



SUN COMMUNITIES, INC.®

Environmental, Social and Governance Report

River Run
Granby, CO

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About this Report

In this report we describe how sustainability is an integral part of our corporate strategy and business activities. Our responsibilities and values are reflected in our dedication to Sun's core values of commitment, intensity, empowerment, accountability, and service to all our communities and stakeholders including team members, residents and guests, and shareholders. These set out the basic rules we follow to make sure we maintain the highest standards of conduct. This report presents some key performance measures, and shows how we endeavor to put our principles into practice.

We began to formally uphold our company-wide commitment toward our Environmental, Social and Governance (ESG) initiatives and practices in 2019 by creating an ESG oversight committee. The goal of this committee is to focus on reviewing the company's ESG strategy, initiatives and policies. This report references disclosures from the Global Reporting Initiative (GRI) Standards Guidelines. See the GRI Index at the end of this report.

We continued to enhance Sun's sustainability program in 2020 by expanding the ESG team and establishing a baseline for the program moving forward. In partnership with a third-party consultant, we plan to conduct an in-depth materiality assessment. This will determine factors of most significance to our internal and external stakeholders and implement strategies for improvement against critical reporting entities such as Global Real Estate Sustainability Benchmark (GRESB) and GRI. We are committed to being open and transparent, listening to the views of others as we move forward in sustainable development.



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



Our Company

In This Section

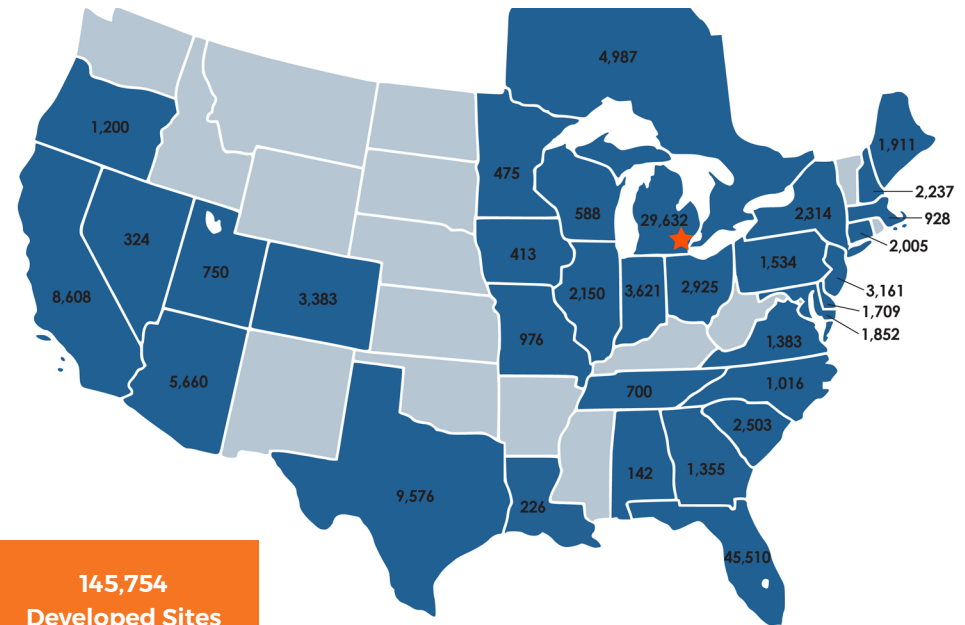
- Our Company & Core Values
- Highlights & Achievements
- Letter from our Chairman
- Stakeholder Engagement
- Industry Engagement

Emerald Coast RV Resort
Panama City Beach, FL

Our Company

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

Closed on the ~\$2 billion acquisition of Safe Harbor Marinas in October-2020, an over 100 marina portfolio with ~38k wet slips and dry racks in 22 states.



Portfolio data as of 9/30/2020

268



MH
Communities

130



RV
Resorts

34



MH/RV
Communities

**432 Properties
in 33 States &
Ontario, Canada**

**95,209
MH Sites**

**26,817 Annual RV Sites
23,728 Transient RV Sites
10,130 MH & RV Suitable
for Development**

Our Core Values

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

**At Sun we adhere
to the Golden Rule**

*Treat others the
way you want to
be treated*



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

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

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

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

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

Highlights & Achievements

Performance

\$1.3 Billion in Total Revenue for 2019 (12.2% increase)

2,674 revenue-producing sites (RPS) gained in 2019, a company record

7.3% Same Community NOI growth for 2019 as compared to 6.7% in 2018

4.07 Average Third Party Review Score for **ALL** RV and MH Properties

58% Women in Management/Director Roles

Awards & Recognition



Achievements



Launched Inaugural ESG Report in 2019



Launched California Solar Energy Pilot Project



Team members throughout the organization volunteered a total of 2,700+ hours.

Team members logged 40,680 learning hours.

¹ KeyBanc: "The Leaderboard" publication

² Citi Investment Research, December 2018

Letter From Our Chairman



At Sun Communities we pride ourselves on living by the “Golden Rule” – treat others the way you want to be treated. This ethos is engrained in all we do and in how we interact with our residents and guests, the communities we operate in, and our team members. It is embraced at every level from the boardroom to our onsite managers, and extends to the stewardship of the environment.

We embody the Golden Rule through our core values of commitment, empowerment, accountability, intensity and most important, service. The passion we bring to Sun every day directly translates to the value we create on behalf of shareholders and all of our stakeholders. This value extends beyond financial returns and is reflected in the sustainability of our business, how we engage with others, and how we interact with the environment.

As we continue to navigate the COVID-19 pandemic, we have not lost sight of the potential impact of the virus and the accompanying hardships throughout the country. Our team has worked tirelessly to ensure the safety of our residents, guests, and team members while continuing to maintain Sun’s high customer service standards through executing our core values.

In 2019, we introduced our inaugural ESG report where we embarked on furthering our commitment to environmental, social and governance initiatives. To support our efforts, we established an ESG oversight committee responsible for defining our strategy, initiatives and policies given the crucuality of ESG on our continued success. We highlighted initial achievements in LED lighting installations, solar power generation and water conservation through the installation of smart sprinkler systems. We also shared how our associates are making a difference through grass roots community engagement.

Through this 2020 report, we are proud to share the progress made on each of our conservation efforts. There were also several more initiatives where we believe we can both conserve natural resources and reduce our expenses – reinforcing our belief that adopting ESG initiatives can affect the environment and contribute to value creation. Furthermore, this report shares additional information on social engagement with our industry partners, within our company and with our communities.

