



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

2020 Sustainability Report





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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, Arizona and Colorado, including coastal Southern California, the San Francisco Bay area, metro Sacramento, Phoenix and Denver. 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.



A Letter from Our President & CEO

At The New Home Company, we understand that the decisions we make as a public company affect the lives of many, both inside and outside our organization. That is why we are committed to dedicating time and energy to environmental, social and governance-related matters (ESG). We regard these issues as important to the long-term health of our organization as well as to the wellbeing of the world around us.

As a homebuilder, New Home recognizes that we have a significant impact on areas in which we build, and we strive to make sure that impact is a positive one. We focus our land acquisition efforts on employment centers and along transportation corridors, building communities that make sense in the larger context of a given area. In many instances we target infill locations, giving new life to areas in need of revitalization. Our goal is not only to build great neighborhoods for our customers to live in, but also to enhance the appeal of the community at large.

In terms of our construction practices, New Home puts considerable effort into making sure our homes feature the latest in innovative technologies and systems that conserve energy and water. We utilize recycled materials when appropriate and strive to minimize the impact of our construction on the surrounding environment through careful planning and input from local officials. As a result, our homes are much more efficient and environmentally friendly than most homes in the surrounding resale market.

New Home also strives to make a positive impact through our charitable efforts, utilizing our time and resources to help those in need. Our company has been a consistent supporter of Interval House, an organization dedicated to helping the victims of domestic abuse, raising over \$3 million for their programs to date. Other charities that we've supported include the Salvation Army, the American Cancer Society and HomeAid, which helps families dealing with homelessness. In addition to providing financial support, we also encourage our local divisions give back to their communities by donating their time and resources to worthy causes that provide relief to the less fortunate.

Another way in which New Home seeks to effect positive change is through our commitment to matters of diversity and inclusion. We believe that an organization grows stronger by employing people with a wide array of talents, perspectives and backgrounds. To put this notion into practice, we have initiated a Diversity and Inclusion Council, which provides an open forum for our employees to discuss ways in which we can recognize, promote and celebrate our differences. We hope to gain insight into our diversity efforts from this initiative and leverage the unique talents of our workforce to become a better homebuilder.

One of the key principles at New Home is accountability, which is why we have created a robust corporate governance structure to ensure that we conduct our business in an ethical and responsible manner. We have a strong and capable board of directors that acts as an independent body providing the necessary oversight for our organization. We also have several avenues through which our employees can provide feedback, ask questions or alert the appropriate personnel of potential wrongdoing. We believe this 360-degree approach to governance leads to better transparency and accountability and reduces potential problems before they arise.

Making ESG-related issues a priority at New Home benefits our employees, our customers and the communities in which we build. They also make our company a stronger and more well-rounded organization in the long run. Our company was founded on the notion that we could improve people's lives by building great homes in award-winning communities, and the things we are doing on the ESG front are furthering this mission.

Leonard Miller
President & Chief Executive Officer



Sustainability and Environmental Responsibility

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 such homes in California are 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.

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
- High Efficiency Low NOx furnaces
- High efficiency HVAC systems
- All LED lighting
- Low flow toilets
- Low flow shower heads
- 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.)

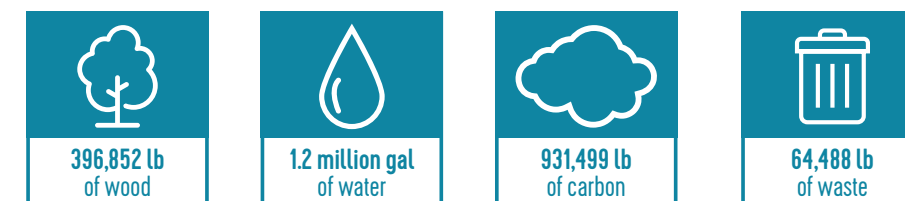
Many Homes:

- All-electric powered
- Solar power offered as standard
- LP techshield radiant barriers
- Occupancy light sensors on all inhabitable rooms

In-Office Sustainability Measures

According to FLOWATER, 39,903 bottles of water have been saved from the landfill by using FLOWATER in Corporate Office.

