

ESG

REPORT 2024



Environmental, Social and Governance Report
For the Year Ending December 31, 2024

*Deerfield Run Pointe
Anderson, Indiana*

Chair Letter

Dear Unitholders,

Every year Flagship Communities REIT's Board of Trustees focuses on improving its corporate governance and strategic oversight of the REIT's activities. This past year we upgraded our corporate governance structure and oversaw improved operating and financial performance. The highlight of the year was the acquisition of seven MHCs, the largest transaction in Flagship's history.

These acquisitions are aligned with our growth and ESG strategies. Strategically, these acquisitions leverage our economies of scale and management structure as we penetrate adjacent geographic markets. In terms of advancing our ESG profile, these acquisitions allow us to expand our sustainability culture to new markets and fulfill our corporate mission to provide affordable, sustainable, and family-oriented manufactured housing communities to more Americans across the Midwest states.



Peter C.B. Bynoe
Chair, Board of Trustees

Flagship wants to be the community of choice for our residents. We want our residents to be proud of their communities and we are dedicated to underwriting that pride. We make this happen through charitable initiatives such as our meal-program at Thanksgiving and toy-program at Christmas. We respect the need to protect and preserve a healthy environment for our residents and their neighboring communities. We continue to invest in and build out amenities such as man-made lakes that are environmentally friendly and provide outdoor gathering locales for neighbor interaction.

The Board is committed to returning capital to Unitholders and maintaining an intellectually diverse team of Trustees who possess the appropriate skill sets to represent Unitholder interests. We believe that our management team's financial performance was outstanding. The Board confirmed its commitment to superior quality leadership by appointing two new Trustees, Candace McGraw and Jonathan Li. Candace's strong leadership portfolio and Jon's industry expertise will provide invaluable insights to improving our financial and operational metrics, moving forward. These appointments also enhance the REIT's diverse leadership profile. Women represent a critical component of our management team and now comprise one third of our Board of Trustees.

continued

Chair Letter

For the fourth consecutive year the REIT increased its cash distributions to Unitholders. Our financial performance was accompanied by a positive outlook for the MHC sector. We also improved our ESG performance. For the first time in the REIT's history, we completed a regulatory disclosure readiness assessment to: (1) determine where Flagship ranks among its industry peers; and (2) understand where we can improve in the future. These findings helped support this year's ESG report and have established an ESG governance framework to assist, monitor, and manage ESG-related inquiries.

In closing, I thank my fellow Trustees for their collaboration, strategic foresight, and commitment to excellence. We continued to grow Flagship this year in a responsible and sustainable manner. My fellow Trustees and I extend our heartfelt thanks to Flagship's employees for their dedication to the REIT and its residents. Most importantly, our sincere appreciation goes out to the Unitholders for your financial investment and support of our growth strategy.

The future of Flagship Communities REIT and the MHC sector is bright. We embrace our responsibility to provide affordable, sustainable, and family-friendly housing for American families. This mission propels us forward each and every day.

Peter C.B. Bynoe
Chair of the Board

CEO Letter

Dear Unitholders,

“We can do well for investors while doing good.”

This expression became Flagship's mantra following our successful IPO in 2020 and it continues to propel us forward today.

Following the largest acquisitions in our REIT's history, 2024 was a transformational year for Flagship. We now own 82 communities with over 15,000 total lots across eight contiguous US states.

During 2024 we demonstrated the strength and stability of Flagship and the MHC industry. In a year that was very difficult for many Canadian REITs due to higher financing costs, higher capitalization rates and fewer transactions, Flagship saw significant improvements in many of its key financial metrics. The interest rates for Flagship's customers have not changed substantially and their credit underwriting remains available, which is why manufactured homes remain a very appealing and cost-effective option for many Americans.

In addition to providing a better and more affordable option than renting an apartment or owning a conventionally constructed home, by living in manufactured houses, our residents are making a responsible choice for the environment. Manufactured homes are built in a controlled factory, which reduces the carbon footprint by requiring less transportation and material waste as well as fewer bulk material purchases compared to traditional wood-frame homes. Many of our homes use Energy Star appliances, a volunteer program which improves energy efficiency while saving costs to homeowners, according to the Environment Protection Agency.

As our presence continues to grow across the Midwest and Southern United States, so too do our commitments to our residents and the environment. We have a variety of in-community initiatives that we are very proud of which continued during the year.

Every year our residents look forward to our annual holiday traditions. At Thanksgiving, we make sure that none of our residents go hungry through our Thanksgiving meal program.



*Kurt Keeney
President and
Chief Executive Officer*

continued

CEO Letter

At Christmas, we make sure no child is left without a present through our toy program and no family is left behind through our community meal program. We have also implemented free food pantries at each of our locations to support residents in need year-round. Our residents can confidently access the food pantry daily if needed. We keep the pantry stocked year-round with private donations, corporate donations and our own resources. We are happy to play a small part in bringing the families in our communities together and providing necessities for those needing a little extra help.

Our back-to-school events have also become a staple in our communities. Every child receives a backpack with the school supplies needed to start their school year. We also have after school and summer activities that serve thousands of our children annually. We have partnered with the YMCA and the Evansville and Vanderburgh County School System in Indiana that serves up to 400 children per week with after-school snacks, school programs, and tutoring Monday through Friday.

From an environmental standpoint, we continued to advance our solar lighting community program, which is now in its fourth year. We now have over 2,100 solar lights across our portfolio to date. We also continue to benefit from the sub-metering technology and water re-capture programs across all of our communities to help us detect water leaks quickly. These measures have resulted in an estimated 25-35% reduction in water consumption across our communities, while allowing us to better respond to potential resident issues.

While we are pleased with all our community and environmental initiatives this past year, we are especially grateful when our work and contributions are recognized by our industry.

We were awarded the 2025 National Community Operator of the Year by the Manufactured Housing Institute, our national industry association. This is an amazing honor and speaks to our ability to provide a positive living experience and amenities to our residents through our home ownership model.

We were also awarded Community Impact Project of the Year for our Suburban Pointe community by the Manufactured Housing Institute. We are pleased to see all the wonderful changes in the community and are grateful that these efforts have helped strengthen the sense of community at Suburban Pointe.

To enhance the safety and security of our residents, we invested in a Flock camera security system and now feature them in approximately 25% of all our communities. And in a

continued

CEO Letter

pioneering joint initiative with a local municipality, we created a storm shelter to support the local emergency management system. Our goal is to continue to increase these initiatives across more communities each year to ensure the highest living standards for our residents.

Our employees play a major role in making these efforts possible. We are committed to empowering and investing in our employees to help ensure that our residents continue to get the most out of their manufactured housing experience. Our communities are diverse, and we believe maintaining a diverse workforce is integral for the well-being of our residents. 85% of our community and district managers are women and following our recent Board appointments, our female and visible minority presence at the Board level has increased.

This year, 2025, marks the 30th year in the manufactured housing community business for Nathan Smith and myself. We started this business with the goal of providing sustainable and affordable housing that benefits families and the environment. That goal is as true today as it was in 1995. We are focused on helping families realize their dreams of affordable home ownership with a full array of amenities such as clubhouses, playgrounds, basketball courts, pickleball, cornhole, soccer fields and more. And we are fortunate to be able to do that on a much wider scale today.

