Veteran Team Member John Giannetti**

John served as a US Marine from 1985-1989, working as an aircraft mechanic. By the time he left, he had been promoted three times, including a meritorious promotion out of boot camp in a platoon of fifty other Marines.



This training taught me the importance of the chain of command and paying very close attention to detail which presently aligns with my current responsibilities within the Internal Audit department.

-John Giannetti VP Internal Audit



Our Company



# **Harnessing the Power of Community**

We initiate social responsibility through our Sun Unity program. As a team, we raise the "unity" in community to create a greater impact in those communities we serve, and the world we live in.

**Prioritizing People • Enhancing Life • Nurturing Nature** 

# **Sun Unity**

Sun Unity is composed of various partnerships, community events, and charitable match programs. This program also provides opportunities for team members to participate in philanthropic efforts while being paid for their time.

Our Company

The goal is to maximize our impact by establishing programs and promoting a culture that units our team, guests, and communities. This will be accomplished through the creation of three social responsibility pillars that harness the power of our community:

# **Prioritizing People**

The culture created at Sun focuses on ways to prioritize the needs of people by targeting areas like food security, health and wellbeing, as well as inclusion through our giving and volunteering efforts.

# **Enhancing Life**

Supporting the communities in which we work and live is achieved by our passionate team members through various charitable organizations, including the care and protection of animals.

# **Nurturing Nature**

We continue to focus on initiating and supporting efforts to promote environmental sustainability through recycling, conservation of natural resources, and reducing our carbon footprint.



7,696\*



# **Supported 115+ Nonprofit Organizations in 2020**

Together, our company and team members donated and matched over \$20,000 in 2020 for charitable organizations supporting disaster relief, food security, racial justice and equity.

\*Tracked since 2017

Our Company

# Community **Engagement**

As a nationwide provider of affordable housing, we believe Sun has a responsibility not only to our team members and residents, but also to the communities in which we live and work. These social responsibility efforts are initiated through our Sun Unity program at our individual properties, where we come together as a team and give back locally.

Through this program, we focus on the three pillars of prioritizing people, enhancing life, and nurturing nature.



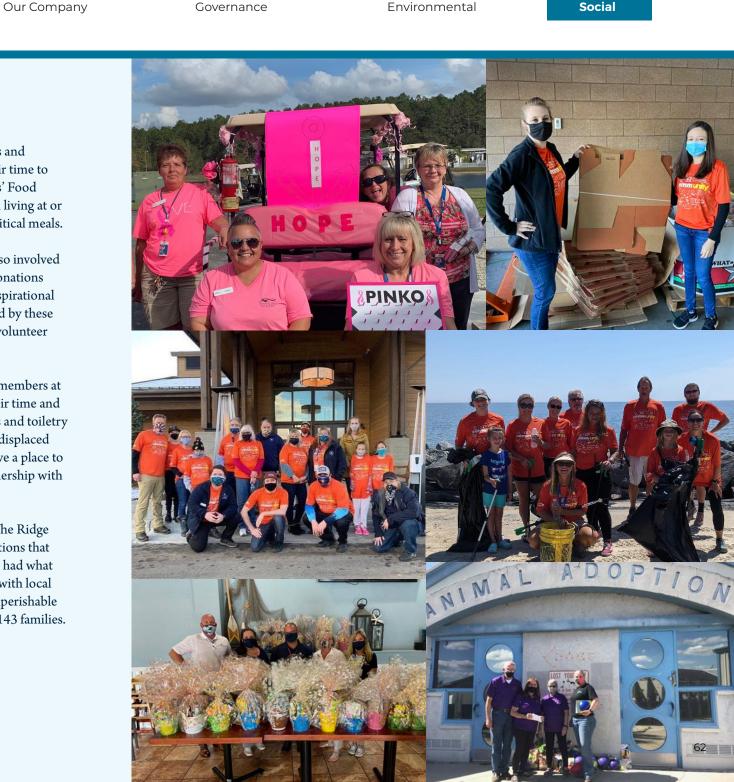
# **Prioritizing People**

Division 3 (Michigan) – Community managers and leadership in Western Michigan volunteered their time to pack 1,500 meals for children in need at the Kids' Food Basket. This nonprofit works to nourish children living at or near the poverty level by providing them with critical meals.