According to DocuSign, from 2015 to 2021, The New Home Company has saved an estimated 1.2 million gallons of water, 396,852 pounds of wood, 64,488 pounds of waste, and 931,499 pounds of carbon dioxide. To learn more about how DocuSign estimates environmental impact based on reduced paper usage, see "<https://c.environmentalpaper.org/>" Paper Calculator 4.0 | Environmental Paper Network. This website is a third-party website and we do not represent that third-party sites or statements are complete or accurate.



Office efforts from the division offices in Southern California, Northern California and Arizona have included the recycling of paper, cans, bottles, cardboard and batteries.



Sustainability Goals Achieved

 **203**

Number of homes delivered in 2020 with a solar photovoltaic (PV) system as an electricity source

 **46**

Average Home Energy Rating System (HERS) Index Score for all homes rated in 2020 compared to 100 Standard and 130 for existing homes

 **\$1,675**

Average annual Estimated Energy Savings per home

SELECTED OPERATING RESULTS AND ENVIRONMENT METRICS

The following table sets forth metrics that are responsive to certain of the sustainability accounting standards promulgated by the Sustainability Accounting Standards Board (SASB) for companies in the homebuilding industry as well as other sustainability measures.

ACTIVITY METRICS

Number of lots owned or controlled (wholly owned) at December 31, 2020	2,018
Number of homes delivered during 2020	555
Number of active selling communities at December 31, 2020	23

COMMUNITY IMPACTS OF NEW DEVELOPMENTS

Number of lots owned or controlled on infill sites at December 31, 2020	575
Number of lots delivered on infill sites during 2020	106
Number of lots delivered in Compact Developments during 2020	173
Average density of Compact Developments with deliveries in 2020	28.8

DESIGN FOR RESOURCE EFFICIENCY

Number of homes with HERS Index Score delivered in 2020	470
Average HERS Index Score for homes delivered in 2020	46
Average Annual Estimated Utility Costs Saved per home delivered in 2020	\$ 1,675
Annual Estimated Utility Cost Savings during 2020	\$ 787,000
Number of homes delivered certified to ENERGY STAR® in 2020	32

LAND USE AND ECOLOGICAL IMPACTS

Number of lots owned or controlled in Redevelopment Sites at December 31, 2020	0
Number of lots delivered in Redevelopment Sites at December 31, 2020	0

CLIMATE CHANGE ADAPTATION

Number of lots owned or controlled in 100-year flood zones at December 31, 2020	175
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WORKFORCE HEALTH AND SAFETY

Total recordable incidents for New Home employees during fiscal year 2020	2
Total recordable fatalities for New Home employees during fiscal year 2020	0



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



Brilliant Smart Home System



Wi-Fi Thermostat



Video Doorbell

The New Home Company Credo

Most Recognized Builder in Customer Experience



- Eliant Homebuyer Survey Company has rated NEW HOME in the top two of overall homebuyer satisfaction for the past nine years, as well as recognized The New Home Company as America's top builder in five of the last nine years.
- We provide a highly curated, personalized and safe customer journey from start to finish – a journey that each NWHM team member impacts. We are nationally recognized by Eliant as the homebuilding industry's leader in homeowner experience for all buyers of every background.

Choice. Making our Home Yours



- Personalization at every price point.
- We demonstrate what we offer, we only showcase options and upgrades that are available to purchase.
- Our design studios are staffed with design professionals that provide services from personal appointments to pre-designed interior schemes, making interior selections fun and efficient.

Best in Class Quality



- We consistently exceed industry construction practices and standards.
- We incorporate state-of-the-art products with an emphasis on clean air, water and safety.
- EVO Home Tech, our comprehensive approach to adapting today's new homes with modern digital design for increased connectivity and customization.
- Drive one of our older neighborhoods and then drive a competitor's neighborhood one year after they finish construction, we welcome the comparison.

Giving Back



- We give back to the communities we build and serve. The New Home Company was founded on an important pillar: to leave the places where we build better off than when we arrived.
- We are deeply involved in supporting the communities where we build, from local sponsorships and supporting the less fortunate to improving schools and partnering with local businesses, as well as ensuring the opportunities for home purchase are extended to every group in America.

