



Environmental, Social and Governance Report

for the year ending December 31, 2021



About This Report

In January 2021, Flagship Communities REIT (“Flagship” or “the REIT”) published its inaugural sustainability report. That report was intended to be our entry point into the communication of what Environmental, Social and Governance (ESG) means to us as a REIT. Sustainability is intrinsic to our business model and success as an organization, which is why we are committed to publishing an ESG report on an annual basis in order to keep all of our stakeholders apprised on key ESG initiatives, while also providing a better depiction of who we are and what we stand for as a REIT.

This report contains standard disclosures from the Global Reporting Initiative (GRI) Sustainability Reporting Standards, prepared largely in accordance with the Core option and also considers the reporting framework outlined by The Sustainability Accounting Standards Board (SASB).

Our report covers all jurisdictions reported in the About Flagship Communities REIT section (page 6). The information contained in this report has been deemed noteworthy by the Flagship leadership team when considering the broader context of the business.

More information on the scope of our reporting is available in the Sustainable Performance Indices section at the conclusion of this report.

We welcome your comments and feedback about this report. Please contact the Investor Relations at ir@flagshipcommunities.com.

Table of Contents

Welcome to Flagship Communities REIT’s second Sustainability Report. The information enclosed covers the period from January 1, 2021 through December 31, 2021. The contents include information about the 63 communities across seven states in the US that are included in the REIT.

CEO Message.....	4	Social Responsibility.....	24
About Flagship Communities REIT	6	Our Communities.....	25
Case Study: The Restoration of Waterford Pointe.....	7	Employee Relations	26
Vision, Mission and Values	12	Giving Back.....	27
Flagship At A Glance	15	Residents	28
Business and Financial Performance	16	Community Pride.....	29
Environmental Conscience	17	Social Media	30
Energy-Efficient Manufactured Homes....	18	Stakeholder Engagement.....	31
Positive Impact of Manufactured Housing on the Environment	19	Corporate Governance	32
Energy Efficiency	20	Board of Trustees	33
Carbon Footprint.....	21	Leadership Team	34
Renewable Energy Solar Lighting Program	22	Ethics	35
Water Conservation	23	Sustainability Performance Indices	36
		Forward-Looking Statement	44

CEO Message

We have made tremendous strides since going public just over one year ago.

When we completed our initial public offering, we owned and operated 45 Manufactured Housing Communities (“MHC”), comprising 8,255 lots in four contiguous U.S. states. As at December 31, 2021, we owned and operated 63 total communities, comprising 11,328 lots across seven contiguous U.S. states. We continue to make acquisitions.

While we experienced significant growth, our unwavering commitment to the residents in our communities has remained the same since we began this business over 27 years ago and will be key to maintaining long-term success.

From the Ground Up

Flagship Communities REIT has embraced Environmental, Social and Governance (“ESG”) from the ground up.

We recognize that ESG is integral to our growth and corporate achievements. Our commitment to ESG makes us better operators, supports transparency and strong governance, contributes to improved safety and environmental performance, and strengthens our connection with local communities.

Our growth strategy is predicated on our experience: namely, the best way to deliver sustainable value is by replicating our successful business model into new U.S. markets and then operating within these markets in a responsible way.

Making a Positive Difference

Our proven and successful business model enabled us to expand into the three new markets of Arkansas, Missouri and Illinois in 2021. With a presence in seven U.S. states, we now have an established, solid platform to embark on the REIT’s next leg of growth. Inherent with



Kurt Keeney
Chief Executive Officer

CEO Message (continued)

this expected growth comes responsibility, and we are ready to make a positive difference for all of our stakeholders.

ESG is a core part of Flagship's success and culture as an organization. We have established governance policies and have implemented other measures including a new water main installation project and the installation of solar street lights across our communities.

We are mindful of the fact that our commitment to ESG does not eliminate challenges facing the residents of our communities. While the U.S. continues to see unfortunate incidents across the country involving minorities, we understand these events are not isolated or new. We stand with and support everyone who uses their voice against injustice, and we're proud to have 30% of our residents come from minority populations.

We also continue to face the challenge of addressing climate change and we believe manufactured homes are part of the solution. Manufactured homes are designed to minimize carbon emissions.

Building on our Achievements

After steadily adding to our existing portfolio, Flagship is poised to make even greater progress going forward. In the year ahead, we will continue to focus on the markets where we operate but we will also continue to seek opportunities outside of our existing portfolio.

We look forward to a new phase of sustainable, responsible growth that will further strengthen Flagship as one of the U.S. Midwest and Upper South's largest MHC operators, and the only pure play manufactured housing investment in the Canadian capital markets. I am proud and excited to be a part of this exciting journey. I want to thank our Board for their guidance, my colleagues and our unitholders for their support.