Thank you to our Board of Trustees for their ongoing trust and counsel to management and thank you to the Flagship employees for their dedication to this business and to our residents. And finally, thank you to our Unitholders for your trust and confidence in Flagship.

We welcome everyone to learn more about Flagship and our ESG efforts in the pages ahead of our fifth annual ESG report.

Kurtis P. Keeney
President and Chief Executive Officer

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About This Report

Flagship Communities REIT (“Flagship” or “the REIT”) continues to advance its sustainability commitments and it remains focused on continuously improving our Environmental, Social and Governance (“ESG”) performance. ESG comprises a number of initiatives including renewable energy, education, community amenities and tenant well-being. Flagship’s ESG performance is critical to how we define ourselves as a REIT and serve our Unitholders, employees and communities.

This year’s report is Flagship’s fifth annual sustainability report. The report covers the eight markets listed in the About Flagship Communities REIT section and contains standard disclosures from the Global Reporting Initiative (“GRI”) Sustainability Reporting Standards, prepared largely in accordance with the Core option. This report also considers the reporting framework outlined by The Sustainability Accounting Standards Board (“SASB”).

The information contained in this report has been deemed noteworthy by the Flagship leadership team when considering the broader context of the business.

You can learn more about our commitments to sustainability in the Sustainable Performance Indices section, under Corporate Governance, at the end of this report.

We welcome your comments and feedback about this report and our ESG initiatives. If you have a question or comment, please contact the Investor Relations team at ir@flagshipcommunities.com.

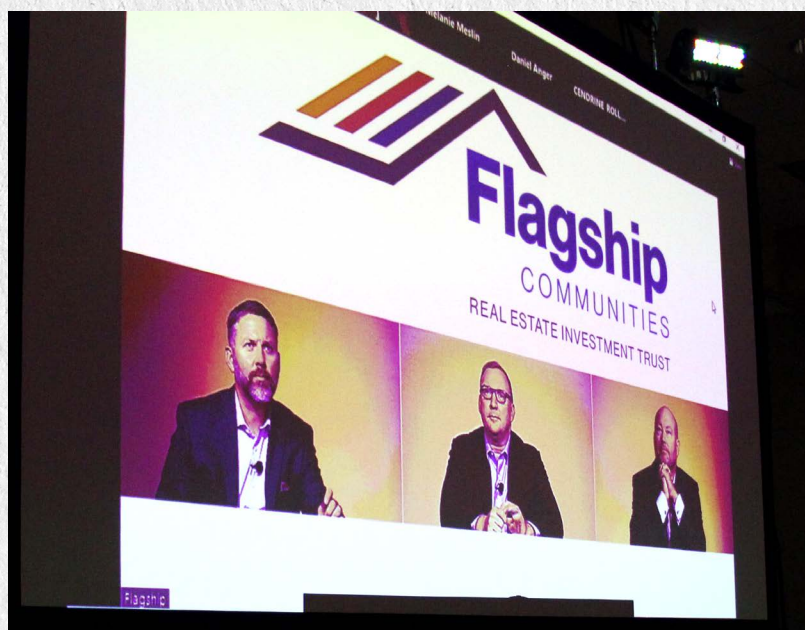


Pin Oak Pointe, O’Fallon, Missouri

Forward-Looking Statements

This ESG report contains forward-looking statements that include forward-looking information within the meaning of Canadian securities laws. These forward-looking statements reflect the current expectations of the REIT regarding future events. In some cases, forward-looking statements can be identified by terms such as “may”, “will”, “could”, “occur”, “expect”, “anticipate”, “believe”, “intend”, “estimate”, “target”, “project”, “predict”, “forecast”, “continue”, “committed”, “goal”, and “objective” or the negative thereof or other similar expressions concerning matters that are not historical facts. Material factors and assumptions used by management of the REIT to develop the forward-looking information include, but are not limited to, that occupancy rates are stable, rental rate changes and collections experiences are consistent with recent practice, and that currency exchange and interest rates are stable.

Although management believes the expectations reflected in such forward-looking statements are reasonable and represent the REIT’s internal expectations and beliefs at this time, such statements involve known and unknown risks and uncertainties and may not prove to be accurate and certain objectives and strategic goals may not be achieved. A variety of factors, many of which are beyond the REIT’s control, could cause actual results in future periods to differ materially from current expectations of events or results expressed or implied by such forward-looking statements, such as the risks identified in the REIT’s Annual Information Form for the year ended December 31, 2024, including under the heading “Risk Factors” therein, and the REIT’s most recent annual and interim Management’s Discussion and Analysis (“MD&A”), in each case available under the REIT’s profile at www.sedar.com. Readers are cautioned against placing undue reliance on forward looking statements. Except as required by applicable Canadian securities laws, the REIT undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made.

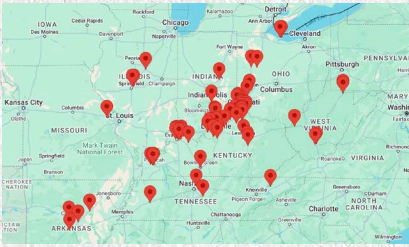


Executive Management Team on Investor Conference Call



Nathan Smith induction into Manufactured Housing Hall of Fame

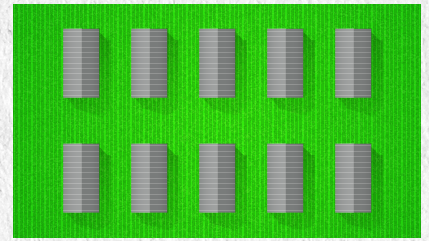
2024 Flagship At A Glance



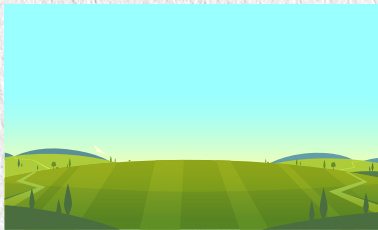
**82 Flagship Communities
in the US Midwest**



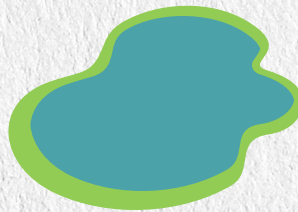
**Eight Contiguous
States**



**15,137 Community
Home Lots**



3,100 Portfolio Acres



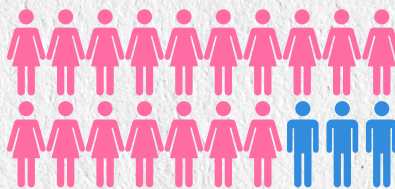
**21 Water Features
Lakes-Ponds-Streams**