Leading Design



- We partner with the nation's leading architects and design firms.
- Award-winning record as proven by over 300 awards in past eight years.
- We have been honored with more than 25 Community of the Year awards.
- Recognized as the nation's Best Neighborhood Community and/or Master Plan Community for five consecutive years.

BuildaBetterLife.com

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 homebuyer's 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.



Most Recognized Builder in Customer Experience

The New Home Company is committed to building a better experience, a better home, a better life. From leading design to best-in-class quality, NEW HOME receives consistent recognition from homeowners through Eliant - the homebuilding industry's most trusted independent survey company for over 30 years. The New Home Company is proud and humbled to have received "The Eliant" award, for a third consecutive year. This acknowledgment, along with several other awards won, provides further credence to NEW HOME's position as the nation's most recognized builder in customer experience.

To highlight the impact NEW HOME has on its homeowners, a campaign was launched this year to showcase real homeowner reviews on the website and social platforms.



READ REVIEWS ON OUR SERVICE



READ REVIEWS ON OUR DESIGN



READ REVIEWS ON OUR QUALITY



READ REVIEWS ON CUSTOMIZATION



04/25/21

"I liked that the customer care representative in this community is very helpful and patient."
- MEENU S., HOMEOWNER AT PARK VIEW AT WHITNEY RANCH

90% CUSTOMER SATISFACTION



04/22/21

"Sales, Design & Customer Service teams were all so responsive and helpful during this process. They answered all my questions and made this first purchase seamless."
- CHRISTINE N., HOMEOWNER AT PARSON AT BEDFORD

100% CUSTOMER SATISFACTION



04/22/21

"Liked the updates from sales teams. The zoom call with new neighbors was great as well. Enjoyed availability to see the home and tour the progression."
- MATTHEW P., HOMEOWNER AT PARSON AT BEDFORD

100% CUSTOMER SATISFACTION



04/21/21

"The team was excellent and kept us informed throughout the process of our home. From framing all the way through the final walk through. The team was amazing during our orientation and walk through. They explained all features in our home and showed us how to use the websites for any issues or service. We are very grateful to have worked with the team. Construction area of our home was kept clean and were able to visit anytime during the construction phase."
- DORA N., HOMEOWNER AT MARIPOSA

100% CUSTOMER SATISFACTION



04/07/21

Everything has been great. All of the employees are super helpful and we absolutely love our home.
- MERRICK W., HOMEOWNER AT THE HEIGHTS AT PROMONTORY AT CIVITA

100% CUSTOMER SATISFACTION



04/04/21

"Perfect everything."
- KHONGORZUL A., HOMEOWNER AT NUVO ARTISAN SQUARE

100% CUSTOMER SATISFACTION



03/30/21

"It was a wonderful and smooth process from beginning to end. The team is great. They answered all my questions. The team is awesome."
- LISELL B., HOMEOWNER AT MOSAIC AT LAYTON LAKES

100% CUSTOMER SATISFACTION



03/22/21

"Everything was seamless start to finish. From sales to lending to construction."
- LISA R., HOMEOWNER AT MARIPOSA

100% CUSTOMER SATISFACTION



03/20/21

"I worked with the team! The team was amazing. Helped me through the toughest times of moving and always checked in with me. I was blessed to work with the team. Made me feel protected. Love that team. I moved from Utah, so it was tough. We did this together."
- PROVIDENZA H., HOMEOWNER AT MOSAIC AT LAYTON LAKES

100% CUSTOMER SATISFACTION



03/10/21

"We really LOVED our new home gift from you all and how welcoming you've been. The black leather pouches to keep all of our paperwork in and handy dandy measuring tape was also a nice touch. Can't forget all the cool smart home features as well!! Would we recommend your company to others? Heck YES!"
- ANGELITA L., HOMEOWNER AT MOSAIC AT LAYTON LAKES

100% CUSTOMER SATISFACTION



03/08/21

"Everyone was super helpful and kind through the whole buying process."
- BIANCA G., HOMEOWNER AT SHEFFIELD AT BRIGHTON LANDING

100% CUSTOMER SATISFACTION



03/05/21

"From the start of the home buying process, the team has been absolutely incredible! Even in the middle of the pandemic, the customer service has been beyond exceptional. They have been accommodating, informative, supportive, caring, and an absolute delight to work with. Even after the close of our home, they have continued to exceed our expectations."
- MICHELLE F., HOMEOWNER AT STERLING AT ESENCIA

100% CUSTOMER SATISFACTION



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 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.

