

build a better *life*



2019 Sustainability Report



Table of Contents

A Letter From Our CEO	4
Sustainability and Environmental Responsibility	6
2019 Builder of the Year	12
Our Corporate Governance	14
Communities Leading the Way Towards a More Sustainable Future	16
Awards & Distinctions	22
Giving Back	26
Special Programs	32
People	38

Our Commitment to Building Better Lives Through Corporate Responsibility and Sustainability

NEW HOME is a publicly traded company listed on the New York Stock Exchange under the symbol "NWHM." It is a new generation homebuilder focused on the design, construction and sale of innovative and consumer-driven homes in major metropolitan areas within select growth markets in California and Arizona, including coastal Southern California, the San Francisco Bay area, metro Sacramento and Phoenix. NEW HOME was named 2019 Builder of the Year by Professional Builder and is a multi-year recipient of "The Eliant" for Best Overall Customer Experience in the Eliant Homebuyers' Choice Award's multi-divisional builder segment. NEW HOME was twice named to the Inc. Magazine Founders 40 list, recognizing public companies that have maintained a strong entrepreneurial spirit. For more information about the company or its current new-home offerings, visit www.NWHM.com.



Letter From Our CEO

At The New Home Company, we realize that our mission as a homebuilder extends far beyond running a company for profit. While wood and steel make for strong homes, the best homes are the ones built with heart. Our industry has such a far-reaching impact on people's lives and the communities they live in that it is incumbent upon our organization to conduct our business in an ethical and sustainable manner. That is why we take the same long-term approach we apply to running our business and extend it to all aspects of our company. We understand that aligning our business interests with those of the people whose lives we impact is critical to the success of our company and the well being of our community.

This awareness can be seen in the way we build our homes, which puts an emphasis on mitigating the impacts to the environment by increasing home energy efficiency and reducing the effects of construction on the environment. Our new homes incorporate innovative technologies and systems to vastly improve energy and water efficiency relative to resale homes. In January 2020, we launched "EVO Home Tech", our advanced home automation technology packages which provide our homebuyers with increased connectivity and features such as smart light controls and thermostats to allow for more convenient control of energy consumption and enhanced sustainability. This initiative, along with other environmentally friendly best practices we employ, lowers the cost of ownership for our homebuyers and reduces the carbon footprint of our homes over time. We believe that by designing sustainable features into our communities we can maximize our positive impact. For example, our Cannery master planned community features a working urban farm which serves as a training ground for beginning farmers while supplying the community with fresh seasonal produce when available. Non-potable water from an onsite agricultural well was designed to irrigate landscaped areas along roadways and within open-space greenbelts, parks and the urban farm. Similarly, our McKinley Village masterplan boasts a number of natural outdoor amenities as well as pre-wired solar and electric vehicle chargers in each residence. We believe these eco-friendly thoughtful community features not only enhance the living experiences for our homebuyers but also promote a lifestyle that's good for the environment.

A critical component of our company's mission is to make sure we cater to our customers' needs through the homebuying process and beyond. In 2019, we received "The Eliant" award for providing our customers with the best purchase and ownership experiences of any participating builder in the United States. Eliant has rated us in the top two for eight consecutive years and as the number one builder in five of the past eight years. We believe this is the ultimate validation of what we strive to provide our customers: a highly curated and personal experience from start to finish. We are thrilled to receive this award and are passionate about providing an industry-leading customer experience.

At The New Home Company, we believe that PEOPLE matter. The strength of our company is built upon a foundation of focused, energized, visionary and dedicated team members. We value our team members' talents, diversity and dedication and celebrate their accomplishments and contributions. We provide a comprehensive package of benefits to support their wellness and reward their excellence.

Giving back to our communities is a vital ingredient of building better lives. We partner with HomeAid to help build housing for America's homeless. In addition, we are a proud charitable partner of Interval House, an organization dedicated to aiding victims of domestic violence. One of the bright moments each year for the NEW HOME team is sponsoring and organizing the annual Interval House Golf Tournament. This event attracts a full field of industry golfers and corporate sponsors and raises hundreds of thousands of unrestricted dollars for Interval House and the families in need that it serves.

The New Home Company takes its mission of building better lives to heart. As an employer, homebuilder and community partner, we are taking the steps to ensure that the business interests of our company are aligned with the interests of our homebuyers, our team members and the environment we live in. By doing so, we believe we can make a positive impact for our stakeholders and the world around us. We are proud of what we have accomplished and look forward to tomorrow's opportunities.

