

Sun Communities, Inc.
Environmental Management Policy

Sun Communities, Inc. is dedicated to reducing our environmental footprint. We actively identify and monitor environmental risks, opportunities, and impacts related to our business. Our policy focuses on decreasing energy and water consumption, reducing waste, and making informed decisions on greenhouse gas reduction. We aim to improve efficiency in energy and water usage and increase waste diversion from landfills through recycling and composting where feasible. We strive to achieve these goals by implementing the strategies outlined in this policy.

Environmental Management System

Our environmental efforts are overseen by our Vice President, Sustainability, who provides updates to Sun’s Board of Directors (“Board”) on a quarterly basis. Our Board plays a key role in identifying and monitoring our environmental risks and opportunities.

Sun aligns with the practices of ISO 14001 to effectively evaluate, prioritize and manage the environmental impacts from operations. This will be demonstrated through the following actions:

- Designing and implementing management review to comply with local environmental requirements
- Conducting a materiality assessment to identify how to minimize the environmental impacts of our operations, as well as develop programs and procedures
- Providing education to our team members on the operational environmental impacts
- Educating and engaging residents and guests on the benefits of joint participation in energy efficiency opportunities, water reduction, and best practices to reduce waste
- Complying with national and/or local energy, water, and waste rules, regulations, and requirements
- Leadership actively engaging in the development, implementation, and oversight of environmental initiatives
- Establishing long- and short-term goals to address environmental impacts
- Establishing and implementing mechanisms to measure the effectiveness of initiatives to address environmental impacts
- Collecting and reviewing environmental impact data to monitor the effectiveness of our programs and identify opportunities for improvement

Climate Change and Greenhouse Gas Management

Climate change impacts are material to Sun Communities' value as a company and to its ability to serve its residents, guests, employees, investors, and other stakeholders.

We are committed to reducing our greenhouse gas ("GHG") emissions and our Board has set a goal to achieve Carbon Neutrality by 2035 and Net Zero emissions by 2045. We will establish milestones for measuring the progress towards these goals.

To achieve our climate objectives and improve upon the environmental performance of our properties, we employ various strategies, including:

- Assessing and monitoring climate risk on our portfolio through our environmental management system
- Collaborating with suppliers and other partners throughout the value chain to measure and manage the environmental impact of our products and services
- Measuring and tracking our GHG emissions across the portfolio to develop an inventory of Scope 1, Scope 2, and Scope 3 emissions using our data management platforms

We have identified four specific areas we will target to mitigate our impact on the planet:

1. **Renewable Energy:** We aim to expand the use of renewable energy throughout our portfolio, including additional on-site energy generation, purchasing off-site generated energy
2. **Energy Efficient Building:** We will integrate environmental considerations into the manufacturing and maintenance of our homes and communities, including the use of ENERGY STAR® certification, energy-efficient lighting and building control systems
3. **Waste:** We will evaluate and adopt all disposal options on properties, including recycling and composting where available, to reduce total waste and increase diversion from landfills. We will also strengthen education on waste management for residents and guests.
4. **Material Procurement:** We will assess the environmental footprint, specifically the GHG emissions, of our products and services and identify reduction opportunities where possible

We maintain a Climate Transition Plan, which is reviewed annually and updated as necessary, to outline the governance, risk management and other strategies utilized to achieve our objectives.

Energy-Saving Strategies

We encourage the implementation of the following energy efficiency strategies when and where they are feasible:

- Tracking energy consumption for Sun-owned and operated buildings, including vacation rentals at resort communities; we also investigate and recommends an approach for tracking utility usage for Sun-owned, leased manufactured homes
- Pursuing appropriate energy efficient design and construction strategies for new construction and redevelopment projects

- Implementing energy conservation efforts to align with the organization’s financial criteria
- Using renewable energy when economically reasonable to reduce the impact of necessary energy usage; this includes installing on-site solar arrays and purchasing green energy from local electric utilities
- Converting operational lighting to LED lighting and, where feasible, installing occupancy sensors and timer controls for exterior lighting fixtures to both increase efficiency and reduce light pollution and energy waste
- Installing smart thermostats as part of new construction and elsewhere throughout our portfolio, where appropriate, to increase energy efficiency for heating and cooling and save on operating costs. Smart thermostat scheduling also reduces the cost for heating and cooling

Manufactured Home and Vacation Rental Standard

Manufactured homes are subject to the Manufactured Home Construction and Safety Standards (“HUD Code”), rather than the international residential code. The HUD Code is a set of manufactured home industry standards published and maintained by the U.S. Department of Housing and Urban Development (“HUD”) that establishes standards for design and construction, strength and durability, fire resistance, energy efficiency, transportability and quality control. The HUD Code also sets performance standards for the heating and air conditioning, plumbing, thermal and electrical systems.