**72 Playgrounds and
Picnic Areas**



**33% Minority Resident
Population**



**85% of Frontline
Managers Are Women**



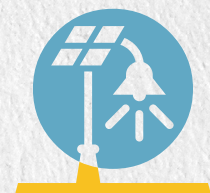
**33% Board Members
Are Women**



**2024 Best In Ohio
2024 Best In Kentucky
Awards**



**Water Conservation
Program**



**Renewable Energy
Solar Program**

Business and Financial Performance

(\$000s except per unit amounts)	For the year ended December 31, 2024	For the year ended December 31, 2023	Variance
Rental revenue and related income	88,130	71,052	24.0%
Same Community Revenue ¹	78,138	68,978	13.3%
Acquisitions Revenue ¹	9,992	2,074	381.8%
Net income and comprehensive income	103,518	65,098	59.0%
NOI, Total Portfolio	58,438	46,917	24.6%
NOI, Same Community ¹ properties	52,580	45,878	14.6%
NOI, Acquisitions ¹	5,858	1,039	463.8%
NOI Margin ¹ , Total Portfolio	66.3%	66.0%	0.5%
Same Community NOI Margin ¹	67.3%	66.5%	1.2%
Acquisitions NOI Margin ¹	58.6%	50.1%	17.0%
FFO ²	30,771	24,627	24.9%
FFO per unit ²	1.290	1.185	8.9%
FFO adjusted ²	30,175	24,627	22.5%
FFO adjusted per Unit ²	1.265	1.185	6.8%
AFFO ²	27,831	21,561	29.1%
AFFO per unit ²	1.167	1.038	12.4%
AFFO payout ratio ²	50.7%	54.1%	(6.3%)
AFFO adjusted ²	27,236	21,561	26.3%
AFFO adjusted per unit ²	1.142	1.038	10.0%
AFFO adjusted payout ratio ²	51.8%	54.1%	(4.3%)

¹ See the “Non-IFRS Financial Measures - Other Real Estate Industry Metrics” section of the REIT’s MD&A for the year ended December 31, 2024, available under the REIT’s profile on www.sedarplus.ca, for an explanation of the composition of these real estate industry metrics, which explanation is incorporated by reference herein.

² These measures are not recognized under International Financial Reporting Standards (“IFRS”), and do not have standardized meanings prescribed by IFRS and may not be comparable to similar financial measures disclosed by other issuers. See the “Non-IFRS Financial Measures - Funds from Operations and Adjusted Funds from Operations” section of the REIT’s MD&A for the year ended December 31, 2024, available under the REIT’s profile on www.sedar.com, for an explanation of the composition of these non-IFRS measures and their usefulness for readers in assessing the REIT’s performance, as well as the “Reconciliation of FFO, FFO per Unit, AFFO and AFFO per Unit” section of such MD&A for a reconciliation to the most directly comparable measure under IFRS. Such disclosure is incorporated by reference herein.

About Flagship Communities REIT

Flagship Communities Real Estate Investment Trust is a leading operator of affordable residential Manufactured Housing Communities primarily serving working families seeking home ownership. The REIT owns and operates exceptional residential living experiences and investment opportunities in family-oriented communities in Arkansas, Illinois, Indiana, Kentucky, Missouri, Ohio, Tennessee and West Virginia. Flagship is an internally managed, unincorporated, open-ended REIT established pursuant to a declaration of trust under the laws of the Province of Ontario.

Our vision is to be a leading operator and provider of high quality residential Manufactured Housing Communities in the Midwest United States.

Our mission is to provide affordable housing, exceptional residential living experiences, and investment opportunities in our adult and family-oriented manufactured housing communities. We operate with the highest integrity and represent all Unitholders and stakeholders by investing in community, safety, protecting the environment, and creating livable, well-maintained neighborhoods. With neighborhoods located near shopping and good jobs, we are committed to building outdoor living amenities that include clubhouses, lakes, playgrounds, pickleball courts, basketball courts, soccer fields, dog parks, picnic shelters, and nature trails.



Mill Creek Pointe, Evansville, Indiana

Flagship's Expanding Footprint

Our three core values are:

- **Honesty** – We are open and honest in our business dealings, and we encourage an open dialogue with all of our residents and employees to ensure they understand they can speak freely and know we will always be there to listen.
- **Respect** – We support social equity and encourage inclusivity within all of the communities we operate. By valuing our stakeholders, operating with trust and integrity, and fostering positive relationships within our communities, we will build a stronger and more empathetic culture.
- **Accountability** – We follow through on our commitments so that our stakeholders can understand what Flagship stands for via its actions.

As at December 31, 2024, we owned and operated 82 total communities, comprising 15,137 lots with a total lot occupancy of 83.5%.

Our family-oriented communities are located near centers of commerce, jobs and amenities located in highly desirable areas throughout the Midwest and upper South of the United States.

Flagship's corporate head office is located in Fort Mitchell, Kentucky and is listed on the Toronto Stock Exchange under the symbols MHC.U and MHC.UN for U.S. and Canadian dollar trading, respectively. In the United States, Flagship also trades over the counter on the OTC Markets under the symbol MHCUF.