Female and Other Diverse Candidates. In February 2021, the Company amended its Corporate Governance Guidelines to reflect the Board's and the Nominating Committee's commitment to using refreshment opportunities to consider new female and diverse director candidates to the Board of Directors. In accordance with its Corporate Governance Guidelines, when recruiting new directors, the Board and Nominating Committee will include in its initial list of director candidates, female and diverse candidates. Further, the Board and Nominating Committee will require third-party search consultants engaged by the Board or Nominating Committee, if any, to include on their initial list of director candidates, female and diverse candidates. Some of the diverse characteristics the Nominating Committee will consider include race, ethnicity, and sexual orientation and identification.

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 8 years • 2 more than 8 years

AVERAGE INDEPENDENT DIRECTOR TENURE
8 years

EXPERIENCE AREAS

- Corporate Finance
- Legal
- Senior Leadership
- Hospitality
- Banking
- 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 and our core values, including but not limited to, discriminatory or harassing behavior and sexual misconduct. In 2021, NEW HOME implemented training on Diversity and Inclusion for all team members as well as Managing Bias for team members at or above the manager level.

Some of the policies and training 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
- Confidentiality policy

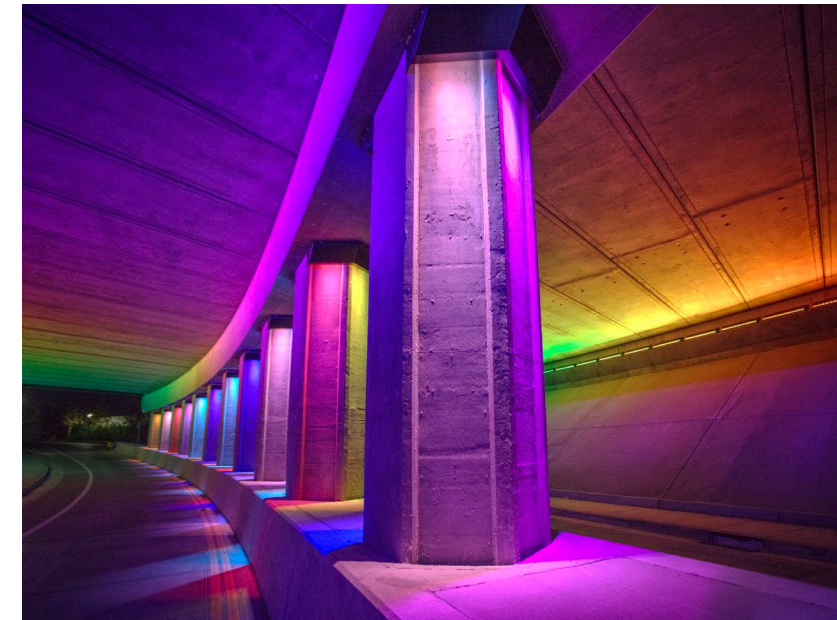
Reinforcing our company culture and how we do business is not a one-time initiative – it is something over which we exercise constant vigilance.





Communities Leading the Way Towards a More Sustainable Future

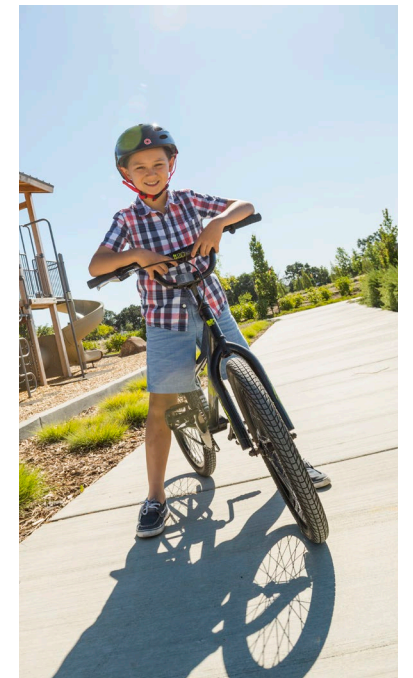
NEW HOME is committed to implementing sustainable building features to have positive effects on the environment. Some examples include our joint venture masterplan communities like McKinley Village in East Sacramento and The Cannery in Davis, showcasing farm-to-table living, solar upgrades and energy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



McKinley Village

McKinley Village, an urban infill community located in heart of East Sacramento, included 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.