Partnerships with Sustainable Manufacturers

We partner with home manufacturers to promote energy efficiency, indoor environmental quality and resource efficiency throughout the manufacturing process. Through our strategic partnerships with manufacturers, we can deliver energy- and water-efficient homes that are more economical over their life cycle than traditional homes, upholding our commitment to sustainability for our residents and the communities in which we operate. We have established a “Sun Standard” for homes within our communities and our team that manages purchases to align with this standard. We continually work with residents to identify home refurbishments and replacements that provide most efficient energy and water usage.

Water Conservation Strategies

We are implementing water efficiency measures across the portfolio and are prioritizing efforts at communities where water usage is higher compared to similar communities within the portfolio.

Water scarcity has been identified as a chronic risk during climate risk analysis. Sun considers the potential short- and long-term impacts of water scarcity when assessing and implementing water management projects during development, expansion and maintenance.

To mitigate the impacts of water-related risks, we utilize several strategies, including:

- When feasible, installing water meters to monitor and measure water consumption to identify areas for reduction opportunities and to track progress from water efficiency

projects; using flow meters, where feasible, for real time leak prevention and leak detection and repair

- Installing automatic meters to monitor usage, detect leaks and identify opportunities to further reduce water consumption. Automatic meters utilize technology to automatically collect data from water meters and then transfer that data to a centralized system where it can be analyzed.
- Where possible given existing systems and conditions, employing drip and smart irrigation to efficiently water exterior landscapes for communities in the portfolio and continuing to evaluate where to install high-efficiency fixtures at Sun properties. Such fixtures include appliances and plumbing equipment that conserve water without compromising performance (also known as low-flow or low-flush fixtures), and/or dry fixtures which do not require the use of water, such as composting toilets and waterless urinals.
- Pursuing appropriate water efficient design and development strategies for new construction and redevelopment projects.
- Designing and implementing water conservation efforts pursued by Sun to align with the organization's financial criteria.

Waste Conservation Strategies

We utilize several best practices to reduce the amount disposed of from our operations.

- Working with team members, vendors, residents, and guests to reduce the amount of waste created and disposed of on-property and identify appropriate landfill diversions for the unavoidable waste
- Continuing to report and track water consumption, technical assessments and audits, and efficiency improvements
- Maintaining, implementing or participating in recycling and/or composting programs where applicable, across the portfolio

Resident and Guest Communications and Engagement

Our Sustainability Team works that best fit the property and resident/guest needs.

Communications and engagements can include but would not be limited to tip sheets, video content and educational events. The timing and frequency of communications and engagement is established based on the community and/or resort needs.

Performance Data Management

Our Sustainability Team monitors energy, water and waste management and performance utilizing utility data and waste data from the corporate invoice management system.

The Sustainability Team maintains up-to-date and accurate community profiles as part of our data management platform, quarterly and across the portfolio. Its members will integrate new

properties (including acquisitions and ground-up developments) into data collection within six months of on-boarding

Twice per year, the Sustainability Team will assess the completeness of collected data to identify data gaps of concern and will work with the relevant departments to understand the cause of the data gap and identify processes for correcting any such issue.

On an annual basis, data is reviewed to assess annual and historic performance to measure progress made against goals established by the company. The Sustainability Team assesses the effectiveness of projects and initiatives implemented to achieve the goals during this annual review and recommend changes in goals and initiatives based on successes achieved and progress made.

The results of this review is reported externally once per year as part of the annual Sustainability Report process. It may also be used for voluntary reporting.

Responsibility

It is the responsibility of all Sun employees to be familiar with this policy and to follow the best practices and guidelines outlined in this plan. It is the responsibility of Sun's VP of Sustainability or such other employee designated by the Company to oversee that the best practices and guidelines outlined in this plan are implemented, as appropriate, across the entire Sun portfolio and update the policy as needed.

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