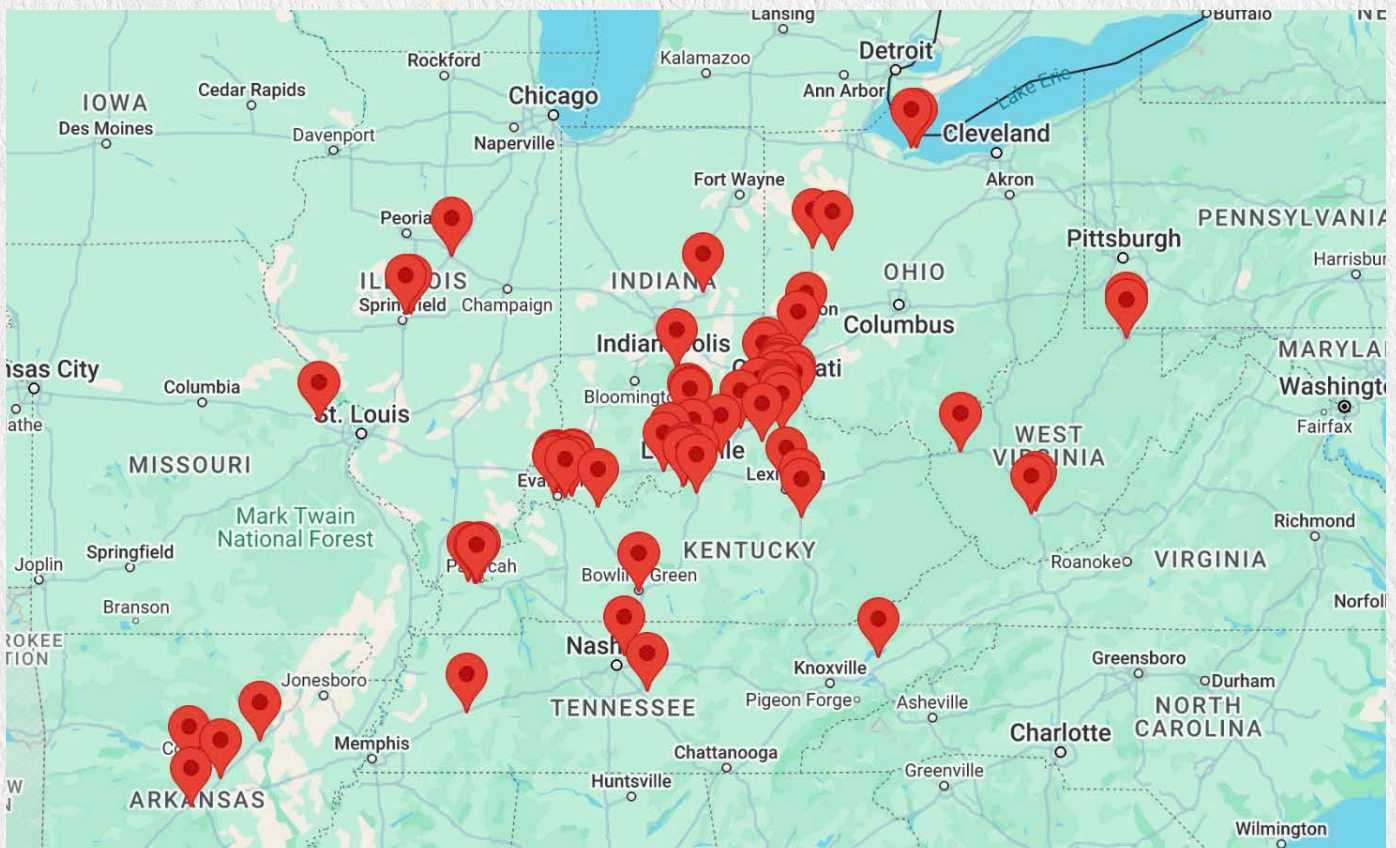
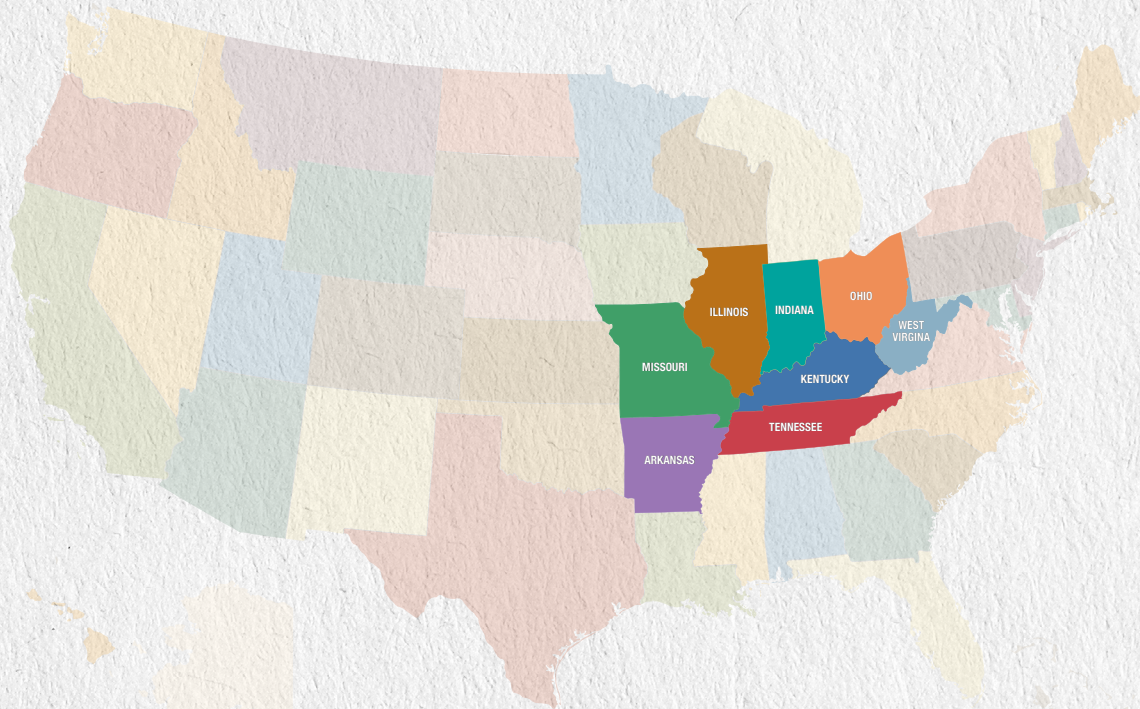
To learn more about Flagship, visit [FlagshipCommunities.com](https://www.FlagshipCommunities.com).



Deerfield Run Pointe, Anderson, Indiana

Flagship's Expanding Footprint

82 Communities in 8 States



Environmental Conscience

Sustainability Commitments

As owners and operators of family-oriented MHCs, sustainability is key to our success. By adopting responsible construction, energy, and management practices, we can significantly improve environmental outcomes. Our commitment lies in reducing our carbon footprint and upholding high sustainability standards that benefit our residents, investors, and communities.

Our manufactured homes are built module by module in a controlled factory environment, resulting in significantly less material waste compared to traditional methods. All manufactured homes are constructed according to the federal HUD Code, which has been in place since 1976. This code governs various aspects such as home design, construction quality, fire resistance, and energy efficiency. Over the years, the HUD Code has been updated to enhance energy efficiency and ventilation standards, as well as to bolster the wind resistance of manufactured homes in hurricane-prone areas. Overall, the approach toward building manufactured homes reduces our carbon footprint by minimizing transportation needs, material wastage, and promoting eco-friendly living.



Champion Homes Manufacturing Facility

Environmental Conscience

Water Usage and Conservation

We adhere to the guidelines set by the U.S. Environmental Protection Agency (USEPA) and maintain leading standards for wastewater management practices. Our preventive maintenance utility program ensures compliance and swift response to any usage issues. Trained staff manage and monitor water usage across all communities using advanced techniques such as sub-metering and water line inspections, which help in detecting and fixing leaks promptly, thereby reducing water consumption. We have deployed water and sewer sub-metering technology across all of our communities and it has resulted in a 25%-35% reduction in water consumption, which benefits our communities and the environments where we operate.

In our commitment to building sustainable communities, we prioritize the use of renewable energy. Through a pilot program launched in 2020, we've begun replacing traditional electric streetlamps with solar-powered ones, offering greater energy efficiency without compromising on light quality. Our goal is to transition all community street lighting to 100% solar-powered systems. Since the program's inception, we've expanded significantly, installing over 2,100 solar lamps across 45 communities. We continue to advance this effort throughout the eight contiguous states where we operate.



*Walking Trail, Silver Lakes Pointe
Clarksville, Indiana*

Furthermore, we promote residents' access to nature by incorporating water features like lakes, ponds, and streams into our housing communities. From 12 water features in 2021, we've now increased the count to 21, which includes man-made lakes, providing more opportunities for residents to enjoy the outdoors. We have also installed multiple dog parks and surfaced walking trails for residents and their pets to enjoy year-round.