2020 Industry Awards

ELIANT AWARDS

The Eliant Award for Overall Home Purchase & Ownership Experience Multiple Division, The New Home Company
 Purchase Experience - Large-Volume Builders, Southern California
 Purchase Experience - Large-Volume Builders, Northern California
 Purchase Experience - Medium-Volume Builders, Arizona
 Design Experience - Large-Volume Builders, Southern California
 First Year Quality - Large-Volume Builders, The New Home Company, Southern California
 First Year Quality - Medium-Volume Builders, Arizona
 First Year Customer Service Experience - Large-Volume Builders, Southern California
 First Year Customer Service Experience - Medium-Volume Builders, Arizona
 Best Customer Communication, Arizona
 Best Customer Communication, Southern California
 Sales Representative of the Year - High-Volume Survey Responses, Southern California
 Sales Representative of the Year - High-Volume Survey Responses, Southern California
 Sales Representative of the Year - Medium-Volume Survey Responses, Northern California
 Sales Representative of the Year - Medium-Volume Survey Responses, Arizona
 Sales Representative of the Year - Medium-Volume Survey Responses, Southern California
 Construction Representative of the Year - Medium-Volume Survey Responses, Southern California
 Design Representative of the Year - High-Volume Survey Responses, Southern California
 Customer Service Representative of the Year - High-Volume Survey Responses, Northern California
 Customer Service Representative of the Year - Medium-Volume Survey Responses, Southern California
 Customer Service Representative of the Year - Medium-Volume Survey Responses, Southern California
 Customer Service Representative of the Year - Medium-Volume Survey Responses, Southern California

MAME AWARDS NORCAL

Masterplanned Community of the Year, Russell Ranch
 Attached Community of the Year, NUVO Artisan Square
 Best Virtual Sales Office Experience, NWHM Instagram Live Model Home Tour Series
 Best Virtual Special Event, Russell Ranch Grand Debut
 Sales Team of the Year (Silver Crest at Russell Ranch), Ashley Krehbiel & Ryan Burgman

MAME AWARDS AZ

Best Logo, Centella in Estrella
 Best Overall Advertising Campaign, Centella in Estrella
 Best Special Promotion - Special Event or Limited Time Sales Program, Mountain Shadows Residences & Villas
 Best Social Media Campaign, Mastering Life While Thriving in Place
 Sales Achievement Award, \$4-8 Million Dollars, Sales Manager
 Sales Achievement Award, \$10-12 Million Dollars, Sales Manager
 Sales Achievement Award, \$15-20 Million Dollars, Sales Manager

THE NATIONALS SILVER AWARDS

Sales Team of the Year, Northern California
 Best Social Media Campaign, Mastering Life
 Best Interior Merchandising of a Model Priced \$375,000 to \$500,000, Nova at The Resort - Residence 1
 Detached Community of the Year, Silver Crest at Russell Ranch
 Detached Community of the Year, Sterling at Rancho Mission Viejo

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.



City of Hope 2021 Spirit of Life Gala Honoree Leonard Miller



The New Home Company has had the distinct privilege to support the City of Hope's Construction Industries Alliance through a variety of efforts. Highlighted by NWHM's CEO & President Leonard Miller being named the 2021 Spirit of Life Honoree, the company has invested countless hours towards fundraising on behalf of City of Hope in support of its mission to provide cutting-edge cancer care and research programs for all.

Community Service Opportunity

Annually, each division selects an organization to support for a Community Service opportunity. In past years, organizations supported have included **The Second Harvest Food Bank** with sorting produce, canned goods and other items to feed the hungry in the local community; **HomeAid** with the "Share the Warmth" Sock & Blanket drive, and the Hands 4 Hope golf tournament in Northern California. While service opportunities were limited in 2020 due to COVID-19 restrictions, NEW HOME looks forward to participating in service opportunities soon. Participation in these efforts is companywide and supported by giving all team members the opportunity to provide community service.