Leonard Miller
President & Chief Executive Officer



Environmental Responsibility/Sustainable Advocacy

Sustainable Building Measures

Our homes are built with the following in order to uphold sustainability standards:

All Homes:

- Our debris are recycled with material certificates.
- Our floor sheathing, floor joist & beams are made of recycled wood.
- Window glazing efficiency.
- All Energy Star appliances.
- Occupancy light sensors on all inhabitable rooms.
- High Efficiency Low NOx furnaces.
- MERV-13 air filters.
- High efficiency HVAC systems.
- All LED lighting.
- Low flow toilets.
- Low flow shower heads.
- Rain censored irrigation system.
- Low VOC paint.
- Air sealing practices at all openings (doors, windows quick flash penetrations).
- Technology features added (Cat-6A wiring, WAP, Ring, Door lock, etc..).

Many Homes:



Sustainability

Homebuilding impacts the environment in a variety of ways, including through the use of water, gas and electricity, transportation of building materials, and the increase in density by constructing homes in areas that were previously undeveloped. However, our new homes utilize innovative technologies and systems to vastly improve the energy and water efficiency of our homes compared to resale homes. For example, beginning with all building permits issued after January 1, 2020, all of our homes in California will be equipped with a solar electric system. We believe that the standards for new home construction mitigate impacts to the environment by increasing home energy efficiency and reducing the impact of construction on the environment (such as limiting discharge of storm water and impacts to wetlands), all while addressing the serious need for housing in this country.

In-Office Sustainability Measures

According to FLOWATER, 32,172 water bottles saved from the landfill by using FLOWATER in Corporate office.

According to DocuSign, since 2015, we have saved 921,294 gallons of water, 344,409 pounds of wood, 50,801 pounds of waste and 774,920 pounds of Carbon Dioxide.

Office efforts include paper, cans, bottles and battery recycling.



Building Tomorrow's Homes Today

EVO Home Tech is about updating today's new homes with tomorrow's ideas. New homes with modern digital design for increased connectivity, customization and wellness. Advanced home integration systems that allow us to centralize and control everything from utilities, security and entertainment for increased convenience and cost savings. Features such as smart light controls and thermostats not only allow for more convenient control of energy consumption but promote increased sustainability. The possibilities are endless.



White Glove Orientation



Keyless Entry Door Lock



Whole Home Wi-Fi



Wi-Fi Garage Door Opener



Smart Switch Light Control



Wi-Fi Thermostat



2019 Builder of the Year

Just a decade after its inception, The New Home Company has been honored as Professional Builder's 2019 Builder of the Year. As the building industry's highest distinction, the award highlights NWHM's unrelenting focus on customer experience, contemporary design, and unsurpassed construction standards. With a culture fueled by a visionary founder, an emphasis on always innovating to remain "new", and a leadership team showcasing the industry's top female thought leaders, The New Home Company continues to strive to build better lives at every turn.

2019
**BUILDER
OF THE
YEAR**




A Better Experience. A Better Home. A Better Life.

All of us are looking to build a better life. A life filled with everything and everyone that matters most. And a place to call home that brings it all together in the best possible ways. We understand how important your home is to you. It means a lot to us too. Our homes are an expression of the knowledge we have about how people want to live. For us they are individual works of art for the world to see and enjoy. This is our legacy.


We hold ourselves to a higher standard. We demand more from ourselves. Our recognition as the nation's most awarded builder for customer satisfaction matters deeply to us. We care about our home buyers experience, how their home looks, feels and lives. Why a particular piece of land was chosen. We care about the relationships with our craftsmen, our lenders, our neighbors. And we expect from them what we expect from ourselves – a belief that this process is as much about building a better life as it is about building a better home.


We've spent the last decade building homes and became a publicly traded company (NYSE: NWHM) to help fuel our growth while remaining committed to our roots. Homebuilding gives us a profound sense of fulfillment as we strive every day to provide better environments, contribute to better schools, support communities with a sense of social consciousness – all with a level of integrity, respect, and compassion for the world in which we live. Each of us here at The New Home Company share in a strongly held belief that every new home is a new opportunity to build something better. A better experience. A better home. A better life.


