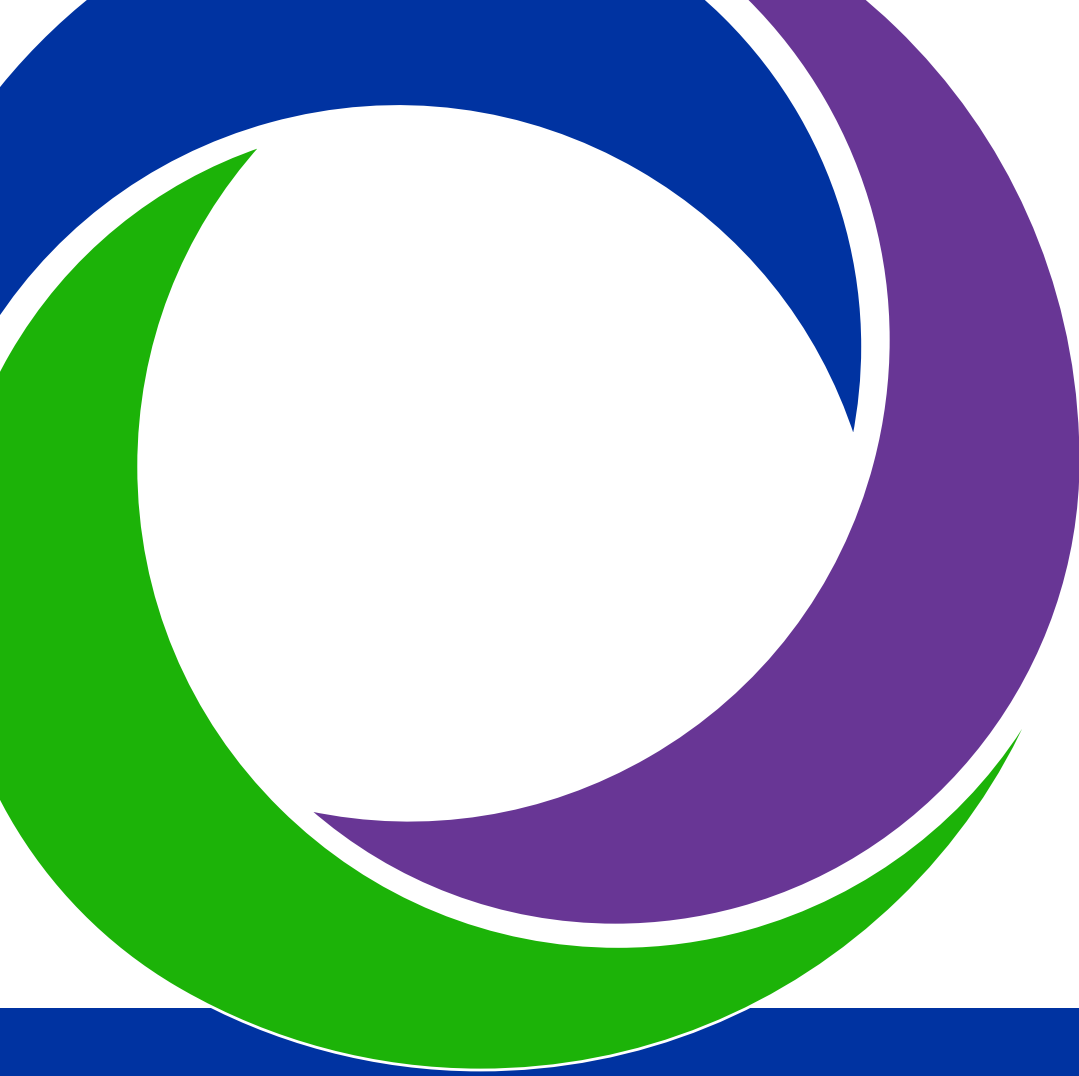


Environmental, Social, and Governance Report

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Flushing Bank's PPP team led us through the process with tremendous care, attention, and professionalism. We cannot imagine having done it with any of our other lenders.

- David Weinman, President, Fabco Enterprises, Inc.

The level of service from Flushing Bank and its staff has surpassed my expectations. Their dedication to our neighborhood and support of local events has built tremendous trust between our community and Flushing Bank.

- Mukesh Modi, current India Day Parade President and former President of the Rotary Club of Hicksville South

We are grateful for what Flushing Bank contributed to the journey that we were in for the last two years. Your leadership, care, and good heart have shown through during this difficult time and helped our business to survive. Thank you for being a beacon of positivity and purpose in a time where many were uncertain.

- Mashiur and Fahmida Khan, Owners, Afghan Kabab and Grill

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CEO Message



Flushing Financial Corporation, the holding company for Flushing Bank, has a history of providing banking services to the community since 1929. At the heart of our mission to be a trusted financial institution is developing rewarding relationships in the multicultural communities we serve, through our commitment to the economic health and well-being of the individuals, businesses, and not-for-profit organizations that help these communities grow and prosper.

This is our inaugural Environmental, Social, and Governance (ESG) Report outlining our ESG activities in a dedicated format. In preparing this report, we determined that our ESG strategy is a culmination of our efforts throughout the years, including volunteer hours, community grants, lending support in the form of affordable housing, multifamily lending, commercial and small business financing options, and not-for-profit lending.

The Company is environmentally aware and has been working for several years to reduce its carbon footprint. We are exploring ways to assess climate risk and other environmental factors in underwriting of loans and participate in financing programs to environmentally conscious companies.