Charitable Organizations Supported in 2020

Since its inception in 2009, The New Home Company has been dedicated to supporting the communities where we build. As a company, we have historically supported 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.

Organizations supported in 2020 across the company include:

- HomeAid Orange County
- HomeAid Phoenix
- Salvation Army Angel Tree
- St Vincent De Paul
- Solano County Disaster Relief
- American Cancer Society
- City of Hope
- Interval House



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 2020 the Company was pleased to raise \$279,000 through this tournament alone. Through the leadership team at The New Home Company, over \$4 Million has been raised.

ABOUT INTERVAL HOUSE

For over 40 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 every one of us.

\$4M+	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.

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

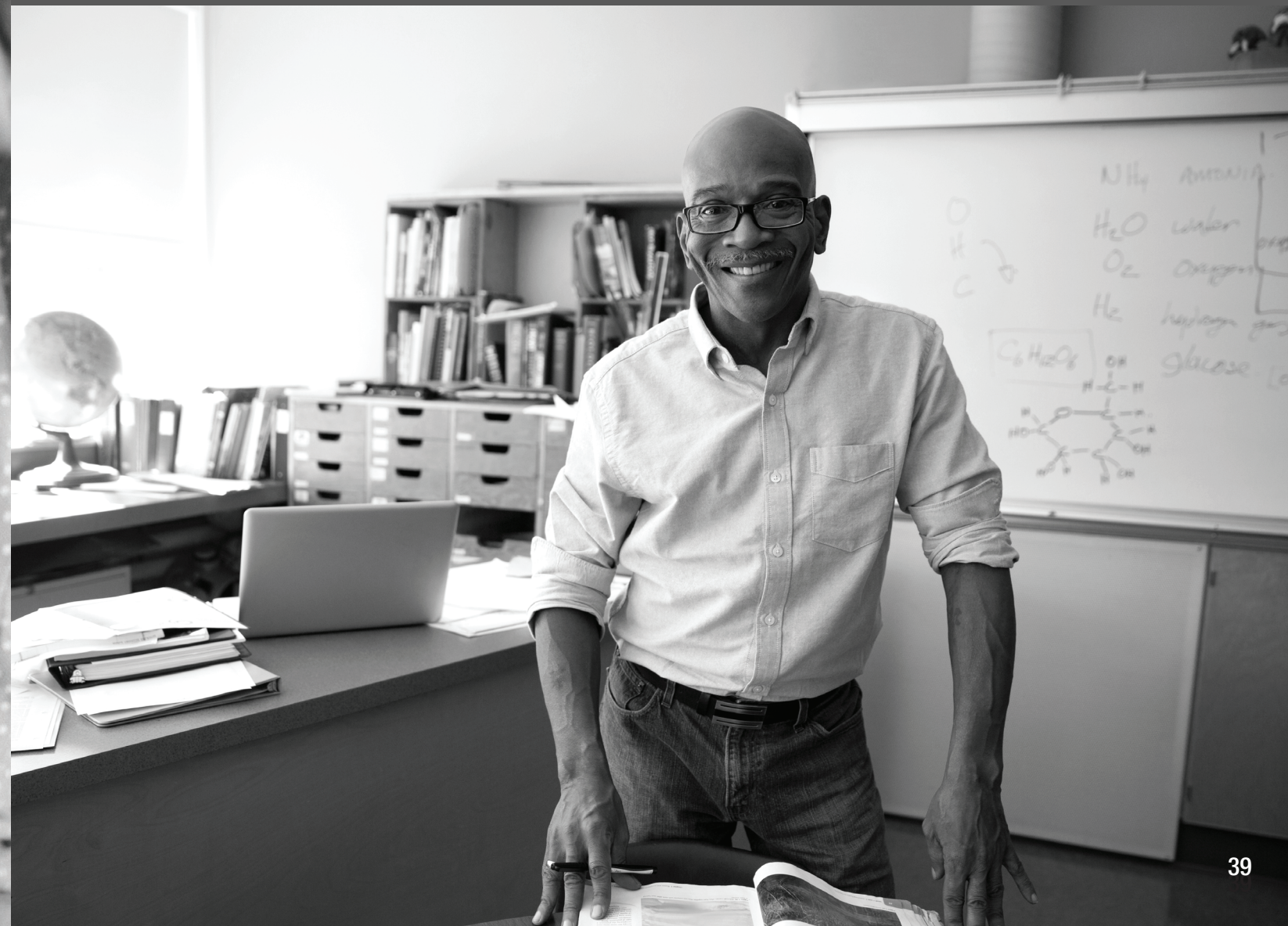
- Time to celebrate your first night home



