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DEAR TAYLOR MORRISON STAKEHOLDERS,

Thank you for your interest in our fourth annual Environmental, Social, and Governance (ESG) Report. This report reflects the values that define our company and the people that embody them.

At Taylor Morrison, we are committed to creating long-term value for our shareholders through our strategic operational initiatives, disciplined capital allocation, and values-based approach to sustainability. The latter encompasses how we manage the ESG-related opportunities and initiatives we believe are most impactful to our organization and is built around the three pillars of our ESG framework—People First, Building for the Future, and Transparency and Accountability.

As homebuilders, we treasure the special role we play in fostering a sense of community—not only in the neighborhoods we build, but also among our team members and within the broader markets we serve.

In 2021, this profound appreciation of community guided our response to a year marked by soaring demand for new construction homes, severe supply chain disruptions, and the ongoing COVID-19 pandemic. I am tremendously proud of the tenacity, creativity, and empathy shown by our team members to our homebuyers, trade partners, and most importantly, each other as we navigated these dynamics to welcome nearly 14,000 homeowners into their new Taylor Morrison home.

Despite the obstacles presented by severe supply chain constraints, our teams fulfilled our commitment to delivering an uncompromising level of customer service and construction quality. Their unrelenting passion for creating an exceptional homebuying experience and operating with the highest level of integrity helped us recently make homebuilding history with our recognition as America’s Most Trusted® Builder for the seventh consecutive year.
The enduring trust we have earned among home shoppers is a testament to the strong internal community we have fostered among our more than 3,000 team members. By cultivating our unique TMLiving culture, we attract and retain an exceptionally talented and diverse team that is empowered and encouraged to use our resources to uplift the communities around them. In doing so, our teams propel not only our business—but also our impact—forward.

One way we are managing our impact for the good of the environment is our exclusive partnership with the National Wildlife Federation, the country’s largest and most trusted conservation organization. Together, we have certified over 5,000 acres of wildlife habitat in our communities and established sustainable landscaping practices based on science and specific requirements related to the unique biodiversity in each of our markets.

This year, we are further advancing our environmental stewardship by dedicating more resources to refining our long-term approach to measuring and managing our carbon footprint in alignment with the greenhouse gas (GHG) protocol. We are also establishing new environmental-focused working groups tasked with evaluating and implementing new opportunities to advance our sustainable building practices.

We gave back through our partnership with HomeAid America by providing housing and much-needed resources to combat homelessness and sponsored our fifth annual Build Joy campaign, which grants funds to our team members to bring their philanthropic ideas to life in their own local communities.

This long tradition of doing good expanded further when we became the presenting sponsor of the WM Phoenix Open earlier this year—establishing an even greater platform from which to deepen our charitable mark in our home state of Arizona in the coming years, with a special focus on supporting families undergoing cancer treatment.

The importance of community naturally extends to how we are tackling the housing industry's severe labor shortage. Our support of the Building Talent Foundation’s mission to bring 100,000 new workers into the industry by 2030 is just one way in which we are facing this issue head on. Within our own walls, we are introducing enhanced recruitment and training initiatives to provide greater opportunities for untapped pools of talent—particularly among diverse and under-represented communities—to join our team with the support needed for long-term success.

And lastly, perhaps our greatest responsibility to community is in fostering a representative, inclusive workplace where every team member feels welcome. While we are proud of our industry-leading gender diversity that has been recognized on the Bloomberg Gender Equality Index for the last four years, we aspire to extend our leadership to racial and ethnic diversity as well and are continuing to enhance our Diversity, Equity, and Inclusion strategy to find ways in which we can be a catalyst for positive change.

Our Board of Directors also strengthened its leadership in this area by adopting a policy to include diverse candidates when conducting a search for new Directors, reinforcing its long-standing commitment to Board diversity. We are proud that the majority of our Board is diverse in terms of gender and ethnicity—setting the example from the top that Taylor Morrison has an open door for all.

As I look ahead, I am energized by the focus and determination of our team to build on our strong foundation to reach new heights in our collective drive to create truly long-lasting, differentiated value for our homebuyers—and by extension, our business and our shareholders. As we do so, our responsibility to all our communities will remain our guiding force.

I look forward to continuing to update you on our progress and welcome your engagement as we advance our sustainability strategy.

Warmly,

Sheryl Palmer
Chairman and Chief Executive Officer

We welcome your feedback about this report and our sustainability initiatives at esg@taylormorrison.com
Our Commitment to Sustainability

This report marks the fourth publication of our annual Environmental, Social, and Governance (ESG) Report. We are proud of our evolving ESG strategies and disclosures, while still recognizing that there is much work to be done as we strive to build a more sustainable future for our team members, customers, communities, shareholders, and other stakeholders.

The content aligns with the ESG topics we believe are most relevant to the homebuilding industry, as set forth by the Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI). We reference the United Nations Sustainable Development Goals (U.N. SDGs) in areas where there is strong alignment with our policies and strategies.

We are committed to integrating sustainability into all aspects of our business. As one of the nation’s leading homebuilders, we have the honor and responsibility of creating communities and building houses our customers call home. We want the neighborhoods we develop to have long-lasting, positive impacts on their environments and the people who live in them.
Highlights

Our emphasis on our ESG pillars—**People First, Building for the Future, and Transparency and Accountability**—reflect our belief in doing well by doing good.

Here are the highlights for each of those cornerstones in 2021:

**People First**
- ~3,000 full-time team members
- 40,100+ hours of employee training
- 46 percent female team members
- 44 percent female Board members
- 41 percent female executive leadership team
- 60+ team members assisted by the TM Care Fund to date

**Building for the Future**
- 13,699 homes delivered
- 100 percent of our homes built with upgraded TM LiveWell products
- 36,300+ ENERGY STAR® appliances installed
- 5,048 acres of Certified Wildlife Habitat® preserved in partnership with the National Wildlife Federation to date
- 3,748 homes and lots delivered on redevelopment or infill sites, adding value to under-utilized land

**Transparency and Accountability**
- 100 percent of employees certified to our health and safety standards
- 100 percent of employees and contractors certified to our code of ethics
- 8 of 9 independent Board members
- 10 U.N. Sustainable Development Goals we align with
- 7 Years America’s Most Trusted® Builder (2016-2022)
Our History of Sustainability Progress

<table>
<thead>
<tr>
<th>Year</th>
<th>Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>Named BUILDER Magazine’s Fastest Growing Public Builder</td>
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<tr>
<td>2015</td>
<td>Named Green Home Builder’s Green Builder of the Year</td>
</tr>
<tr>
<td>2016</td>
<td>Distinguished as America’s Most Trusted® Builder by Lifestory Research for the first time</td>
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<tr>
<td>2017</td>
<td>Sheryl Palmer named Chairman of the Board and Pete Lane appointed as Lead Independent Director</td>
</tr>
<tr>
<td>2018</td>
<td>Became the first female majority Board among public homebuilders</td>
</tr>
<tr>
<td>2015</td>
<td>Launched TM Care Fund as a resource for team members to tap during times of need</td>
</tr>
<tr>
<td>2016</td>
<td>Launched annual Build Joy charity campaign to empower team members to give back to their local communities</td>
</tr>
<tr>
<td>2017</td>
<td>Only homebuilder named a Glassdoor Employees’ Choice award winner</td>
</tr>
<tr>
<td>2018</td>
<td>Sheryl Palmer named a Top CEO in the Glassdoor Employees’ Choice awards</td>
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</tbody>
</table>
Published inaugural Environmental, Social and Governance Report

Launched exclusive relationship with the National Wildlife Federation to restore wildlife habitat and promote sustainable land development practices in our communities

Debuted on the Bloomberg Gender-Equality Index as the only homebuilder to be recognized for workplace diversity

Taylor Morrison’s female Board directors recognized as Most Influential Corporate Board Directors by Women Inc. Magazine

Only homebuilder to earn a spot on Glassdoor’s Best Place to Work List

Built a Benefit Home in partnership with the Homebuilders Association of Greater Austin and donated proceeds to building an emergency drop-in center for survivors of exploitation and trafficking for The Safe Alliance

Launched our pledge to Love the Customer—our consumer-centric philosophy to revolutionize both the external client and internal team member experience

Awarded the Hearthstone BUILDER Humanitarian Award

Recognized as America’s Most Trusted® Builder for an unprecedented six consecutive years (and again in 2022)

Debuted on the Fortune 500 list at No. 452

Included on the Bloomberg Gender-Equality Index for third consecutive year (and again in 2022)

Formed Diversity, Equity, and Inclusion Committees to steer enhanced commitments

Increased diversity of our Board and adopted Rooney Rule for new director searches

Partnered with WayUp to expand recruitment of under-represented groups

Refreshed our TMLiving core culture tenets

2019 2020 2021

Became a founding partner of the Building Talent Foundation and Sheryl Palmer joined the Board as its first Chairman in support of its efforts to cultivate diverse talent in housing

Launched the TM LiveWell suite of upgraded healthy living products to promote cleaner air, water and paint—standard in all our new homes

Introduced virtual homebuying capabilities

Named BUILDER Magazine’s 2020 Builder of the Year

Ranked No. 3 among top homebuilders on FORTUNE’s World’s Most Admired Companies List
With a rich history and legacy spanning 100 years, Taylor Morrison is rooted in strong values and backed by a solid reputation—one that has earned us the coveted distinction of America’s Most Trusted® Builder for the past seven years.

We serve homebuyers across 11 states and operate under four brands—Taylor Morrison, Esplanade, Darling Homes Collection by Taylor Morrison, and Christopher Todd Communities built by Taylor Morrison. Our financial services segment provides mortgage financing, title insurance and closing services, and homeowners’ insurance. We also operate a Build-to-Rent business that develops innovative lifestyle rental communities to serve the needs of an even broader array of consumers with high-quality, affordable housing options.