In keeping with our commitment to ESG, we encourage you to look through the report to learn more about Flagship and our ongoing commitment to ESG.

A handwritten signature in blue ink, reading "Kurtis P. Kenney".

About Flagship Communities REIT

Flagship owns and operates a portfolio of income-producing manufactured housing communities located in Kentucky, Indiana, Ohio, Tennessee, Illinois, Arkansas, and Missouri, including a fleet of manufactured homes for lease to residents of such housing communities. As at December 31, 2021, we owned and operated 63 total communities, comprising 11,328 lots with a total lot occupancy of 82.8%.

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 headquarters is located in Erlanger, Kentucky and the REIT is listed on the Toronto Stock Exchange under the symbol [MHC.U](#).

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





Case Study

The Restoration of Waterford Pointe Following A Devastating Tornado



The Restoration of Waterford Pointe

In 2005 an F-3 tornado obliterated most of a mobile home community on the east side of Evansville, Indiana. The tornado struck during the middle of the night and by the time the sun rose the next morning, 150 of the over 300 homes were destroyed. The tornado left damage across 41 miles as it tore a path 500 yards wide with winds of 200 miles per hour. It devastated the mobile home park, killing 20 people.

In the years since that horrible night, that tornado event is known as one of the deadliest American disasters and large loss-of-life natural occurrences in history.



Jason Clark / Courier & Press Archive The community at Eastbrook Mobile Home Park on Evansville's southeast side was hit hard by the the early morning tornado that caused 16 deaths and numerous injuries in a short amount of time. Jason Clark, *The Evansville Courier & Press*



The Restoration of Waterford Pointe

While over 100 homes remained standing, the community struggled for well over a decade. The physical and psychological scars were too much for many to bear.

Flagship acquired the community in 2016 with the goal of bringing the community to life again, erasing the stigma associated with a community that had been devastated by a natural disaster. We re-branded the community and gave it a new name – Waterford Pointe. Hiring a well-known, beloved individual as community manager, we set on a course to bring high quality housing to the area along with amenities.

Many improvements were made at Waterford Pointe and continue to this day. Flagship built two playgrounds, a basketball court and added soccer nets. One of the playgrounds is designated as a memorial playground in memory of one of the children who died in the tornado. A lake which is optimal for fishing and wildlife, has been undergoing maintenance to remove trees and debris, beautifying, and improving the environment for geese, birds and fish.

Street paving and extensive landscaping are among the improvements made to the park. A half mile walking/nature trail was added to the community along the beautiful lake. A walking path was created in order to access the island in the

The Restoration of Waterford Pointe

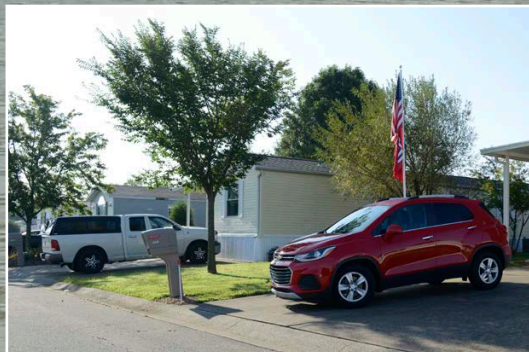
lake. Plantings of fruit trees and berries have been added to provide for wildlife. New and upgraded water meters have been installed to both conserve and properly capture water usage and leaks as they might occur.



Waterford Pointe partners with The Gathering Church to provide assistance to families in need in the community. Back-to-school backpacks have been distributed, along with food baskets at Thanksgiving and Christmas.

The family-oriented community is becoming more and more diverse. We have welcomed new Black, Brown, Hispanic and LGBTQ residents during this past year. Of the 17 new homes sold in 2021, nearly half were from a diverse background.

Moving forward, the community continues to thrive while the memory of what happened in 2005 fades. The implementation of solar street lighting is planned for 2022, making the community shine in the evening while reducing energy consumption.



Waterford Pointe wins national award

The Manufactured Housing Institute, the industry's premier member organization, named Waterford Pointe the Land-Lease Community of the Year (East) at the MHI 2022 Congress and Expo in Orlando, Florida in April.



"We are proud of our Waterford Pointe community and the effort that our staff has put into the turnaround that has occurred since the devastating tornado," said Flagship CEO Kurt Keeney. "The satisfaction of our residents at Waterford along with our



community partners have made it a wonderful place for families and seniors to reside. We thank MHI and its leaders for this great honor."