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 previously 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



NWHM Better Together: Diversity & Inclusion



In 2020 and 2021, NEW HOME initiated a Diversity & Inclusion Council for voluntary participation companywide. Ten percent of all team members indicated immediate interest by volunteering to participate in the council. As a first step, the Council began requesting feedback and suggestions for ways to improve and increase diversity within the company. One of the most successful elements has been the implementation of a Diversity Calendar to highlight important dates related to diversity.

Events and topics covered so far have included Martin Luther King Jr. Day, Holocaust Remembrance Day, Black History Month, Rosa Parks Day, National Freedom Day, Bloody Sunday, World Down Syndrome Day, Cesar Chavez Day, Women's History Month, Autism Awareness Day, Ramadan, and Mental Health Awareness Month, among others. Each topic is presented by a team member who writes a short article about the event/person and offers personal comments as well. Once the article is published for the company on the Intranet, everyone can participate and provide their thoughts and feedback.

Diversity & Inclusion



Ladies WHO LEAD

2021 Educational Awareness Spotlights

JANUARY

- MLK Jr Day
- Holocaust Remembrance Day

APRIL

- World Autism Awareness Day
- Ramadan

FEBRUARY

- Black History Month & Rosa Parks Day
- Profiles in Black History - Different Spotlight Each Day
- National Freedom Day
- Japanese American Internment Camps
- World Down Syndrome Day

MAY

- Mental Health (Awareness Month)
- Asian American & Pacific Islander Heritage Month - Vietnamese Refugees
- Memorial Day with Thoughts from NWHM Veterans

MARCH

- Bloody Sunday
- Ladies Who Lead Piece (Women's History Month)
- Caesar Chavez Day

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.



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. Specifically, in 2020 the Company spent significant time training and educating team members on operating safely in the COVID-19 environment that required many to continue working in their regular field-based positions.

Other development opportunities have included regional department leaders hosting "**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 2020 the company paid \$1,081,237 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 and continued in 2020 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.
- **All team members with existing student loans** are eligible to participate in "Gradifi" to receive a monthly contribution from the Company towards student loan repayment. Since its inception in 2018, the Company has contributed \$58,700 toward reducing team member debt through contributions toward student loans.
- 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 2020, 38% of team members participated in the Wellness platform and \$9,075 was paid to participating team members. Programs like Step Challenges and Water Works, a challenge to increase water consumption, helped promote healthy behaviors. In addition, the Company donated bottles of water in Arizona as a component of the Water challenge in 2020. During 2020, team members across the company recorded 63,000 miles walked (enough to travel around the earth 2.5 times) as well as 716 workout check-ins.
- Other Wellness initiatives in 2020 included providing ongoing resources to team members about Staying Healthy While Staying Home, self-isolation, and free access to virtual yoga and workout courses, mental health and meditation apps, and other Work-from-Home resources.

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.

In 2020 more than 90 different "shout-out" praises for team members across all divisions were voluntarily submitted and captured for team members across the company to see.

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 November 2020, had approximately 99% participation and reflected that approximately 96% of our team members are positively engaged, which was up from 91% in the 2019 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, intending to stay with NEW HOME, and achieving a feeling of personal accomplishment associated with the team member's work. Annually, our CEO shares results directly 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
2020 engagement
survey

96%

of team members
positively engaged
at 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 or during all team meetings, where everyone can benefit from both the question and answer. In 2020, the company received and answered 53 anonymous questions. In many cases these questions further result in specific changes or initiatives that benefit team members such as providing all team members professional head shots or changing the standing dates for all team meetings to accommodate more team members' availability.

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 has 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 team member on a job site. A proprietary incident reporting program helps effectively address New Home's business model. We experienced just 2 lost time injuries incurred by a team member in 2020.