As a premier provider of affordable housing and vacation solutions, we acknowledge and embrace our responsibility. Our company incorporates and executes practices that reinforce sustainability of the environment, our social networks, our shareholder returns, and our adherence to best governance practices. We are proud of our work done to date and understand that embracing ESG in all we do is an iterative process. We are up for this challenge and look forward to sharing our progress on this journey with you. Thank you for your continued confidence in us.

A handwritten signature in black ink, appearing to read 'G. Shiffman', with a stylized flourish at the end.

Gary A. Shiffman

Chairman and Chief Executive Officer
Sun Communities, Inc.

Stakeholder Engagement

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

Local Communities

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

Residents and Guests

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

Team Members

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

Shareholders

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



Industry Engagement

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

Sun participates in the following national organizations:

- Manufactured Housing Institute (MHI)
- National Association of Real Estate Investment Trusts (Nareit)
- RV Industry Association (RVIA)
- National Association of RV Parks & Campgrounds (ARVC)



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





Environmental

In This Section

- Current Environmental Initiatives
- Manufactured Housing Industry Environmental Impacts
- Partnering with Manufacturers for Sustainability

Jellystone Park™ at Birchwood Acres
Greenfield Park, NY

Current Environmental Initiatives

We are fully committed to reducing our environmental impact across the scope of our operations and through the services we deliver to our residents and guests. Sun Communities continues to identify opportunities to invest in energy-efficient technology, water efficiency, and waste reduction strategies throughout our communities, resorts, and corporate headquarters. By conserving natural resources, reducing our carbon footprint, and participating in efforts to protect the environment through our Sun Unity program, we are striving to achieve our environmental sustainability goals.

Sun Communities is committed to reducing energy consumption and investing in energy efficiency and renewable energy.





Minimize waste through
source reduction, reuse, and
recycling

Recycle electronic waste



Conserve energy through energy-
efficiency measures

Convert 100% of lighting to LEDs at
all communities by the end of 2019
and our main office by 2020

Investigate the potential of solar
energy solutions in all new ground-
up developments and key properties
across our portfolio



Conserve water through water efficiency programs

Replace over 200 water submeters to a real-time automatic
meter reading system to monitor usage, detect leaks, and identify
opportunities to further reduce water consumption

Reduce water consumption by retrofitting communities with water-
efficient shower heads, faucets, toilets and irrigation systems



Evaluation of environmental issues during procurement and
acquisition processes

Implementation and ongoing review of formal Emergency
Preparedness and Disaster Recovery Plan that encompasses
planning, preparedness, disaster mitigation, post-incident response
and recovery

Executives and senior leaders belong to an Enterprise Risk
Management committee that identifies, assesses and prepares for
varied risks



Install solar in all new ground-up developments and key
communities across our portfolio

Replace maintenance vehicles with electric vehicles to reduce
emissions and fuel consumption

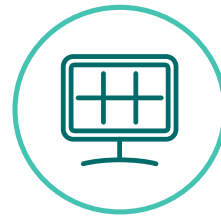
Reduce business travel and promote alternative options wherever
feasible



Water Reduction

Reducing our consumption of water resources is of the utmost importance at Sun Communities. In order to decrease water usage we have or will replace water meters at all of our 200+ submetered communities with an automated real-time system. This system proactively monitors usage and identifies leaks. Presently, we use meter bills at over 200 communities and plan to implement this at any submetered communities we acquire in the future.

As an additional initiative to reduce water usage, “smart” sprinkler systems are being tested at four of our communities in California. We anticipate saving almost 8 million gallons of water annually at these four communities through this initiative. This system has smart sensors that run independently and reduce water usage. We plan to continue expanding this initiative across our portfolio after this initial test period.



Solar Energy Project

We have launched a project to convert 19 communities in California to produce solar energy between 2020 and 2021. The implementation of this solar initiative is expected to save 15–18 million kilowatt hours per year in these communities. Several communities have installed solar lighting features in clubhouses, on decks, and in other common areas. Our goal is to continue rolling out solar programs in new ground-up developments and other areas of our current portfolio.

As of 2019, we have invested \$2 million in this project and expect to invest another \$25 million through completion.



LED Lighting Project

As one of Sun's environmental initiatives, we continue to convert all our communities to LED lighting. At the end of 2019, all of our current communities, 379 at that time, were retrofitted. Once the entire portfolio is retrofitted, we expect to save between 30 and 40 million kilowatt hours across the portfolio per year.



Recycling Programs

We are doing our part with waste-reducing initiatives and recycling programs aimed at minimizing our environmental footprint. We are also working together with our communities and residents to do the same. Recycling programs, in place at many of our communities, provide residents the opportunity to reduce their environmental footprint as well. Main office team members participate in paper reduction and recycling programs, as well as electronic equipment and battery recycling.



Eastern Market of Detroit

Sun partners with Eastern Market of Detroit, which funds programs and education to ensure a locally sourced and sustainable food supply. Eastern Market has also conducted a seasonal weekly farm stand, offering fruits and vegetables for sale to main office team members and over 1,500 other occupants of our building, which supports local farmers and growers.





Smart Thermostats

In November 2019, we set out to install ENERGY STAR certified smart thermostats throughout the portfolio, completing installations at 38 locations by year end. Using smart scheduling, there is an anticipated savings of 12 percent on heating and 15 percent on cooling costs. Our goal is to complete installation for all locations and amenities by the end of 2020.



Paperless Initiatives

In an effort to reduce paper usage and create efficiency for our customers, we have transitioned several of our paper-based processes to an electronic format including the following:

- Homes Purchase Agreements
- Brokered Homes Listing Agreements
- Brokered Homes Sales Agreements
- Homes Warranty Agreements
- Rental Home Agreements
- Rental Home Renewal Letters
- Rental Home Renewal Agreements
- Rental Home Sale Letters
- Rental Home Sale Agreements
- Site Leases
- Site Lease Renewal Letters
- Site Lease Renewal Agreements
- SODA (Statement of Deposit Accounting)
- Long-Term RV Lease Agreements

***Estimated Paper Savings:
1,119,078 pages or
11,000 lbs in 2019***

California Solar Energy Project

The affordable housing and recreational vehicle industries have identified solar energy to reduce operating costs while demonstrating a solid commitment to sustainable development. As solar project development costs decrease and incentives increase, these business sectors are uniquely suited for solar projects, with arrays being constructed on top of community offices and over surrounding pool areas. Parking canopies are also being constructed in areas that previously offered no financial benefit.



Vallecito
Newbury Park, CA

California Solar Energy Project

In 2019, Sun Communities and Sun RV Resorts planned an initiative to invest \$24 million to install solar energy arrays at 19 of our California properties. The state of California was selected for this initial solar project due to the higher cost of electric energy as compared to other states, and due to the incentives offered for this type of sustainability project. The arrays have begun construction and will be completed and energized during calendar years 2020 and 2021.