Flushing Bank has always been committed to helping our communities grow, and this commitment to their social and economic success is a fundamental responsibility that is extremely important to us. An example of this is the Bank's origination of multifamily residential mortgages supporting low- to moderate-income households.

We recognize that our employees are the Company's most important asset. The Bank has numerous programs in place, beyond the scope of a competitive compensation package, to support them, including a leadership development program, health and wellness programs, diversity and inclusion initiatives, and employee volunteer engagement efforts.

The Company delivers value to our shareholders with our solid financial performance and profitable growth through the years. We have a strong, diverse, and independent Board of Directors who understand both the industry risks and those risks unique to our bank, and they ensure our governance policies provide the proper oversight.

We have a vital role in the prosperity and success of the multicultural communities we serve, and our commitment to them will not change. However, our ESG strategy will continue to evolve as opportunities present themselves, and we will update this report as new initiatives develop.

Thank you for your time and interest in Flushing Financial Corporation.

A handwritten signature in blue ink that reads "John R. Buran". The signature is fluid and cursive, with a large, looping initial "J".

John R. Buran, President and CEO

About Flushing Financial Corporation



ASSETS



LOANS



DEPOSITS



EMPLOYEES



BRANCHES

Flushing Financial Corporation (Nasdaq: FFIC) is the holding company for Flushing Bank[®], an FDIC insured, New York State-chartered commercial bank that operates banking offices in Queens, Brooklyn, Manhattan, and on Long Island. The Bank has been building relationships with families, business owners, and communities since 1929. Today, it offers the products, services, and conveniences associated with large commercial banks, including a full complement of deposit, loan, equipment finance, and cash management services.

Rewarding customers with personalized attention and bankers who can communicate in the languages prevalent within these multicultural markets is what makes the Bank uniquely different. As an Equal Housing Lender and leader in real estate lending, the Bank's experienced lending teams create mortgage solutions for real estate owners and property managers both within and outside the New York City metropolitan area. The Bank also fosters relationships with consumers nationwide through its online banking division with the iGObanking[®] and BankPurely[®] brands.



Vision, Mission, Purpose, and Values



Vision

We will be a leading community bank by providing customized solutions that deliver rewarding and relevant value to our customers and key stakeholders in our multicultural markets.

Mission

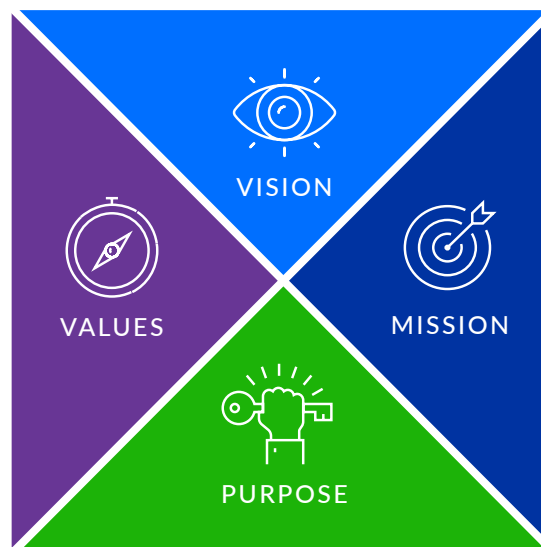
To be a trusted financial institution by developing rewarding relationships in the multicultural communities we serve.

Purpose

We are committed and empowered to helping our customers succeed and our diverse communities thrive.

Values

- Respect
- Integrity
- Excellence
- Empowerment
- Ownership
- Teamwork
- Inclusion
- Commitment



Environmental Programs and Initiatives



Although we are in the early stages of assessing our environmental policies and developing future plans to help our local economies, communities, and customers, our company understands the long-term implications and accepts the responsibility to foster environmentally friendly practices. We are sharing what we already have in place, which falls into two broad areas: reduction of carbon footprint and assessing climate change through underwriting.

Carbon Footprint

Adoption and usage of digital banking services have increased significantly and were accelerated by the pandemic. From March 2020 to December 2021:

- Monthly active online users have increased **172%**
- Monthly mobile deposit users have **nearly doubled**
- Monthly items processed rose **382%**

The adoption of digital banking has contributed to a reduction in the size of our branches, and thus, the size of our carbon footprint. Since 2015, we reduced square footage and moved to smaller spaces for several branches, and kept the targeted size of new branches to 1,200 square feet or less. As of December 31, 2021, the Bank had 24 branches.

The pandemic mandated a remote work arrangement for most of our employees. We have been pleased with our employees' ability to adapt to this new way of working and currently operate in a hybrid (remote/in office) work schedule in many areas of the Bank.

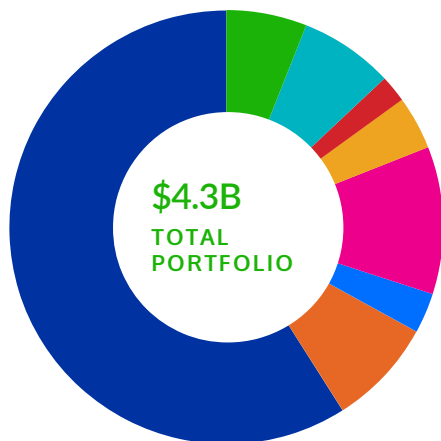
Where possible, the Bank uses LED lighting and energy-efficient appliances. We are transitioning to hybrid vehicles for company cars, and an electric car charging station is available at our corporate headquarters. We will continue to seek other ways to make energy usage more efficient.