The New Home Company Credo

 **Most Recognized Builder in Customer Experience**
We provide a highly curated and personalized customer journey from start to finish, nationally recognized by Eliant as an experienced leader in the homebuilding industry.

 **Best In Class Quality**
We consistently exceed industry construction practices and standards while incorporating state-of-the-art products, including our EVO Home Tech package.

 **Leading Design**
We partner with the nation's leading architects, landscape and design firms and have an award-winning record as proven by 314 awards in the past seven years, including 25 Community of the Year awards.

 **Choice. Making Our Home Yours**
We offer Design Studio services for personalization at every price point – our design studios are staffed with professionals who provide personal appointments and a high standard of service.

 **Giving Back**
We partner with HomeAid, locally and nationally, to help build homes for those less fortunate. In addition, our Leadership's efforts have raised and gifted over \$2 Million for Interval House to assist those who have been affected by domestic violence.



Our Corporate Governance

NEW HOME's corporate governance structure and practices ensure robust board and management accountability to our stakeholders. Our Board of Directors monitors and responds to important governance issues, including board independence, composition and refreshment, executive and board compensation, as well as succession planning.

Our key corporate governance practices include: annual board, committee and director evaluations; risk oversight; stock ownership requirements for directors and executive officers; prohibition of hedging and pledging applicable and all team members and clawback policy for certain executive compensation.

Our Nominating and Corporate Governance Committee oversees our anti-bribery and anti-corruption program which is administered by our management team, including the CFO and General Counsel. We have a robust program for reviewing and approving any political contributions and strictly prohibit personnel from giving gifts to public officials. Receiving and giving gifts is also monitored by a strict gift policy which is administered by our CFO.

At least once a year, management presents to the audit committee and board regarding risk management, safety, and team member satisfaction. In addition, the audit committee has a focused discussion and review of cybersecurity at least twice a year. In 2019, the Board allocated the responsibility to the Nominating and Corporate Governance committee to analyze the Company's efforts to oversee the Company's program relating to corporate responsibility and sustainability, including environmental, social and corporate governance matters.

We are actively engaged in proactive, ongoing communications with our investors and other stakeholders, and we provide feedback to the board for their consideration or action.

Details of these and additional governance practices are provided in our annual Proxy Statement.

1
Lead Independent
Director

63%
(5 of 8) Independent
Directors

13%
(1 of 8) Female
Directors

BALANCE OF FRESH PERSPECTIVES AND INSTITUTIONAL KNOWLEDGE
6 less than 7 years • 2 more than 7 years

AVERAGE INDEPENDENT DIRECTOR TENURE
7 years

EXPERIENCE AREAS

- Corporate Finance
- Legal
- Senior Leadership
- Hospitality
- Banking
- Multi-family Housing and Homebuilding
- Real Estate
- Risk

Employment Policies and Training

NEW HOME is committed to creating and maintaining a community in which its team members are free from all forms of harassment and discrimination. NEW HOME has required team member training and protocols for preventing, reporting and addressing behavior that is not in line with our business standards, our core values, including but not limited to, discriminatory or harassing behavior and sexual misconduct.

Some of the policies applicable to all team members include:

- Anti-Discrimination and Anti-Harassment Training
- Conflicts of interest policy
- Personal contracting and use of NEW HOME trade policy
- Code of Ethics
- Securities Trading policy
- Cybersecurity training

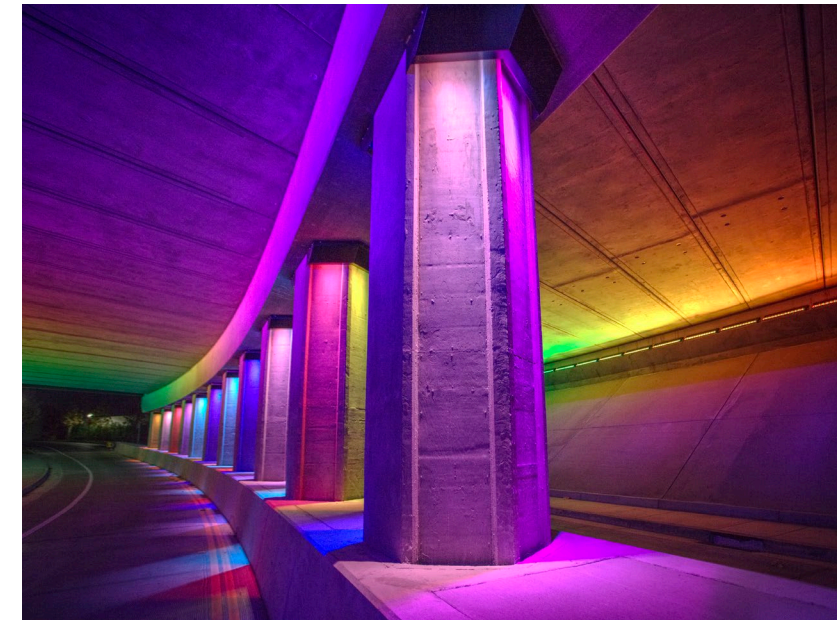
Reinforcing our company culture and how we do business is not a one-time initiative – it is something over which we exercise constant vigilance.