The community benefits of renewable energy include reduction of greenhouse gases, alleviation of environmental impacts from growth plans, achievement of public policy goals related to environmental protection and the building of positive relationships with surrounding neighbors. This particular solar project, consisting of approximately 16,000 panels spanning over 675,000 square feet, the total will generate approximately 11.5 million kilowatt hours of electricity: enough to power 900 homes and reduce carbon dioxide emissions by more than 18 million pounds annually. The system's environmental impact is the equivalent of planting 3,846 acres of trees and eliminating 29.5 million car miles.

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Rancho Alipaz
San Juan Capistrano, CA

Participating California Properties

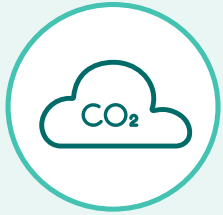
- Friendly Village West Covina
- Pembroke Downs
- The Colony
- Rancho Alipaz
- Friendly Village Simi Valley
- Napa Valley Manor
- Oak Creek
- Caliente Sands
- Royal Palms
- Vista Del Lago
- Wine Country
- Lemon Wood
- Rancho Caballero
- Vines
- Victor Villa
- 49er Village
- Lake Front
- Lazy J Ranch
- Ocean West

Manufactured Housing Industry Environmental Impact

Sun Communities is uniquely positioned to reduce the environmental impacts across our business through our role in acquiring, developing, and expanding manufactured home communities and RV resorts. Manufactured homes are more energy efficient and reduces more greenhouse gas emissions and waste than conventional homes. Through our strategic partnerships with manufacturers, we are able to 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.



Sun Valley
Apache Junction, AZ



Greenhouse Gas Emissions

Greenhouse gas emissions over the life cycle of manufactured homes are significantly lower than conventional site-built homes. This life cycle includes:

- Raw material extraction
- Material production
- Transportation
- Home delivery
- Building usage

According to a study conducted by the University of Michigan, manufactured homes emit 3 percent less greenhouse gas than conventional homes. This makes these types of homes a more environmentally friendly housing option.

***Global warming potential
for manufactured homes is
3 percent lower***

Source: Kim, Doyoon. "Preliminary Life Cycle Analysis of Modular and Conventional Housing in Benton Harbor, Michigan." University of Michigan Research, April 2008



Cherrywood
Clinton, NY

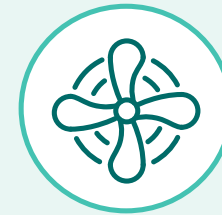


Lemon Wood
Ventura, CA



Waste Reduction

The same University of Michigan study finds that manufactured home fabrication generates 2.5 times less waste than conventional site-built homes. Assembly lines used in the production of manufactured homes allow reduced waste generation through precise cutting and effective machine utilization. Overall, manufactured homes provide better environmental performance than conventional homes by consuming 4.6 percent less life cycle energy.



Energy Efficiency

Heating and cooling systems in manufactured homes can be up to 30 percent more efficient than standard homes. They also feature strict insulation requirements and low-E glass windows. Compared with standard single-family homes, these factors reduce:

- Dependency on public utilities
- Environmental footprint
- Utility costs for residents

**Total life cycle
energy consumption
is 4.6 percent lower for
manufactured homes**

**Manufactured homes
produce 2.5 times less
construction waste**

Source: Kim, Doyoon. "Preliminary Life Cycle Analysis of Modular and Conventional Housing in Benton Harbor, Michigan." University of Michigan Research, April 2008

Partnering with Manufacturers for Sustainability

As the nation's premier owner and operator of manufactured housing communities and vacation destinations, we partner with home manufacturers to promote energy and water efficiency, indoor environmental quality, and resource efficiency throughout the manufacturing process. To drive sustainability and operational efficiency, we only partner with manufacturers that use resources effectively.





Efficiency Features in the Homes we Sell in Our Communities

- LED retrofit kits
- High-efficiency gas furnaces
- ENERGY STAR appliances
- Energy-efficiency/insulated vinyl low-E glass windows
- Engineered HVAC duct system
- ENERGY STAR thermostats
- Low-flow water fixtures (toilets, faucets, showers)

Efficiencies that are gained through the manufactured housing development process translate to monetary savings that are passed to us, and ultimately to our resident homeowners and renters. More efficient heating and cooling systems reduce dependency on public utilities, resulting in a cleaner footprint, and cost savings for our residents.





Social

In This Section

- Sun Team Members
- Sun Residents & Guests
- Community Engagement
- Our Response to COVID-19

Sun Team Members

We are committed to upholding our core values of commitment, intensity, empowerment, accountability, and service to all of our stakeholders. These stakeholders include team members, residents and guests, shareholders, and the communities in which we operate.

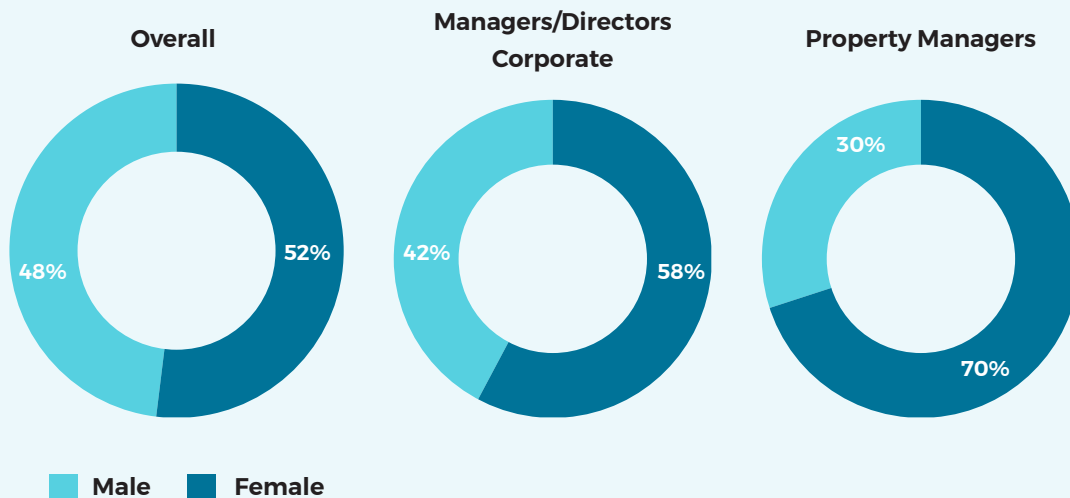
Critical elements to our continued success include integrating social responsibility across our business through our Sun Unity Program, as well as fostering a productive work environment for our team members, and creating affordable housing opportunities for our residents.