Addressing Climate Change through Underwriting

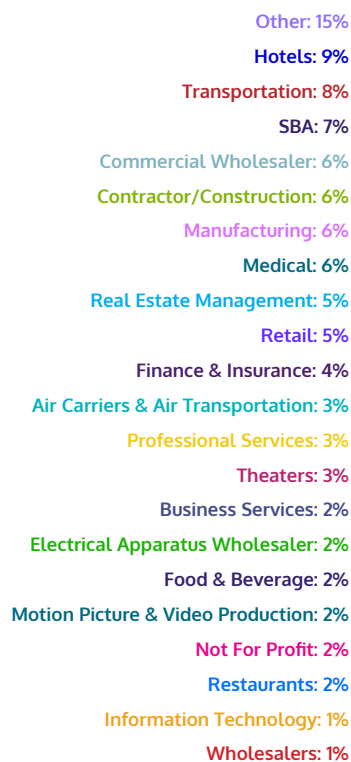
At the end of 2021, over 87% of gross loans were collateralized by real estate. On an annual basis we perform an ESG risk assessment that includes the Bank's exposure to financial risks from climate change. Additionally, starting in 2024, New York City Local Law 97 requires emissions standards for buildings. Environmental impact studies are required for construction loans, and we also review environmental reports that are required to adhere to the American Society for Testing and Materials (ASTM) standards. Further details on commercial real estate (CRE) collateral type and business loans industry concentrations are provided below.

CRE PROPERTY TYPE



Multifamily: 59%
General Commercial: 11%
CRE Strip Mall: 8%
CRE - Shopping Center: 7%
Office: 6%
CRE - Single Tenant: 4%
Industrial: 3%
Commercial Special Use: 2%

COMMERCIAL INDUSTRY TYPE



Other: 15%
Hotels: 9%
Transportation: 8%
SBA: 7%
Commercial Wholesaler: 6%
Contractor/Construction: 6%
Manufacturing: 6%
Medical: 6%
Real Estate Management: 5%
Retail: 5%
Finance & Insurance: 4%
Air Carriers & Air Transportation: 3%
Professional Services: 3%
Theaters: 3%
Business Services: 2%
Electrical Apparatus Wholesaler: 2%
Food & Beverage: 2%
Motion Picture & Video Production: 2%
Not For Profit: 2%
Restaurants: 2%
Information Technology: 1%
Wholesalers: 1%

Social Support and Programs



Building rewarding relationships with communities, customers, and employees is at the heart of what we do and central to our decision-making process. The Company's continued success and expanding business is a testament to the rewarding relationships we have developed and the relevant value we have delivered to these core stakeholders.

Communities

As a community bank, it is our responsibility to give back to the communities we serve. The Bank has contributed more than \$1.9 million to over 300 organizations since 2018, with \$756,000 of grants to more than 220 community organizations in 2021, and we are proud of achieving an Outstanding CRA rating.

The Bank continues to support communities in other meaningful ways, such as:

- Originating **\$694 million** of affordable housing loans since 2018, with \$212 million in 2021.
- Offering **financial literacy initiatives** to high school students, community members, and senior citizens. These initiatives are held in low- or moderate-income areas or schools, and include career days and financial education, identity theft education, homeownership classes for first-time homebuyers, and workshops with prospective small business owners. Since 2019, we have had more than **4,000 participants**, including 2,200 in 2021.

To stay connected with our communities on a grassroots level, we sponsor three advisory boards made up of local community and civic leaders who are familiar with the trends, issues, and concerns of their respective communities. These advisory boards provide a unique perspective and meet quarterly to share ideas on ways to support the communities' needs and growth. Additionally, our employees volunteer their time and participate on community organization boards.



Customers

Our customer is at the center of all we do. We recognize that customers have choices of where to do their banking, so we must differentiate ourselves by providing rewarding and relevant value. The Bank supports our customers' needs by offering a variety of competitive lending and deposit products, rewards programs, and employees who can communicate in the languages prevalent within our multicultural markets. Recently, we took a leadership position and eliminated consumer overdraft, insufficient funds, and transfer fees on consumer checking accounts. We see this as another way to provide a unique value to our customers.

The Bank offers several kinds of checking accounts. Our no-cost checking product, Complete Checking, comprises nearly 90% of all checking accounts and has balances exceeding \$475 million as of December 31, 2021. A full listing of personal, business, and government deposit and loan products is available on our Flushing Bank website.

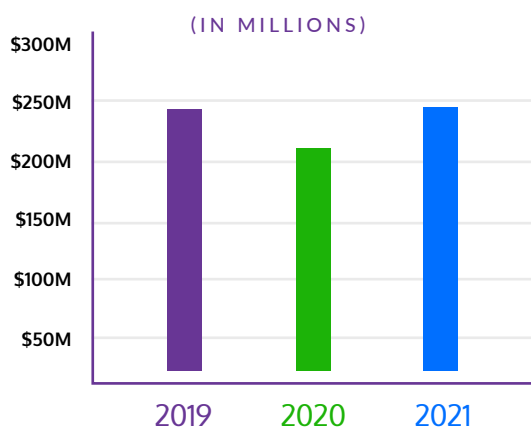
Small businesses are the heart of our communities, and we are proud to support their growth. The Bank has more than 1,400 small business loans that totaled \$383 million as of December 31, 2021.