Communities Leading the Way Towards a More Sustainable Future

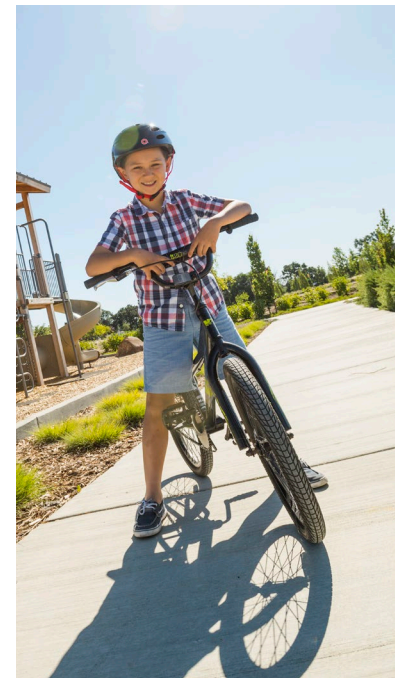
NEW HOME is committed to implementing sustainable building features to have positive effects on the environment. Some examples include our joint venture masterplan communities like McKinley Village in East Sacramento and The Cannery in Davis, master plan communities showcasing farm-to-table living, solar upgrades and energy efficiency.



McKinley Village

McKinley Village, an urban infill community located in heart of East Sacramento, will include 352 homes upon completion and opened to national acclaim for its thoughtful land plan in the fall of 2016. The village, which has received numerous industry awards, including "Master-Planned Community of the Year," is designed to foster connectivity and healthy living with a wealth of parks, common greens, public art and homeowner amenities including its state-of-the-art recreational facility and clubhouse. All of McKinley Village's neighborhoods offer modern design and conveniences that enhance quality of life and minimize maintenance and repair associated with older alternatives in the area. Additionally, each residence is pre-wired for solar paneling and electric vehicle chargers.





The Cannery

The Cannery is an innovative mixed-used community, developed by NEW HOME and designed with a seven-acre sustainable Urban Farm on the former Hunt-Wesson tomato cannery facility at E. Covell Boulevard and J Street, near the center of downtown Davis. The urban farm serves as an agri-classroom for students and beginning farmers. The Cannery features a land plan that is the first of this scale in Davis in more than 20 years. In addition to residences, NEW HOME has integrated numerous community amenities, including retail shops called The Cannery Village, a recreational center called The Ranch House, The Cannery Amphitheatre, The Farm House Welcome Center and the Urban Farm.





Awards & Distinctions

Year after year, The New Home Company has been recognized by the home building industry for excellence in customer service, team member wellbeing, sales, marketing and design, from being named one of the Best Places to Work in Orange County to Community of The Year and beyond.



2019 Industry Awards

ELIANT AWARDS

Purchase Experience (Large-Volume Builders), The New Home Company
 First Year Quality (Large-Volume Builders), The New Home Company
 First Year Customer Service Experience (Large-Volume Builders), The New Home Company
 Sales Representative of the Year (Medium-Volume Survey Responses)
 Sales Representative of the Year (High-Volume Survey Responses)
 Sales Representative of the Year (High-Volume Survey Responses)
 Construction Representative of the Year (High-Volume Survey Responses)
 Design Representative of the Year (Medium-Volume Survey Responses)
 The Eliant Award, The New Home Company

SOCAL AWARDS

Best Model Complex Landscape Design, Sky Ranch
 Best Brochure for a Community, Sky Ranch
 Best Overall Advertising Campaign, Bedford, South Corona
 Sales Professional of the Year – Selling Product Priced Over \$1.25 Million
 Customer Service Professional of the Year
 Rising Star of the Year