Diversity & Inclusion

At Sun, we believe everyone is unique and are committed to promoting and celebrating those differences. We strive to create an inclusive environment that challenges, inspires, rewards, and transforms our team to be the best and understand the important role diversity plays in fulfilling that goal. We are particularly proud of the age and gender diversity within our workforce. Approximately 50 percent of our workers are over 50 years of age, and approximately 33 percent of our workers are 60 and older.

While we take pride in the culture we have established, we also understand there is always opportunity for advancement. In 2020, we are committed to further ensuring diversity, equity and inclusion are at the forefront of all that we do. Sun plans to engage with experts in the industry to provide additional educational opportunities, evaluate current policies, procedures and experiences to ensure they are equitable and inclusive for our team members, customers and beyond. Success of our efforts will be tracked and reported as we continue to grow this program.



Diversity and inclusion are important keys to unlocking limitless potential. Much of our success can be attributed to a culture that empowers creativity from every perspective, and our future success depends on the continued stewardship of diverse collaboration. We are smarter and stronger together than we are as individuals.

*– John M.
President & Chief Operating Officer*



Hiring Military Members and Veterans

Active military and veterans make up 8 percent of our workforce, an example of our targeted diversity efforts. We honor our military team members by donating to a charitable organization, and presenting them with an annual challenge coin. Sun has also made significant charitable contributions to support Homes for Our Troops.



My 10 years as an Officer in the Marine Corps provided the leadership opportunities necessary to perform in the role of a DVP at Sun. Ensuring the health and welfare of my Marines has a direct impact on the way I approach my relationship with the 200+ Team Members of Division 1. Sun's commitment to empowering our Team Members parallels the message I carried to those under my charge in the military. I'm proud to be part of an organization like Sun Communities that places an emphasis on servant leadership

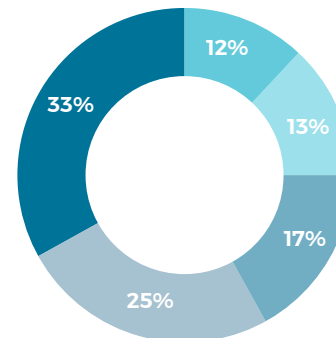
*- Tom M.
Divisional Vice President,
Operations and Sales*



8%
Veteran
Team Members

Age

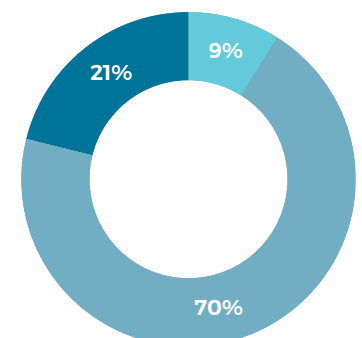
as of 12/31/2019



Under 30 30-39
40-49 50-59
60 and Up

Employment Status

as of 12/31/2019



Part-time Full-time
Seasonal

Training

It's important to provide a safe and healthy work environment. We actively seek opportunities to minimize health, safety, and environmental risks to both our team members and the residents in the communities we serve by utilizing safe operating procedures and practices. As part of our commitment to safety, Sun oversees annual safety training programs for all employees to provide tools and safeguards for accident prevention. Our managers are responsible for ensuring that team members receive the appropriate training to perform their jobs safely.

In addition to safety training, all employees are required to complete annual training on key governance topics, including:

- Fair Housing
- Harassment-Free Workplace
- Diversity & Inclusion
- Cybersecurity & Data Protection

Safety Training

In 2019, 100 percent of Sun team members received safety training.

There was also a 4 percent decrease in worker's compensation claims from 2018 to 2019; this was largely because of our continued commitment to safety.



2,632

Learners

15.46

Average of Hours
per Learner

40,680

Learning Hours Logged

**We added or updated 26 courses and offered 47 different webinars
(225 scheduled offerings)**

Learning & Career Development

We are committed to investing in learning and career development opportunities through programming, conferences, and Sun University to promote career longevity and satisfaction.

Road to Success

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

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

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



Executive Manager Certification Program

This six-month development program is designed for community and resort managers to increase their knowledge of operations, leadership experience, and professional skills supporting future career growth. Participants are challenged with written tests, stretch assignments, live oral exams, mentoring, presentations, and interaction with executive leadership. The experience provided gives managers the opportunity to build on their ability to collaborate, manage complex problems, and mentor.

After completing the program, many community and resort managers have demonstrated readiness for advancement, leading to promotional opportunities such as regional vice president. Since the launch of the program in 2017, there have been 20 successful graduates with 50% of those individuals receiving promotions.



It was one of the more difficult learning programs I've participated in, however for every bit of difficulty, it was equally rewarding. It deepened my skill sets and challenged what I was capable of. After completing the program, I'm ready to face any future challenges confidently.

*-Andrew D.
Regional Vice President, Operations and Sales*



2019 Elevate Conference

This bi-annual conference was LAST held in Atlanta, Georgia, in 2019 and serves as a forum to unite Sun Communities leaders.

The Elevate Conference is a platform for our team members to further their knowledge and skills while creating stronger relationships throughout the company. During this week-long event, attendees engage in interactive courses covering topics such as customer service and teamwork. Sun's culture is emulated through the series of events planned throughout these sessions. Highlights include an inspirational speaker, SunFit 5K, vendor expo, and a charitable opportunity for the team to give back.

For the giving back session of the conference, attendees gathered to cut and craft hundreds of fleece blankets for donation to the Atlanta Humane Society, a no-kill shelter providing 60,000 animals care each year through sheltering and adoption, veterinary care, and community outreach.

The close relationship that Sun shares with our supply base through partnerships with vendors that include Lowe's, Common Interest Energy, Speedread Technologies, Champion Skyline, Cavco, Jaffe and Clayton, help us to create a bigger impact for social and environmental initiatives.

30 Breakout Sessions Covering:

- Customer Service
- Leadership & Professionalism
- Operations Management
- Professional Development
- Sales/Marketing
- Teamwork

500+
Attendees

*Including every
community and
resort manager in our
portfolio at the time*

ELEVATE

I take back quite a bit from each event [Elevate] that I've ever been to. It's important because you learn something new so you can continue to grow in your position within the company yourself, as well as help grow the company.

-Suzanne R., Community Manager

Sun University

Our dedicated Learning and Development team created, and also maintains, Sun University, our corporate training platform. Team member participation is encouraged through various industry-specific conferences, certification courses, and other professional development programs. Training and content provided through Sun University has led to an increase in the knowledge of, and accountability for, our daily operations, policies, procedures, and professional development.