*Deerfield Run Pointe
Anderson, Indiana*

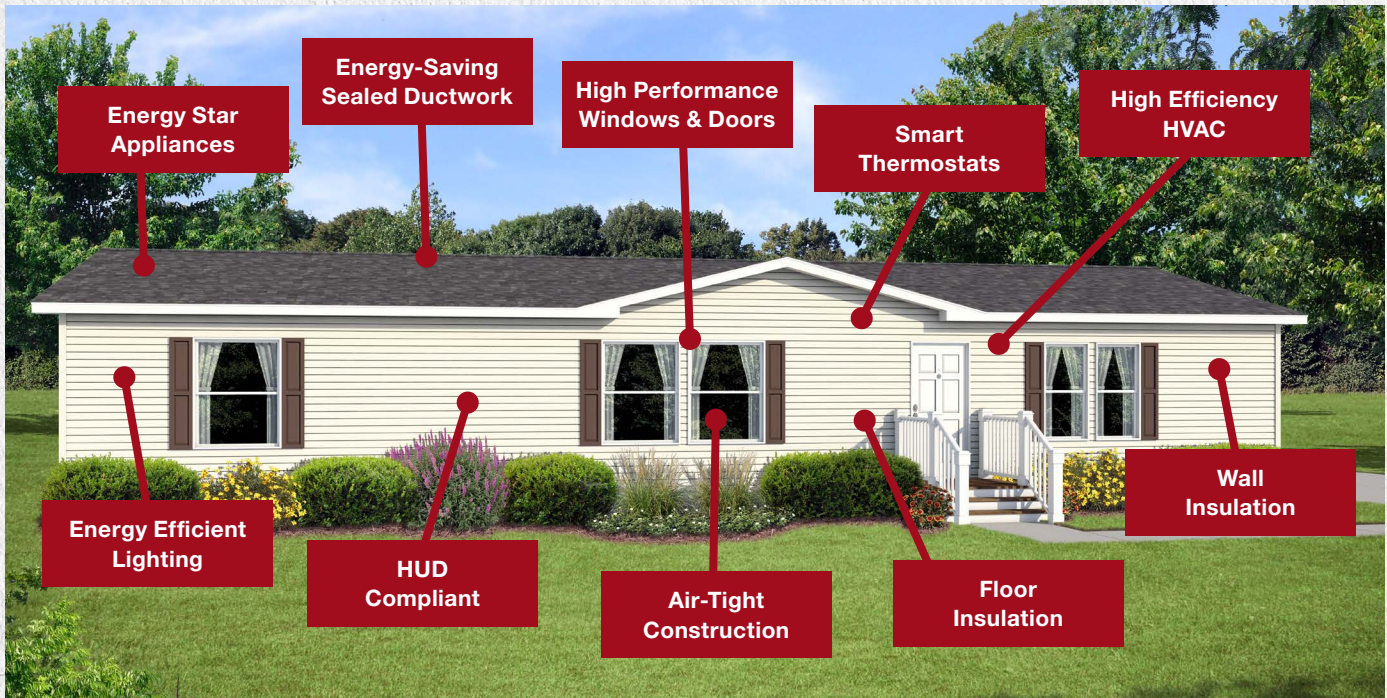


*Dog Park, Pin Oak Pointe
O'Fallon, Missouri*

Environmental Conscience

Energy Efficient Manufactured Homes

A significant portion of our new homes come with Energy Star appliances. Energy Star is a voluntary program by the U.S. Environmental Protection Agency (EPA) designed to assist businesses and individuals in saving money while prioritizing climate protection through enhanced energy efficiency.



Champion Manufactured Homes Factory

Environmental Conscience

Positive Impact of Manufactured Housing on the Environment

Manufactured housing has a positive effect on the environment compared with conventionally constructed homes. They are more energy efficient, have a lower carbon footprint, a lower cost for materials and improved air quality filtration.

Flagship works closely with Champion Homes, a leading producer of factory-built housing, which has demonstrated its commitment to sustainability through initiatives like its EcoWise program, reforestation efforts with the Arbor Day Foundation, and building with energy-efficient materials and practices.

This past year, we also made a concerted effort to replace older, conventionally constructed clubhouses with a new, manufactured-home style clubhouse, which is easier to maintain and is better for the environment.



Environmental Conscience

Energy Efficiency

Many of our manufacturing partners employ efficient and sustainable building methods and technologies. By adhering to energy standards, these homes can yield savings of 20%-30% on energy expenses compared to conventionally constructed homes.

Champion Homes notes that constructing well-insulated, energy-efficient homes in line with ENERGY STAR® guidelines enables homeowners to pursue responsible conservation efforts. By reducing their carbon footprint, homeowners also enjoy the long-term advantage of lower energy bills.

Homes manufactured by Champion Homes are built with energy-efficient windows, doors, and appliances, as well as smart home technologies to monitor and control energy usage efficiently. They also use low-emission building materials, including paints and carpet, and energy-efficient LED lighting.



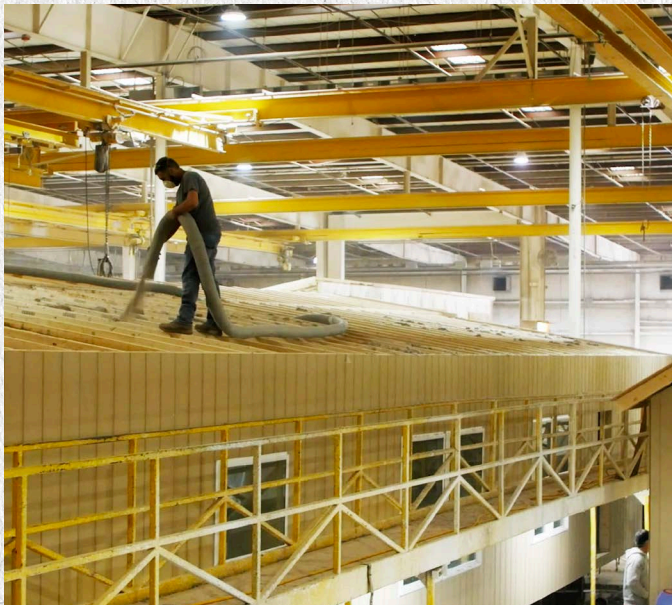
Champion Homes Manufacturing Facility

Environmental Conscience

Carbon Footprint

Buildings and construction account for 36% of global energy and 39% of the energy-related carbon dioxide emissions annually.

Manufactured homes, which are factory-built, reduce the carbon footprint by requiring less transportation, less material waste, bulk material purchases and planet-friendly living.



Home Being Manufactured at a Champion Plant



Recycling Center



Solar Street Light

Social Responsibility

Our Commitments

General

We are committed to building and maintaining safe, convenient, and enjoyable communities for our family-oriented residents.

Employee Engagements

Our highly talented and dedicated team speaks to our ability to attract and retain loyal and long-tenured employees. We take great pride in being recognized as an employer of choice in the U.S. real estate industry. As part of our investment in our people, we provide career development and growth opportunities as well as fair compensation and a Long Term Incentive Plan.

We also ensure our employees are respected, included and welcomed into a supportive workplace for all genders and races and a harassment-free workplace.



Family-oriented sense of community



Year-round activities and events for residents

Social Responsibility

Giving Back

Giving back to our communities and ensuring we have a positive impact on the lives of our residents is important, and our community managers are an integral part of our success. Our community managers are closely connected to our residents and help ensure we understand their evolving needs. Our managers work closely with community partners, including local cities and counties, schools, churches and social agencies to provide educational, recreational and nutritional projects that support our resident families.

We look for opportunities to connect with our communities through social media, sharing and promoting information that is important to our residents, including photographs and news, within each community's social media pages.