(l-r) Flagship CFO Eddie Carlisle, MHI President Mark Bowersox, Flagship CEO Kurt Keeney, Flagship Chief Investment Officer Nathan Smith



Vision

To be a leading operator and provider of
affordable residential Manufactured Housing
Communities in the Midwest United States



Mission

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 of 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 lakes, playgrounds, ballfields, basketball courts, picnic shelters, and nature trails.



Honesty

We are open and honest in our business dealings, and we encourage an open dialogue with all of our residents to ensure they understand that they can speak freely and know that we will always be there to listen.

Respect

We support social equity and encourage inclusivity within all of the communities we operate. We believe that 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.

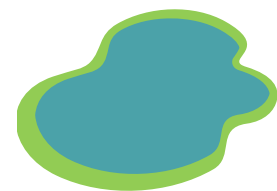
2021 Flagship Communities REIT AT A Glance



National Award for
Community of the Year



Best Places to
Work Award



12
Water Features
Lakes-Ponds-Streams



75%
Frontline Managers
Are Women

~30%

Minority Resident
Population



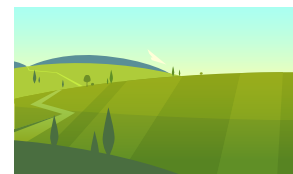
14%
Woman
Board Membership



14%
BIPOC
Board Membership



7
Contiguous
States



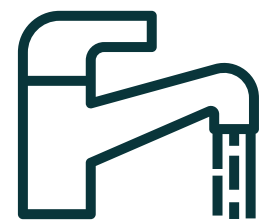
2,500
Portfolio
Acres

11,328

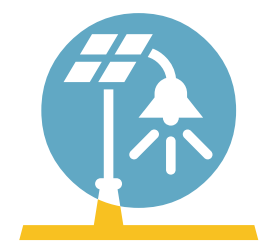
Community
Home Lots



63
Playgrounds and
Picnic Areas



Water Conservation
Program



Renewable Energy
Solar Program

Business and Financial Performance

	For the three months ended December 31, 2021	For the period October 7, 2020 through December 31, 2020	Variance
Revenue, total portfolio	12,192	8,304	3,888
Revenue, Same Community ¹	9,507	8,262	1,245
Revenue, acquisitions	2,685	42	2,643
Net income and comprehensive income	53,451	47,338	6,113
NOI ¹ , Total Portfolio	8,199	5,497	2,702
NOI ¹ , Same Community ¹ properties	6,300	5,472	828
NOI ¹ , Acquisitions	1,899	25	1,874
NOI Margin ¹ , Total Portfolio	67.2%	66.2%	1.0%
NOI Margin ¹ , Same Community ¹ properties	66.3%	66.2%	0.1%
NOI Margin ¹ , Acquisitions	70.7%	58.5%	12.2%
	?	?	?
FFO ²	4,614	2,697	1,917
FFO Per Unit ²	.263	0.220	0.043
AFFO ²	3,920	2,227	1,693
AFFO Per Unit ²	0.223	0.182	0.041
AFFO Payout Ratio ²	59.8%	67.0%	(7.2%)

(\$000s except per share amounts)

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, 2021, available under the REIT's profile on www.sedar.com, 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 management's discussion and analysis ("MD&A") for the year ended December 31, 2021, 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 a reconciliation to the most directly comparable measure under IFRS. Such disclosure is incorporated by reference herein.

ENVIRONMENTAL

Environmental Conscience

Our mission is to provide family oriented, sustainable MHCs. As such, we have a responsibility to protect our planet and are committed to sustainability and environmentally friendly practices in all facets of our operations. Protecting the environment means preserving natural resources and utilizing land areas for the natural human interaction and supporting more time in nature for our residents.

Today's manufactured homes are energy-saving and low environmental impact.

Building a home module by module in a controlled factory results in 50-75% less waste in materials.

When homes arrive at a site, it takes only a matter of weeks to complete compared

to many months for a site-built home.

This results in less energy expended by construction workers and equipment being transported to the jobsite each day.

Today's manufactured housing homes are built with the latest technology utilizing high performance building techniques, maximizing energy performance. The building process includes energy saving sealed ductwork, insulation, high performance windows and doors, high efficiency HVAC systems, and smart thermostats that require less energy to keep the home at a perfect temperature throughout the seasons.

Many of our new homes are equipped with Energy Star appliances. Energy Star is a U.S. Environmental Protection Agency (EPA)

voluntary program that helps businesses and individuals save money and "protect the climate through superior energy efficiency."