MAME AWARDS NORCAL

Best Internet Marketing Campaign, Park View
 Best Overall Ad Campaign, Home for the Holidays
 2019 Gold Nugget Awards
 Best Multi-Family Housing Community, Promontory

MAME AWARDS AZ

Best Attached Product Over \$1 Million, Plan 1 and Plan 2 at ICON Silverleaf
 Best Sales Pavilion, ICON Silverleaf
 Best Sales Office, Belmont at Somerset
 Top Sales Producer

THE 2019 NATIONALS

Gold Awards
 Best Website – Builder, NWHM.com
 Multifamily Community of the Year, Promontory at Civita
 Silver Award
 Marketing Professional of the Year
 Best Brochure – Builder, Nuts & Bolts
 Best Landscape Design for a Master Planned Community, McKinley Village
 Best Sales & Leasing Office, Promontory at Civita
 Best Landscape Design, Promontory at Civita
 Best Single-Family Detached Model Home 3,001 to 3,500 Sq.Ft., Marywood Hills
 Best Multifamily Model Building, Agave at La Floresta

Company & Employment Awards

Over the last several years The New Home Company has been repeatedly recognized as an employer of choice in both Southern and Northern California. In 2019 the company was recognized as an OC Register Top Workplace for Medium Sized Companies. They were also awarded 2nd Place for the Sacramento Business Journal Medium Sized Companies. Finally, the company prides itself on winning many Eliant Awards for Customer Care and satisfaction over the last decade.





Giving Back

Giving back to our communities and to each other is an important part of Building Better Lives. We partner with HomeAid, locally and nationally, to help build homes for those less fortunate.



Charitable Organizations Supported in 2019

Since its inception in 2009, The New Home Company has been dedicated to supporting the communities where we build. As a company, we support a wide variety of non-profits with an emphasis on creating safe and secure living environments. On an individual level, NWHM Team Members are encouraged to find ways to contribute their time and resources to groups whose missions align with their personal values.

In 2019 the company also raised \$68,343 for Hands for Hope through the Northern California Golf tournament, \$14,711 in diapers to HomeAid for homeless families in Orange County, and \$10,000 for Circle the City in Arizona, and \$1,500 for the American Cancer Society.

Each month a charitable organization is selected for companywide support. Charity selection is based on team member suggestion and is often tied to personal life stories. Some of the team member selected charities supported in 2019 include:

- Animal Assistance League of Orange County
- Concerns of Police Survivors (Southern California Chapter)
- Ovarian Cancer Research Alliance
- Southern California Bulldog Rescue
- The Amyotrophic Lateral Sclerosis Association (ALS)
- The Autism Community in Action (TACA)
- The Surfrider Foundation
- Waste Not OC

Other Charities also supported include:

- Boy Scouts of America
- Capistrano School District
- HomeAid "Share the Warmth" socks & blanket drive (AZ)
- Shelter Providers of Phoenix
- City of Hope
- Speech & Language Development Center
- Living Faith Anglican Church

Community Service Opportunity

Annually, each division selects an organization to support for a Community Service opportunity. In 2019, organizations supported included The Second Harvest Food Bank with sorting produce, canned goods and other items to feed the hungry in the local community; HomeAid "Share the Warmth" Sock & Blanket drive, and the Hands 4 Hope golf tournament in Northern California. Participation in these efforts is companywide and supported by giving all team members the opportunity to provide community service.

We believe human rights encompasses a broad array of rights, including the right to water.



Interval House

The New Home Company is a longtime supporter of Interval House, a crisis shelter and center for victims of domestic violence. Annually, The New Home Company hosts a golf tournament to raise funds for Interval House. In 2019 the Company was pleased to raise \$315,000 through this tournament alone. Through the leadership team at The New Home Company, over \$3 Million has been raised.

ABOUT INTERVAL HOUSE

For over 39 years, Interval House has been a place for healing and growth. A refuge rich with support and guidance. A bridge to a new life for thousands of women and children who are the victims of domestic violence.

Interval House's mission is to provide a full range of comprehensive services to battered women and children and to educate the public about the epidemic of domestic violence and teen dating violence. Interval House also strives to increase awareness in our communities about the devastating effects of domestic violence on each and everyone of us.