We are a significant lender for rent-controlled and rent-stabilized multifamily buildings in the New York City area. The Bank's total multifamily portfolio was \$2.5 billion as of December 31, 2021.

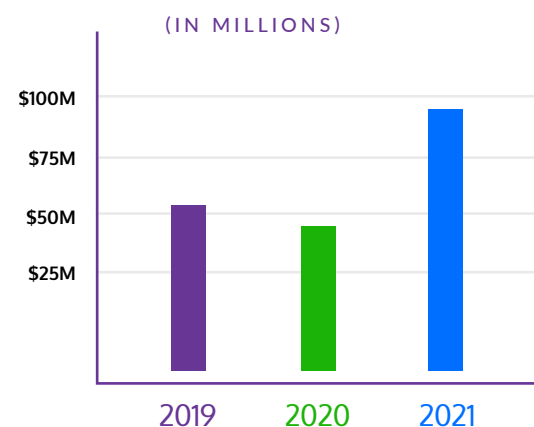
We also believe in supporting not-for-profit companies, and we originated 22 loans totaling \$76.3 million from 2019 to 2021 to these entities; the outstanding balance of these loans was \$97 million as of December 31, 2021.

The Bank has no past due small business or not-for-profits loans as of December 31, 2021.

MULTIFAMILY LOAN ORIGINATIONS



SMALL BUSINESS LOAN ORIGINATIONS





Employees

Our employees are the Company's most valuable asset. We recognize the advantage of having a satisfied and engaged workforce who can provide value-added services, such as collectively speaking over 20 languages, to better serve our customers and multicultural communities.

We have a diverse employee base that reflects the multicultural aspect of our markets combined with a broad representation of backgrounds and experience levels. By way of example, females represent 59% of employees and 33% of the executive team, as of March 3, 2022.

Employees are the heart of our service-driven culture, and their well-being is critical to the Company's success.

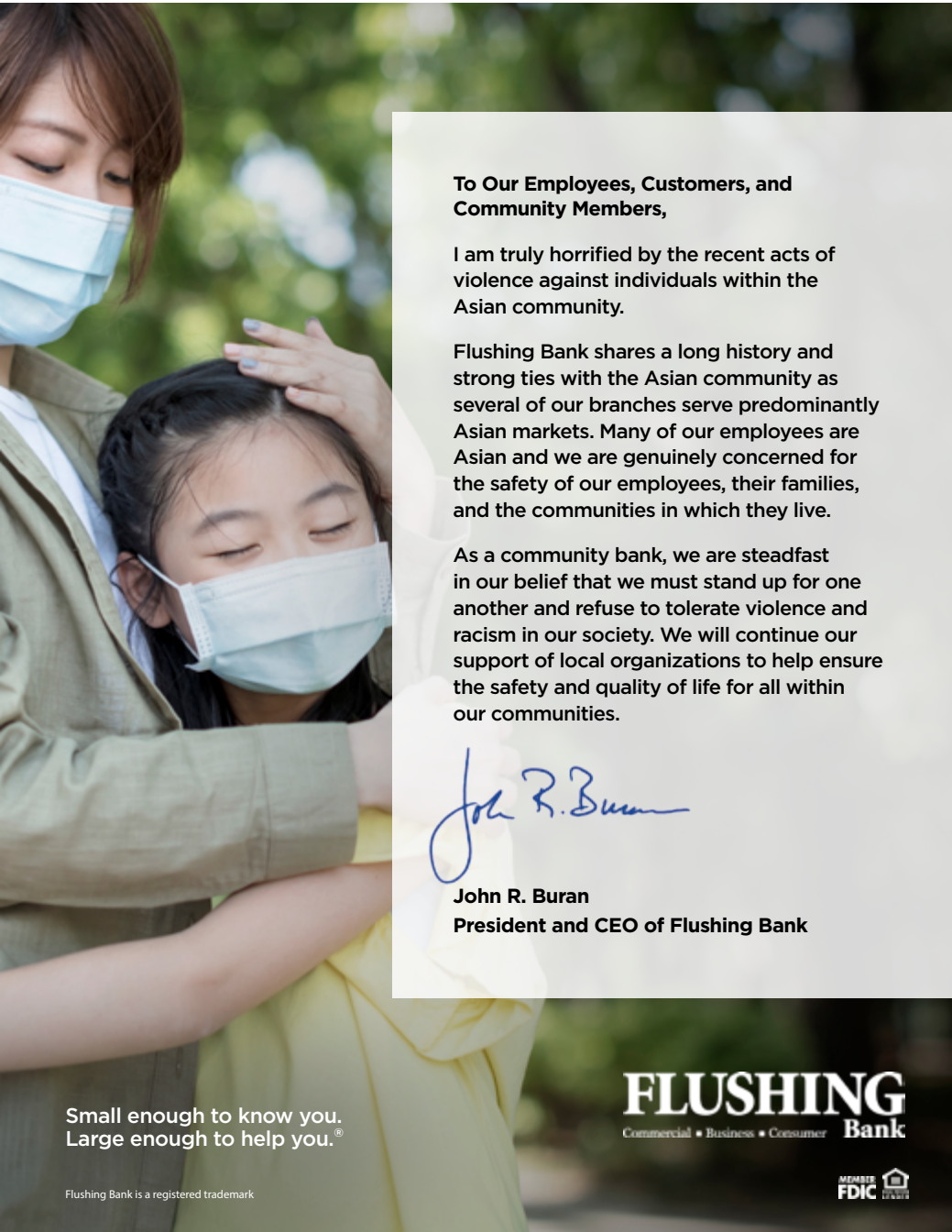


Health and Well-Being

During the COVID-19 pandemic, the Bank's priorities were focused on keeping employees safe as we rapidly transitioned to a work-from-home environment, wherever possible. The hybrid work arrangements that were established continue to allow employees the flexibility to balance work-life challenges while maintaining productivity and efficiency.