Manufactured homes are constructed to adhere to the federal HUD (United States Housing & Urban Development Agency) Code since 1976. The HUD Code regulates home design and construction, strength and durability, fire resistance and energy efficiency. HUD revised the building code in the early 1990's to enhance energy efficiency and ventilation standards and to improve the wind resistance of manufactured homes in areas prone to hurricane-force winds.

Energy Efficient Manufactured Homes



**Energy Star
Appliances**

**Energy-Saving
Sealed Ductwork**

**High Performance
Windows & Doors**

**Smart
Thermostats**

**High Efficiency
HVAC**

**Wall
Insulation**

**Energy Efficient
Lighting**

**HUD
Compliant**






**Air-Tight
Construction**

**Floor
Insulation**



ENVIRONMENTAL

Positive Impact of Manufactured Housing on the Environment

-  Energy Efficient
-  Lower carbon footprint
-  Lower cost of materials
-  Improved air quality filtration
-  Eco-friendly



ENVIRONMENTAL

Energy Efficiency



Many of our manufactured home partners utilize green building construction and technologies. Meeting energy standards, the homes can result in 20-30 percent savings on energy bills over conventional built homes.

One of our manufacturing partners, reports that “by constructing a well-insulated, energy-efficient home that meets ENERGY STAR® guidelines, homeowners continue down the path of responsible conservation. As they reduce their own carbon footprint, they’re also able to enjoy the benefits of lower energy bills far into the future.”





ENVIRONMENTAL

Carbon Footprint



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

Manufactured, factory-built housing is the original “green” home method of construction. Factory-built homes reduce the carbon footprint by requiring less transportation, less material waste, bulk material purchases and planet-friendly living.



Renewable Energy Solar Lighting Program



Renewable energy is the future for our communities. Following a successful pilot program to test solar lighting in our communities, during 2021 we installed over 700 solar lamps across our communities. These lamps are more energy efficient than electric streetlamps, while maintaining light quality at night.

With ease of installation, and once we analyze the cost savings measured against the higher cost of using electricity, our goal is to transform our community street lighting into a 100% solar-powered system.



Water Conservation

We Do Our Part

Flagship has dedicated, USEPA-trained staff that manage and plan the monitoring of water usage throughout every community. Through sub-metering and water detection equipment, we are able to monitor and detect water leaks immediately, which has resulted in roughly at 25% reduction in water consumption compared to previously un-monitored water usage. Utility inflation has attributed greatly towards steep increases in housing costs and our water conservation management practices are critical to housing affordability.

Following the guidelines of the U.S. Environmental Protection Agency (USEPA), we are committed to the highest standards for wastewater management practices. Implementation of a preventive maintenance utility program assures compliance and immediate response to problems and usage issues.

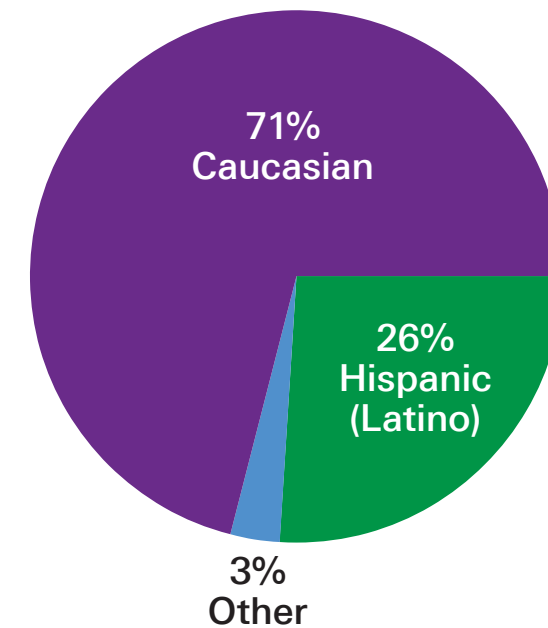


Heartland Point Holiday Food Program
Elsmere, Kentucky

SOCIAL

Social Responsibility

As owners and operators of residential manufactured housing communities, our communities are diverse, and many are low- and moderate-income working families. Our commitment includes addressing the needs of the residents with a holistic approach as well as promoting community well-being.