\$3 M+	17
total dollars donated	total charities donated





Special Programs

The New Home Company is committed to creating a variety of special programs in order to offer tools to help prospects go on to purchase and buyers to continue loving their home and NEW HOME team well after close of escrow.



Homebuyer Education

BETTER HOMES MAKE FOR BETTER LIVES

The New Home Company is proud and humbled to receive recognition for the work our dedicated team members perform day in and day out as part of our mission to Build Better Lives. We provide a highly curated and personalized customer journey from start to finish, nationally recognized by Eliant as an experienced leader in the homebuilding industry. At the 2019 Eliant Homebuyers' Choice Awards, NEW HOME received 13 total awards – including the program's most prestigious honor, "The Eliant".

FIRST-TIME HOMEBUYER EDUCATION PROGRAM

Buying a home is the most significant purchase most of us will ever make – which makes just starting the process a daunting undertaking at times. We want to make it easier. Through an interactive web experience and a series of short FAQ videos, we strive to break down barriers and educate buyers at all stages of life about the process of purchasing a new home.

CUSTOMER JOURNEY

NEW HOME is committed to providing a clear timeline of events from the point of sale to close of escrow to ensure that all buyers know that the company is with them every step of the way.



1. YOUR JOURNEY BEGINS

- Point of sale on your home sweet home

2. DESIGN PERSONALIZATION

- Meet with your onsite Design Team to personalize your new home

3. MEET THE BUILDER

- Set expectations
- Review roles and responsibilities of the team and deadlines

4. PRE-INSULATION FRAME WALK

- Review selected options
- Verification that plumbing, HVAC, upgrades have been installed

5. HOMEOWNER ORIENTATION WALK

- Explanation of the function of new home and new equipment
- Review punch list
- Opportunity to ask questions

6. HOUSE TO HOME

- Meet your Customer Care Team
- Review of post-closing communication systems
- Review NWHM website requests and online portal

7. CLOSE ESCROW AND RECEIVE YOUR KEYS

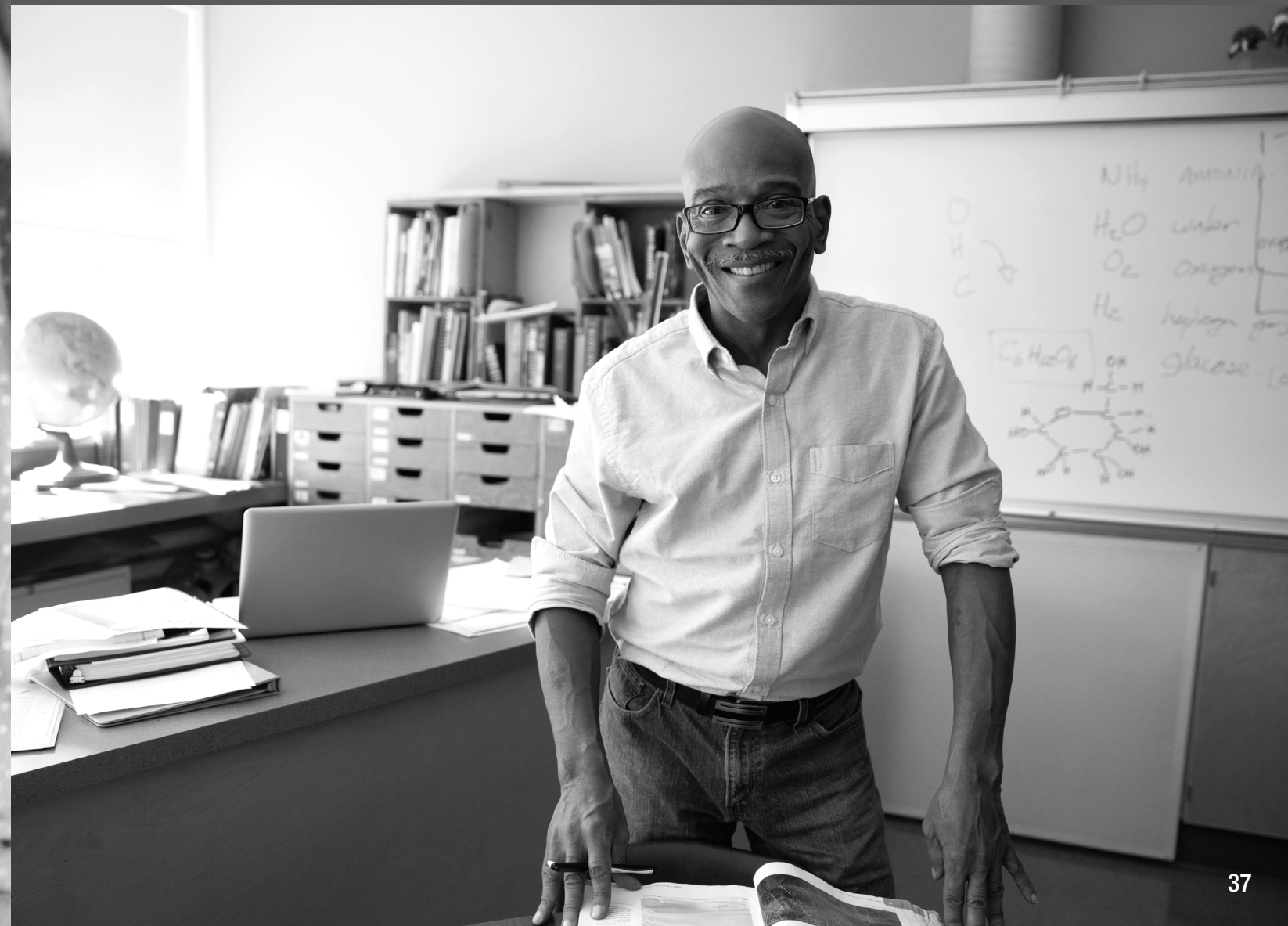
- Time to celebrate your first night home