Guided by a commitment to exceptional customer service, superior quality, and sustainability, we provide a differentiated homebuying experience that is centered on delivering homes that meet the needs of our customer base.
2021 SNAPSHOT

- **$7.5** billion in total revenue
- **13,699** homes delivered
- **334** average active selling communities
- **~77,000** owned and controlled homebuilding lots

**Customer Mix**
- **Entry Level**: 24%
- **Move Up**: 30%
- **Active Lifestyle & Urban**: 46%
People First

At Taylor Morrison, we always start with people—our team members, our homebuyers and our partners. Our people-centric culture is built on the notion of Love the Customer—our guiding philosophy that caring for our external and internal customers will deliver the greatest good for our business.

We strive to create a workplace where each of our team members are empowered to use their talents to their fullest potential. By driving a culture of operational excellence, health and safety, inclusion, and philanthropy, we aim to create long-term value for our shareholders and use our scale and resources to positively impact the communities we serve.
At Taylor Morrison, we embrace and celebrate the unique contributions and perspectives of our team members and strive to build an inclusive, progressive workplace where everyone feels valued, welcomed, and supported to reach their fullest potentials. The diversity of our team is one of our greatest strengths and one we are committed to advancing through our evolving Diversity, Equity, and Inclusion (DEI) strategy.

We are proud of the reputation we have earned for our gender diversity, including being the only public homebuilder with a female CEO and 46 percent female team members in our traditionally-male-dominated industry. Looking ahead, we aspire to extend this leadership to other dimensions of diversity, including the racial and ethnic composition of our team.

In 2021, we enhanced our commitment to DEI with the following initiatives:

**Published Opportunities and Promises**
We published our DEI Commitments, which detail our company philosophy and stance, including the goal of seeing more diversity in leadership positions and across the organization to match our local market communities.

**Created National and Regional Committees**
We established a National DEI Committee, and seven Regional Subcommittees made up of team members in various roles and departments. These committees are tasked with shaping and implementing our DEI strategies.

**Expanded Unconscious Bias Training**
Nearly 90 percent of our team members indicated that increased unconscious bias training was important. In response, we made the training available to all employees—with a strong focus on hiring managers and leaders.

**Launched DEI Site and Submission Portal**
We launched a dedicated DEI site on our intranet to house all our DEI resources and a submission portal where team members can anonymously call attention to any DEI-related concerns or offer suggestions.

**Partnered with National Association of Minority Mortgage Bankers**
We partnered with NAMMBA, a trade association dedicated to the inclusion of women and minorities in the mortgage industry, to provide training, new hire programs, and leadership development focused on under-represented groups.

**Hosted Annual Day of Understanding**
As part of the CEO Action Pledge to advance diversity and inclusion in the workplace, we hosted our inaugural Day of Understanding, a company-wide event dedicated to promoting DEI awareness, education, and understanding.
Our gender diversity is one of our greatest points of pride. Starting at the top, our CEO and Chairman, Sheryl Palmer, has been the only female to lead a publicly-traded homebuilder since 2007; our Board of Directors includes the highest female representation in our industry at 44 percent; and 41 percent of our executive leadership team are female. This gender diversity sets the tone for the rest of our organization, which is comprised of a male-to-female team member ratio of 54 and 46 percent.

Our commitment to representation and transparency has earned us a spot on Bloomberg’s Gender-Equality Index for four consecutive years. In 2021, we were one of only 418 companies to be included in the index, and the only U.S. homebuilder to earn the distinction.

We are proud that nearly 70 women held construction-specific roles in 2021—a 45 percent increase over the last two years. Here are some of our team members transforming the narrative around gender equality in homebuilding:

**Amber Fitzsimon | Senior Superintendent**
With a passion for construction, Amber Fitzsimon joined the Taylor Morrison Denver team as a Superintendent in 2019. Two years later, she achieved a career milestone by stepping into a Senior Superintendent role.

**Tracey Ponder | Superintendent**
With almost 20 years of experience in the construction industry, Las Vegas Superintendent Tracey Ponder has worked for several homebuilders and built more than 3,000 homes throughout her career.

**Marybeth Colpitts | Assistant Superintendent**
Less than a year into her career Marybeth Colpitts is already making an impact as an Assistant Superintendent in Dallas. She has also been involved in attending career fairs to help recruit new talent in the trade workforce.
At Taylor Morrison, we leverage a variety of recruiting resources to cast a wide net in our search for talent. We use our platform to attract a broad range of candidates through multiple channels, including internships for early career opportunities.

**Voyager Program**
We recently piloted an innovative new recruitment and training program, **Voyager**, geared towards recent college graduates, non-industry professionals, and military veterans interested in launching a career in construction. This immersive program includes field training and classroom instruction, followed by ongoing check-ins to promote retention and critical early support for our new hires. We are also setting up a dedicated career site for veterans that overcomes traditional language barriers between military and civilian job postings and partnered with **Proteus** to expand our visibility with veterans. We are proud to have welcomed our first six Voyager graduates onto our Sarasota and Tampa construction teams.

**WayUp**
In 2021, we partnered with **WayUp**, an organization committed to connecting employers with a diverse group of college students and young professionals. With a presence on over 7,000 campuses across the country and six million users, of which more than 70 percent are under-represented minorities, we are tapping into a large pool of qualified, diverse early-career candidates.

**Building Talent Foundation**
We are a founding partner and our CEO, Sheryl Palmer, serves as the Chairman of the **Building Talent Foundation (BTF)**, a non-profit created by the Leading Builders of America, whose mission it is to address the persistent skilled trade labor shortage in the housing industry by attracting 100,000 new workers into the industry by 2030. By improving talent supply, training, and retention, BTF and its partners are working to build a sustainable and diverse homebuilding workforce. Since launching in the fall of 2020, the organization has supported more than 600 career placements, with women and minorities making up nearly double the percentage of BTF placements compared to the construction industry average.
Training and Development

ONBOARDING

From day one, we believe in paving a path to success with a strategic onboarding process to ensure a seamless transition and help new employees quickly integrate into their new roles.

Our **Certified Coaches Program** pairs new hires with existing Sales, Superintendent, and Customer Service team members to guide them in their new Taylor Morrison role. Our Coaches mentor and act as an extension of our training department. In addition to the many benefits this dedicated coaching provides to our new team members, including improved retention and accelerated productivity, the experience earned by our Coaches also serves an important role in developing our next generation of leaders.

In 2021, we launched a **New Hire Concierge** service, which eases the process of getting equipment and various software access set up for our new team members—ensuring they have the tools necessary to be successful from day one.

Our **TM101** video course walks new employees through our values, history, and the roles of each functional business area in the company.

RETENTION AND DEVELOPMENT

Our **HERE Program**, which stands for Helping, Retention, and Engagement, is designed to empower our leaders to actively solicit feedback to identify challenges and then implement changes to help retain our workforce and promote the strength and expertise of our team. Since the program’s inception, our first-year turnover rate has significantly decreased.

We strive to effectively match career aspirations, skills, and strengths to appropriate internal opportunities. Our goal is to encourage internal transfers and promotions wherever possible by offering tools such as career path profiles that serve as roadmaps for advancement in various fields and encourage team members to drive their careers forward with us.

We also utilize our **GIFT Program**, which stands for Goals, Inspire, Feedback and Training, during which our managers conduct quarterly conversations with each of their team members to provide timely feedback and discuss developmental opportunities.
CONTINUING EDUCATION

We offer qualifying team members the opportunity to take an undergraduate or graduate course for academic credit at no tuition cost. In addition, team members may be eligible to receive 30 percent tuition savings with a national partner and a waived application fee. We extend this benefit to their immediate family members as well. We also reimburse 50 percent of role-relevant tuition, books, and lab fees—upon completion of courses—up to a calendar year maximum of $5,260 per team member.

TRAINING

We encourage our team members to invest in their careers by taking advantage of our many learning and development opportunities.

Taylor Morrison has a comprehensive training program, TMLearning, where team members are provided over 4,500 online learning courses covering a wide range of topics such as project management, leadership, conflict resolution, and function specific information. Some courses are mandatory, to ensure all team members follow the same set of safety and ethical standards, while others are optional to fulfill professional development interests.

Career Week has become an annual tradition at Taylor Morrison. Last year, team members participated in nearly 40 different courses geared toward their own personal and professional development. These courses are hosted by management, as well as external speakers and included topics such as enhancing your career, diversity and inclusion, building your brand, unconscious bias, and customer service.

TRAINING HOURS

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Training</th>
<th>Safety Training</th>
<th>COVID Training</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>34,661</td>
<td>542</td>
<td>4,447</td>
</tr>
<tr>
<td>2020</td>
<td>31,704</td>
<td>7,339</td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td>10,982</td>
<td></td>
<td></td>
</tr>
</tbody>
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AVERAGE HOURS OF TRAINING BY EMPLOYEE

<table>
<thead>
<tr>
<th>Year</th>
<th>Hours</th>
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<tbody>
<tr>
<td>2019</td>
<td>10</td>
</tr>
<tr>
<td>2020</td>
<td>11</td>
</tr>
<tr>
<td>2021</td>
<td>15</td>
</tr>
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</table>
At Taylor Morrison, we place an emphasis on whole health and wellness. There is nothing more important to us than the physical, mental, and financial health of our team members.

We offer a comprehensive set of benefits to full-time team members, including:

- Medical, dental, and vision insurance
- Life and AD&D insurance
- Short-and long-term disability insurance
- Paid time off
- Paid parental and caregiver leave
- Adoption assistance
- 401(k) program with company match
- Home purchase rebate and mortgage incentive
- Tuition reimbursement
- Employee assistance program

We added several enhancements to our benefits in 2021, including two unique resources:

**Wellthy**—a service that provides financial, medical and legal support for team members managing care for a loved one or themselves.

**Omada**—a personalized program that provides the tools and support needed to reach health goals.

To further promote health and wellness, we have an intranet site dedicated to living a healthy lifestyle. The site houses a variety of resources, including monthly mental health webinars, budget worksheets, recipes, and fitness tips.