SOCIAL

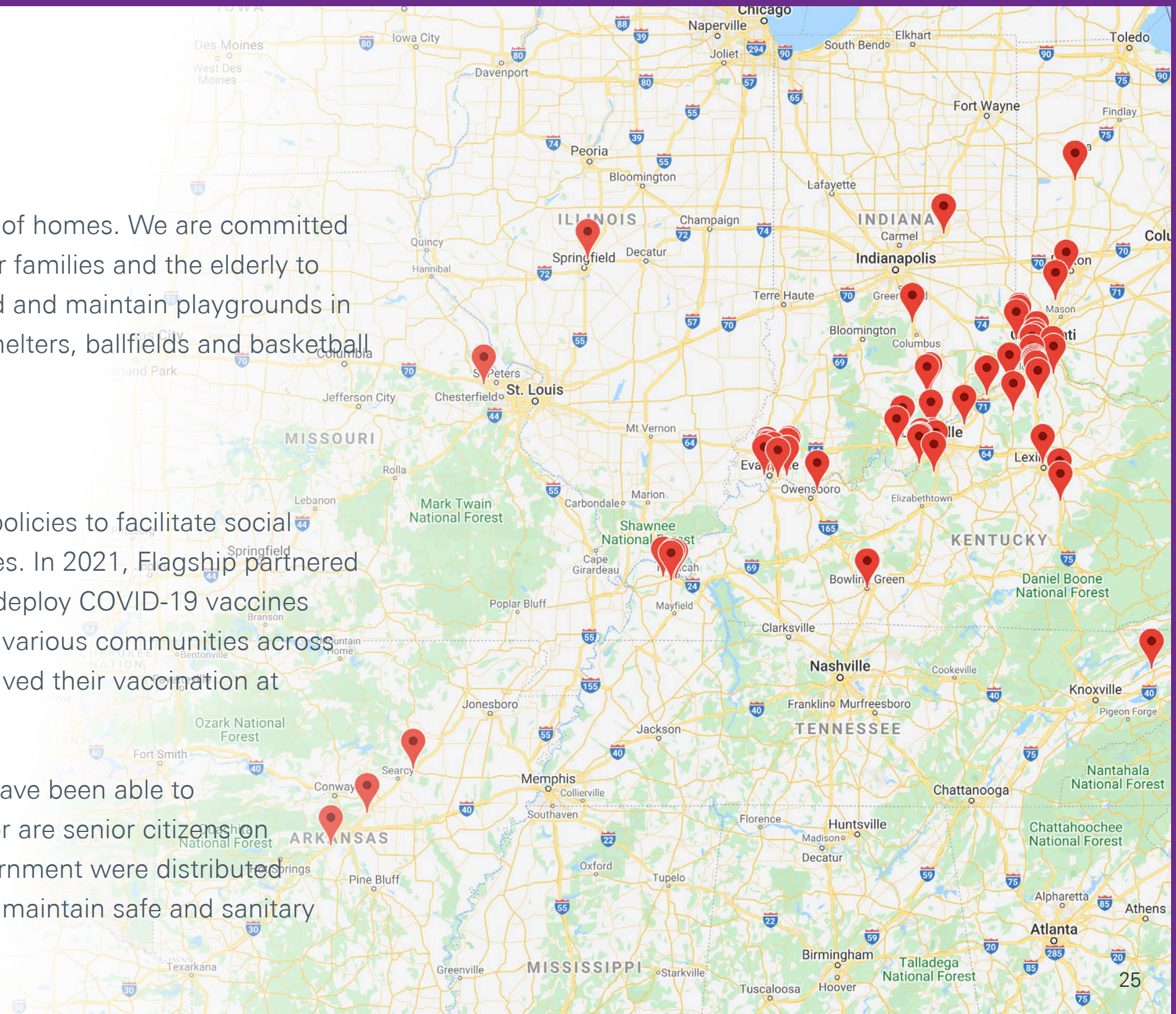
Our Communities

We operate our communities as a livable collection of homes. We are committed to providing neighborhoods with outdoor spaces for families and the elderly to enjoy the amenities and nature. That's why we build and maintain playgrounds in every community, many with playgrounds, picnic shelters, ballfields and basketball courts.

Protecting our Community against COVID-19

At the onset of COVID-19, Flagship instituted new policies to facilitate social distancing and to ensure the safety of our employees. In 2021, Flagship partnered with The Northern Kentucky Health Department to deploy COVID-19 vaccines to several communities. Vaccine clinics operated in various communities across Kentucky and nearly 700 community residents received their vaccination at Flagship's clubhouses.

A sizable number of residents in our communities have been able to maintain their employment through the pandemic or are senior citizens on fixed incomes. Stimulus checks from the U.S. Government were distributed throughout the spring. We will continue working to maintain safe and sanitary conditions in all of our communities.





SOCIAL

Employee Relations

As a leading operator of MHCs, we want to be recognized as an employer of choice within the U.S. real estate industry. This requires us to offer fair wages and compensation and to invest in our people through career development and growth opportunities. Flagship requires a non-discriminatory and welcoming workplace for all genders and races and a harassment-free workplace. We do not tolerate any form of violent behavior, and personnel are expected to perform their job duties in a professional manner.