COVID-19 Response

During 2020, in response to the COVID-19 pandemic, a primary focus of ours was the health and safety of our employees. We implemented safety protocols and new procedures to protect our employees, our subcontractors and our customers. These protocols include complying with social distancing, wearing face coverings, and complying with other health and safety standards as required by federal, state and local government agencies, taking into consideration guidelines of the Centers for Disease Control and Prevention and other public health authorities. In addition, we modified the way we conducted many aspects of our business to reduce the number of in-person interactions, such as through the use of virtual tours or holding virtual meetings for certain appointments. In addition, throughout 2020 much of our office-based workforce worked remotely and into 2021 many of our office-based functions continue to be remote.

NWHM “Peace of Mind” Model Home and Community Tours

NWHM “PEACE OF MIND” MODEL HOME & COMMUNITY TOURS

The New Home Company requests strict adherence to our safety guidelines for all persons touring our communities. Individuals who refuse to follow the noted protocol risk removal from future marketing outreach and/or possible sales opportunities.



-  FACE MASK WEARING MANDATORY
-  SOCIAL DISTANCING
-  SANITIZER STATIONS
-  DAILY CLEANINGS
-  ONSITE HEALTH SURVEYS
-  1 HOUSEHOLD (5 PERSONS MAX) & 1 BROKER PER TOUR GROUP

One of the very first protocols enacted by our teams across California, during the start of the COVID-19 pandemic, was NWHM “Peace of Mind”. Offering The New Home Company’s official COVID-19 Prevention Plan and updated Sales Site Visitation Rules, this initiative set forth strict adherence to safety guidelines for all persons touring NEW HOME communities and limited tours to small groups with individuals from one household per visitation.

UNLOCKED Self-Guided Tours

In addition to our “Peace of Mind” initiative, a new partnership with the smart home automation company Smart Rent was rolled out, offering self-guided tours to our customers for the very first time. With health and safety continuing to be top of mind, our “UNLOCKED” program was initiated – presenting a simple and secure process for home shoppers to tour Model Homes without a Sales Manager present and at their own leisure.

Paperless Communication

In 2020, another primary focus was the evolution of all communications collateral into a fully paperless experience. To achieve this effort, NWHM’s Touring Essentials platform was created, presenting home shoppers with a new way to explore a variety of community details and collateral with a simple click of a button. This initiative not only reduced paper clutter, but also maintained our health and safety standards by minimizing contact and exposure to COVID-19, while also boasting ease of accessibility.

Office Health and Safety Signage

As an ongoing protective measure, COVID-19 health and safety signage packages were created and delivered to Model Homes, construction sites and company-wide internal offices. Each of these packages outlined strict social distancing guidelines, while also requiring the completion our Wellness Questionnaire on behalf of all visitors, prior to entry.





Various statements contained in this Sustainability Report, including those that express a belief, expectation or intention, as well as those that are not statements of historical fact, are forward-looking statements. Forward-looking statements that are included in this Sustainability Report are generally accompanied by words such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “future,” “goal,” “guidance,” “intend,” “likely,” “may,” “might,” “outlook,” “plan,” “potential,” “predict,” “project,” “should,” “strategy,” “target,” “will,” “would,” or other words that convey future events or outcomes. The forward-looking statements in this Sustainability Report speak only as of the date of this update, and we disclaim any obligation to update these statements unless required by law, and we caution you not to rely on them unduly. These forward-looking statements are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond our control. For more information regarding such risks, contingencies and uncertainties, please review the risk factors discussed under the sections captioned “Risk Factors” included in our annual and quarterly reports filed with the Securities and Exchange Commission. Further, new risk factors may emerge from time to time and it is not possible for management to predict all such risk factors or to assess the impact of such risk factors on our business.

We have included in this Sustainability Report metrics that are responsive to sustainability accounting standards promulgated by the Sustainability Accounting Standards Board (SASB) for companies within the “Home Builders” industry. We make no representation that all or any of such metrics are material, or the only metrics that are material, to an understanding of our business and performance. Further, certain data included in this Sustainability Report may (i) include management estimates and/or (ii) be based upon standards of measurement that we may revise or refine in the future as we continue to refine our data collection and reporting processes. For more information regarding our business, liquidity, financial condition and results of operations, please review the reports that we file with the Securities and Exchange Commission.