A Little Help Can Go a Long, Long Way. Introducing HOMES FOR OUR HEROES.

The New Home Company is committed to opening more doors to home ownership for our community heroes - including first responders, educators, health care professionals, grocery store employees, food service professionals and service men and women who help keep us safe, here and abroad.

The HOME FOR OUR HEROES program offers an additional \$2,500 in incentives towards buyers that hold these important occupations as a means to say thank you. It's the start of something very special - a stunning new home, in a beautiful new neighborhood, among friends and family, in the communities which you give the best of yourself, each and every day.





People

At The New Home Company, we believe that PEOPLE matter. The strength of our homes is built upon a foundation of focused, energized, visionary and dedicated team members. Get to know NEW HOME today by exploring some of the links below. We encourage you to come to understand why both the Orange County Business Journal and the Sacramento Business Journal have named us "Best Places to Work".

NWHM 6 Guiding Principles

1. DO WHAT YOU SAY YOU'RE GOING TO DO

- Communicate Frequently and candidly
- Set goals and achieve them
- ID mistakes and learn from them

2. INSPIRE LEADERSHIP

- Do the right thing
- Lead from the heart
- Encourage creativity
- Collaborate and empower
- Hire, coach and educate
- Listen to understand

3. PLAY TO WIN

- Competitive Spirit
- Challenge each other
- Never settle
- "Begin with the end in mind"
- Celebrate success
- Have each other's back
- Have Fun

4. MAKE A DIFFERENCE

- In our communities
- To our family (team members, work, and home)
- To our partners (consultants, trades, and owners)
- To our industry
- To the neighborhoods we create

5. BE PERSONALLY ACCOUNTABLE

- Admit mistakes
- Seek input
- Own it!
- Offer solutions

6. SMART SPENDING

- Every cent counts – any little way, save every day
- Time is money: spend it smartly
- Don't assume the old way of doing things is the right way
- Speak up for change and share your savings ideas
- Treat every NWHM dollar as if it were your own



Our Team Members

At The New Home Company, we believe that **PEOPLE matter**. The strength of our homes is built upon a foundation of focused, energized, visionary and dedicated team members. We strive to provide a working environment where coming to work feels more like coming home. To do this, we place considerable importance on team member equality and overall wellbeing.

Diversity & Inclusion



Learning & Development

The company believes in providing ongoing opportunities for learning and development and launched a quarterly book club in 2019 that offered all team members the opportunity to engage in open discussions about books such as *The Energy Bus*, *Outliers*, and *The Alchemist*.