Sun University Opportunities

Sun University Offers Approximately 350 Training Options:

- Books
- Online courses
- Webinars
- Live sessions

Topics Including:

- Human Resources & Administration
- Information Technology
- Customer Service
- Sales & Marketing
- Community & Resort Operation
- Accounting & Finance



Wellness & Benefits

SunFit Wellness Program

A strong company cannot exist without healthy team members. The SunFit Wellness Program was developed to encourage our team members to live healthier, happier, and more fulfilling lives both at work and at home. To attract and retain top talent, Sun Communities offers a competitive and comprehensive benefits package, focusing on wellness and professional development.



Team Member Benefits

- Comprehensive Medical and Prescription coverage
- Dental and Vision coverage
- Life, Disability and AD&D Insurance
- 401(k) Plan with Company Match
- Team Member Assistance Program (EAP)
- Identity Theft Insurance
- Tuition Reimbursement
- Site Rent Discounts (for team members living in our communities)
- Home Purchase Discount Program
- Paid Parental Leave
- Paid Time Off
- Team Member Perks, Sick Leave & Discounts Program
- SunRewards Program

• 520 fitness classes, and 1,700 personal training sessions are provided annually at our main office

• 160 fitness centers available for team member, resident, and guest use

• Complimentary flu vaccination program for team members



Team Member Engagement

The most valuable asset at Sun Communities is our team. In 2019, we employed over 4,000 talented individuals. To attract and retain top talent, we offer competitive benefits and training to foster professional development. We also enable our team members to have a work-life balance while upholding our values of commitment, intensity, empowerment, accountability, and service in every aspect of our work.

We continually engage our team members and seek feedback to evaluate our success. Each year, Sun conducts team member satisfaction surveys through independent third-party survey providers to understand our performance and identify opportunities. Our team members provide valuable feedback to shape the direction of policies and practices throughout the company. This is refined through focus groups to help create, develop, and implement new programs.

Great Place to Work® Survey Highlights

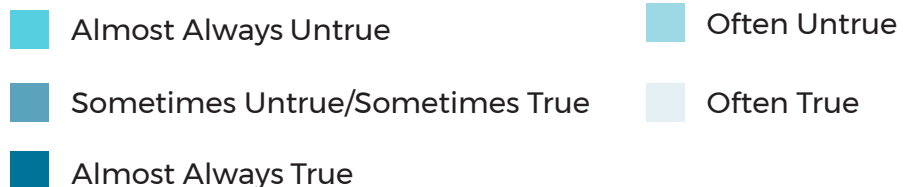
- When you join the company, you are made to feel welcome.
- People here are treated fairly regardless of their gender.
- People here are treated fairly regardless of their sexual orientation.
- People here are treated fairly regardless of their race.
- This is a physically safe place to work.

Sun Communities has received awards that recognize the commitment we have to our team members such as:

- Crain's Fast 50
- Detroit Free Press Top Place to Work (9 Consecutive Years)

"Taking everything into account, I would say this is a great place to work."

86%



Sun Residents & Guests

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

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



Our Customer Service

It is our goal to provide an extraordinary experience to both prospective and current residents and guests at all of our properties. Delivering customer service is key to our future success and long-term growth.

Our philosophy follows The Golden Rule, to “**Treat Others the Way You Want to be Treated,**” and is supported through our strategic approach to customer service for residents and guests at all of our locations:

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



Given our dedication to providing the best service to our residents and guests:

- High MH portfolio occupancy of 95.5%
- 2019 Average resident tenure: 15.15 years
- 1,113 transient RV guests converted to annual leases in 2019
- Yearly home move-outs in Sun's MH communities are less than 1%

Resident and Guest Feedback

Sun Listens

Providing extraordinary service to our residents and guests is a top priority at Sun. We believe the best way to achieve this is to listen to what our customers are saying about their experience and taking action on areas where we can improve. We use Net Promoter Score (NPS), which creates data based on resident and guest feedback, helping identify our strengths and areas for improvement. Customers are surveyed regularly, beginning with their move-in or check-in, and again at various points throughout their stay with us. Residents and guest feedback is received and addressed through other avenues including social media engagement and a phone line dedicated to resident and guest services. Our trained team assists and escalates accordingly, allowing for swift resolution.



This community is wonderful! The entire environment is kept in pristine condition. The managers...do constant outreach to all of us (residents). They are exemplary in their outstanding selflessness. They exhaust us in their constant management of such a monumental job. We love them because they spoil us. Their hospitality is beyond any words!

*-Linda C.
Resident at Crossroads, SC*



Reputation Management

Sun Communities and Sun RV Resorts received an average score of 4.07 out of 5 stars from third-party reviews from our customers.



The sites below received a rating of 4.0 or higher



FACEBOOK

Booking.com



Hotels.com™

ORBITZ

Apartment
guide

travelocity®

Google

FOURSQUARE

Expedia®

tripadvisor®

Rent.com®

Our Commitment to Affordable & Sustainable Housing

We recognize the important opportunity of providing access to affordable and sustainable housing. Our business contributes to a vitally important function in our economy by providing high-quality, yet affordable, housing for both all-age and age-restricted needs.

Manufactured homes cost up to 50 percent less per square foot than conventional site-built homes, expanding the opportunity for residents to own their home, despite an ever-increasing housing affordability gap. Our commitment to providing accessibility for sustainable and affordable housing is achieved through our Sun Home Services (SHS) sales division. Our homes provide more space at less cost per square foot compared to other options.



Community Engagement

As a nationwide provider of affordable housing, we believe Sun has a responsibility not only to our employees and residents, but also to the communities in which we live and work. These social responsibility efforts are initiated through our Sun Unity Program, so we can join together as a team and give back to these communities to achieve goals like promotion, education and waste reduction.





Sun Unity: Raising the “Unity” in Community

Sun Unity, our social responsibility program, was launched in 2016 to demonstrate and extend our local and global outreach. It is composed of partnerships, community events, charitable match programs, and the opportunity for team members to participate in individual philanthropic efforts, while receiving eight hours of paid time off to do so. Sun Unity aims to establish programs, and a culture, that unites our team, guests, residents, and community to maximize our impact in the communities we serve and the world we live in.

Prioritizing People • Enhancing Life • Nurturing Nature

Sun Unity Initiatives

Team Member Engagement

The “give back” spirit fostered at our main office in Southfield, Michigan, also extends to our communities and vacation destinations throughout the U.S. and Canada. At the property level, events are coordinated to involve our residents and guests because together we can make a greater impact.

Here are just a few highlights of Sun Unity events:

Atlanta Humane Society

568 of our bi-annual conference attendees crafted hundreds of fleece blankets for animals in need at the Atlanta Humane Society.