Leading up to this event, several communities also involved residents by hosting food collection drives for donations and decorating supper bags with pictures and inspirational messages. There was 116 pounds of food donated by these properties, in addition to 60 collective hours of volunteer time.

River Run RV Resort (Colorado) – Our team members at River Run, together with guests, volunteered their time and resources during the holidays to distribute meals and toiletry bags to 130 individuals in need. Some had been displaced by fires, and other were locals who just didn't have a place to go for the holiday season. This was done in partnership with Mountain Family Center, a local charity.

The Ridge and Palm Key Village (Florida) – The Ridge and Palm Key Village are just two of several locations that pulled together the resources to ensure residents had what the needed during the holiday season. Together with local vendors and businesses, the team packed up nonperishable food items to create complete meal kits that fed 143 families.



Our Company

# **Enhancing Life**

Hill Country Cottage and RV Resort (Texas) - Residents and guests of Hill Country Cottage and RV Resort "flocked" together to raise awareness and funds for breast cancer through their Flamingo Flocking event. During this fundraiser, residents flocked lawns with ornamental flamingos. All funds were donated to Pink Warrior Advocates, a local nonprofit directly assisting those who have been diagnosed with breast cancer in Texas Hill Country and the surrounding areas.

Rock Crusher Canyon RV Resort (Florida) – Our team members, residents, and guests gathered together at Rock Crusher Canyon RV Resort for a fun day of raffles, food, baked goods, and a craft sale to support Citrus County Foundation for Animal Protection. Funds raised during this event were donated to help the foundation continue their mission of ensuring the wellbeing of animals, primarily in shelter environments.

# **Nurturing Nature**

Main Office (Michigan) – Team members at our main office participated in cleaning up Belle Isle in Detroit. During this event, they collected 65 pounds of trash in 2.5 hours, keeping the debris from polluting Michigan waterways.



Governance

# **Scholarship Program**

Launched in 2017, the Sun Scholarship Program supports our commitment to investing in the future of our residents and guests. This program was also recently expanded to include students of our full- and part-time team members

In 2020, Sun awarded scholarships to 40 students across ten states, and over 30 colleges and universities across the U.S. and Canada. The top two recipients were presented with a \$10,000 scholarship award.

Since its launch, the Sun Scholarship Program has supported over 200 students in their journey toward continued education.

### **Dana Scheetz**

2019 Scholarship Awardee of \$10,000

Lakeside Crossing, Conway, South Carolina

- Graduated in May 2021 from the University of Alabama
- Currently a Water Resources Engineer in Savannah, Georgia
- Dana's grandmother is a resident of Lakeside Crossing

"It [the Sun Scholarship] helped a ton! I was a first-generation student from a low-income family, so it made it possible to focus on classes and not working long hours. My career now is designing drainage systems for businesses and municipalities with a goal to help prevent flooding in the southeast U.S. We work with a lot of low-income communities, so reducing their rates has been really cool to be a part of."



### **Elliot Fuerst**,

**2020** Sun Scholarship Awardee of \$10,000 Gulfstream Harbor, Orlando, Florida

- Pursuing a career in hospitality management
- Elliot's parents are resident at Gulf Stream Harbor

"One of the greatest gifts you can give another person is a space where they're accepted for who they are. Throughout my childhood, I discovered this outlet in an unlikely place – family vacations to Orlando, Florida. When I visited places like Walt Disney World and Universal Studios, I was transcended. As I start my career in themed entertainment, I am excited to invite guests from all over the world to partake in incredible, immersive experiences that create memories for families and friends, inspiring everyone to embrace courage and adventure."

# **Partnering for Greater Impact**

Sun's geographic diversity places us in a variety of communities with a range of different needs. We recognize the importance and power of partnering with local organizations that are critical to meeting the needs of these individual communities. In this section, we highlight a couple of these partnerships.





# **Eastern Marketplace Partnership**

Our Company

Detroit, Michigan

Nourishing a healthier, wealthier, and happier Detroit.



Since 1891, Eastern Market has been nourishing Detroit. This organization manages operations, develops facilities, provides critical infrastructure, and collaborates with community partners to:

- Strengthen the Eastern Market District as the most inclusive, resilient, and robust regional food hub in the U.S.
- Fortify the food sector in Detroit as a pillar of economic growth.
- Improve access to healthy, green, affordable, and fair food choices in Detroit and throughout Southeast Michigan.