The Company engages in a variety of ongoing learning and development opportunities with its team members. Examples include construction best practices training, education for managers on delivering performance feedback, and sales coaching programs. Regionally, department leaders host "lunch and learns" on topics such as the land acquisition process, design and architecture, reading construction plans, and training on the department of real estate rules and regulations for our project management teams. Other offerings have included First Time Homebuyers and Investing seminars. In addition, we offer all team members access to an online on-demand micro-learning platform with hundreds of courses on topics that include technology, communication, business acumen, leadership and personal growth.

Team Member Onboarding

We understand that starting a new job can be stressful, so we welcome our new hires warmly and help them feel at home as quickly as possible. At the start, new hires are welcomed to the Company with a welcome box of NWHM swag delivered to their home address before their first day. New hires are also provided detailed information on our Nuts & Bolts onboarding website which includes important details to prepare for a successful first day. New Hires also participate in a 2-hour orientation the morning of their first day and are treated to lunch by their team to help start building relationships right away.

Team Member Benefits

- In 2019 the company paid \$1.1 million to team member 401k accounts through the employer 401k Match.
- The company offers a generous tuition reimbursement policy for graduate, undergraduate and certificate programs related to a Team Member's current or potential future role at the Company of up to \$10,000 per year.
- "LifePlan" through LegalZoom was launched in 2019 to provide team members access to financial advisors, estate planning, attorneys, and identify protection.
- The company provides coverage for Life Insurance and Short & Long-Term Disability for full-time team members at no cost.
- All full-time team members have access to various medical plans as well as dental and vision coverage. Additionally, California-based team members have access to a team member level medical insurance plan that requires a \$0 team member contribution and has no deductible. All premiums for this plan are covered by the Company.
- IncentFit was launched in 2019 as a companywide wellness program to help encourage and improve wellness across a variety of areas including physical, mental, and financial wellness. In the last two quarters of 2019, 46% of team members engaged in the program and \$3,700 in wellness incentives were paid to participating team members. Programs like Step Challenges and Flu-Shot Clinics help reward positive healthy behaviors.

Recognition

We believe in the value of positive feedback and in recognizing a job well done. Opportunities to recognize and be recognized are an important part of the company's culture and include anniversary recognition, peer-nominated Team Members of the Quarter, and a virtual "Shout-Out Wall" where team members leave words of praise and encouragement for colleagues.

Innovation & Accountability

We believe in the importance of listening to the voices of our team members. Innovation and accountability are fostered in a place where everyone is invited to provide feedback and ask questions.

Engagement Survey

To ensure a positive and productive workplace, we proactively seek feedback from team members and continuously engage in two-way communication with our team members. We conduct an annual team member engagement survey soliciting direct feedback from our team members utilizing a third party survey and analytics provider. Our most recent survey, from December 2019, had approximately 99% participation and reflected that approximately 91% of our team members are positively engaged, which was up from 90% in the 2018 survey. This score is based on affirmative responses to factors such as being proud to work for New Home, a willingness to recommend New Home, and achieving a feeling of personal accomplishment associated with the team member's work. Annually, our CEO shares results in person with all team members at divisional all-team member meetings and each division's leader is tasked with identifying improvement plans. The insights gained from our team member engagement surveys have helped us drive significant improvements in the way our team members work and engage with one another.

99%

participation in 2019
team members
engagement survey

91%

of team members
positively engaged
in NWHM

Ask the Executives

The NWHM leadership embraces communication, feedback and continuous improvement. Through "Ask the Executive" all team members can submit confidential questions to the Executive team. Questions are answered publicly on the company intranet where everyone can benefit from both the question and answer.

Health & Safety

We strive to provide a safe and healthy work environment for all employees and believe that corporate social responsibility is a significant factor for our overall success. This includes adopting ethical practices to direct how we do business while keeping the interests of our stakeholders and the environment in mind, including valuing and challenging the talented men and women who comprise our workforce. To that end, we have a comprehensive Code of Ethics and Business Conduct applicable to all employees and an actively managed ethics hotline.

We are also committed to maintaining high standards in health and safety at all sites. We have a health and safety audit system that includes comprehensive independent third-party inspections. Our Risk Management team has a training system and a safety enforcement system in place in the field, which have led to an increase in safety awareness and effectiveness. Weekly inspections and comprehensive checklists help ensure safety at each jobsite. CPR training is required for each employee on a job site. A proprietary incident reporting program helps effectively address New Home's business model. We experienced just 1 lost time injury incurred by an employee in 2019.