We also have employee-led special interest groups, many of which promote healthy living and financial planning and education through activities and training opportunities.

Through the **TM Care Fund**, our team members can receive $2,000 up to three times throughout their career with the company in the event of unexpected hardships. These include natural disasters, serious illnesses or injuries, death of an immediate family member, or other extreme circumstances that impact a team member’s ability to cover basic living expenses. To date, more than 60 team members have utilized the fund.
Engagement and Culture

**OUR TMLIVING CULTURE**

As we have grown into one of the country’s largest homebuilders, we have worked hard to build and maintain an exceptional employee experience and cultivate our culture, which we refer to as **TMLiving**.

In 2021, we refreshed TMLiving by infusing our **Core Values** into one set of guiding principles—Spirit & Pride, Health & Wellness, Community & Giving, Love & Inspire, and Strategic & Savvy. The latter was added to capture our focus on operational effectiveness.

**ANNUAL EMPLOYEE SURVEY**

Through our annual survey, **TMPulse**, we gauge employee engagement and solicit feedback that informs our leadership priorities and strategies. By listening and acting on the feedback from our employees, we can promote alignment and shared ownership to foster engagement and operational effectiveness. With a 71 percent response rate in our latest survey, we are proud that seven of eight respondents indicated they are enthusiastic to work for Taylor Morrison and believe their leaders adhere to our core values.

**DAILY HUDDLES**

One of the ways we cultivate our TMLiving culture is through transparent, timely, and honest communication. Each day, our teams gather to have meaningful and enlightening culture conversations, and share timely business news during **Huddles**.

**NEW HIRE SURVEYS**

We work with a third-party vendor to conduct team member check-ins, particularly during the first year of employment. New hires are prompted with a few questions at 30 days, 90 days, six months, and one year—providing real-time feedback that their leaders use to address concerns and ensure their new team members feel connected.

**APPLAUSE**

With recognition being a top driver of employee engagement, it has long been a goal to integrate a platform across the company that would allow us to recognize and celebrate team members in real time with ease. That goal recently became a reality when we launched our reward and recognition program, **Applause**, a digital platform where our leaders and team members can recognize anyone in the organization for exceptional performance, exhibiting our TMLiving values, or to simply say, “thank you for a job well done.”
Perhaps one of the strongest testaments to our TMLiving culture are our Boomerang team members—those who have left Taylor Morrison and then later returned for a new opportunity. Their unique position as former and current team members often gives them a special appreciation for what makes Taylor Morrison such a special place to work and we pride ourselves on our open door for those team members who are drawn back. By welcoming former employees, we regain their existing knowledge of our business, mission and values, as well as the expanded perspectives they bring back from their other experiences that enrich our diversity of thought.

Here are just a few of the Boomerangs that we are proud to have on the team:

**BOOMERANG SPOTLIGHTS**

“After being away from this company for far too long, my return was a breath of fresh air. I immediately said, ‘I’m home.’ Nothing compares to the way leadership and the teams have cultivated what Taylor Morrison is today and I can confirm that it’s not always greener on the other side.”

*Julie Aragona, Build-to-Rent Land Coordinator, Orlando Division*

“Six months after leaving for family reasons, I realized it was time to return to Taylor Morrison Home Funding because I missed the people, culture, and work family. Our treatment of employees as family and truly caring about our work family and our communities sets us apart. We do what is right by loving the customer, internal and external.”

*Amy Morton, Underwriting Manager, Taylor Morrison Home Funding*

“There’s a reason people stay and a reason they come back to Taylor Morrison. The career growth opportunities are second to none and I couldn’t resist returning to the place where I had built so many meaningful relationships over the years. While working for a different company in the homebuilding industry, I never felt the same connection I have with Taylor Morrison.”

*Rob Summers, Construction Director, Naples Division*
“At Taylor Morrison, if your situation changes, whether it is lifestyle or interests, you are supported and encouraged to look for other opportunities within the company. Taylor Morrison grows with you and has always valued keeping good people on the team and placing them in roles that highlight their strengths. We have an incredible leadership team with an exceptional CEO. I am so proud to have her represent the company I know and have loved for over 16 years.”

*Jenna Sidenstricker, Internet Sales Listing Manager, Corporate Division*

“There were many variables that drew me back to Taylor Morrison, but if I had to pick the most important, it was the people and culture... I missed my team and the feeling that I made an impact on the people around me, so I made the decision to return home. We have tenets we often talk about at Taylor Morrison. We’re told that ‘we’re empowered’ and to ‘be the CEO of your own career.’ I can tell you the message of ownership is more than words. Homebuilding is complex, contextual, and ever changing. It requires an agility that comes from empowering your people, and I believe it’s the reason we continue to grow.”

*Alex Northam, Resource Planning Manager, Austin Division*

“After leaving Taylor Morrison Home Funding to explore a new career opportunity, I kept looking for the culture and management style I had left behind—both of which I missed and needed so much. One day, after many days of working up the courage, I made a call to my previous manager and asked if there was a chance that I would be welcomed back —and the rest is history! To me, the management team is the most special part. It goes far beyond an ‘open door policy’. Our leaders are full of encouragement, experience, and knowledge. They work with me and for me. I am so thankful to have been welcomed back.”

*Melissa Stroh, Loan Consultant, Taylor Morrison Home Funding*
Community Engagement and Philanthropy

Uplifting the communities we serve is fundamental to our responsibility as a homebuilder. Our team members across the country are empowered and encouraged to continually seek opportunities to make a positive and long-lasting difference.

From our pledge to do our part to address the country's homelessness crisis and to be good neighbors to those in need, our charitable commitment attracts our talent and validates a consumer's decision to choose Taylor Morrison as their homebuilder.

Each year, we give back to our communities through our annual charity program, Build Joy, which inspires our team members and our homebuyers to uplift their local communities by supplying them with $1,000 each to bring their ideas to life. When we let their giving hearts guide the way, we find the impact within our communities is so much more meaningful.

In 2021, the campaign was centered around community, and enabled 15 team members and five customers to build joy with unique heartwarming projects, including donating holiday gift baskets to those in need, granting funds to team members facing unexpected hardship, and supporting local healthcare workers.

Javier Pina | Southern California
Our Southern California Superintendent, Javier Pina, hosted a field trip for 15 students from Orange Grove High School’s construction technology class. The students had an opportunity to visit a real construction job site, meet with several of our trade partners and subcontractors, and learn about site safety and the different career avenues in homebuilding. They left the day not only with meaningful connections and a better understanding of the construction industry, but also with a Taylor Morrison hard hat, safety equipment, and tools they will need for their future in the field.

Jill Anderson | Atlanta, GA
From our Atlanta Division, Regional Marketing Director Jill Anderson decided to build joy for ICU nurses in her community. Having watched her daughter, who is a first-year ICU nurse, struggle with the emotional turmoil of COVID-19, she decided to support the staff at Northside Hospital Forsyth with holiday spa treatments to help them unplug from pandemic stress.
Through our partnership with HomeAid America, a leading national provider of housing and resources for those experiencing homelessness, we work to create safe and dignified housing options.

Our CEO, Sheryl Palmer, served as the organization’s Chairman of the Board from 2019-2021, and continues to hold a leadership role on its Executive Committee. Additionally, many of our Division and Area Presidents serve on their local chapter Boards of Directors. In recent years, we have deepened our HomeAid partnership by expanding our involvement to 11 chapters.

**Tiny Homes | Austin, TX**

Our Austin Construction Team has built, fully furnished, and stocked four tiny homes in the Community First! Village, a 51-acre master-planned community that provides affordable permanent housing for homeless men and women. The homes provide long-term supportive housing for a specific niche of the population—residents who have lived on the streets for more than 10 years in the 55 and over age group. Residents also receive access to employment opportunities.

**From Storage Space to Sanctuary | Atlanta, GA**

Just in time for the holidays, our Atlanta team members converted a storage building into five, 300-square-foot cottages at the North Georgia Angel House for young women transitioning out of the foster care system. It is a great way to give the women their own space while still having access to their community until they are ready to live independently. These apartments, known as the Jasmine House, have a living area, kitchenette, bedroom, bathroom, convection microwave, and full-size refrigerator.

**Refurbishing Shelter Space | Phoenix, AZ**

We are remodeling six emergency rooms in a local shelter for victims of domestic violence with a focus on making the campus more pet friendly. Unlike other shelters, this site allows residents to have pets, which reduces barriers for those fleeing domestic violence while also serving as a source of comfort when needed most. The project also includes the design and creation of a new dog park on the shelter campus that will be beautifully landscaped with seating and shade for residents and their furry companions.

“We’re proud to be part of the solution for those experiencing homelessness. One of the most fulfilling parts of this partnership is meeting the folks who become residents in the tiny homes.”

April Whitaker, Austin Division President

“It was so fulfilling to see the huge difference we made for the shelter residents as a Taylor Morrison team.”

Ronnie Cline, Area Construction Manager and Builder Captain

To learn more, please visit: homeaid.org
Sustainable and Accessible Homeownership

“We are dedicated to serving our buyers with responsible lending and innovative solutions. With 69 percent women team members and 31 percent minorities, the diversity of our Financial Services team is one of our greatest strengths and contributes to the exceptional service and execution we deliver.”  
Tawn Kelley, President, Taylor Morrison Home Funding

RESPONSIBLE HOME FINANCING

We recognize the critical importance of homeownership to supporting communities, driving financial health, and promoting a sense of belonging and safety. We enable customers to attain their dream homes through education and responsible lending.

Taylor Morrison Home Funding (TMHF) provides sound loan products, proper education and innovative tools that ease the traditionally cumbersome mortgage process. Right from the beginning of the Taylor Morrison homebuying process, TMHF provides diligent pre-qualification services to give our home shoppers a thorough understanding of affordability, budgeting, and other important credit considerations. Throughout the building process, our TMHF team supports our homebuyers with ongoing communication and guidance to ensure a seamless journey that enhances our customer experience. This service also provides invaluable transparency and risk mitigation for our homebuilding operations.