During the last several years, Sun has continued to support Eastern Market through a robust partnership enabling them to provide:

### **Food Access and Security**

Sun is targeting the area of staffing for redemption areas at the market. This benefits those utilizing alternative currencies, such as Bridge cards; Electronic Benefits Transfer (EBT); Women, Infants, and Children (WIC).

### **Project FRESH**

Over 50,000 farmer-to-family food boxes were produced by Eastern Market staff for the first time in 2020, which served partnering nonprofits across Detroit. This included organizations such as the St. Francis Center, Vista Maria, Alternatives for Girls, Brilliant Detroit, Matrix Human Services, and Life Remodeled.



# **2020 Sun Support Highlights**

- Sun volunteers packed 300 farmer-to-family produce boxes for seniors who were not able to get out during the pandemic.
- Contributed a \$10,000 matching grant from Sun at Eastern Market's year-end fundraiser. This aided in funding 4,000 farmer-to-family food boxes, taking care of Brilliant Detroit's community for ten weeks during the winter months for the following year.

# My Jump!

Our Company

**Helping Seniors Achieve What's Left On Their Bucket List** 



MyJump! is a nonprofit organization that helps seniors achieve what's left on their bucket list, and highlights those special seniors who continue to live extraordinary and inspirational lives. For the past few years, Sun has continued our partnership to do just that for our residents. In 2019, we had ten of our senior residents experience their dream adventures, which included ziplining over the Grand Canyon and skydiving. While the program took a pause in 2020, Sun is set to safely reignite these experiences for our residents in 2021.



# **Sun Residents** & Guests

To meet the demands of our residents and guests, Sun offers a diverse range of communities and vacation destinations. At our family-friendly communities, we provide affordable and welcoming neighborhood environments for residents of all ages. Our active 55+ communities, however, give residents the perfect place for retirement living, offering a selection of beautiful homes in exceptional locations to fit every budget.

All of our vibrant manufactured home communities offer abundant amenities and services, fostering an active lifestyle, while creating a sense of community. There are also endless possibilities and quality experiences at our vacation destinations, offering unique locations across the U.S. and southern Ontario, Canada.



# **Resident and Guest Feedback**

It is our goal to provide an extraordinary experience to both prospective and current residents and guests at all our properties. Delivering customer service is key to our future success and growth. Our philosophy follows The Golden Rule, to "Treat Others the Way You Want to be Treated," and is supported through our strategic approach to customer service for residents and guests at all of our locations:

- Continual community and resort reinvestment
- Provide great value for customers
- Maintain our communities and homes
- Listen to the "voice of the customer"
- Take a more direct and individual action approach to resident communication
- Take a team learning approach that inspires commitment rather than compliance
- Measure our performance from top to bottom
- Retention statistics



What a great place to live. We have lived here for 4 years...from the management office all the way to the corporate office, Sun has gone above and beyond...

- Resident at Cypress Greens (FL)



### **Sun Listens**

Providing extraordinary service to our residents and guests is a top priority at Sun. We believe the best way to achieve this is to listen to what our customers are saying about their experiences, then take action on the areas we can improve.

Our Company

We use Net Promoter Score (NPS), which creates data based on resident and guest feedback. This helps identify our strengths, as well as areas for improvement. Customers are surveyed regularly, beginning with their move-in or check-in, and again at various points throughout their time with us.

Resident and guest feedback is received and addressed through other avenues, such as social media engagement, and a phone line dedicated to resident and guest services. Our trained team assists and escalates concerns accordingly, allowing for swift resolutions.





# **2020 Third-Party Review Highlights**

Our average third-party review score is 4/5 for all MH and RV properties

- 65% of all third-party RV reviews received a 5-star rating
- 80% of all third-party RV reviews received a 4-star rating
- Average third-party review score for RV properties is 4.2

Our Company

# **Sun Guest and Resident Military Discount**



Through our Sun Military Discount program, we are able to extend our gratitude for active-duty military and veterans in the U.S. and Canadian armed forces. The program honors brave individuals who have dedicated their lives to something bigger than themselves.