Our company offers a comprehensive compensation package that includes medical, dental, and vision benefits. Our employees have access to health and wellness resources, such as flu shots and an Employee Assistance Program. They also have access to entertainment benefits, such as discounts on tickets for events and attractions.

Financial well-being is also important, and, as such, we offer benefit programs to assist our employees in achieving their financial goals, including helping them to save and prepare for retirement.



To Our Employees, Customers, and Community Members,

I am truly horrified by the recent acts of violence against individuals within the Asian community.

Flushing Bank shares a long history and strong ties with the Asian community as several of our branches serve predominantly Asian markets. Many of our employees are Asian and we are genuinely concerned for the safety of our employees, their families, and the communities in which they live.

As a community bank, we are steadfast in our belief that we must stand up for one another and refuse to tolerate violence and racism in our society. We will continue our support of local organizations to help ensure the safety and quality of life for all within our communities.

John R. Buran
President and CEO of Flushing Bank

Small enough to know you.
Large enough to help you.®

Flushing Bank is a registered trademark

FLUSHING
Commercial • Business • Consumer Bank



Diversity and Inclusion

To further support employees, a Diversity and Inclusion (D&I) committee was created in 2020 with a charter to provide all employees the tools and resources to succeed. In response, this committee developed a Corporate Leadership Development Program, designed to facilitate professional development and exposure for all employees, with a focus on employees from diverse backgrounds. This program will ensure that we broaden our employees' understanding of how the business operates and provide them with a platform to network and skill build to further their career development in our company.



Employees Volunteer Programs

As a community bank, we recognize that we have a social responsibility to give back to the local nonprofit, cultural, and charitable organizations that help support the individuals, families, and small businesses in our communities. The Bank has provided financial support to hundreds of local organizations throughout our market area for many years, and we are proud of our many employees who are actively involved with these and other organizations, volunteering much of their time to charitable endeavors that benefit local communities.

In 2021, we launched an employee volunteer program, Flushing Bank Serves, which was born out of our Diversity and Inclusion initiative. The D&I committee spearheaded a way to identify volunteer opportunities for employees to represent our Bank's continued commitment to our communities. The Bank also provides eight workday hours per year for every employee to volunteer time at a charity of their choice. While volunteer hours have been impacted by the pandemic, the 2021 hours are up 34% from 2019 levels.

Governance: Risk Frameworks



The Board of Directors has a responsibility to monitor the Company's key risks such as data and cybersecurity, and stress testing. Additionally, the Board has oversight of the Company's policies, including code of business conduct and ethics, and whistleblower.

Data and Cybersecurity

Data and Cybersecurity falls under the Information Technology committee of the Board of Directors. Information security risks for financial institutions, such as ours, have generally increased in recent years in part because of the proliferation of new technologies, the use of the internet and telecommunications technologies to conduct financial transactions, and the increased sophistication and activities of organized crime, hackers, terrorists, activists, and other external parties. The Bank's operations rely on the secure processing, transmission, and storage of confidential information in our computer systems and networks. Our bank, as a highly regulated entity, operates under the New York State Department of Financial Services regulation for cybersecurity, which is broad in scope and covers five basic areas: governance, testing, ongoing requirements, vendors, and reports.

Cyber criminals regularly target financial services companies, resulting in unauthorized access to confidential information, theft of funds from online accounts, disruption, or degradation of service or other damage. These attacks may take a variety of forms, including web application attacks, denial of service attacks, ransomware, other malware, and social engineering, including phishing. Although to date we have not experienced any material losses relating to cyberattacks or other information security breaches, there can be no assurance that we will not suffer such losses in the future.

Our risk and exposure to these matters remains heightened because of the evolving nature of these threats. As a result, cybersecurity and the continued development and enhancement of our controls, processes, and practices designed to protect our systems, computers, software, data, and networks from attack, damage, or unauthorized access, remain a focus for us. As threats continue to evolve, we may be required to expend additional resources to continue to modify or enhance our protective measures or to investigate and remediate information security vulnerabilities. New employees receive cybersecurity training when onboarded, and annual cybersecurity training is a requirement for all employees.

To date, the Company has not experienced a material breach. If there was a material breach, the Company would be required to disclose the number of data breaches, the percentage involving personally identifiable information, or the number of account holders affected.



Stress Testing

Our company conducts interest rate, credit, and liquidity stress testing on a regular basis. This testing is incorporated into the strategic plan and factors into routine decision-making. The results of the stress testing are reviewed by executive management and by the Board of Directors. The stress tests have board-approved limits. The Board also approves the risk appetite statement.



Code of Business Conduct and Ethics Policy

Our company has a long-standing Code of Business Conduct and Ethics policy, a copy of which is available on the investor relations portion of the Flushing Bank website. All employees and members of the Board of Directors are required to adhere to these policies. The Nominating and Governance Committee of the Board has responsibility for oversight of the policy.