CONSUMER EDUCATION

We emphasize consumer education to empower our homebuyers to make well-informed, sustainable decisions when it comes to their homebuying journey. In 2011, we launched Able Ready Own (ARO), a credit improvement program offered free of cost to help potential homebuyers improve their financial health. Since the program’s inception, ARO graduates have experienced an average credit score improvement of more than 40 points. This credit improvement can drive lower financing costs, helping to improve affordability for our homebuyers and expand the reach of homeownership. In 2021, 46 percent of our ARO graduates were first-time homebuyers and 35 percent were racial and ethnic minorities.

PAPERLESS HOMEBUYING

TMHF has embraced technology to streamline and automate the mortgage process. We have conducted the paper-intensive loan process entirely digitally since 2010 and leverage automated employment and asset verification tools to streamline the mortgage process. Through the digital platform, customers can complete their loan application, upload required document, and review and sign a majority of closing paperwork entirely online. These tools reduce waste, minimize risk, and improve the customer experience.
Embracing Digital Innovation

Taylor Morrison has never been more committed to the future of our industry, evidenced by our continued investment in the homebuying journey and the steps we have taken to lead the way in digital innovation.

We offer an innovative suite of online home shopping tools, including a direct-to-consumer online appointment scheduler, self-guided tour technology, and online home reservation system—which in 2021, began allowing shoppers to select a floorplan and exterior online.

As more consumers opt for virtual options when searching for their home, our forward-thinking strategy has allowed us to serve home shoppers where and how they want to be met.

In addition to empowering consumers to take control of their homebuying experience with the same ease and flexibility they have come to expect from other forms of e-commerce, our digital tools helped us to effectively serve our customers safely throughout the COVID-19 pandemic.

In addition, our digital transformation reduces our environmental impact by minimizing transportation and paper usage.

BRAND MARKETING & COMMUNICATIONS SPOTLIGHT

Our Brand Marketing and Communications Team, which has five women in leadership roles, has pushed our organization and our industry to new heights by making bold moves in the technology space.

Nineteen of the 21 creatives who make up the team are women, and with several new racially diverse additions, the team now has an even stronger layer of diversity of thought.
### VIRTUAL SELLING TIMELINE

Results as of March 22, 2022

<table>
<thead>
<tr>
<th>Service</th>
<th>January 2020</th>
<th>March 2020</th>
<th>July 2020</th>
<th>March 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>ChatBot (Liv)</td>
<td>49,497</td>
<td>64,318</td>
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<tr>
<td>Unique individuals</td>
<td>2,469</td>
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<tr>
<td>Sales</td>
<td>5%</td>
<td>7%</td>
<td>4%</td>
<td>16%</td>
</tr>
<tr>
<td>Conversion rate</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-guided tours</td>
<td></td>
<td></td>
<td></td>
<td>741</td>
</tr>
<tr>
<td>Unique individuals</td>
<td></td>
<td></td>
<td></td>
<td>20%</td>
</tr>
<tr>
<td>Online reservations (Quick move-in homes)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Online reservations (To-be-built homes)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
We believe in doing the right thing for our people, for our customers, and for the greater good of the planet. With a strategic plan and an eye toward building for the future, we integrate long-term, sustainable thinking into every phase of our operations, from our land investment and planning decisions, our home construction processes and material choices, and our suite of our consumer-centric financial services.

To advance our environmental stewardship, we have started to assess our Scope 1 and Scope 2 greenhouse gas (GHG) emissions in alignment with the Greenhouse Gas Protocol Corporate Standard. By measuring our GHG emissions, we can better manage our environmental impact.

Our in-house research reveals more than one-third of home shoppers today are seeking a new home over resale for better in-home health and wellness features.

We offer TM LiveWell, a robust suite of healthy home products and technologies that provide healthier air, cleaner water, and safer paint—standard, in all our new homes.

Our TM LiveWell suite includes:

- Whole-home filtration to remove harmful dust, dirt, and mold.
- Smart thermostat technology to regulate temperature.
- Advanced water filtration to reduce contaminants.
- Hands-free faucets to avoid germs.
- Low-VOC paint with less chemicals.

We embrace our responsibility to protect our planet through the way we develop land and build homes. This is why we developed a strategy to use innovative materials and advanced building methods to lessen the carbon footprint of our homes, reduce our greenhouse gas emissions, and deliver energy efficiency to our customers.

These building standards, which we call elem3nts™ by Taylor Morrison, are key to our sustainability principles.

In addition to our efficient building processes, we offer our homebuyers a wide array of eco-friendly design options, such as ENERGY STAR® appliances, low e-windows and sliding doors, and drought-resistant landscaping.
IN 2021 TAYLOR MORRISON DELIVERED

7,819 homes that received a HERS® index score

107,500 trees planted

36,297 ENERGY STAR® appliances

60 average HERS® index score

54 miles of walking and biking trails

75,395 water fixtures certified to WaterSense® specifications

ECO-FRIENDLY DESIGN OPTIONS WE OFFER:

- High-efficiency A/C units and gas furnaces with programmable/smart thermostats
- ENERGY STAR® appliances
- Energy-efficient insulation, roof barriers, and lighting
- Low-e windows and sliding doors
- Solar roof panels*
- Water-saving fixtures and recirculation pumps
- Drought-resistant landscaping
- Net zero energy*

*Under the California Long-Term Energy Efficiency Strategy Plan, all new residential buildings in California are required to be Zero Net Energy (ZNE) and be built with solar panels as a standard feature.

Elm at Stonecrest | Charlotte, NC
We are committed to developing sustainable communities in which our homebuyers aspire to live and building homes that will stand the test of time.

We emphasize building processes that create consistent and predictable results, share best practices across our divisions, and focus on continuous improvement.

Our construction, land, and purchasing teams coordinate subcontracting services and supervise all aspects of construction work and quality control. This encompasses subcontractor performance, scheduling, and regular formal inspections to ensure the highest standards of building quality.

This commitment to superior homebuilding quality and customer satisfaction has contributed to our reputation as America’s Most Trusted® Builder, every year since 2016.

Our robust quality control framework is designed to provide a superior homebuying experience for our customers, minimize warranty costs, and enhance production efficiency.

We operate with a Home Readiness mindset, in which we strive to deliver fully complete homes at the time of closing.

While constantly evolving supply chain disruptions have limited the availability of many building supplies over the last two years, we are committed to fulfilling our high quality standards and addressing any material exceptions in a timely manner.

To achieve our Home Readiness goals, our construction teams continually review and test all systems throughout the construction cycle, using our proprietary Quality Inspection Checklist. Our integrated scheduling system allows us to record and communicate any quality-related items directly to our trade partners in real time so that issues can be resolved efficiently.

Both Home Readiness and Customer Satisfaction are key metrics in our incentive compensation programs.

---

**HOME READINESS – A PILLAR OF OUR QUALITY CONTROL PROCESS**

<table>
<thead>
<tr>
<th>CONSTRUCTION QUALITY ASSESSMENT</th>
<th>CONSTRUCTION FINISHED</th>
<th>TM QUALITY INSPECTION</th>
<th>NEW HOME DEMONSTRATION (NHD)</th>
<th>MOVE IN (MI) AND CLOSING DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual site assessment:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Objective 3rd party</td>
<td></td>
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<td></td>
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<tr>
<td>• 600+ quality checkpoints</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>• Assessing on a scale from 1-4</td>
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<td></td>
<td></td>
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<tr>
<td>• Building code and consistency</td>
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<td></td>
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<tr>
<td>2 weeks before MI:</td>
<td></td>
<td>2 weeks before MI:</td>
<td>1 week before MI:</td>
<td></td>
</tr>
<tr>
<td>• All major projects are</td>
<td></td>
<td>• Detailed inspection by</td>
<td>• Demonstration</td>
<td></td>
</tr>
<tr>
<td>completed</td>
<td></td>
<td>TM Quality Inspector</td>
<td>focused on teaching</td>
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<tr>
<td>• Builder down to fine</td>
<td></td>
<td>• Avg. checklist includes</td>
<td>how to use the home</td>
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<tr>
<td>tuning only</td>
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<td>200 items</td>
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<tr>
<td></td>
<td></td>
<td>• Each item addressed</td>
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<tr>
<td></td>
<td></td>
<td>in a timely manner</td>
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<tr>
<td>Completed Home:</td>
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<td></td>
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<tr>
<td>• Delivered with no known</td>
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<tr>
<td>defects and any outstanding</td>
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<td></td>
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<tr>
<td>items addressed in a timely</td>
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<tr>
<td>manner</td>
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<td></td>
</tr>
<tr>
<td>• Covered by TM Warranty:</td>
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<tr>
<td>1 year - workmanship</td>
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<tr>
<td>2 years - system</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>10 years - structural</td>
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</table>
We partner with IBACOS®, a nationally recognized expert in construction quality, to conduct annual third-party assessments of our construction processes and performance. These rigorous assessments help us identify areas of opportunity and prioritize practices that improve our building durability and minimize the risk of systemic defects. We have increased our overall construction quality score every year since 2015, reflecting our commitment to continual improvement.

Long after our customers move in, we provide peace of mind with our extensive warranty programs. We offer one-year coverage on workmanship, two-year coverage on systems, and a 10-year warranty for structural components.

In addition, we utilize construction scorecards for each of our divisions to track performance and drive process improvement.

Training and education is also a critical element of our product quality framework. We require all construction team members to complete IBACOS’ training courses during onboarding and to fulfill ongoing education requirements.
Our vendor and trade management process is overseen by our corporate Vice President of National Purchasing, as well as purchasing leaders in each of our local divisions. Through a competitive bidding and due diligence process, our purchasing teams look for suppliers that provide high-quality materials on a consistent, scalable basis to meet our strategic goals and customer expectations.