Summer Event



Food Pantry



New Playground and Basketball Court at Mill Creek



Easter Egg Hunt



After School Program at Grandin Pointe



Christmas Event

Case Study: White Pine Pointe



White Pine Pointe Community of the Year
Kentucky Manufactured Housing Institute

White Pine Pointe has been part of the Flagship portfolio for just a short time. Previously known as Greenlawn Estates, White Pine Pointe was a struggling, run-down manufactured housing community with empty lots and abandoned homes. Flagship acquired the 345-lot community and within a short span of 15 months, it has undergone a remarkable transformation.

Highly visible, along a busy highway in Northern Kentucky near major industry and employers, Flagship knew there was the potential for creating a successful community at the onset.

Upgrades to the White Pine Pointe community included paving all the roads and driveways, adding amenities, building a brand-new municipal grade playground, basketball courts, fences, solar lighting, and a large new multi-section manufactured home that serves as the new retail sales center, office, and community center.

And recently, a McDonald's restaurant opened on the property, providing employment opportunities for many residents within the community.



White Pine McDonald's creates jobs
for community residents

In just a short time, holiday and back to school events were held to boost the sense of community and provide for the needs of children and families. Positive resident referrals began to help increase word-of-mouth new home inquiries, which are among the most effective marketing tools.

continued

Case Study: White Pine Pointe

As a result, White Pine Pointe broke the REIT's sales goals in the first six months: 40 brand new homes were sold in 2024, breaking Flagship's record for a single community, and at approximately 95% occupancy, the community is essentially fully occupied. Moreover, the average home price of approximately \$65,000 to \$85,000 makes our White Pine Pointe properties stand out favorably compared to the prices for conventionally constructed homes.

Providing immediate response, friendly service and follow-up as required, customers were given a first-class treatment and making the home buying experience a pleasant one.

Today White Pine Pointe is a transformed and thriving community with new families and satisfied residents enjoying the community as proud homeowners.



Case Study: New Community Safety Measures

Since its inception, Flagship has prioritized initiatives that will benefit the community and enhance the living experience of its residents.

First and foremost, Flagship's business model by its nature helps enhance the living experience by providing affordable home ownership to many Americans. Manufactured homes are a cost-effective dwelling option relative to a conventionally constructed home or renting an apartment. Flagship's customers enjoy homes that are detached structures that do not share walls, utilities, air conditioning or heating with any other homes. These homes include 2, 3, and 4-bedrooms, typically with 2 bathrooms. They also have a deck, yard, driveway and in-home laundry facilities.

In recent years, Flagship has understood the importance of water conservation for its residents. In response to this need, Flagship established sub-metering technology across its communities to help detect and fix leaks quickly. Water sub-metering has helped result in a 25%-35% reduction in water consumption.

In 2024, for the first time in the REIT's history, Flagship unveiled two initiatives specifically aimed to enhance resident safety:

- **Flock Security Camera Systems:** In an effort to keep our residents safe, we have deployed Flock Security camera systems in approximately 25% of our communities. Our goal is for all of our communities to have these systems within the next three years. These cameras are connected to local police departments to work in concert with city/county police operations.
- **Storm Shelters:** In partnership with a local municipality, we established a storm shelter to support the local emergency management system. In order to build the storm shelter, we decommissioned two lots so that both our residents and the general public can access the shelter in case of emergency. We hope to replicate this model with other municipalities going forward.



Flock Security Camera system

Scott County opens new storm shelter



Scott County Opens New Storm Shelter, WKYT Lexington July 28, 2024

Industry Awards and Recognition

Flagship Wins MHI Community Impact of the Year and Community Operator of the Year Awards

The Manufactured Housing Institute (MHI) is a national trade organization with over 1,000 member companies. MHI annually honors members whose achievements in the industry who lead the way in providing outstanding products, customer service, creative solutions and state-of-the-art homes for today's manufactured home buyers.



Positive Impact of Affordable Housing



Stakeholder Engagement

The following table lists our key stakeholders and how we engaged with them in 2024:

Stakeholder Group	How we engaged in 2024	Priorities and concerns
Unitholders, investment community and analyst community	Investor meetings, roadshows, site visits and conference calls Annual Meeting of Unitholders	Pipeline of acquisitions Occupancy levels within existing communities Cost containment and maintaining cash distributions
Employees	Senior management site visits and meetings Training programs	Health and safety Business performance Compensation and benefits Opportunities for personal growth and development
Local communities	Community partnerships Restoration and refurbishment initiatives Community events and social causes	Local economy impact Job opportunities Health and safety Responsible corporate citizenship



Corporate Governance

Our Commitments

The standards outlined in Flagship's Code of Business Conduct and Ethics (the "Code") form the basis for Flagship's commitment to strong corporate governance. All trustees, officers and employees of the REIT and its subsidiaries are committed to, and annually re-certify their compliance with the Code.

Flagship's Board of Trustees is responsible for monitoring compliance with the Code by all trustees, officers and employees and make timely, accurate disclosures to Unitholders and other key stakeholders.

Our Board brings diverse and highly relevant expertise in fields including real estate, capital markets, legal and finance. In keeping with Flagship's commitment to gender and racial diversity, the REIT appointed two new Board members in 2024: Candace McGraw and Jonathan Li. Both bring extensive experience in leadership and capital markets.

In keeping with our focus on adhering to corporate governance best practices, Flagship will host its Annual General Meeting of Unitholders for the year ended 2024 as an in-person event for the second year in a row.

Our Compensation Governance and Nominating Committee and Audit Committee evaluate the effectiveness of the Board and review Flagship's financial reports and practices, respectively. The Board periodically reviews the reports of each committee relating to compliance with, material departures from, and investigations and any resolutions of complaints received under, the Code.

To learn more about Flagship's commitments to corporate governance, please refer to the following links on our website:

To learn more about our Charters

[Declaration of Trust](#)

[Board of Trustees Mandate](#)

[Audit Committee Charter](#)

[Compensation, Governance
and Nominating Committee
Charter](#)

To learn more about our Policies

[Executive Clawback Policy](#)

[Diversity Policy](#)

[Disclosure Policy](#)

[Omnibus Equity
Incentive Plan](#)

[Insider Trading Policy](#)

[Majority Voting Policy](#)

[Whistleblowing Policy](#)

To learn more about our Position Descriptions:

[Position Description
of Chair](#)

[Position Description
of Chief Executive Officer](#)

[Position Description
of Committee Chairs](#)

Flagship Board of Trustees

As of December 31, 2024, the following were members of Flagship's Board of Trustees:



Peter Bynoe
Independent Trustee
Chair of the Board

Mr. Bynoe is a Senior Advisor to the international law firm DLA Piper LLP (US) and has been affiliated with DLA Piper for 29 years. From 2008 to 2019, Mr. Bynoe served as a Senior Counsel to the firm. Prior to that, Mr. Bynoe was a Senior Partner, serving on the firm's executive committee. He was a Managing Director at Equity Group Investments (EGI) from 2015 to 2019 and served as Chief Executive Officer of Rewards Network Inc. (an EGI portfolio company) from 2013 to 2014. Prior to that, Mr. Bynoe was a partner and the Chief Operating Officer of Loop Capital Markets LLC from 2008 to 2013. Over the past 31 years, Mr. Bynoe has served as a director of multiple SEC reporting companies. In addition to Flagship Communities REIT, he serves on the boards of TKO Group Holdings, Inc. (NYSE:TKO) and Ardent Health Partners, Inc. (NYSE:ARDT) (formerly, Ardent Health Services), a national system of thirty acute care hospitals. He is a Trustee of the Rush University Medical System, serving as the Chairman of its Facilities Committee. Mr. Bynoe has served as the Chairman of the Chicago Landmarks Commission, Chicago Plan Commission, and the Illinois Sports Facilities Authority. He is also a Life Trustee of the Goodman Theatre. Mr. Bynoe holds a Bachelor of Arts degree from Harvard College, a Juris Doctor degree from Harvard Law School and a Master of Business Administration from the Harvard Graduate School of Management Education. He is a member of the Illinois Bar and a licensed real estate broker in the State of Illinois.