Team Member Engagement

It is important for us to ensure that our community managers are well informed so that they can properly communicate with the residents of their communities.

Our community managers are hands on, staying close to the residents and monitoring their needs. Managers work with community partners—schools, churches and social agencies to provide educational, recreational and nutritional projects that support the residents and children.

We engage through social media to connect, share and promote information that is important to our residents, sharing photographs and news within each community's social media pages.



SOCIAL

Giving Back

Working through our community managers, we make a positive impact in our communities. Engaging in summer meal programs for children out of school, summer fun days, health fairs and holiday giveaways, we provide the staff and resources to provide social support for our families and elderly residents.



Education



Health



Social Services



Holiday Giving



Community Social Activities



SOCIAL

Residents

The profile of our residents is diverse and primarily among lower income working families and senior citizens. Our residents' value safe neighborhoods which is why we adopted a zero-tolerance policy against drugs and violence in our communities.

Our communities are equipped with clubhouses for resident use for birthday parties and special occasions. Ballfields, basketball courts, playgrounds and walking trails are available for resident use.

Managers are in close contact with residents, meeting their needs and providing links to community resources through schools, churches and agencies.

SOCIAL

Community Pride

We take pride in our communities, providing proper maintenance, clean-up, seasonal flower and shrub plantings and engagement in the cities and communities in which we live.

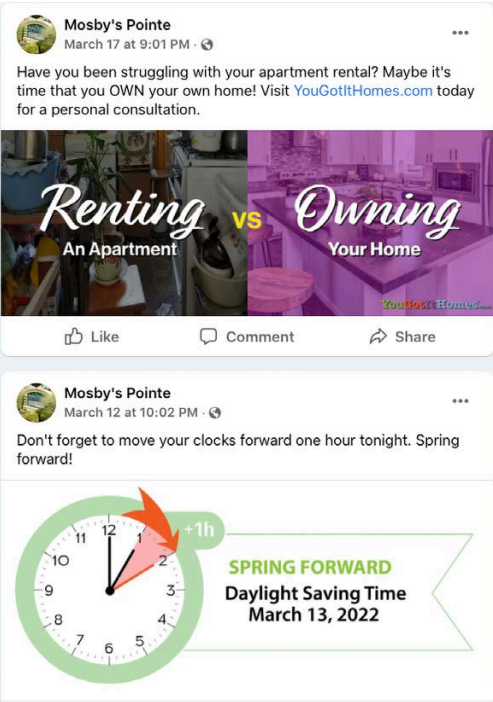


SOCIAL

Social Media

We are very active on social media. All of our communities have a Facebook page, and we engage through Twitter and LinkedIn. Residents frequently access the social media pages for information, to message the community and for inquiries on available homes.

Our social media pages are monitored daily and are kept up to date with news and happenings in each community.



Flagship Communities REIT

@Flagship_Comm

Manufactured housing communities throughout Kentucky, Indiana, Ohio and Tennessee

📍 Erlanger, KY 🔗 flagshipcommunitiesreit.com 📅 Joined February 2016

Tweets

Tweets & replies

Media

Likes



Flagship Communities REIT @Flagship_Comm · 12s

2020 was the year we were named to the Cincinnati Business Courier's Best Places to Work list of companies. Thanks to our great team!

Stakeholder Engagement

The following table lists our key stakeholders and how we engaged with them in 2021:

Stakeholder Group	How we engaged in 2021	Priorities
Unitholders, investment community and analyst community	Investor meetings, roadshows, site visits and conference calls Annual general meeting of unitholders	Pipeline of acquisitions Occupancy levels within existing communities Cost containment and maintaining cash distributions
Employees	Frequent 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

Flagship is committed to strong corporate governance and its Trustees are committed to fulfilling their statutory mandate to exercise their powers and discharge their duties honestly, in good faith and with a view to the best interests of the REIT, and with the highest standards of ethical conduct.

Flagship's Board of Trustees is committed to appropriately managing conflicts of interest, and providing timely, accurate disclosures to unitholders and other key stakeholders.

Members of our Board are highly skilled and qualified individuals who are committed to maintaining the highest level of stewardship. Our Board members also represent a diversity of viewpoints, backgrounds and experiences with 14% women and 14% BIPOC board membership. The Board fulfills its responsibilities directly and through the Compensation Governance and Nominating Committee Charter, and the Audit Committee.