We partner with premier suppliers to procure high-quality building materials, with an emphasis on product quality and consumer preference. We leverage our industry-leading scale and strong supplier relationships to achieve cost savings, product availability guarantees, and other exclusive benefits for our homebuyers.

All our trade partners have a signed Master Contractor Agreement (MCA) or Master Supplier Agreement (MSA) prior to bidding any work for Taylor Morrison. The MCA is used when contracting labor only or turnkey (labor and materials) work. The MSA is used when a vendor provides materials only. All contractors, suppliers, and other outside agents and representatives are expected, and required, to follow the policies included in our Vendor Code of Conduct.

In response to broad-based material shortages related to the COVID-19 pandemic, we have worked closely with our vendors and trade partners to ensure continued product availability and reliable delivery timelines. Additionally, our construction and purchasing teams have implemented enhanced scheduling processes, rationalized our product offerings, and streamlined our construction operations to better navigate the supply constraints facing our industry.

Many of our national and regional suppliers have established robust ESG reporting practices and integrate sustainability into their operations.
In 2019, we teamed up with the National Wildlife Federation (NWF), the country’s most trusted conservation organization to restore and conserve wildlife habitat in our communities. Together, we are applying NWF’s esteemed standards to safeguard natural open spaces and promote the native plants, wildlife, and pollinators that are essential to the unique biodiversity of the ecosystems across each of our markets.

In the third year of our exclusive partnership, we expanded our mark across the country and reached several important milestones. We certified nearly 1,260 acres of entirely native and chemical-free open space last year, bringing total certified wildlife habitat in our communities to more than 5,000 acres. This encompasses more than half of the land we own in or adjacent to protected and biologically-diverse areas.

We are building on this important work with more than 170 additional certified habitats and monarch gardens underway as we continue to effectively scale our wildlife habitat stewardship and conservation practices. Beyond the environmental benefits, these science-based conservation efforts create pride of ownership, drive long-term value in our communities, and educate our homebuyers about accessible and effective wildlife restoration.

Key initiatives include:

- **The Monarch Pledge**: We are supporting monarch butterfly recovery efforts by installing permanent butterfly gardens in each of our communities and planting native milkweed. These gardens help butterflies and pollinators thrive and support a wider variety of bird species compared with more traditional landscapes.

- **Wildlife Habitats**: We are applying National Wildlife Federation’s Certified Wildlife Habitat® standards to community parks and open spaces to conserve natural areas and developing Habitat Management Plans for our homeowners’ associations to promote their successful long-term stewardship of these habitats. Each wildlife habitat area is inspected and certified by NWF.

- **Sustainable Landscaping**: We are enhancing the natural landscape within our communities by committing to planting 100 percent native plants in our certified open spaces, incorporating more nature trails and other outdoor experiences, and encouraging sustainable landscape practices.

- **Nature Play Space™**: New playgrounds have been installed and certified as National Wildlife Federation Nature Play Spaces™, which are designed with natural materials to reduce the use of plastics and to support healthy childhood development and foster family engagement outdoors. This initiative is based on research from the Early Childhood Health Outdoors (ECHO) program and Natural Learning Initiative at North Carolina State University.

To learn more, please visit: nwf.org
Research on creative play and health by the Centers for Disease Control and the American Academy of Pediatrics shows outdoor time helps children grow, enhances imaginations and attention spans, decreases aggression, and boosts classroom performance. In addition, children who spend time in nature regularly are more likely to become better stewards of the environment.
In 2021, we advanced our commitment to natural open space by introducing **Keystone Native Plant Lists** for butterflies, moths, and pollen specialist bees. These guides promote optimal biodiversity and are tailored to our divisions based on science-based recommendations for each location. By implementing these standardized recommendations, we are encouraging large-scale native plantings of keystone species while also enhancing the efficiency of our sustainable landscaping practices. Our native plant lists were developed by the National Wildlife Federation in partnership with leading entomologist, Dr. Doug Tallamy, and his team at the University of Delaware.

These native keystone plantings have many benefits for the environment and wildlife. Research shows that just 14 percent of keystone native plants support 90 percent of butterfly and moth species. Native plants also minimize the effects of climate change for some species. In fact, deep-rooted prairie grasses, forbes, and herbaceous perennials have been found to sequester as much as a third of a ton of carbon per acre per year.

Additionally, native plants require less water, less fertilizer and no chemical applications. These plantings replace lost habitat, increase organic carbon content in soil and improve water-holding capacity, nutrient availability, and soil biological activity.

The following case studies incorporate every aspect of our National Wildlife Federation partnership and demonstrate nature-based solutions at scale:

**Avalon at Riverstone | Houston, TX**

At Avalon at Riverstone in Houston, our preservation efforts started with identifying and evaluating the health of a stand of 400-year-old pecan trees on the property. We created a native seed mix of wildflowers and grasses and planted 2.5 acres of butterfly meadow instead of turf grasses. Native milkweed is incorporated into the entry sequence and the five-acre nature trail park and central green space.

The improved habitat areas in the community include an open pond, a seasonally wet rain garden, and a natural creek. The large dry detention constructed in engineering was re-envisioned as a series of wetland pools and native trees. In formal planting areas, more than 80 percent of trees are native and keystone species.

The Avalon at Riverstone NWF Certified Nature Play Space™ is a one-of-a-kind destination that changes with the seasons and offers families something new—and natural—to discover together with each visit throughout the year. Playful, winding pathways lead children to and from whimsical features like a “nest” perched atop a grassy play mound, a boulder hill scramble and embankment slide, and a water pump that flows to a pebbled dry stream bed to splash and explore.
Our Skye Ranch community in Sarasota is built on land that was previously used to raise cattle and the natural habitat was quite diminished. We preserved the existing forested land and returned 129 acres of degraded land to restored wetlands. These certified natural areas meet NWF’s 100 percent native plant criteria. They will help the community manage storm water and become more resilient to extreme weather events exacerbated by climate change.

At Skye Ranch, the certified monarch demonstration garden and Nature Play Space™ are designed for families of all ages to connect with nature. A playful looping pathway leads children to wooden play structures, a large sand area where they can spend hours digging, and, if you can find it, a secret pathway. The nature trails, gardens, and play areas offer something new with each visit and provide year-round opportunities for residents to engage with nature and each other.
Land Use Practices and Redevelopment

As a developer and homebuilder, we pride ourselves on our responsible land stewardship. We prioritize environmental considerations in our land investments and seek to minimize our impact on the natural environment while maximizing the positive impact of responsible development on local economies and neighborhoods.

Our site selection and development process seeks to respect the land on which we build by preserving natural habitats, honoring each land parcel’s unique history and place within its broader community, and promoting a sense of belonging through stakeholder engagement.

SITE SELECTION AND DEVELOPMENT PLANNING

When selecting a site, we have a disciplined approach and consider many factors such as proximity to employment centers, transportation corridors, economic centers, schools, parks, and other amenities that would benefit our customers. These foundational elements of our investment approach help ensure our communities are resilient throughout housing cycles.

Our Portfolio Investment Committee (PIC) reviews and approves potential land acquisitions. Proposed sites undergo project feasibility studies to assess the acquisition against regulatory, market, environmental, social, and other risks and requirements. Considerations include accessibility to utilities, suspected threatened or endangered wildlife, significant or unusual noise levels, proper drainage infrastructure, and storm water pollution prevention.

We are committed to ensuring that our developments have low impacts on the environment and natural habitats surrounding them. We are mindful that protecting habitats is important for not only enhancing the beauty and environmental quality of our communities, but also for preserving natural resources and maintaining the biodiversity of local species. We ensure that all of our impacts are in full compliance with the U.S. Army Corps of Engineers permitting process as well as any site-specific regulations.

REDEVELOPMENT AND REVITALIZATION

Given our land development expertise, we regularly look for opportunities to invest in redeveloped land and infill sites as a key element of our land investment strategy. Investing in redeveloped land and infill sites has many environmental and economic benefits, while also addressing housing shortages.

These developments transform previously vacant lots and commercial parcels into housing opportunities, reducing the pressure of developing on outlying natural spaces and safeguarding habitats from destructive activities. In addition, redeveloped land adds economic value to under-utilized areas and offers proximity to existing infrastructure and services.
Before

After
SoHay Community Spotlight

SoHay is one of our redevelopment and infill communities that has revitalized a neighborhood in Hayward, California, in the San Francisco Bay Area. The community was developed on a series of properties totaling approximately 25 acres that had been left under-utilized and largely vacant following an abandoned 1960s-era highway project.

Through significant land redevelopment and remediation, as well as meaningful collaboration with the city council and neighborhood leaders, the project transformed the land into a cohesive and vibrant transit-oriented, high-density residential neighborhood, parkland, and retail space that added much-needed housing and commercial activity to the area.
REVITALIZING UNDER-UTILIZED LAND

The majority of the land had previously been owned by the California Department of Transportation for a freeway expansion project dating back to the early 1960s that had been abandoned for more than 50 years. In the decades that followed, the land fell largely into disrepair with significant blight.

We approached the city in 2015 with a proposal to develop a mixed-use property that would help revitalize the area by combining more than 20 segregated parcels into a cohesive and vibrant neighborhood.

RESPONSIBLE ENVIRONMENTAL STEWARDSHIP

Prior to acquiring the property, we performed both Phase 1 and Phase 2 environmental investigation studies to determine the extent of existing contaminants, if any, and followed recommendations made in those studies during development and construction of the project.

NEW HOUSING INVENTORY AND AFFORDABLE UNITS

Providing much-needed housing supply to the Bay Area, SoHay includes 472 multi-family for-sale townhome-style condos and for-rent apartments.

Nearly 50 units are either sold or leased at below-market rates to provide affordable housing options for low- and moderate-income households.

To optimize the infill community’s space and the area’s needs, SoHay was designed with approximately 18 homes per acre to provide high-density housing.