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Flagship Board of Trustees



Louis Forbes
Independent Trustee
Audit Committee Chair

Mr. Forbes is a corporate director, serving as trustee, Chair of the Audit Committee and a member of the Compensation, Governance and Nominating Committee of the Board of Trustees of Primaris REIT. Between 2017 and 2022, Mr. Forbes served as a member of the Board of Trustees with Automotive Properties REIT and he was also Chair of the Audit Committee. Mr. Forbes was formerly the Senior Vice President and Chief Financial Officer of CT Real Estate Investment Trust, serving from the inception of CT Real Estate Investment Trust in 2013 until 2018. Between 2003 and 2013, Mr. Forbes was the Executive Vice President and Chief Financial Officer of Primaris Retail Real Estate Investment Trust. Prior to serving in that role, Mr. Forbes was Vice President, Director and Senior Canadian Real Estate Equities Analyst of Merrill Lynch Canada, where he was responsible for covering North American real estate securities. Mr. Forbes also served as Vice President Finance and Chief Financial Officer of Revenue Properties Company Limited. Mr. Forbes has over 40 years of real estate and finance experience. Mr. Forbes holds a Bachelor of Science degree from McMaster University and a Master of Business Administration degree from Queen's University. Mr. Forbes holds the Chartered Professional Accountant (CPA, CA) designation and completed the Chartered Director Program at the Directors College, McMaster University.



Kurt Keeney
President and Chief Executive Officer

Mr. Keeney is President and Chief Executive Officer of the REIT. Mr. Keeney co-founded SSK Communities and FCLLC in 1995 and 2018, respectively, and has served as President and Chief Executive Officer of each entity since their respective founding. Before his involvement with the REIT and its predecessors, Mr. Keeney worked for eight years at Fifth Third Bancorp in various roles, including retail banking, commercial lending, and real estate financing. Mr. Keeney has served as chairman of the Independence Seniors Association, the board of directors for Cardinal Hill Rehabilitation Center in Northern Kentucky and as a Board Member for the Community Foundation of Northern Kentucky. Mr. Keeney holds a Bachelor of Science degree in Finance from Northern Kentucky University.

Flagship Board of Trustees



Jonathan Li
Independent Trustee
Audit Committee

Mr. Li is the President and Chief Executive Officer of Minto Apartment REIT, a public, TSX-listed owner and operator of high-quality multi-family rental properties in Canada's major markets. He oversees overall strategic direction, including operations, growth and investment decisions, capital allocation, balance sheet management and stakeholder communications. He has 25 years of experience as a senior executive with expertise in corporate strategy, corporate finance and leadership. His prior experience includes President and Chief Operating Officer of Minto Apartment REIT and Managing Director in the Real Estate investment banking group at BMO Capital Markets where he acted as an advisor to some of North America's most prominent REITs, including Flagship. Mr. Li received his Bachelor of Commerce degree from McGill University with a Major in Finance.



Candace McGraw
Independent Trustee
CG&N Committee

Ms. McGraw served as the Chief Executive Officer of Cincinnati/Northern Kentucky International Airport (CVG), was the first female chair of the World Governing Board of Airports Council International, and was appointed to serve on two U.S. Department of Transportation boards: Women in Aviation Advisory Board and the NextGen Advisory Committee. Ms. McGraw has over 25 years' experience in leadership roles, legal affairs and public administration. Ms. McGraw holds a Bachelors and Master of Arts in Political Science from Duquesne University and a Juris Doctor of Law degree from the University of Pittsburgh.

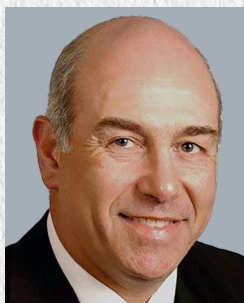
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Flagship Board of Trustees



Susan Monteith
Independent Trustee
CG&N Committee Chair
Audit Committee

Ms. Monteith is a corporate director and retired capital markets executive. Since January 1, 2018, Ms. Monteith has served as a member of the Board of Directors of Definity Financial Corporation (formerly Economical Mutual Insurance Company), a leading property and casualty insurer in Canada. Ms. Monteith also serves on the Boards of Nasdaq CXC Limited and Ensoleillement Inc. which are both wholly-owned subsidiaries of Nasdaq Inc. Ms. Monteith has over 30 years experience as a senior capital markets professional advising companies on capital raising and M&A financing. She spent 13 years with National Bank Financial Inc. as Executive Vice President and Managing Director, Client Strategy & People Development and as Head of Equity Capital Markets until her retirement in 2016. Prior to joining National Bank Financial Inc., Ms. Monteith was Head of Equity Capital Markets with Genuity Capital Markets and she spent 13 years with CIBC World Markets Inc. in various positions in Investment Banking and Equity Capital Markets. She also practiced corporate and commercial law in Toronto with the law firm Tilley, Carson & Findlay. Ms. Monteith currently sits on the board of Women's College Hospital. Ms. Monteith holds a Bachelor of Laws (LLB) degree from Osgoode Hall Law School at York University and a Master of Science degree in Business from London Business School. She also holds the ICD.D designation from the Institute of Corporate Directors.



Andrew Oppenheim
Independent Trustee
CG&N Committee

Mr. Oppenheim is an independent businessman and corporate director. Until December 31, 2020 he was a partner at Gowling WLG (Canada) LLP, a full-service multinational law firm. Mr. Oppenheim practiced commercial law for 38 years. He previously served as a trustee on the board of Nova Net Lease REIT. Mr. Oppenheim was the lead director of Amica Mature Lifestyles Inc. and served on its board of directors' Compensation Committee prior to its sale and has served as a director of a number of other public and private companies. Mr. Oppenheim holds a Bachelor of Commerce degree from University of Witwatersrand in Johannesburg, South Africa and a Bachelor of Laws degree from the University of Calgary. He was appointed King's Counsel in 2008. Mr. Oppenheim holds the ICD.D designation with the Institute of Corporate Directors.