One Heart for Women & Children

175 food baskets were assembled and donated by a group of managers to One Heart for Woman and Children, a local Florida organization. The organization’s mission is to provide the necessary resources for families as they transition through, and overcome, varying hardships.

Life Remodeled

75 team members partnered with Life Remodeled during their six-day project to clean blighted alleyways in Detroit, creating safer spaces and a sense of pride for those that live there.



Clean Up To Support
Belle Isle Conservancy
Detroit, MI

kidsPACK

54 managers from across Florida teamed up to help students prepare for the school year and fight hunger by packing 200 backpacks with supplies for students in need at one of our communities. Food was also collected and donated to kidsPACK Inc., a non-profit dedicated to ensuring students don't go hungry in the evenings and weekends.

Wreaths Across America

Several team members in Indiana and Maine joined thousands of other volunteers across the country for Wreaths Across America's annual wreath day, volunteering their time to place wreaths on the graves of veterans. The organization aims to help others remember our fallen heroes, honor those who serve, and teach of the sacrifices made by active military and veterans, as well as their families, to preserve our freedoms.

Children's Hospital of Michigan

Team members at our main office worked to spread cheer by hosting a toy drive. These volunteers collected hundreds of new toys for inpatient children and their families who had to spend the holidays in the hospital.



Toy Drive To Support The
Children's Hospital of Michigan
Southfield, MI

Community Level Engagement

Sun Unity Scholarship Program

The Sun Scholarship Program was launched in 2017 to support our commitment to investing in the future of our residents and guests. In 2019, Sun awarded scholarships to 42 students across 15 states and over 40 colleges/universities across the U.S. and Canada, with a \$10,000 scholarship presented to the top recipient.

Since its launch, our scholarship program has supported nearly 200 students in their journey toward continued education.

Scholarship Program 2019 Highlights

- 42 Students Awarded Scholarships
- 15 States 40+ Colleges/Universities across US & CA



I am astounded by the generosity shown to me by Sun Communities. I have been a resident of a Sun Community location for over 15 years, and was fortunate enough to receive a substantial scholarship in order to help me pursue my dream of becoming a physician. With the help of their generous gift, I will be able to continue achieving my dream.

- Skylar R.

2019 Top Award Recipient



MyJump!

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

Work & Travel Program

As part of our Work & Travel Program, we are proud to have sponsored international students from over 22 countries. This program provides students with a unique cultural experience while living and working at Sun RV Resorts, a division of Sun Communities. Existing team members also benefit from the cultural learning experience.

Together, Sun and our team members donated and matched a total of over \$10,000 for organizations including:

- The Breast Cancer Research Foundation
- American Red Cross
- Prostate Cancer Foundation
- Make A Wish and Fisher House



Resident event with MyJump! at Crestwood Concord, NH

American Heart Association

It's a fact that 70 percent of out-of-hospital cardiac arrests happen within homes. That's why Sun teamed up with the American Heart Association to raise awareness with our team members, guests and residents about Hands-Only CPR. Together, we have set out on a mission to provide these life-saving skills to all property managers by the end of 2020.

In 2019, there were four field training sessions completed along with one main office session. Team members who receive the training are then equipped to host a training session at their location for our residents and guests, or other team members to participate. We have now offered 11 additional sessions at our communities and vacation destinations in 2020 so far.



We have made it our mission to reach all of our community and RV resort managers, support staff, and team members at our main office with the necessary and crucial training of Hands-Only CPR so they are able respond in an emergency situation. We have provided all locations with resources that include CPR mannequins and AED units, and Sun is currently on track to be the first “Gold Standard” organization nationwide with the American Heart Association

– Kelly K.
Director of Fitness and Wellness



Our Response to COVID-19

Sun's continued commitment to the health and well-being of our guests, residents and team members is more important than ever. We have monitored statements from the Centers for Disease Control and Prevention (CDC) and the World Health Organization (WHO) closely, and follow guidelines from these agencies, as well as other state and local government agencies.



COVID-19 Response

To support the health and wellbeing of our team members and their families, Sun provides a variety of resources to assist in navigating the challenges of the COVID-19 pandemic. The resources touch on many of our wellbeing pillars including Social, Emotional, Community, and Financial. Here are some examples:

- Free COVID-19 testing.
- No copays on Telemedicine consultations, including behavioral health services.
- Free virtual fitness classes, and access to a library of online resources for yoga, meditation, and stress management.
- Free care packages for those diagnosed with COVID-19 that include personal care items and household supplies.
- Free educational assistance and tutoring programs through our “Back to School with Sun” initiative.”



A Virtual Resource for Our Kids at Sun

Sun understands that the current pandemic may bring a level of uncertainty regarding the 2020-21 school year, and the reopening of schools and childcare. This current predicament could force team members to make tough decisions and tackle unexpected obstacles.

As a solution to this dilemma, Sun created its “Back to School with Sun” program, an initiative primed to provide enriching, virtual academic and social opportunities for children of our team members. Back to School with Sun is comprised of 1:1 tutoring, small group academic enrichment and activities such as kids’ yoga and a library, or resources for back-up childcare options, and credible online educational content for learning. The program launched in October 2020.

COVID Relief & Support

In response to COVID-19, we've taken extra steps to ensure the safety and well-being of our residents and guests.

- Several temporary relief measures were extended to residents including temporary suspensions of month-to-month fees, late fees, and rent increases
- Temporary elimination of cancellation fees related to COVID-19, and extending this for future bookings in 2020
- Enhanced cleaning procedures were put in place, as well as additional signage, and changes to policies and procedures further promoting social distancing
- Amenity kits are being provided to guests upon check-in which include hand sanitizer, face masks and sanitation wipes
- Contactless processes were put in place for rent collection, lease renewals, reservations and guest check-ins
- Free housing was offered to frontline health care workers at various locations
- Large quantities of personal protection equipment (PPE) and cleaning products were centrally procured and distributed to all of Sun's locations
- Provided a financial hardship relief program which deferred up to 100 percent of rent payments in April and/or May 2020, which are being allocated over 12 months, to those residents who have experienced significant wage losses as a result of COVID-19



#SunStrong

When the pandemic hit hard, our communities came together like we have never seen before. We were so inspired by our Sun team members and residents that we started #SunStrong, a campaign dedicated to showcasing these acts of kindness.

With the innovation and creativity of finding ways to celebrate life's joys and achievements, to the tireless efforts of support, care and nurturing for one another, there was no shortage of strength and giving. Here's a small sample of those efforts and what we feel it means to be #SunStrong even during the toughest of times:

- Sewing masks for donation
- Creating community food drives to help residents in need
- Delivering groceries to those who are homebound
- Tutoring students in need of additional support during distance learning
- Resident check-ins via Zoom
- Social distance celebrations and special programs to lift spirits
- Team members volunteered time to record stories for students to read along with during social distance learning



Partnering for Impact

Critical organizations stepped up during this time to do what they could to provide relief throughout the pandemic. To support their efforts, Sun made financial contributions to Meals on Wheels, Feeding America, Kids Food Basket, Feeding Tampa Bay and more.