TRANSIT-ORIENTED INFILL DEVELOPMENT

SoHay is within walking distance of a Bay Area Rapid Transit station and was designed to promote the use of public transportation and other energy efficient commuting options to minimize greenhouse gas emissions.

All for-sale units are provided with a subsidized annual public transportation pass. In addition, we incorporated ample storage for bicycles and coupons for annual bicycle maintenance services, and electric vehicle charging stations, car share parking.

Hayward is a relatively affordable submarket in the San Francisco Bay Area and provides close proximity to job centers in Silicon Valley and Fremont.

Our SoHay community embodies many of our sustainability values, including:
We used energy-efficient building materials and all of the for-sale units were built with solar panels, in accordance with California regulations.

Through a year-long engagement process, we collaborated with neighborhood groups, city and municipal leaders, and local residents to understand the area’s needs and incorporate their feedback into the community design.

Retail space was a priority among community stakeholders, and we are proud we were able to incorporate more than 20,000 square feet of commercial space to bring new businesses and services to the neighborhood.

Some of the funds received by the city for the property sales were used by to improve homelessness services.

Our TM LiveWell suite of upgraded healthy living products, including advanced air and water filtration and cleaner paint options, is provided standard in all of the for-sale units.

By using drip irrigation and low-water usage planting palette, we estimate the park saves over 367,000 gallons of water per year.

The park includes basketball courts, play spaces, dog parks, walking paths, and open spaces.
At Taylor Morrison, we believe effective corporate governance is critical to our ability to create long-term value for our shareholders. At every level of the organization, from our Board of Directors to our field operations, we are committed to transparency and accountability.

Board Independence and Diversity

Our Board of Directors is led by our Chairman and CEO, Sheryl Palmer, who brings more than 30 years of cross-functional homebuilding experience to her position, including leadership in land acquisition, sales and marketing, development, and operations management.

We believe having a combined chairman and CEO, an independent Lead Director and Board committees composed entirely of independent directors currently provides the optimal leadership structure for Taylor Morrison. Along with other robust corporate governance practices, this structure provides strong independent oversight of management while promoting effective execution of our strategy.

<table>
<thead>
<tr>
<th>DIRECTOR ATTRIBUTES AND EXPERIENCE</th>
<th>LANE</th>
<th>LYON</th>
<th>MARIUCCI</th>
<th>MERRITT</th>
<th>OWEN</th>
<th>PALMER</th>
<th>WARREN</th>
<th>YIP</th>
<th>TOTAL*</th>
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<tr>
<td>Executive Leadership</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>Public Company Board Experience</td>
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<td>✓</td>
<td>50%</td>
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<tr>
<td>Marketing / Sales</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>50%</td>
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<tr>
<td>Diverse</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>63%</td>
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<td>Tenure</td>
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<td>8</td>
<td>9</td>
<td>4</td>
<td>15</td>
<td>4</td>
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<tr>
<td>Age</td>
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<td>48</td>
<td>64</td>
<td>67</td>
<td>56</td>
<td>60</td>
<td>58</td>
<td>39</td>
<td>56 Years</td>
</tr>
</tbody>
</table>

* Board statistics are provided with respect to the eight Board members nominated for re-election at our 2022 Annual Meeting of Stockholders.
The Nominating and Governance Committee seeks candidates from diverse professional and personal backgrounds who combine a broad spectrum of experience and expertise with a reputation for integrity.

Including our Chairman and CEO, our Board is comprised of four female directors, which represents the highest female representation on a Board in our industry. Additionally, a majority of our Board is diverse as determined by gender and ethnicity.

Reinforcing its long-standing commitment to diversity, in 2021, the Board amended our Corporate Governance Guidelines to reflect a policy to consider candidates who are diverse in terms of race, ethnicity, and/or gender when searching to fill a vacancy on the Board.

We also believe that diversity with respect to tenure is important to provide for both fresh perspectives and deep experience and knowledge of the company. Therefore, we aim to maintain an appropriate balance of tenure across our directors. The Board has appointed six new directors since 2018.

We have adopted and implemented charters, policies, procedures and controls that we believe promote and enhance corporate governance, accountability and responsibility and create a culture of honesty and integrity at our company.

Our commitment to strong governance practices includes:

- Annual election of directors with a majority voting standard in uncontested directors
- Independent Lead Director
- All directors are independent except for our CEO
- Director mandatory retirement age (age 72)
- Annual Board and committee self-evaluations
- Independent directors meet regularly without management
- Commitment to a diverse director candidate pool
- No stockholder rights plan, also referred to as a “poison pill”
- Director over-boarding policy
- Single class of voting stock
Our commitment to sustainability begins with our Board of Directors. The Board regularly reviews and discusses the Company’s ESG risk management, initiatives, and policies, including communications with employees, investors, and other stakeholders with respect to ESG matters. The Board is fully committed to our ESG strategy and advancing areas where we can deepen our engagement.

Our **ESG Steering Committee** was established to lead ESG initiatives across the Company and is comprised of our CEO, Chief Legal Officer and Vice President of Investor Relations. It meets at least quarterly and briefs the Nominating and Governance Committee periodically on our ESG strategy. The Nominating and Governance Committee provides a report to the full Board on ESG strategy and progress at least biannually or as needed.

Implementation of our ESG initiatives are carried out by our **ESG Working Groups**, which consist of cross-functional business leaders and are organized by a focus on Environmental, Social and Governance topics.
ENTERPRISE RISK MANAGEMENT

Our ERM Committee, which consists of our most senior leaders, meets at least quarterly and prepares, presents, and discusses an ERM report with the Audit Committee on a quarterly basis. The Audit Committee Chair provides a report to the full Board on ERM risks and mitigation measures on a quarterly basis.

Our ERM Committee identifies and assesses all key company risks and monitors risk mitigation efforts. A key focus for the ERM Committee is regulatory risk, with our legal department overseeing the implementation of regulatory reform throughout the company and monitoring proposed regulation at federal, state, and local levels.

Our Vice President of Risk Management performs internal risk assessments, health and safety audits, and oversees the procurement of insurance coverage. The role also oversees the insurance requirements of trade partners, our safety protocols, and our surety program, which includes performance bonds and subdivision improvement agreements with municipalities.

We have a captive insurance company domiciled in Vermont and an in-house insurance agency licensed in all states in which we operate that offers homeowners’ insurance and other products to our customers.

CLIMATE RISK MANAGEMENT

We are aware of the increasing impact of climate change and other environmental-related risks. We are committed to continuing to evaluate and evolve our understanding of the increasing impact of these risks on our business, our communities, our customers, and homeowners.

Our Portfolio Investment Committee (PIC) reviews all land acquisitions and the environmental impact of each project as part of our acquisition due diligence process. For instance, the PIC considers Phase 1 environmental site assessments (ESAs), wetland impacts and mitigation strategies, and 404 permitting requirements under the Clean Water Act. As a precaution, we do not purchase land or build homes located in floodplains or coastal regions, which are prone to weather risks and complications associated with rising sea levels and climate change. However, on rare occasions, we acquire land that may include areas designated by the U.S. Federal Emergency Management Agency (FEMA) as special flood hazard areas. In those cases, we typically work with FEMA, prepare grading and drainage studies, and make necessary improvements to obtain a Letter of Map Revision and an update to the Flood Insurance Rate Map to remove the property from the flood plain before we proceed with home construction and closings.

All of our environmental due diligence processes begin with a Phase I Environmental Assessment and Geotechnical Report to evaluate the land and identify any potential liabilities. If there are any areas of concern, the sites will also undergo a Phase II Environmental Assessment.
ENVIRONMENTAL RISK MANAGEMENT

We have a robust company-wide Storm Water Pollution Prevention Program (SWPPP) that includes management oversight of all construction sites, team member training, and inspections beyond the routine inspections required by permits.

Our SWPPP includes the following policies:

• Dedicated and trained storm water compliance representatives at the site, division, and corporate levels
• Pre-construction inspections at all new sites to ensure that permits are obtained, storm water pollution prevention plans are developed, and adequate storm water controls are in place
• Management oversight inspections at every site each quarter
• Compliance training program for all construction team members
• Annual submission of compliance reports to the EPA

In addition, we continually optimize and refine our floorplan designs to increase efficiency and reduce overall waste on our construction sites, which minimizes our environmental footprint.
We are committed to acting responsibly in all actions that involve the health, safety, and well-being of our team members, homebuyers, trade contractors, the public, and the environment. Injury prevention and on-site safety measures are top priorities for all Taylor Morrison team members.

Our Safety, Health, and Environmental Program (SHE) is a framework to manage injury and illness prevention company-wide on both the corporate and division levels.

Our Risk Management team, led by our Vice President of Risk Management, is responsible for implementing the provisions of the SHE Program across the organization.

The SHE program is aligned with relevant provisions of the Federal Occupational Safety and Health Administration (FedOSHA); relevant Federal regulations including, Code of Federal Regulations (CFR), Part 1910 and 1926 (as amended); relevant American National Standards Institute (ANSI) standards; and all other applicable national, state, regional, and local laws and ordinances as they may apply to Taylor Morrison’s operations.

Our commitment to workplace safety includes the following best practices:

- Every team member is assigned annual mandatory online health and safety training.
- Third-party health and safety audits are conducted twice a year at each of our divisions, with a focus on site conditions, subcontractor compliance and resident protections. Performance is a component of our discretionary compensation programs and is a factor in our divisions’ overall performance ratings.
- Construction superintendents host tool-box safety talks with our trade partners in the field to heighten day-to-day awareness of topical safety and health-related matters.
- Health and safety performance is a key element in our annual TM Cup Competition.
- Health and Safety scorecard is reported to our Board of Directors on a quarterly basis.
Our COVID-19 task force, comprised of senior leaders across the organization, continues to lead our response to the pandemic, including compliance with regulatory ordinances.