In 2019-2021, our company did not experience any monetary losses as the result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations.



Whistleblower Policy

Our company has a Whistleblower Policy that applies to all employees, officers, and directors that have information regarding possible violations of law or other misconduct. The policy is implemented by the Chief Audit Officer (ensuring compliance) and the Director of Human Resources (dissemination and enforcement) and is overseen by the Audit Committee of the Board of Directors. Employees are instructed to contact (by phone, email, or mail) the Chief Audit Officer, Chair of the Audit Committee, or the Director of Human Resources with any reason to believe misconduct has taken place or to raise concerns. Communications can be submitted on a confidential or anonymous basis and a determination that a report or concern merits further investigation will be promptly communicated to the Audit Committee. The Audit Committee will determine whether the investigation will be made by the Audit Committee, outside counsel, a third party, or an employee.

Our company has a no retaliation policy as well. These procedures are outlined in the Employee Handbook and a separate Whistleblower Policy, both of which are approved by the Board of Directors. These policies comply with the U.S. Sarbanes-Oxley Act.

Governance: Oversight



Corporate governance is a strength of our company. Our Board of Directors has oversight for employee, community, and customer activities through regular meetings and special committees. Our strong governance program:

- **Provides oversight** to the executive management team
- **Offers additional perspectives** on risk management and corporate strategy
- **Sets the tone** for the corporate culture

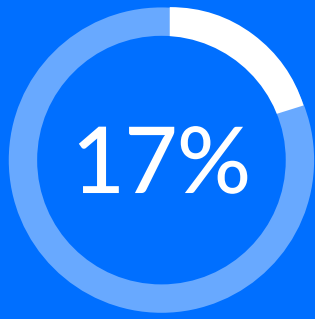
The key items in our governance program are the strength of the directors, their oversight of key risks, and our policies to minimize conflicts.

The Company has also established policies to help minimize conflicts of interest and to support strong governance from the Board of Directors, including no hedging or pledging of company stock for executive officers and directors. Each director has stock ownership requirements of 5,000 shares but the average holding per director is over 83,000 shares as of December 31, 2021. For executives, there are stock ownership guidelines, and the CEO and CFO have compensation clawback provisions. Lending is not permitted to officers, directors, or affiliated parties. We believe these policies strengthen the Board and help directors to maintain independence.

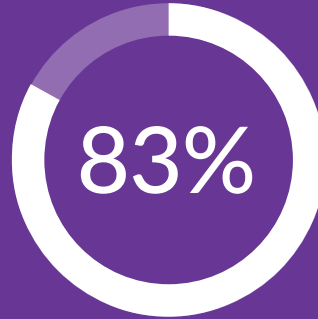
The Board of Directors consists of twelve members from the local communities, with diverse industry representation:

- Ten, or **83%**, are considered **independent**
- Two, or **17%**, identify **ethnically diverse**
- Two, or **17%**, identify as **female**

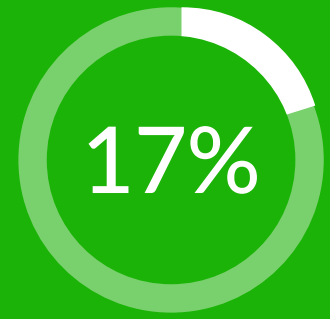
Our advisory boards serve as a source for new Board members. We view this as a competitive advantage, as the community has representation on the Board and we have direct input on current local trends.