In-Kind

Sun donated essential supplies to several schools near our main office including 12,000 face masks, 950+ bottles of sanitizer, cleaning wipes, face shields and thermometers.



Governance

In This Section

- Leadership & Governance
- Board Diversity & Expertise
- Policies & Procedures
- Conclusion & Looking Ahead

We are committed to integrating strong governance practices across our organization. As part of Sun's corporate governance, our Board of Directors are responsible to our shareholders for the oversight of the company and guiding the strategic direction, objectives, and risk management activities of the organization.

Oversight of our ESG programs and initiatives by the Board of Directors have been formalized by our Nominating and Corporate Governance Committee. This committee will now oversee the implementation of new initiatives, as well as the refinement of our ESG-related reporting and materials.

Sun believes in maintaining transparency and strong governance based on the highest ethical standards. We have adopted the following strategies to achieve this goal:

- Bylaws were amended to permit stockholders, in addition to board members, the authority to amend the bylaws by the affirmative vote of a majority of all the votes entitled to be cast on the matter
- Terminated our shareholder's rights agreement (Poison Pill)
- 71 percent of directors are independent
- Annual election of directors
- Anti-Hedging Policy that prohibits stock hedging by directors or executive officers
- Strict Code of Business Conduct and Financial Code of Ethics for senior financial officers is enforced
- Executive Compensation "Clawback" Policy



Leadership & Governance

Our bylaws authorize the formation of committees, and grants our Board of Directors the authority to prescribe the functions of each committee. Board members serve for one-year terms, or until their successors are duly elected.

- Audit Committee
- Compensation Committee
- Nominating and Corporate Governance
- Executive Committee
- Manufactured Housing Finance Committee



Diversity & Expertise Board Responsibilities

Strategy

Periodically reviews management's proposed strategy for the company

CEO Selection & Succession Planning

Responsible for selecting the chief executive officer (CEO) and developing a management succession plan

Evaluation & Compensation

Evaluates the performances of the board chairman, CEO, and other executive officers to determine and approve their compensations

Board Membership Criteria & Performance

Reviews membership criteria annually in addition to its own performance and the performance of its committees

Company Systems & Processes

The board and the audit committee monitor the company's current systems and procedures to prevent and detect wrongdoing by monitoring the audit and financial statement review functions, as well as the company's legal compliance policies

Enterprise Risk Management Committee (ERMC)

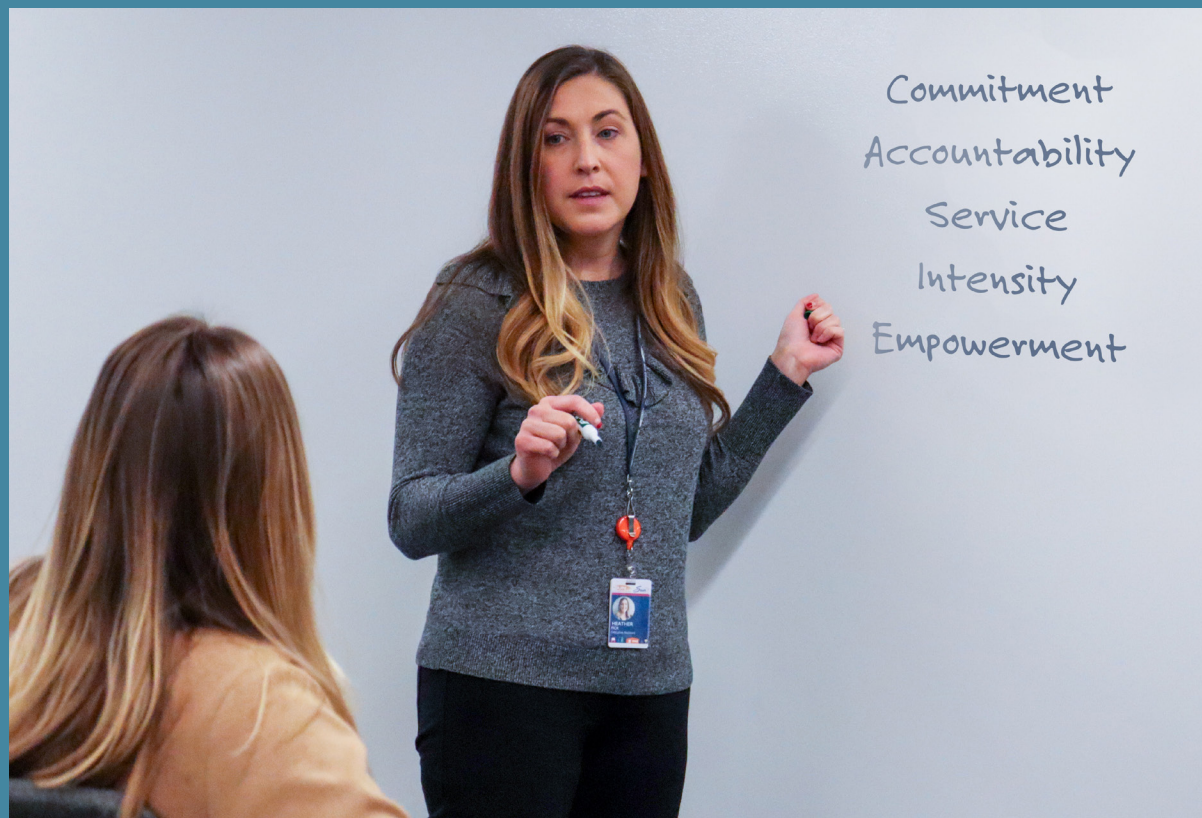
One of the ways the board oversees and implements risk management functions is through the ERMC. This committee is composed of senior leaders and executives from across the organization, including representatives from operations, sales, accounting, finance, tax, human resources, and internal audit, as well as others. The ERMC is tasked with identifying, monitoring, and mitigating our risks. The committee presents their work to the full board as requested, which takes an active role in risk oversight.

Board Diversity & Expertise

At Sun, we believe that a Board of Directors with diverse experiences, backgrounds, and perspectives improves leadership effectiveness and decision-making. We have enhanced the diversity of our Board of Directors with the addition of Meghan Baivier in 2017, reducing the average director tenure while improving industry experience and gender diversity.