• Buy 2 Nights, Get 1 Free - Military camping and vacation rental discount



Our Company





# **Forward-Looking Statements**

This document contains various "forward-looking statements" within the meaning of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, and we intend that such forward-looking statements will be subject to the safe harbors created thereby. For this purpose, any statements contained in this report that relate to expectations, beliefs, projections, future and strategies, trends or prospective events or developments and similar expressions concerning matters that are not historical facts are deemed to be forward-looking statements. The forward-looking statements contained in this document speak only as of the date hereof and we expressly disclaim any obligation to provide public updates, revisions or amendments to any forward-looking statements made in this document to reflect changes in our assumptions, expectations of future events, or trends.



### **Notes on Environmental Data**

Completeness of the reported data is a priority to Sun. Through the process of collecting and compiling the reported data, we have identified areas of data concerns that need to be addressed prior to setting targets.

Metric	2019	2020
Electricity Data Completeness	85%	85%
Water Data Completeness	74%	74%
Waste Data Completeness	51%	51%

- Acquisitions are added to environmental reporting once they have been under Sun's operations for a full calendar year.
- Sun's 2022 ESG Performance Report will include Safe Harbor Marina's ESG data.
- Short-term target setting and base year establishment will be finalized in 2022 following the integration of Safe Harbor into reporting.
- Our approach to acquisitions allows for adequate time to confirm the accuracy and completeness of data prior to the incorporation into reporting and target progress.

# Resident and Guest Data Inclusion and Exclusions.

- Due to direct billing of residential usage, Sun does not calculate the impacts of scope 3 emissions for residential energy usage at this time.
- The energy usage at our RV properties is included in consolidated Scope 1 & 2 data, and considered a part of the services provided by Sun.
- Large growth from acquisitions has determined at this time that absolute reduction targets are not feasible. Sun will focus on intensity-based targets that ensure that as we grow, it can be done in a sustainable manner.

# **Greenhouse gases by scope**

GHG tonne	(tonne CO2e)		(tonne CO2e)		Change
	FY2019		FY2020		
	CO2e	% Share	CO2e	% Share	
Scope 1	8,041	8%	8,041	<b>7</b> %	- <b>7</b> %
Scope 2	77,655	<b>77</b> %	83,088	<b>79</b> %	<b>7</b> %
Scope 3	14,985	15%	14,159	14%	-6%

### **GRI Index**

GRI is a not-for-profit international organization that promotes the use of sustainability reporting as a way for organizations to disclose the economic, environmental, and social impacts of their activities. The GRI guidelines facilitate greater transparency through their Sustainability Reporting Framework, which includes the 2016 Sustainability Reporting Guidelines. GRI's 2016 indicators were developed through a global multi-stakeholder process and offer reporting principles, standard disclosures, and an implementation manual for preparation of sustainability reports.

This report contains material that references GRI Standard 102: General Disclosures 2016. The index displays the referenced GRI Standards disclosure numbers and titles, the location in this report of material that references each GRI disclosure, and the title of each section in this report that contains GRI-referenced material.

GRI Disclosure Number	Disclosure Title	Reference/Location	Page			
Organizational Profile						
102-1	Name of organization	Cover, Letter from the CEO	3			
102-2	Activities, brands, products, and services	What is Sun	5			
102-3	Location of headquarters	Our Locations	7			
102-4	Location of operations	Our Locations	7			
102-5	Ownership and legal form	What is Sun	5			
102-6	Markets served	What is Sun	5			
102-7	Scale of organization	What is Sun	5			
102-8	Information on employees and other works	People Metrics & Recognition of Our Commitment	51,52,53			
102-9	Supply Chain	Supplier and Vendor Code of Conduct	12			
102-12	External initiatives	Stakeholder & Industry Engagement, ESG Framework Efforts, Partnering for Greater Impact	10,11,21,65			
102-13	Membership of Associations	Stakeholder & Industry Engagement	10,11			
Strategy						
102-14	Statement from senior decision maker	Letter from the CEO	3			
102-15	Key impacts, risks, and opportunities	Materiality	22			
Ethics and Integrity						
102-16	Values, principles, standards, and norms of behavior	About Sun	5			
Governance						
102-18	Governance Structure	Leadership & Governance	14			
102-20	Executive-level responsibility for economic, environmental, and social topics	Leadership & Governance	14			
102-29	Identifying and managing economic, environmental, and social impacts	Materiality	22			
102-31	Review of economic, environmental, and social topics	Materiality	22			
Stakeholder Engag	ement					
102-40	List of stakeholder groups	Materiality & Social	22,69			
102-42	Identifying and selecting stakeholders	Materiality	22			
102-43	Approach to stakeholder engagement	Stakeholder & Industry Engagement, Social	10,11,69			
102-44	Key topics and concerns raised	Materiality	22			
Reporting Practice						
102-50	Reporting period	January 1 – December 31, 2020				
102-51	Date of most recent report	2020				
102-52	Reporting cycle	Annual				
102-53	Contact point for questions regarding the report	Sustainability@suncommunities.com				