GENDER DIVERSITY

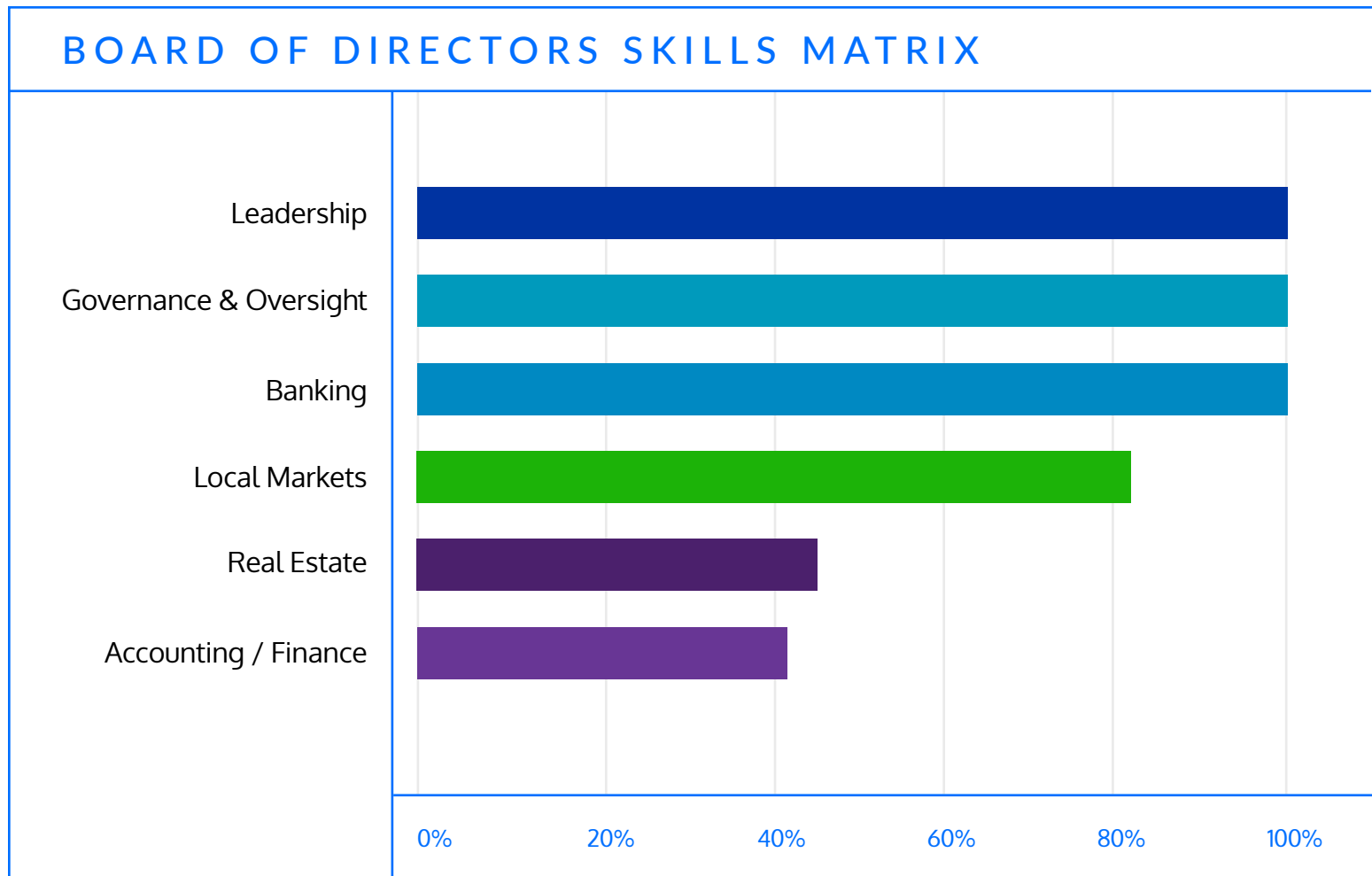


INDEPENDENCE



ETHNIC DIVERSITY

Unlike most banks, the positions of Chairman and CEO are split at Flushing Financial Corporation, as we believe this is important to ensure proper management oversight. The average member of the Board has fifteen years of board experience, including in leadership, governance and oversight, banking, and local markets.



BOARD OF DIRECTORS

	<p>ALFRED A. DELLIBOVI Chairman of the Board, Retired President & CEO of the Federal Home Loan Bank of New York</p> <ul style="list-style-type: none"> • Audit Committee • Compensation Committee • Executive Committee Chair • Nominating & Governance Committee • Risk & Compliance Committee 		<p>SAM S. HAN Founder & President The Korean Channel, Inc.</p> <ul style="list-style-type: none"> • Compensation Committee • Insurance Committee • Nominating & Governance Committee • Risk & Compliance Committee
	<p>JOHN R. BURAN President & Chief Executive Officer</p> <ul style="list-style-type: none"> • Executive Committee • Information Technology Committee • Insurance Committee • Investment Committee 		<p>DOUGLAS C. MANDITCH Former Chairman & Chief Executive Officer of Empire Bancorp, Inc.</p> <ul style="list-style-type: none"> • Investment Committee • Risk & Compliance Committee
	<p>MICHAEL A. AZARIAN Retired Managing Director Citigroup</p> <ul style="list-style-type: none"> • Information Technology Committee Chair • Risk & Compliance Committee 		<p>JOHN J. MCCABE Retired Chief Equity Strategist Shay Assets Management</p> <ul style="list-style-type: none"> • Investment Committee Chair • Nominating & Governance Committee • Risk & Compliance Committee
	<p>JAMES D. BENNETT Attorney in Nassau County, New York</p> <ul style="list-style-type: none"> • Nominating & Governance Committee 		<p>DONNA M. O'BRIEN President Strategic Visions in Healthcare, LLC</p> <ul style="list-style-type: none"> • Compensation Committee • Insurance Committee Chair
	<p>STEVEN J. D'IORIO Executive Managing Director Cushman & Wakefield</p> <ul style="list-style-type: none"> • Executive Committee • Information Technology Committee • Insurance Committee • Risk & Compliance Committee Chair 		<p>MICHAEL J. RUSSO Consulting Engineer, CEO Fresh Meadow Mechanical Corp.</p> <ul style="list-style-type: none"> • Audit Committee • Compensation Committee Chair • Investment Committee • Nominating & Governance Committee
	<p>LOUIS C. GRASSI Managing Partner & Chief Executive Officer of Grassi & Co.</p> <ul style="list-style-type: none"> • Audit Committee Chair • Compensation Committee • Executive Committee • Nominating & Governance Committee Chair • Risk & Compliance Committee 		<p>CAREN C. YOH President, CPA Accounting Firm</p> <ul style="list-style-type: none"> • Audit Committee • Executive Committee • Investment Committee • Risk & Compliance Committee

There's a lot to be said for working with a personal banker who sees your relationship as a partnership, not a transaction.