The Board has adopted a written Code of Business Conduct and Ethics (the "Code") applicable to trustees, officers and employees of

the REIT, among others. The Board shall periodically review the reports of the Compensation, Governance and Nominating Committee relating to compliance with, material departures from, and investigations and any resolutions of complaints received under, the Code.

Please refer to our [Board of Trustees Mandate](#) as well as our [Declaration of Trust](#) to learn more.



GOVERNANCE

Board of Trustees



Peter Bynoe
Chair of the Board
Independent Trustee
CGN Committee

Peter Bynoe is a Senior Advisor to the international law firm DLA Piper LLP. He has been affiliated with the firm for 25 years, having previously served as Senior Counsel and Senior Partner. Mr. Bynoe was also a Managing Director at Equity Group Investments from 2014 to 2019, Chief Executive Officer of Rewards Network Inc. from 2013 to 2014, and a partner and Chief Operating Officer of Loop Capital Markets LLC from 2008 to 2013.



Andrew Oppenheim
Independent Trustee
CGN Committee

Andrew Oppenheim was a partner until December 31, 2020 at Gowling WLG (Canada) LLP, a full-service multinational law firm. He practiced commercial law for 38 years with expertise in debt financing, mergers and acquisitions, asset purchases and sales, and commercial real estate. Mr. Oppenheim was the lead director of Amica Mature Lifestyles Inc. prior to the company's sale in 2015, and has served as a director of a number of other public and private companies. He holds the ICD.D designation from the Institute of Corporate Directors.



Louis Forbes
Independent Trustee
Audit Committee Chair

Louis Forbes is a corporate director with more than 30 years of real estate and finance experience. He was the Senior Vice President and Chief Financial Officer of CT Real Estate Investment Trust from its inception in 2013 until the end of 2018. From 2003 to 2013, Mr. Forbes was the Executive Vice President and Chief Financial Officer of Primaris Retail Real Estate Investment Trust.



Nathan Smith
Chief Investment Officer of
Flagship Communities REIT

Nathan Smith co-founded the REIT's predecessor companies with Kurt Keeney. Mr. Smith's responsibilities include acquisitions of new communities, marketing, e-commerce and sales. He has served as Chairman of the Manufactured Housing Institute, a 915-member industry trade organization. Mr. Smith serves on the board of directors for Safe Harbor Marinas, the world's largest owner and operator of marinas, and was a member of the Greater Cincinnati Northern Kentucky International Airport Board and the Northern Kentucky University Board of Regents.



Kurt Keeney
President and Chief Executive
Officer, Flagship Communities
REIT

He co-founded the REIT's predecessor companies and related entities with Nathan Smith. Beginning in 1995 with just one community and 152 lots, Flagship has built a leading position in its target markets under their leadership. Prior to his involvement with Flagship, he worked for eight years at Fifth Third Bancorp in various roles.



Iain Stewart
Independent Trustee
Audit Committee

Iain Stewart is the President and Chief Executive Officer of Genesis Land Development Corp., a land developer and residential home builder. Mr. Stewart has more than 30 years of experience in all aspects of the real estate industry in Canada. He is the co-founder and former co-CEO of Parkbridge Lifestyle Communities Inc., Canada's largest owner and operator of land-lease residential and recreational communities. He holds the ICD.D designation from the Institute of Corporate Directors.



Susan Monteith
Independent Trustee,
Audit Committee
CGN Committee Chair

Susan Monteith has more than 30 years of experience as a senior capital markets professional advising companies on capital raising and M&A financing. She spent 10 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. She holds the ICD.D designation from the Institute of Corporate Directors.

Leadership Team

Two college fraternity brothers founded the company in 1995 with one community and it now has over 11,000 homesites in its portfolio. Flagship Communities is among the upper tier in the MHC market and among higher-end mobile home properties in its various geographic markets.

The following members comprise Flagship's leadership team as of December 31, 2021.



Kurt Keeney

President and Chief Executive Officer



Nathan Smith

Chief Investment Officer



Eddie Carlisle

Chief Financial Officer



GOVERNANCE

Ethics

Our company goals include operating the business to the highest ethical standards of transparency, obedience to the law, respect, objectivity and trust. Our moral guidelines are evident in the way we conduct business on behalf of our residents, employees and shareholders.

Ensured by our governance structure, we operate under procedures and systems put in place to protect our communities and our reputation. We operate a zero-tolerance policy regarding drug use and other illegal activity in our communities. We strive to follow all business best practices, laws and ordinances of each local jurisdiction in which we operate.