Management Approach					
103-2	The management approach and its components  Leadership & Governance				
Environment (Ene	rgy, Water, Emissions)				
302-1	Energy consumption within the organization	Climate/ Greenhouse Gas/ Energy	25		
302-4	Reduction of energy consumption	Climate/ Greenhouse Gas/ Energy	25		
303-1	Water withdrawal by source	Water	25		
305-1	Direct (Scope 1) GHG emissions	Climate/ Greenhouse Gas/ Energy	27		
305-2	Energy indirect (Scope 2) GHG emissions	Climate/ Greenhouse Gas/ Energy	27		
305-5	Reduction of ghg emissions	Climate/ Greenhouse Gas/ Energy	25		
Social					
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Team Members Benefits	40		
404-2	Programs for upgrading employee skills and transition assistance programs	Team Members Learning and Career Development	47		
405-1	Diversity of governance bodies and employees	Inclusion, Diversity, Equity and Accessibility	50		
413-1	Operations with local community engagement, impact assessments and development programs	Sun Unity Community Engagement	59,60,61		

# SASB The SASB Content Index provides an overview of our corporate citizenship reporting practices, in accordance with the Sustainability Accounting Standards Board (SASB) sustainability disclosure topics and accounting metrics.

Topic	Code	Accounting Metric	Unit of Measurement	Information Needed
	IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area, by property subsector	Percentage (%) by floor area	100% operational floor space, vacation rental and RV usage Finalizing manufactured home rental accounting process
Energy Management	IF-RE-130a.2	(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity, and (3) percentage renewable, by property subsector	Gigajoules (GJ), Percentage (%)	(1) 733,104 GJ (2) 100% (3) 0%
	IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage by property subsector	Percentage (%)	-4.2% (2021 GRESB Report)
	IF-RE-130a.4	Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property subsector	Percentage (%) by floor area	(1) >1% of leasing square footage (2) Sun has 66 Energy Star certified manufactured homes within our leasing portfolio
Water Management	IF-RE-140a.1	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	Percentage (%) by floor area	(1) 74% (2) Assessment will be shared in 2022
	IF-RE-140a.2	(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property subsector	Thousand cubic meters (m3) Percentage (%)	(1) 14,504 thousand m3 (based on GRESB Results and converted from m3)(2) 0%
	IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage by property subsector	Percentage (%)	-1.2% (2021 GRESB Reports)
	IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks	N/A	Section B in Environment

	IF-RE-410a.1	(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	Percentage (%) by floor area	Sun Communities does not currently include any green lease language with their residents due to the uniqueness of their property type.
Management of Tenant Sustainability Impacts	IF-RE-410a.2	Percentage of tenants that are separately metered or sub-metered for (1) grid electricity consumption and (2) water withdrawals, by property subsector	Percentage (%) by floor area	Sun Communities does not currently sub-meter tenant utility consumption, but is considering these measures and others to be implemented.
	IF-RE-410a.3	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	N/A	In development
Climate Change	IF-RE-450a.1	Area of properties located in 100-year flood zones by property subsector	Square feet (ft2)	187,566,319 sq ft/1,527,570,322 sq ft (12%)
Adaptation	IF-RE-450a.2	Description of climate risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	N/A	Assessment will be shared in 2022
	IF-RE-000.A	Number of assets by property subsector	Number	371 (2021 GRESB Report)
Activity Metrics	IF-RE-000.B	Leasable floor area by property subsector	Square feet (ft2)	23,145,243 sq. ft. (2021 GRESB Report)
Activity Metrics	IF-RE-000.C	Percentage of indirectly managed assets by property subsector	Percentage (%) by floor area	78.33% (2021 GRESB Report)
	IF-RE-000.D	Average occupancy rate by property subsector	Percentage (%)	100% (2021 GRESB report)



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