Strict safety protocols, including mask requirements, symptom checks prior to entering a building, regular cleaning and sanitation and social distance requirements, helped to keep our team members and customers safe and healthy.

Throughout last year, our team members were also required to complete a daily Health Certification to ensure they were not experiencing COVID-19 symptoms prior to entering our offices.

As the pandemic has evolved, we have strived to keep our team members well informed with science-based, accurate information. Our daily Huddles provided daily check-in opportunities with our team members to reinforce safety protocols and share timely updates. We also hosted a company-wide webinar with a leading Professor of Medicine and Pathology to provide an opportunity for learning from a respected, unbiased source.

Looking ahead, as the pandemic enters its third year, we are cautiously implementing our new return-to-work protocol for all our departments. Our plan prioritizes the safety and well-being of our team members while appreciating the unmatched value of in-person collaboration and team building.
Vendor Management

CODE OF CONDUCT

We expect our vendors, contractors, and anyone performing business on our behalf to follow our compliance and ethics policies and standards. Vendor ESG expectations are laid out in our **Vendor Code of Conduct**, including our requirements for fair wages, collective bargaining, data privacy, environmental management, and other key focus areas. We have active communication and recognition mechanisms to facilitate a productive working relationship with our vendors.

We are actively looking to diversify our supplier base with minority-owned businesses where it aligns with our business objectives.

We evaluate each vendor from the onset of the business relationship on security, safety, liability, and existing or potential risk. We have a zero-tolerance policy for illegal activities and will terminate a supplier relationship if they are in violation of our Vendor Code of Conduct.

Our vendor and trade management process is overseen by our corporate Vice President of National Purchasing who works closely with the Purchasing leaders in each of our Divisions. By centralizing decisions at senior levels of the organization, we ensure greater quality control and cost management.

HUMAN RIGHTS

We prohibit the use of all forms of forced labor in our supply chain. We are opposed to slavery, human trafficking, and child labor and are committed to complying with applicable laws prohibiting such exploitation. More information on our commitment to human rights is available in our **Human Rights Policy Statement**.

Taylor Morrison supports the principles outlined in the United Nations’ Universal Declaration of Human Rights (UDHR) and Guiding Principles on Business and Human Rights. We are committed to upholding responsible human rights practices in all of our business activities per the International Bill of Human Rights and the International Labour Organization’s (ILO) Declaration on Fundamental Principles and Rights at Work.

Vendor Code of Conduct: [taylrm.sn/3j2wV5Q]

Human Rights Policy Statement: [taylrm.sn/3uVjv13]
Doing business with high integrity is our highest priority and deeply embedded into our culture. Our Code of Conduct and Ethics has been approved by our Board of Directors and applies to all employees and contractors.

Our expectations are established upfront during our onboarding process and reiterated frequently by management. To ensure consistent compliance, we conduct internal and external audits of our ethics policies and practices on a quarterly basis.

Team members are encouraged to voice issues or concerns without fear of retaliation. Our secure Ethics Hotline is anonymous and is directly accessible on our company website and across our offices. Issues are reported directly to the Company’s Chief Legal Officer and the Audit Committee. All reported issues are investigated and resolved as expeditiously as possible, typically within several business days.

We strive to treat all customers fairly and have stringent requirements to ensure transparent and direct communication. Our advertising and marketing materials are subject to a rigorous review process to ensure our practices are free of misleading or deceptive materials and comply with all regulatory requirements.

As we coordinate shared interests with our competitors such as regulatory awareness and joint ventures, we avoid discussion of topics that could potentially violate anti-trust or other competition laws. We respect the intellectual property and proprietary information of others and promote fair and ethical market competition.

We are a U.S.-only business, currently operating in 11 states. We have a robust anti-corruption and anti-bribery policy as part of our Code of Conduct, which also includes a policy addressing conflicts of interest. We comply with anti-corruption laws wherever we conduct business.

Our Conflict of Interest policy addresses personal relationships, related persons transactions, investments, other employment and disclosure requirements. We have not had any legal proceedings or monetary losses related to bribery or corruption.
We maintain an information security program that endeavors to protect the integrity, confidentiality and availability of the company’s information assets and to protect customer and consumer data.

We comply with federal customer privacy and data security regulations as well as state-level requirements such as the California Consumer Privacy Act (CCPA), which went into effect in early 2020.

We have a standing Data Privacy Committee consisting of a senior member of our legal team, our Chief Information Officer, the Head of our Internal Audit Group, our Chief Customer Officer, and representatives from our marketing department, among others. The Data Privacy Committee meets regularly to evaluate compliance with existing and emerging regulatory requirements with a view to ensuring that we meet our commitments to keeping our employees’ and customers’ data secure. Our Chief Information Officer reports to our Board of Directors at least twice annually.

- We follow the NIST framework and conform to the expectations outlined by SOC 1 and SOC 2.
- Our IT team monitors security risk and performs tabletop exercises every year to test our processes.
- We retained an experienced company that can assist us in the event of a serious breach and have a detailed escalation plan that is reviewed annually.
- Our Chief Information Officer is a member of a leading Cybersecurity Council and is active in sharing best practices.
- Employees complete an annual required training on cybersecurity and safety.
- We issue periodic phishing tests that are designed to catch employee vulnerabilities and educate team members on phishing and malware.
- Financial Services uses advanced data protocols to protect sensitive consumer data.
Public Policy

We are involved in public policy advocacy at the federal, state, and local levels. Because the very nature of our product relates to homeownership, and affordable housing, we are aligned with those organizations whose missions are to expand in a responsible and prudent manner; however, we may not agree with every position taken by such organizations.

Taylor Morrison’s Building Strong Business Political Action Committee (PAC) was organized to support political candidates who support affordable housing. Our Chairman and CEO, Sheryl Palmer, chairs the PAC’s Executive Committee, which consists of four additional executive officers and approves every PAC donation based on a determination of alignment with the PAC objective and evaluation of the character and background of each candidate. In 2021, at the request of the Board of Directors, we enhanced this review process to further strengthen our candidate vetting process.

The PAC Board consists of the Executive Committee and all division presidents. The PAC Board meets biannually and a detailed report of all donations is discussed. In addition, the Audit Committee and full Board receive a biannual report on PAC donations. The PAC is subject to stringent federal and state regulatory and reporting requirements to ensure that PAC donations are transparent and publicly available.

Participation in the PAC by our team members is completely voluntary and subject to numerous regulatory standards. PAC members receive an annual report from division presidents on PAC donations and the PAC responds to inquiries about donations to any PAC member. PAC members can discontinue contributions at any time without retribution. Over 75 percent of all PAC donations are made to state and local candidates and other industry-related PACs. For every dollar contributed to the PAC by employees, the Company matches dollar-for-dollar with a charitable contribution to the Taylor Morrison Home Foundation.

THE NATIONAL ASSOCIATION OF HOME BUILDERS

Taylor Morrison is a member of the National Association of Home Builders (NAHB), a federation of more than 700 state and local associations that represents more than 140,000 members, of which one-third are home builders and remodelers. Taylor Morrison supports the work of the NAHB Federation to ensure that housing is a national priority and that all Americans have access to high-quality and affordable housing.

LOCAL BUILDING INDUSTRY ASSOCIATIONS

Taylor Morrison is a member of local Building Industry Associations in every state in which we operate. Through our membership in the local associations, we advocate solutions to promote high-quality affordable housing.
The member companies of Leading Builders of America (LBA) include many of the largest homebuilding companies in North America and play a critical role in our nation’s economy. As a member of the group, Taylor Morrison supports the LBA’s purpose to support homeownership for American families by carefully evaluating the public policy dialogue at the federal and state level and becoming actively engaged in regulatory issues that have the potential to impact homeownership in the U.S.
According to the SASB Industry Level Materiality Map, the following categories are “the most likely material issues for companies” in the homebuilding industry. The below table references accounting metrics within this report and other sources.