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 6)
102-2	Activities, brands, products, and services	About Flagship Communities REIT (page 6) Business and Financial Performance (page 16)
102-3	Location of headquarters	About Flagship Communities REIT (page 6)
102-4	Location of operators	About Flagship Communities REIT (page 6)
102-5	Ownership and legal form	About Flagship Communities REIT (page 6)
102-6	Markets served	About Flagship Communities REIT (page 6)
102-7	Scale of the organization	About Flagship Communities REIT (page 6)
Strategy		
102-14	Statement from senior decision-maker	CEO Message (page 4)
102-15	Key impacts, risks and opportunities	CEO Message (page 4)

Sustainability Performance Indices

GRI Standard	Disclosure	Response/Location
Ethics and integrity		
102-16	Values, principles, standards, and norms of behavior	<p>Vision, Mission, Values (page 12-14)</p> <p>Employee Relations (page 26)</p> <p>See also: Board of Trustees Mandate</p> <p>See also: Declaration of Trust</p>
Governance		
102-18	Governance Structure	<p>Corporate Governance (page 32)</p> <p>Leadership Team (page 34)</p> <p>See also: Board of Trustees Mandate</p> <p>See also: Declaration of Trust</p> <p>See also: Board of Trustees</p>
102-21	Consulting stakeholders on economic, environmental, and social topics	Stakeholder Engagement (page 31)

Sustainability Performance Indices

GRI Standard	Disclosure	Response/Location
102-22	Composition of the highest governance body and its committees	Corporate Governance (page 32) Leadership Team (page 34) 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 32) Leadership Team (page 34) See also: Board of Trustees Mandate See also: Declaration of Trust See also: Board of Trustees See also: Leadership
Stakeholder engagement		
102-40	List of stakeholder groups	Stakeholder Engagement (page 31)

Sustainability Performance Indices

GRI Standard	Disclosure	Response/Location
Reporting practice		
102-45	Entities included in the consolidated financial statements	About This Report (page 2)
102-49	Changes in Reporting	Business and Financial Performance (page 16)
102-50	Reporting period	About This Report (page 2) Business and Financial Performance (page 16)
102-51	Date of most recent report	About This Report (page 2)
102-52	Reporting cycle	About This Report (page 2)
102-53	Contact point for questions regarding the report	About This Report (page 2)
102-54	Claims of reporting in accordance with the GRI Standards	About This Report (page 2)
102-55	GRI Content Index	GRI Content Index (page 36-43)

Sustainability Performance Indices

GRI Standard	Disclosure	Response/Location
GRI 200: Economic Standard Series		
Economic Performance		
201-103	Management approach disclosures	Vision, Mission, Values (page 12-14)
Indirect Economic Impacts		
203-103	Management approach disclosures	Energy Efficient Manufactured Homes (page 18) Social Responsibility (page 24)
GRI 300: Environmental Standards Series		
Biodiversity		
304-103	Management approach disclosures	Environmental Conscience (page 17) Energy Efficient Manufactured Homes (page 18) Energy Efficiency (page 20) Carbon Footprint (page 21) Social Responsibility (page 24)
304-2	Significant impacts of activities, products, and services on biodiversity	Environmental Conscience (page 17) Positive Impact Of Manufactured Housing on the Environment (page 19) Energy Efficiency (page 20) Water Conservation (page 23)

Sustainability Performance Indices

GRI Standard	Disclosure	Response/Location
GRI 400: Social Standards Series		
Employment		
401-103	Management approach disclosures	Social Responsibility (page 24) Employee Relations (page 26)
Diversity and Equal Opportunity		
405-103	Management approach disclosures	Vision, Mission, Values (page 12-14)
Non-Discrimination		
406-103	Management approach disclosures	Vision, Mission, Values (page 12-14) Employee Relations (page 26)
Human Rights Assessment		
412-103	Management approach disclosures	Vision, Mission, Values (page 12-14) Employee Relations (page 26)
Local Communities		
413-103	Management approach disclosures	Our Communities (page 25)
Customer Health and Safety		
416-103	Management approach disclosures	Protecting our Community against COVID-19 (page 25)

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 20) Carbon Footprint (page 21) Renewable Energy Solar Lighting Program (page 22)
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 23)
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 of Manufactured Housing on the Environment (page 19)
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	CEO Message (page 4) Environmental Conscience (page 17)

Sustainability Performance Indices

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 6)
Average occupancy rate, by property subsector	Quantitative	Percentage (%)	IF-RE-000.D	About Flagship Communities REIT (page 6)

Forward-Looking Statement

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”, 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. While management considers these assumptions to be reasonable based on currently available information, they may prove to be incorrect.

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, 2021, including under the heading “Risk Factors” therein, and the REIT’s most recent annual and interim 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.