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Flagship Board of Trustees



Ann Rooney
Independent Trustee
Audit Committee

Ms. Rooney is a corporate director, currently serving as a board member and Audit Committee Member for CIFAR (Canadian Institute for Advanced Research) since 2020. Ms. Rooney was previously Chair of the Marine Megafauna Foundation of Canada, from 2016 to February, 2024. Ms. Rooney was a Board Commissioner with the Alberta Securities Commission and served on the Governance Committee between 2011 and 2019, acting as Lead Independent Member from 2016 to 2019. She also was a director on the board of Horizon North Logistics Inc. and Chair of the Audit Committee. Between 2011 and 2017, Ms. Rooney was a director and Chair of the Audit Committee for the National Board of the Nature Conservancy of Canada and served as Vice-Chair between 2017 and 2018. Ms. Rooney has a BA in Music, a MSc. in environmental science/limnology, became a Chartered Accountant in 1987 and qualified as an ICD.D in 2010. She was recognized as a fellow of the CPAs of Alberta in 1996.



Nathan Smith
Chief Investment Officer

Mr. Smith is Chief Investment Officer for the REIT. Mr. Smith co-founded SSK Communities and FCLLC in 1995 and 2018, respectively, and has served as Chief Investment Officer of both entities since their respective founding. In addition, Mr. Smith has served as chairman of the board of directors for the national Manufactured Housing Institute, a 915-member industry trade organization, and is past president of the Kentucky Manufactured Housing Institute, having served on several active committees. In 2009, Mr. Smith received the Chairman's Award from the Manufactured Housing Institute. In 2024, Mr. Smith was inducted into the Recreational Vehicle/Manufactured Housing Hall of Fame and in 2015 was inducted into the Kentucky Manufactured Housing Institute's KMHI Hall of Fame. He served on the board of directors for Safe Harbor Marinas from 2015 - 2020. Mr. Smith served as a member on the Greater Cincinnati Northern Kentucky International Airport Board from 2008-2016. He first served as Chairman of the Board of Regents for Northern Kentucky University from 2015-2016, and is currently serving a second term as Chairman of the Board of Regents for Northern Kentucky University. Mr. Smith served as a national committeeman/superdelegate for the Democratic National Committee between 2016 and 2020. Mr. Smith holds a Bachelor of Arts degree from Northern Kentucky University.

Flagship Leadership Team

With 30 years of experience in developing and managing manufactured housing communities, Flagship's leadership team has a depth of experience in real estate, financing and community management.

The following members comprise Flagship's leadership team as of December 31, 2024.



Sustainability Performance Indices

GRI Standard	Disclosure	Response/Location
GRI 101: Foundation 2016		
Organizational profile		
102-1	Name of the organization	About Flagship Communities REIT (page 12)
102-2	Activities, brands, products, and services	About Flagship Communities REIT (page 12) Business and Financial Performance (page 11)
102-3	Location of headquarters	About Flagship Communities REIT (page 12)
102-4	Location of operators	About Flagship Communities REIT (page 12)
102-5	Ownership and legal form	About Flagship Communities REIT (page 12)
102-6	Markets served	About Flagship Communities REIT (page 12)
102-7	Scale of the organization	About Flagship Communities REIT (page 12)
Strategy		
102-14	Statement from senior decision-maker	Chair Letter (page 2) CEO Letter (page 4)
102-15	Key impacts, risks and opportunities	CEO Letter (page 4)
Ethics and integrity		
102-16	Values, principles, standards, and norms of behavior	Vision, Mission, Values (page 13) Employee Engagements (page 21) See also: Board of Trustees Mandate See also: Declaration of Trust
Governance		
102-18	Governance Structure	Corporate Governance (page 29) Leadership Team (page 35) See also: Board of Trustees Mandate See also: Declaration of Trust See also: Board of Trustees See also: Leadership

Sustainability Performance Indices

GRI Standard	Disclosure	Response/Location
102-21	Consulting stakeholders on economic, environmental, and social topics	Stakeholder Engagement (page 28)
102-22	Composition of the highest governance body and its committees	Corporate Governance (page 29) Leadership Team (page 35) See also: Board of Trustees Mandate See also: Declaration of Trust See also: Board of Trustees
102-23	Chair of the highest governance body and its committees	Corporate Governance (page 29) Leadership Team (page 35) See also: Board of Trustees Mandate See also: Declaration of Trust See also: Board of Trustees
Stakeholder engagement		
102-40	List of stakeholder groups	Stakeholder Engagement (page 28)
Reporting practice		
102-45	Entities included in the consolidated financial statements	About This Report (page 8)
102-49	Changes in Reporting	Business and Financial Performance (page 11)
102-50	Reporting period	About This Report (page 8) Business and Financial Performance (page 11)
102-51	Date of most recent report	About This Report (page 8)
102-52	Reporting cycle	About This Report (page 8)
102-53	Contact point for questions regarding the report	About This Report (page 8)
102-54	Claims of reporting in accordance with the GRI Standards	About This Report (page 8)
102-55	GRI Content Index	GRI Content Index (page 36-38)

Sustainability Performance Indices

GRI Standard	Disclosure	Response/Location
GRI 200: Economic Standard Series		
Economic Performance		
201-103	Management approach disclosures	Vision, Mission, Values (page 13)
Indirect Economic Impacts		
203-103	Management approach disclosures	Energy-Efficient Manufactured Homes (page 17) Social Responsibility (page 22)
GRI 300: Environmental Standards Series		
Biodiversity		
304-103	Management approach disclosures	Environmental Conscience (pages 15-20) Energy-Efficient Manufactured Homes (page 17) Energy Efficiency (page 19) Carbon Footprint (page 20) Social Responsibility (page 22)
304-2	Significant impacts of activities, products, and services on biodiversity	Environmental Conscience (pages 15-20) Energy-Efficient Manufactured Homes (page 17) Energy Efficiency (page 19) Water Conservation (page 16)

Sustainability Performance Indices

GRI Standard	Disclosure	Response/Location
GRI 400: Social Standards Series		
Employment		
401-103	Management approach disclosures	Social Responsibility (page 22) Employee Engagements (page 21)
Diversity and Equal Opportunity		
405-103	Management approach disclosures	Vision, Mission, Values (page 13) See also: Diversity Policy
Non-Discrimination		
406-103	Management approach disclosures	Vision, Mission, Values (page 13) Employee Engagements (page 21)
Human Rights Assessment		
412-103	Management approach disclosures	Vision, Mission, Values (page 13) Employee Engagements (page 21)
Local Communities		
413-103	Management approach disclosures	Our Communities (page 14)

Sustainability Performance Indices

SASB: Sustainability Disclosure Topics & Accounting Metrics

Topic	Accounting Metric	Category	Unit of Measure	Code	Response/Location
Energy Management	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Discussion and Analysis	n/a	IF-RE-130a.5	Energy Efficiency (page 19) Carbon Footprint (page 20)
Water Management	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	n/a	IF-RE-140a.4	Water Conservation (page 16)
Management of Tenant Sustainability Impacts	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	Discussion and Analysis	n/a	IF-RE-410a.3	Positive Impact on the Environment (page 18)
Climate Change Adaptation	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Discussion and Analysis	n/a	IF-RE-450a.2	Environmental Conscience (pages 15-20)

Activity Metrics

Activity Metric	Category	Unit of Measure	Code	Response/Location
Number of Assets, by property subsector	Quantitative	Number	IF-RE-000.A	About Flagship Communities REIT (page 13)
Average occupancy rate, by property subsector	Quantitative	Percentage (%)	IF-RE-000.D	About Flagship Communities REIT (page 13)