### Sustainability Accounting Standards Board (SASB)

<table>
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<tr>
<th></th>
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<th></th>
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<tbody>
<tr>
<td></td>
<td>IF-HB-160a.1</td>
<td>Number of lots delivered on redevelopment sites</td>
<td>1,458</td>
<td>2,043</td>
<td>2,153</td>
<td>959</td>
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<td>IF-HB-160a.1</td>
<td>Number of homes delivered on redevelopment sites</td>
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<td>1,922</td>
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<td>Land Use and Ecological Impacts</td>
<td>IF-HB-160a.2</td>
<td>Number of lots delivered in regions with High or Extremely High Baseline Water Stress</td>
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<td>1,785</td>
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<td>IF-HB-160a.2</td>
<td>Number of homes delivered in regions with High or Extremely High Baseline Water Stress</td>
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<td>2,510</td>
<td>3,415</td>
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<td>IF-HB-160a.3</td>
<td>Total amount of monetary losses as a result of legal proceedings associated with environmental regulations</td>
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<td>Workforce Health and Safety</td>
<td>IF-HB-160a.4</td>
<td>Discussion of process to integrate environmental considerations into site selection, site design, and site development and construction</td>
<td>Land Use Practices and Redevelopment Safeguarding the Environment with the National Wildlife Federation</td>
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<td>IF-HB-320a.1</td>
<td>Total recordable incident rate (TRIR) for direct employees</td>
<td>0.295</td>
<td>0.354</td>
<td>0.170</td>
<td>0.332</td>
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<td>IF-HB-320a.1</td>
<td>Total number of incidents for direct employees</td>
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<td>8</td>
<td>4</td>
<td>7</td>
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<tr>
<td></td>
<td>IF-HB-320a.1</td>
<td>Total recordable incident rate (TRIR) for contract employees</td>
<td>0.070</td>
<td>0.084</td>
<td>0.060</td>
<td>0.096</td>
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<td>IF-HB-320a.1</td>
<td>Total number of incidents for contract employees</td>
<td>8</td>
<td>11</td>
<td>13</td>
<td>21</td>
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<td></td>
<td>IF-HB-320a.1</td>
<td>Total recordable fatality rate for direct employees</td>
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<td>IF-HB-320a.1</td>
<td>Total recordable fatality rate for contract employees</td>
<td>Not reported</td>
<td>0</td>
<td>1</td>
<td>0</td>
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<tr>
<td>------------</td>
<td>------</td>
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</tr>
<tr>
<td>Design for Resource Efficiency</td>
<td>IF-HB-410a.1</td>
<td>Number of homes that obtained a certified HERS® Index Score</td>
<td>6,453</td>
<td>7,262</td>
<td>7,061</td>
<td>7,819</td>
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<tr>
<td></td>
<td></td>
<td>Average HERS® Index Score</td>
<td>67</td>
<td>59</td>
<td>63</td>
<td>60</td>
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<tr>
<td></td>
<td>IF-HB-410a.2</td>
<td>Percentage of installed water fixtures certified to WaterSense® specifications (in participating divisions)</td>
<td>81%</td>
<td>86%</td>
<td>87%</td>
<td>74%</td>
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<tr>
<td></td>
<td>IF-HB-410a.3</td>
<td>Number of homes delivered certified to a third-party multi-attribute green building standard (i.e. ENERGY STAR®, LEED)</td>
<td>2,920</td>
<td>2,850</td>
<td>3,134</td>
<td>4,629</td>
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<tr>
<td></td>
<td>IF-HB-410a.4</td>
<td>Description of risks and opportunities related to incorporating resource efficiency into home design, and how benefits are communicated to customers</td>
<td>Green Building and Energy Efficiency</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Community Impacts of New Developments</td>
<td>IF-HB-410b.1</td>
<td>Description of how proximity and access to infrastructure, services, and economic centers affect site selection and development decisions</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>IF-HB-410b.2</td>
<td>Number of lots delivered on infill sites</td>
<td>1,628</td>
<td>1,732</td>
<td>924</td>
<td>1,069</td>
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<tr>
<td></td>
<td></td>
<td>Number of homes delivered on infill sites</td>
<td>1,427</td>
<td>1,225</td>
<td>1,927</td>
<td>1,117</td>
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<tr>
<td></td>
<td>IF-HB-410b.3</td>
<td>Number of homes delivered in compact developments</td>
<td>446</td>
<td>550</td>
<td>978</td>
<td>715</td>
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<tr>
<td></td>
<td></td>
<td>Average density of compact developments (DU/acre)</td>
<td>8.2</td>
<td>7.2</td>
<td>10.1</td>
<td>13.2</td>
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<tr>
<td>Climate Change Adaptation</td>
<td>IF-HB-420a.1</td>
<td>Number of lots located in 100-year flood zones</td>
<td>83</td>
<td>310</td>
<td>797</td>
<td>32</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of homes delivered in 100-year flood zones</td>
<td>67</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td></td>
<td>IF-HB-420a.2</td>
<td>Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks</td>
<td>Climate Risk Management</td>
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<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Environmental Risk Management</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Activity Metrics</td>
<td>IF-HB-000.A</td>
<td>Number of controlled lots (Owned and controlled)</td>
<td>56,840</td>
<td>53,879</td>
<td>75,284</td>
<td>82,073</td>
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<tr>
<td></td>
<td>IF-HB-000.B</td>
<td>Number of homes delivered</td>
<td>8,760</td>
<td>9,964</td>
<td>12,524</td>
<td>13,699</td>
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<tr>
<td></td>
<td>IF-HB-000.C</td>
<td>Number of average active selling communities</td>
<td>307</td>
<td>351</td>
<td>386</td>
<td>334</td>
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</tbody>
</table>

1Includes commercial assets
2Home closings (units)
### Global Reporting Initiative (GRI) Disclosures

<table>
<thead>
<tr>
<th>Topic</th>
<th>Metric</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Energy</strong></td>
<td># of ENERGY STAR® Appliances installed</td>
<td>16,346</td>
<td>18,226</td>
<td>30,417</td>
<td>36,297</td>
</tr>
<tr>
<td></td>
<td># of homes with Solar installed</td>
<td>81</td>
<td>33</td>
<td>696</td>
<td>1,685</td>
</tr>
<tr>
<td></td>
<td># of Zero Net Energy homes¹</td>
<td>7</td>
<td>16</td>
<td>163</td>
<td>2,106</td>
</tr>
<tr>
<td></td>
<td># of homes with smart/learning thermostats</td>
<td>Not reported</td>
<td>5,403</td>
<td>8,150</td>
<td>12,346</td>
</tr>
<tr>
<td><strong>Biodiversity</strong></td>
<td># of acres of preserve or open space dedicated</td>
<td>1,675</td>
<td>2,413</td>
<td>4,133</td>
<td>2,708</td>
</tr>
<tr>
<td></td>
<td># of acres owned, controlled, or managed in or adjacent to protected areas and areas of high biodiversity value</td>
<td>8,113</td>
<td>10,060</td>
<td>12,435</td>
<td>13,923</td>
</tr>
<tr>
<td></td>
<td># of acres of habitat protected or restored</td>
<td>209</td>
<td>685</td>
<td>3,035</td>
<td>2,793</td>
</tr>
<tr>
<td><strong>Waste Reduction and Recycling</strong></td>
<td># of divisions incorporating recycling into their standard job site processes</td>
<td>11</td>
<td>10</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>% of communities in participating divisions incorporating recycling into their standard job site processes</td>
<td>100%</td>
<td>81%</td>
<td>91%</td>
<td>82%</td>
</tr>
<tr>
<td></td>
<td>Recycling sorted (cubic yards)</td>
<td>492,630</td>
<td>845,784</td>
<td>551,313</td>
<td>748,390</td>
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<td><strong>Community Impacts</strong></td>
<td>School related fees paid</td>
<td>$11,364,055</td>
<td>$23,822,505</td>
<td>$16,546,413</td>
<td>$34,884,431</td>
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<td></td>
<td># of Below Market Rate (BMR) affordable homes delivered</td>
<td>9</td>
<td>16</td>
<td>15</td>
<td>24</td>
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</tbody>
</table>

¹ Under the California Long-Term Energy Efficiency Strategy Plan, all new residential buildings in California were required to be Zero Net Energy (ZNE) by 2020. At Taylor Morrison, we began ZNE home construction in 2017.
<table>
<thead>
<tr>
<th>Goal</th>
<th>Name</th>
<th>Full Description</th>
<th>Target TMHC is Aligned With</th>
<th>Report Section(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Quality Education</td>
<td>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</td>
<td>4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university</td>
<td>Training and Development Sustainable and Accessible Homeownership</td>
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<tr>
<td>5</td>
<td>Gender Equality</td>
<td>Achieve gender equality and empower all women and girls</td>
<td>5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life</td>
<td>Diversity, Equity, and Inclusion</td>
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<td>8</td>
<td>Decent Work and Economic Growth</td>
<td>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</td>
<td>8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</td>
<td>Training and Development Community Engagement and Philanthropy Sustainable and Accessible Homeownership</td>
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<tr>
<td>9</td>
<td>Industry, Innovation, and Infrastructure</td>
<td>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</td>
<td>9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</td>
<td>Superior Construction Quality Land Use Practices and Redevelopment Embracing Digital Innovation</td>
</tr>
<tr>
<td>11</td>
<td>Sustainable Cities and Communities</td>
<td>Make cities and human settlements inclusive, safe, resilient and sustainable</td>
<td>11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums 11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management 11.7 By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities</td>
<td>Safeguarding the Environment with the National Wildlife Federation Land Use Practices and Redevelopment Sustainable and Accessible Homeownership Health and Safety</td>
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| 12   | Responsible Consumption and Production | Ensure sustainable consumption and production patterns | 12.2 By 2030, achieve the sustainable management and efficient use of natural resources  
12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment  
12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse | Green Building and Energy Efficiency  
Vendor Management  
Environmental Risk Management |
| 13   | Climate Action | Take urgent action to combat climate change and its impacts | 13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries | Climate Risk Management  
Environmental Risk Management |
| 14   | Life Below Water | Conserve and sustainably use the oceans, seas and marine resources for sustainable development | 14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution  
14.5 By 2020, conserve at least 10 per cent of coastal and marine areas, consistent with national and international law and based on the best available scientific information | Environmental Risk Management |
| 15   | Life on Land | Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss | 15.1 By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements | Safeguarding the Environment with the National Wildlife Federation  
Land Use Practices and Redevelopment |
| 16   | Peace, Justice and Strong Institutions | Access to justice for all, and building effective, accountable institutions at all levels | 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels | Diversity, Equity, and Inclusion  
Board Independence and Diversity  
Public Policy |
Esplanade at Azario in Naples has 1,000 acres of natural preserves, lakes, wetlands, and walking trails. It includes National Wildlife Federation Certified Wildlife Habitat™ with an impressive monarch butterfly demonstration garden and nature trail, offering residents tremendous birding and wildlife viewing opportunities.

This ESG Report may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. You can identify these statements by the fact that they do not relate to matters of a strictly factual or historical nature and generally discuss or relate to forecasts, estimates or other expectations regarding future events. Generally, the words “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “may,” “will,” “can,” “could,” “might,” “should” and similar expressions identify forward-looking statements, including statements related to expected financial, operating and performance results, planned transactions, planned objectives of management, future developments or conditions in the industries in which we participate and other trends, developments and uncertainties that may affect our business in the future. Such forward-looking statements are subject to various risks, uncertainties and assumptions. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements including, but not limited to, global socio-demographic and economic trends, energy prices, technological innovations, climate-related conditions and weather events, insurance applicability, legislative and regulatory changes, and other unforeseen events or conditions, and those described under the section entitled “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2021, as such factors may be updated from time to time in our periodic filings with the SEC, which are accessible on the SEC’s website at www.sec.gov. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this ESG Report and in our filings with the SEC. We undertake no obligation to publicly update or review any forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by applicable law.