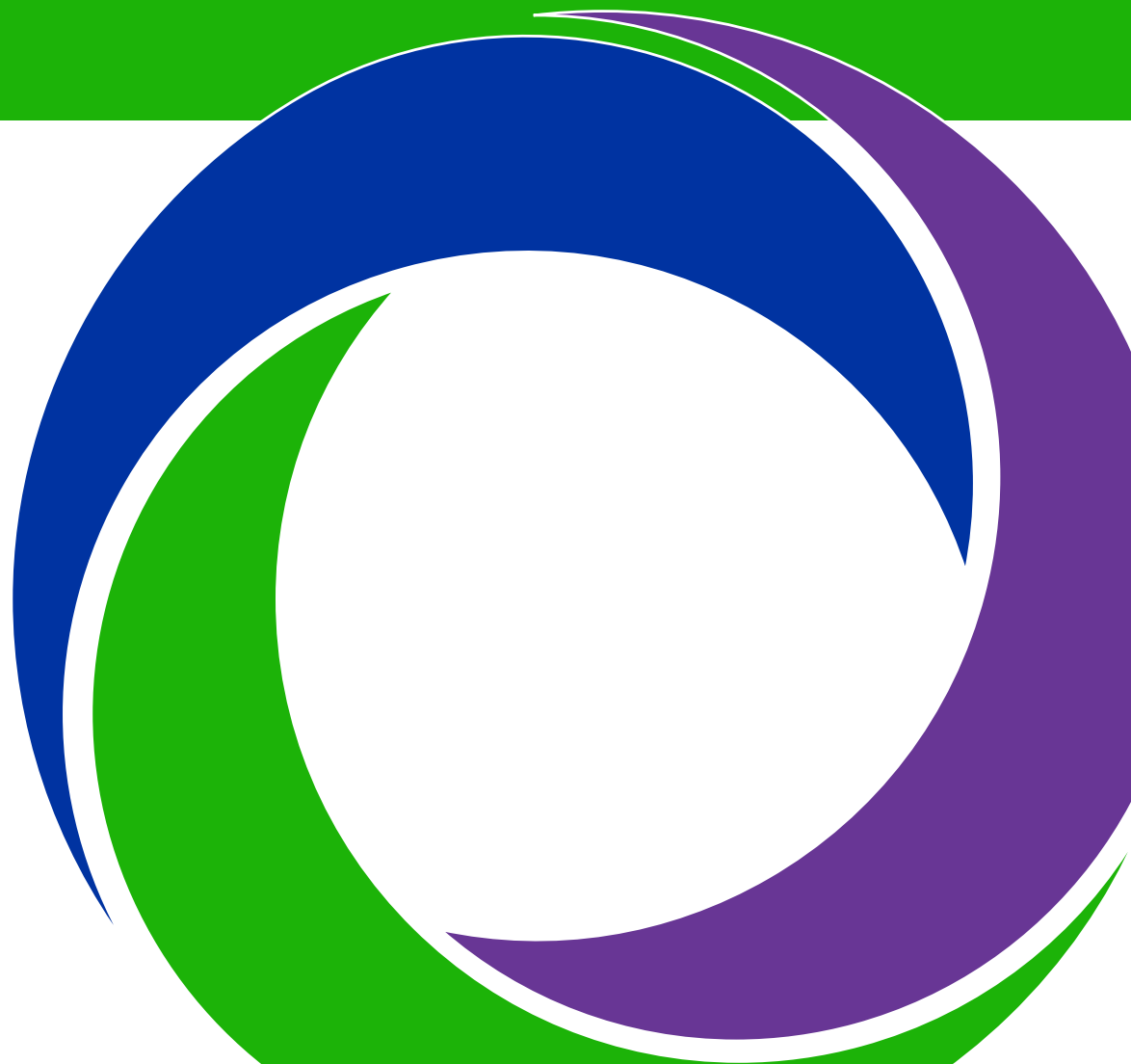
– John P. Amalfe, President, AutoPartSource

Flushing Bank's sponsorship of the Cantonese Opera at the Chinatown Community Center helped us put this unprecedented event in the spotlight. The brilliant performances and Flushing Bank's dedicated promotion have left a great impact on our community.

– Master Chen, Founder and Stage Director of New Artist Opera Corp.

Through this crisis, I've heard from other small business colleagues, and it's clear that we've been treated exceptionally well compared to their experiences with other larger national banks. Flushing Bank has been understanding, flexible, and communicative, and helped us move quickly, securing both bank support to our existing loans and relief funds via government interventions.

– Matthew Viragh, Founder/Executive Director, Nitehawk Cinema



Disclaimers



Legal Disclaimer

This report is for informational purposes only and was prepared to provide a general overview of our ESG activities. It is not an offer to buy or sell any securities or products from Flushing Financial Corporation, Flushing Bank, or its subsidiaries. This report does not address the performance of our suppliers, contractors, or other partners. This report was not audited by any third party.



Forward-Looking Statements

“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995: Statements in this Presentation relating to plans, strategies, economic performance and trends, projections of results of specific activities or investments and other statements that are not descriptions of historical facts may be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking information is inherently subject to risks and uncertainties, and actual results could differ materially from those currently anticipated due to a number of factors, which include, but are not limited to, risk factors discussed in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2021, and in other documents filed by the Company with the Securities and Exchange Commission from time to time. Forward-looking statements may be identified by terms such as “may,” “will,” “should,” “could,” “expects,” “plans,” “intends,” “anticipates,” “believes,” “estimates,” “predicts,” “forecasts,” “goals,” “potential,” or “continue,” or similar terms or the negative of these terms. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. The Company has no obligation to update these forward-looking statements.



FFIC FLUSHING
Financial Corporation