The Board of Directors attend training sessions on diverse topics on an annual basis, which have included:

- Governance
- Shareholder Activism
- Sustainability in Real Estate
- Capital Markets
- Cybersecurity



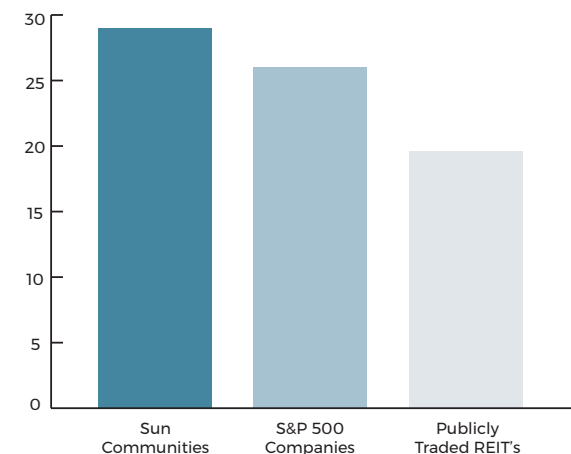
61.5

Average Age of Board Members

Areas of expertise range from:

- Financial Consulting
- Accounting
- Private Equity
- Venture Capital Experience
- Commercial Law

Female Board Composition



Policies & Procedures

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

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



Ethics & Code of Conduct

The Code of Business Conduct and Ethics governs the business decisions made, and the actions taken by our company's team members, officers, and directors in an expression of our fundamental core values.

Human Rights Principles

We maintain a strong commitment to the advancement, preservation, and protection of human rights, which extends to Sun locations and business operations worldwide. Our principles are guided by the United Nations Universal Declaration of Human Rights, International Labor Organization (ILO) Convention, and the Sun Communities Code of Conduct and Ethics.

Nondiscrimination & Anti-Harassment

Our company is committed to recognizing and appreciating the variety of characteristics that make individuals unique, while promoting and celebrating our differences.

Safety & Compliance

As our most important asset, team members assist in our efforts to ensure that we fulfill our commitment to improve the quality of life for our residents. In fulfilling this mission, Sun provides a safe and healthy work environment for our team members, while complying with all applicable health and safety laws and regulations. We utilize an incident reporting system to track and analyze safety issues, risks, injuries, and claims.



Cybersecurity

We understand the importance of managing our cyber risk and are constantly working to monitor and enhance our security, digital defenses, and resiliency.

Executive Compensation

Our executive team manages, leads, and directs our team members and capital resources to achieve the best possible economic results. To attract and retain a skilled executive team, our executive compensation program is based on pay-for-performance.

Team Member Hotline

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

Audit Integrity & Internal Controls

Sun devotes substantial resources to audit integrity and our control environment, so we can adhere to regulatory and reporting requirements that guide our industry. Internal auditors assess Sun's risk governance, as well as develop and evaluate internal controls. In addition to internal audits, we hire independent auditors to ensure audit impartiality and compliance with the Sarbanes-Oxley Act (SOX).

Managing & Safeguarding Information

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



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

More detailed information and a full list of our governance policies and procedures can be found on our website: [SunCommunities.com](https://www.suncommunities.com)



Conclusion and Looking Ahead

As the nation's premier owner and operator of manufactured housing communities and vacation destinations, we make sure we conduct the highest standard of business ethics and practices. We understand the value of focusing on sustainable practices, as they are critical to our overall success and building long-term stakeholder value. Our talented group of team members strives to deliver unparalleled service and create positive impacts across our portfolio. Mindful of the impact we have in the states and provinces where we are present, we remain committed to incorporating environmental, social and governance consideration into all our business operations.

Sun is progressing on its environmental sustainability road map which includes responsibilities, short- and medium-term goals

and corresponding implementation measures. This road map will form an integral part of the annual business plan process for 2021. We look forward to continuing to realize our goals, and create tangible value for our team members, residents, guests, shareholders, and communities.

GRI Disclosure Number	Disclosure Title	Reference/Location	Page
102-1	Name of the organization	Our Company	5
102-2	Activities, brands, products, and services	Our Company	5
102-3	Location of headquarters	Southfield, MI	5
102-4	Location of operations	Our Company	5
102-5	Ownership and legal form	https://www.suncommunities.com/investor-relations/	
102-6	Markets served	Our Company	5
102-7	Scale of the organization	https://www.suncommunities.com/investor-relations/	
102-8	Information on employees and other workers	Sun Team Members, 2019 10K, p. 4	25-27
102-10	Significant Changes to the organization and its supply chain	About this Report	
102-12	External initiatives	Community Engagement	42-47
102-13	Membership of associations	Industry Engagement	10
102-14	Statement from senior decision-maker	A Letter from Our Chairman and Chief Executive Officer	8
102-15	Key impacts, risks, and opportunities	2019 10K, p. 8	
102-16	Values, principles, standards, and norms of behavior	Corporate Governance Guidelines, Code of Business Conduct and Ethics	53-59
102-18	Governance structure	Governance	53-55
102-19	Delegating authority	Corporate Governance Guidelines	
102-20	Executive-level responsibility for economic, environmental, and social topics	Nominating and Corporate Governance Committee Charter	
102-21	Consulting stakeholders on economic, environmental, and social topics	Stakeholder Engagement	9
102-24	Nominating and selecting the highest governance body	Corporate Governance Guidelines	
102-25	Conflicts of interest	Code of Business Conduct and Ethics	
102-26	Role of highest governance body in setting purpose, values, and strategy	Leadership & Governance	53-55
102-27	Collective knowledge of highest governance body	Board Diversity & Expertise	55
102-29	Identifying and managing economic, environmental, and social impacts	Governance	53
102-32	Highest governance body's role in sustainability reporting	Nominating and Corporate Governance Committee	
102-45	Entities included in the consolidated financial statements	All entities listed in our 2019 10-K	
102-50	Reporting period	January 1, 2019 – December 31, 2019	
102-51	Date of most recent report 36 Disclosure 102-52 Reporting cycle	investorrelations@suncommunities.com	
102-53	Contact point for questions regarding the report	investorrelations@suncommunities.com	
201-1	Direct economic value generated and distributed	2019 10K, p. 8	
201-2	Financial implications and other risks and opportunities due to climate change	2019 10K, p. 12	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sun Careers - Benefits	
401-3	Parental leave	Wellness & Benefits	32
404-1	Average hours of training per year per employee	Team Member Training	28
404-2	Programs for upgrading employee skills and transition assistance programs	Team Member Training	29-30
405-1	Diversity of governance bodies and employees	Board Diversity & Expertise	55
412-2	Employee training on human rights policies or procedures	Training	28, 32
413-1	Operations with local community engagment, impact, assessments and development programs	Community Engagement	41-47



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